



THINKING OF RETIRING?



Pacific Mountain Region – The United Church of Canada
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Pacific Mountain Region Pension and Benefits Committee

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The Role of the Pacific Mountain Region Pensions Committee

- a) Where possible, convene the Region Pension and Group Insurance Committee.
- b) To present to the Region and to Pastoral Charges matters of current interest with respect to the pension and group insurance plans
- c) To report with respect to the work of the appropriate General Council Working Unit (MEPS).
- d) To take an active interest in the welfare of the members of the plans and the recipients of pensions living with the jurisdiction of the Region, and, where investigation discloses a need to do so, to make recommendations to the Regional minister for compassionate assistance.
- e) To arrange for and/or conduct an annual visitation of pensioners living within the jurisdiction of the Region.
- f) To report to the Region as to the observance of the regulations by any members of the plans or Pastoral Charges or other employers, and especially any who are six months or more in arrears with respect to payments to the plans.
- g) To assist the members of the plans with disability and retirement benefit applications, and to facilitate the Region procedures concerning postponement of retirement.
- h) To attend the annual meeting of the Pacific Mountain Region Pensions and Group Insurance Committee,
- i) To discharge other such duties as may be assigned.

Statement of Beliefs and Guiding Principles

To establish a strategic framework for the management and operation of the Pension Plan of The United Church of Canada and the related Fund (the Plan), the Executive of General Council in its role as Administrator of the Plan has adopted the following Beliefs and Guiding Principles on April 23, 2005, and October 31, 2005. While numbered for convenient reference, these statements are all of equal importance in the operation of the Plan.

General:

1. The church believes in taking a best practices approach to governance of the Plan, including (1) clear and documented allocation of responsibilities, (2) development and documentation of all key beliefs, guiding principles, and related policies, (3) proper reporting, oversight, and performance evaluation, (4) reviewing peer pension practices, and (5) obtaining advice from experts or delegation, as needed.
2. All beliefs, guiding principles, and related policies should be consistent with, and mutually supportive of, each other and be balanced and reasonable.
3. The Administrator and all its delegates must be guided by what is in the best interest of the Plan members and all investment and administrative activity. In matters relating to plan design and funding, the broader interest of the church and participating employers should also be considered.
4. All Plan-related activities will comply with legislation (e.g., Pension Benefits Act and Income Tax Act), church policies (e.g., relevant human resources and compensation policies), and Pension Board policies (e.g., plan design, funding, Statement of Investment Policies & Procedures).
5. All Plan-related activities will be based on honesty and understanding and on transparency and full disclosure where relevant and appropriate.

Plan Design

6. The design of the Plan should reflect that saving for retirement is a shared responsibility and is dependent on government, employer and individual saving initiatives (the three legged stool).
7. Saving for retirement using the church's Plan should occur over the course of an employee's service with pastoral charges and other participating employers.
8. Plan members should be encouraged to plan for their retirement income.
9. The Plan must be affordable to pastoral charges, other participating employers, and members. The pastoral charges and other participating employers should pay the greater share.
10. Market risk should be borne by the pastoral charges and other participating employers.
11. The Plan should provide a life-time retirement income for the member, protection for surviving spouses and beneficiaries, and benefits of relatively equal value to members with or without a spouse.
12. Age 65 is appropriate for the normal retirement date.
13. A member who retires at the normal retirement date with 35 or more years of credited service in the Plan with an average earnings history should have an adequate level of retirement income from all sources.

14. Subject to reasonable minimum age and/or service criteria, members should be able to retire earlier than the normal retirement date, with limited additional cost to the Plan as a general rule. However, the Plan should retain the flexibility to provide program enhancements such as the current unreduced pension upon retirement at or above age 60 with 35 years of credited service, or special early retirement windows.
15. If a member continues employment with a pastoral charge or other participating employer beyond the normal retirement date, the member should be able to defer pension commencement beyond the normal retirement date on an equitable cost basis.
16. Retirement income from the Plan should maintain its real value over the long term subject to available funding.
17. Accrued benefits belong to members from the date of enrolment in the Plan

Funding

18. Funding levels must ensure a high level of certainty regarding the security of benefits under the Plan.
19. Contributions from the pastoral charges, other participating employers, and members should be stable and predictable.
20. The funding mechanisms used for the Plan must be tax effective.
21. Funding of the Plan, including actuarial assumptions and methods, should assume that the Plan will remain a going concern.
22. Plan documentation and legislation enable surplus to be applied to meet contribution obligations of the pastoral charges, other participating employers, and members, but otherwise require surplus to be used for the exclusive benefit of the members; however, members do not have any unilateral rights to access surplus while the Plan is ongoing or to force a wind-up Plan.
23. Cost-effectiveness in spending and efficiency in operations will guide utilization of the Fund assets and church resources in Plan-related activities.
24. Equity among the membership generations is desirable in terms of contribution levels and allocation of surplus to fund future benefit upgrades or Plan improvements.

Investment

25. Investment markets provide opportunities to produce a real rate of return and inflation component.
26. Investment-grade conventional bonds and conventional mortgages provide a measure of certainty for the Fund's ability to pay future plan benefits, since these securities have guaranteed periodic investment income and guaranteed principal values at their maturity
27. Asset classes like equities, real estate, real return bonds, and real return mortgages are likely to offer better inflation protection than conventional bonds and conventional mortgages.
28. A. Investment in equities offers the potential for higher total investment returns over the long term than would be the case if the Fund invested solely in conventional bonds and conventional mortgages, enabling lower contributions to fund Plan's anticipated benefits.

B. The risk from equities not having guaranteed periodic investment income and guaranteed maturity values and dates is adequately compensated for by the higher expected return over the long term.

29. Investment in established foreign capital markets offers the potential for higher total investment returns over the long term than if the Fund were invested solely in Canadian investment vehicles, since the Canadian market capitalization is approximately 2% of world market capitalization in public companies and Canada does not provide access to many quality industries and companies.
30. Diversification reduces volatility.
31. Non-traditional investments may improve the total investment returns over the long term, but should be used only if they are fully understood, well proven in the market place, and priced appropriately.
32. It is important to avoid, whenever possible, having to sell a significant part of the portfolio in a bear market to meet the benefit payment obligation.
33. Socially responsible investment procedures can be employed provided there is reasonable assurance that the best long term interest of the members is being served.
34. Investment processes should be cost-effective, prudent, and provide value-added return.
35. Active management adds value in most asset classes over the long term. It is possible to manage a portfolio with considerably fewer holdings and different industry weightings than the benchmark index with the objective of adding value.
36. Indexed products can add value in certain asset classes and geographies by lowering costs, enhancing transactional ease, and/or increasing market exposure.
37. Derivatives such as options, swaps and hedges, and short-selling can add value by reducing various risks such as market risk, interest rate risk, credit risk, liquidity risk, and currency risk. Derivatives and short-selling should never be used for speculative purposes.¹

¹ [Pension Plan Statement of Beliefs and Guiding Principles](#)

Chapter 1 – Should I Retire?

Reaching Retirement

You can retire at age 65, retire early, or even postpone retirement. Whenever you are ready to retire please call the United Church Benefits Centre at 1-855-647-8222 to begin the process. Your United Church of Canada pension options will be calculated for you so you will see the monthly pension income provided for all the Pension options available to you. The United Church Benefits Centre will provide you with further information regarding your various retirement health benefits.

Once you've decided on your form of pension, return all appropriate forms and necessary banking information (for pension payments) to the United Church Benefits Centre (3) three months prior to your actual retirement date.

Pension payments are considered taxable income at the time you receive them. Income Tax will automatically be deducted from your pension payments.

Please note that if you continue working beyond age 65, your basic life insurance coverage will reduce to \$3,000 and any optional life insurance coverage(s) will terminate. Coverage under the short term disability program (for lay staff) also terminates at age 65 and coverage under the long term disability program ends at age 64.5.

Early Retirement

When Employment Ends after Age 55 but before Age 65

If you are 55 or more when you retire, you will not have the option to transfer your earned pension² out of the plan.

You can begin your pension immediately (with an early retirement reduction if applicable) or wait until you turn 65 or become eligible for an unreduced early pension when you reach "60 and 35"

Remember "60 and 35"

If you retire with 35 or more years of credited service, but before age 60, you will be eligible for an unreduced pension on the first of the month following the date you reach age 60.

Postpone Retirement

It may be possible to continue working after your Normal Retirement Date, you must retire no later than the December 1 of the year in which you attain age 71 years. This is according to the Canadian Pension Plan regulations. If you remain in the employ of your United Church employer and participate in the Plan for service beyond your Normal Retirement Date up to age 71, you will continue to earn benefits in the Plan.

Care and Oversight

Section I. 3.2.1 Manual: The region has responsibility for the oversight of ministry personnel. It fulfills the responsibilities for ministry personnel that have been assigned to it in these bylaws in this section (J. Oversight, Conflict Resolution, and Discipline) and under C. Region and I. Pastoral Relations.

² Only your excess contributions, if any will be available in cash

Retired Ministers who do not wish to maintain a relationship with Region need to go on the Discontinued Service List (voluntary).

New Policy regarding Retired Ministry Personnel

Our pastoral relations policy with respect to re-engaging retired ministry personnel must align with the terms of the pension plan, the Income Tax Act, and human rights legislation. To bring consistency and clarity about what a change “in status and function” means for those ministry personnel choosing to draw their pension (younger than 71 years old) and the pastoral relations process for ministry personnel who must draw their pension (by December 1 of the year they turn 71), the Executive of the General Council has adopted the following pastoral relations policy:

1. Definition: That a distinction be made between “retired pensioners” and “re-engaged pensioners.” “Retired pensioners” are those ministry personnel who are drawing their pension from the plan and are no longer serving in paid accountable positions. “Re-engaged pensioners” are those who are drawing their pension from the plan and are serving the church by way of appointment.
2. That with respect to those ministry personnel *choosing* to draw their pension,
 - a) there be a period of at least 13 continuous weeks between the effective date of the first pension payment and the date of entering into a subsequent appointment, and
 - b) there be no discussions or consideration of any return to work for that individual until after that ministry personnel’s retirement date, and even then only on terms and conditions that are substantially different from those terms that applied prior to retirement. Examples of “substantially different” include another pastoral charge, number of hours, or different responsibilities.
3. That with respect to those individuals who must draw their pension as required by the Income Tax Act, there be no change to the terms of call or appointment.

What This Means for Ministry Personnel

If you are drawing your pension to comply with the Income Tax Act and regulations (i.e. you are in your 71st year), you can remain in your call or appointment. Your deductions will change since you and your employer will no longer be contributing to the pension plan. Once you leave that call, you are eligible to accept an appointment as a re-engaged pensioner or to be a retired pensioner.

If you are choosing to draw your pension (before December 1 of the year which you turn 71), you may not remain in your call or appointment. You must demonstrate that your continuous service has ceased by not entering new employment with the United Church of Canada for at least 13 weeks. Following that break, you are eligible to accept an appointment as a re-engaged pensioner. Region/regional council or pastoral charge action related to that appointment cannot happen until after your retirement date. You will be asked to confirm that there is a break in your service when you apply for your pension.

Ministry personnel who are eligible only for appointment, not call, because they are drawing their pension must indicate this to the search committee or equivalent.

Appointment or Call

Section I. 3.2.2 Manual: Retired members of the order of ministry are eligible for appointment to a pastoral charge or other region accountable ministry

They are not eligible to accept a call unless they first are returned to active standing. (Manual I.1.2.2 b) They must apply to the Pacific Mountain Region through their region for active standing. The Pacific Mountain Region is responsible for making a decision on the application.

A member of the order of ministry returns to “active standing” when they resume making contributions to the United Church’s pension plan as they did before retirement.

To search for an appointment, you will need to use ChurchHub and follow the process outlined in Pastoral Relations: Ministry Personnel (https://www.united-church.ca/sites/default/files/pastoral-relations_ministry-personnel.pdf).

Your Pension Plan

To help you prepare for financial security in your retirement, The United Church of Canada provides a pension plan for its members. The United Church pension plan provides benefits to you based on:

- The Defined Benefit (DB) pension, which provides you with a pension benefit at retirement calculated according to the plan formula, which takes into account your years of Credited Service and your Total Adjusted Pensionable Earnings.

Credited Service

Credited Service represents the accumulated period of continuous active membership in the Plan, and is used to calculate a defined benefit. Members accrue one month of Credited Service for each month of employment in which they contribute.

Total Adjusted Pensionable Earnings

The sum total of Adjusted Pensionable Earnings, used to calculate the pension benefit³: This amount includes your historical earnings, increased according to the Plan’s most recent earnings adjustment schedule, and projected earnings based on your current annual salary rate and assumed salary rate increase percentage.

Participation

All employees working an average of at least 14 hours per week must participate in the plan. If an employee earns 25% of the YMPE or works 700 hours in 2 consecutive calendar years, they are eligible to participate in the plan, even if your hours fall below 14 hours per week.

Each Member is required to contribute 4% of their Pensionable Earnings.

Retiring Now? In a Few Months?ⁱ

Whether you’re retiring soon or in a few years, you have many important decisions to make before you retire.

The steps listed below describe what action you must take upon retiring from the United Church and beginning your pension:

- Call the United Church Benefits Centre at 1-855-647-8222 to begin the process to retire. You will need to confirm your intended last day of employment (your final day as an employee of The United Church of Canada) and the date you want to commence your pension (this should be the first day of the month immediately following your last day of employment).

³ The amount of taxed income you contributed during those months. This is referred to as your Total Adjusted Pensionable Earnings, or TAPE

- Download the [PR 443 Application to Receive Pension Benefit Payments](#) from the National Website and send a copy to ministryandemployment@united-church.ca and for ministry personnel please send a copy to bwolff@united-church.ca
- United Church Benefits Centre will mail you a retirement kit that details your various retirement options. Your United Church pension plan options will be calculated for you so you will see the monthly pension income provided for all the forms of payment available to you.
- After you review your pension options, discuss your choices with your family. You will need to consider all the sources of your income and your income needs each year after you start you pension. You may want to seek independent financial advice.
- Once you've decided on your pensions options, return all appropriate forms and necessary banking information (for pension payments) to the United Church Benefits Centre prior to your actual retirement date.
- Among the necessary forms to return, you will need to provide a copy of a valid proof of age (Passport, Driver's License, or Birth Certificate). If you elect a Joint and Survivor Pension, you must also provide a copy of a valid proof of age for your Spouse. Your pension payment will not commence until these documents are received. *Please note* that marriages occurring after retirement will not be eligible for spousal benefits.
- Your forms should be returned within 60 days upon receipt of the retirement package. The United Church Benefits Centre will contact the Pension Plan trustee for commencement of your pension benefit. If you do not return your forms at least 60 days before you pension is expected to start, it could delay payment of your pension.
- If you have been divorced, you will need to provide proof that your former spouse is not entitled to receive a portion of your pension. It is best to provide this information well before your retirement date.
- Pension payments are considered taxable income at the time you receive them. Income tax will automatically be deducted from your pension payments by the trustee.

Remember Your Government Benefits

Do not forget about government benefits. You must apply for your Canada Pension (CPP) benefits and Old Age Security (OAS) pension at least 6 months before you would like your benefits to begin. They do not start automatically.

The normal commencement age for CPP benefits is age 65; however, you can start as early as 60. If you begin receiving your pension at any age between 60 and 65, the amount of pension you receive will be reduced to reflect the fact that you are commencing your pension early and will be receiving it for longer period of time. Government benefit amounts are determined by Human Resources and Social Development Canada.

Government-sponsored pension income from CPP and OAS are considered taxable income. ⁴

^{4 4} All information regarding United Church Pensions and Benefits can be found at uccan-benefitscentre.ca you will need your I.D and PIN to log on.

U.S.A. Social Security and Canadian Social Insurance

Under The Agreement on Social Security between Canada and the United States, which came into force on August 1, 1984, workers moving between the United States and Canada are not required to pay both U.S. Social Security Tax and Canada Pension Plan (Quebec Pension Plan in Quebec). A totalization agreement requires workers moving between the two countries to pay into just one plan in any given year. It entitles them to benefits from both plans in accordance with their contributions and eligibility. For social insurance purposes, where such an agreement exists, a worker is only required to pay the social insurance tax in the country in which he or she resides.

For more information regarding The United Church Pension Plan please see Appendix 2 or visit united-church.ca and type in Pension plan in the search engine.

For more information or to download a Summary of your Health and Dental Benefits coverage please visit united-church.ca and type in Benefits for Pensioners in the search engine.

Chapter 2 - A New Lifestyle

Preparing to Retire

The Ministry and Employment Unit of The United Church of Canada offer an online Pre-retirement Seminar. In this presentation we cover:

- the basics of our pension plan such as its structure, and how the benefit is calculated.
- ancillary benefits of the pension plan, especially the Health and Dental coverage, and the different choices you will need to make at the time of retirement.
- the process to start your benefit payment such as when and where to apply.

Once you register for the pre-retirement seminar, you will receive a confirmation email. This email contains some links to resources that can assist you with your retirement planning.

This course will be offered online by Internet and toll-free telephone Pacific Mountain Region call. All you need is a computer with an Internet connection, and a telephone.

You can register at united-in-learning.com and click on Webinars and then Pre-Retirement Seminar.

Best Collegial Practices

There are no set guidelines for when to announce your retirement plans. Some ministers announce their retirement 1-3 years ahead. Others give less than a year's notice, but you are technically required to give 90 days notice.

You may want to end your pastoral relationship with a Celebration of your Ministry Service. This anticipated time of saying goodbye to the congregation and acknowledging that it is ending and a new era is beginning. After you retire it is important that you disengage from the Pastoral Charge, unless specifically invited by the incumbent minister.

Whether you are planning for your retirement or have already said your good-byes, one of the most important aspects of a successful retirement is to establish appropriate relationships with current ministers in a congregation you once served or may choose to attend. There are numerous resources available to assist with your transition, e.g. *Running Through the Thistles* by Roy M. Oswald.

A New Congregation

If you are a retired United Church minister seeking to attend a new congregation you did not serve in, it is important that you have a conversation with the minister concerning expectations and involvement. You may bring welcomed skills and talents or you and your partner may have special needs that the minister should know i.e. illness, financial difficulties, mobility, etc.

A Congregation You Served

If you are a retired United Church minister seeking to attend a congregation you previously served, it is **especially important** that you consult with the incumbent minister concerning expectations and the level of involvement both parties would be comfortable with. A covenant between former and settled ministers is one strategy that could be used.

It is recommended that former ministers do not attend the congregation in which they have just served for a specific length of time, at least one year. Often the former minister will stay away until the new minister is settled into the life of the church. It is a good idea to establish a covenant and wait for the time period designated, along with an invitation from the settled minister, to return. It is also

recommended that you review arrangements and understandings periodically as circumstances often change.

In the case of the settled minister's invitation for direct involvement (i.e. preaching, serving on a committee, etc.) you will need to determine if it is appropriate. It is wise to stay out of policy or governance issues. Remember your presence in the congregation should be agreed upon with your colleague and your presence could strengthen or hurt the health of the congregation.

It is the responsibility of the retired minister to establish and maintain healthy boundaries. It is recommended that the departing minister suspend all contact and participation during the period of an Interim Ministry, unless there is a letter of Agreement with the former minister and the Interim minister and it is the responsibility of both parties to make that agreement known to the congregation. There should be an understanding that the well-being of the congregation and the new ministry is of primary importance and the judgement of the Interim Minister shall prevail. If either party feels the covenant is not being maintained then the Region Pacific Mountain Region Minister or the Pacific Mountain Region Regional minister should be contacted.

Below is a check list of things to remember for departing ministers:

- a full departure for a specific time period, usually one year, after the Pastoral Relationship has ended.
- minimize your influence and presence with members of the congregation and other staff during this time of transition. Don't say "I'm not allowed" but rather indicate that you are declining in the interests of the pastoral charge and in support of the establishment of healthy pastoral relationship.
- no ministerial contact with congregation members or other staff until a covenant is made between you and the incumbent minister. Remember to define the nature and limits of your participation.
- it is a good plan to prepare the congregation to understand the dynamic of the ministers' relationship and how that might affect them, and that might mean an end to ties that family members have with the congregation.

Authorization to Solemnize Marriage

Once you have retired from active ministry, Pacific Mountain Region has a practice of not cancelling your marriage license for 1year after retiring.

The Pacific Mountain Region Marriage Policy⁵ states that the authority to solemnize marriages rests with the pastoral charge. Should you wish to have your marriage license renewed after that year, the Pacific Mountain Region Office requires you to:

1. Have an agreement with a Pastoral Charge giving you the authority to solemnize marriages, and;
 - First Time Application⁶: The Session with Governing Body (or equivalent) of the Pastoral Charge (or ministry) will seek the approval of the Region Executive, and then forward the request to the

⁵ For full copy of the Pacific Mountain Region Policy on Solemnizing marriages go to: <https://pacificmountain.ca/administration/forms/>

⁶ A new relationship that you are solemnizing marriages with the Pastoral Charge

Executive Secretary to request a license to solemnize marriages for a lay person or ministry personnel (not called or appointed to the Pastoral Charge) within its bounds.

- Yearly Renewal⁷: Have the Secretary of the Pastoral Charge fill out Section B of the [Authorization to Solemnize Marriage form](#) and forward to the Executive Secretary.

If you do not renew your marriage license please note that you can at any time apply for a one-day temporary license

Temporary one-day License

You must send in to the Pacific Mountain Region Office:

- Complete Section C or the [authorization to Solemnize marriage application form](#).
- Once completed send it in with:
 - i) Date of Marriage
 - ii) Location of Marriage
 - iii) A letter from the congregation in whose marriage register the wedding will be recorded.

Please note: The minister performing the marriage must request permission from the church closest to the site of the wedding for use of their register. Temporary Marriage licences will be issued by BC Vital Statistics no earlier than one month prior to the wedding.

Performing marriages outside Pacific Mountain Region

Each Pacific Mountain Region office does things a little bit differently and will let you know what they require from you, but the normal standard of practice is that along with their requirements they will request a letter of good standing from your home Office of Vocation Minister. You can request a letter of good standing to be sent on your behalf by contacting Brenda Fawkes at bfawkes@united-church.ca

Marriages outside of Canada

You will have to contact the denomination and find out from their governing body what their requirements are.

Marriage Registry Books

Section 25 of the Marriage Act of British Columbia requires that Religious Representatives shall register each marriage solemnized in a book kept for that purpose.

Marriage Registers are issued to a Church or jurisdiction and **not** to the Minister. One Register shall be issued to each church, congregation, parish or jurisdiction upon request of the Denomination Governing Authority.

Marriage Registers remain the property of British Columbia Vital Statistics Agency and are subject to audit or recall at any time by the Chief Executive Officer of Vital Statistics or his/her representative.

Minister Emeritus

The dictionary defines Emeritus as “retired or honorably discharged from active professional duty, but retaining the title of one’s office or position”.

⁷ You already have been solemnizing marriages with this pastoral charge and you are completing the yearly renewal

“Minister Emeritus” is a honorary title and position; there are no formal United Church of Canada rules about appointing someone as such or what expectations are regarding the position.

- A Minister Emeritus is expected to keep up-to-date on their mandatory training and completion of their annual declaration of no criminal charges through ChurchHub.

Things to consider:

- It is usually a title given to someone after retirement when they are no longer employed with a congregation. But it is not appropriate to offer the title if the minister is employed elsewhere.
- The congregation can decide whether to bestow this title and position; the congregation should consult with the Pacific Mountain Region Pastoral Relations Working Group to ensure they also agree, especially since that person will likely continue to be a member of Region when retired.
- Be clear about what the title and position mean in your congregation: is it merely honourable or are there any expectations or privileges that go along with it?
- A Minister Emeritus is not the called settled or appointed Minister of the congregation and therefore would not automatically sit on the Board or Session (although, like all Ministry Personnel worshipping in a congregation they can be elected to the Session or Board).

For more information regarding Ethical Standards for Ministry Personnel please see Appendix 1

Notes for Departing Clergy

A few helpful hints for ending the pastoral relationship, allowing time to say good-bye, making a clean break, and making room for the transition to new ministerial relationships.

- Leave nothing for the next minister to take care of. If you believe it needs to be done, then do it before retirement. Too many new clergy have been sunk by things left undone, i.e. “Let them deal with the secretary” “I’ll leave that for fresh eyes”.
- Leave all the suggestions about what should happen in the future to the new minister and to the congregational leader.
- Never be involved with choosing your successor.
- Let people say goodbye. There is nothing worse than having the minister leave without a party or a goodbye service. It is part of your ministry to let this happen.
- Make sure the congregation understands the process that will take place while trying to fill the Vacancy, and give them hints on how they can make the new clergy feel welcome.
- Once you say goodbye then leave it at that. Any solicitation for advice, except from the new clergy person should be referred to the current minister. Don’t engage as a listening partner about the new minister.
- If you live in a small town, try to leave the town to worship. It is good to wait a year before returning, and then return only if/when invited. If you stay in town try to worship at another denomination. Talk to the new clergy before returning and abide by their wishes and needs.

Membership with a Congregation after Retirement

A Retired Minister can be a member of a congregation with all the rights and privileges of a congregational member if she/he makes the appropriate arrangements with the person who takes care

of membership in the congregation you are attending. You would have membership in both the congregation and Region, but you remain under the discipline and oversight of the Region.

Appendix 1

Ethical Standards and Standards of Practice for Ministry Personnel

The United Church of Canada / L'Église Unie du Canada 2008

Introduction

The United Church of Canada believes that all people are children of God, created in the image of God and therefore worthy of respect and love. Living out that belief requires a deep sense of mutuality, trust, and accountability. There are, however, times when the church does not live out that commitment. As a result, people suffer—both people within the community and people outside it. We believe that one suffers, all suffer together (1 Cor. 12:26). Discipline has to do with the good of others, with mutual accountability and with the “building up” of the community of faith.

The 38th General Council (2003) charged the Task Group on the Exercise of Discipline of Ministry Personnel with developing standards of practice and ethical standards for ministry personnel, and with evaluating existing practices through which ministry personnel are held accountable. The development and implementation of standards represents a first step in the rethinking and possible development of a broader policy of discipline for ministry personnel. Ethical standards are developed so that ministry personnel may commit to agreed-upon standards of conduct that will guide their practice and behaviour.

Responses to the questionnaire in 2004 and the draft standards document in 2005 contained much support for the development of ethical standards and suggested that they may be used as:

- a common set of values
- a basis for talking openly about ethical issues and concerns
- a foundation for creating a stronger sense of community
- a starting point for productive resolutions
- an operating framework within the church that provides for transparency and principled behaviour
- a set of norms for the education and formation of ministry personnel

Ethical standards enable the church to attain two goals. They act as a resource for ministry personnel as they struggle with ethical issues and dilemmas in the context of their daily practice. Ethical standards also enable ministry personnel to be accountable to self, church, and community.

Among the many questions addressed during the development of the ethical standards was: “How are ethical standards to be articulated?” Clearly, it is not possible to anticipate and specify how one should behave in every circumstance. In many ways, it is easier to be specific about what one should *not* do than what one *should* do. However, a list of prohibitions may simply be that everything is allowable unless otherwise prohibited. Rather than focus on the negative, the task group has opted to use affirmative language when drafting the ethical standards. The intent is to highlight the expectation rather than identify the prohibition.

The standards of practice describe practices to which ministry personnel aspire. They recognize that personal and professional growth is a developmental process and that ministry personnel move through a variety of career and life changes that affect their practice of ministry.

In practice, ministry personnel are expected to know and understand the culture of the ministries in which they serve so that they are responsive to the spiritual needs of those contexts. They take seriously local traditions of faith and worship, and share their faith in ways that are relevant and constructive.

Ministry personnel are responsible for leading, guiding, and supporting the community of faith in the proclamation of the good news of Jesus Christ. What is more, they touch people's lives at various points of joy, pain, celebration, and vulnerability. Ministry personnel do this in a variety of ways—by leading in worship, by providing pastoral care, by standing with those who suffer, and by working for justice and peace.

These standards are not to be viewed as measurements of performance. Rather, they are descriptions of practice to which ministry personnel aspire.

The 39th General Council (2006) received the report “The Exercise of Discipline of Ministry Personnel” and adopted the draft standards of practice as standards of practice for ministry personnel in The United Church of Canada and the draft ethical standards as ethical standards for ministry personnel in The United Church of Canada.

A motion to amend, which was carried, required the word “profession” be removed from the documents, and replaced with the word “vocation.”

Ministry is a calling and a vocation. The standards of practice and the ethical standards address the professional nature of the vocation of ministry. In order to comply with the amendment, and at the same time retain the integrity of the standards of practice and ethical standards, the word vocation has been inserted in the following document where appropriate, but where reference is made to professional skills and training, and to the level of accountability and expertise, and expected behaviours or practices for ministry personnel, the word profession remains.

Standards of Practice

The standards are presented alphabetically. Ministry personnel, Ministry and Personnel Committees, and other bodies to which ministry personnel are responsible may want to order the standards of practice according to the priorities of the particular pastoral charge or appointment.

1. Administration

Ministry personnel have administrative responsibility to

- a) ensure timely completion of tasks that are their responsibility, delegating such tasks where needed and/or appropriate
- b) ensure that all documents that are the ministry personnel's responsibility, such as marriage, baptismal, and funeral records, are complete and that they are safely stored
- c) know the organization, governance, and policies of the United Church
- d) know the administrative responsibilities of their positions
- e) encourage and enable the congregation to keep accurate records and to maintain and protect administrative and historical documents in accordance with the policies of the United Church

2. Community Outreach and Social Justice

Ministry personnel with The United Church of Canada, a church committed to social justice and global and community outreach ministries, have responsibility to

- a) engage people with a vision of gospel that recognizes and responds to needs beyond their own
- b) encourage and support the development and pursuit of social justice and outreach programs
- c) encourage the support of the Mission and Service Fund of The United Church of Canada
- d) facilitate knowledge about outreach projects and activities of the United Church
- e) encourage people to know and understand United Church policies as they apply to social justice issues
- f) encourage lay leadership on social justice issues and outreach programs

3. Continuing Education

Education is a lifelong and ongoing process. Ministry personnel are responsible for maintaining and improving their knowledge and skills. To this end, they

- a) pursue personal, vocational, and professional goals for continuing education in conjunction with the appropriate persons or committees related to their ministry
- b) strive to be current with issues in theology, ministerial practice, and community and world events

4. Denomination and Communities

Ministry personnel have responsibilities as members of The United Church of Canada to the denomination, the wider church, their communities, and the world. As such, they

- a) honour the organization, governance, and policies of the United Church
- b) participate in the courts of the church as set out in *The Manual* of The United Church of Canada (session/official board or equivalent, region/district, Pacific Mountain Region, and General Council)
- c) respond in appropriate ways to needs beyond the ministry in which they serve
- d) participate in ecumenical and multi-faith activities as possible and appropriate
- e) maintain an active connection with the wider church
- f) represent the United Church in the larger community

5. Faith Formation and Christian Education

Ministry personnel have responsibility for faith formation and Christian education. As part of this responsibility, ministry personnel

- a) learn about the ministry context in which they serve
- b) serve as teachers, advisers, and spiritual resource persons sharing faith stories—formally and informally—with insight and integrity based on their education, life experience, knowledge, and background
- c) relate the gospel to the everyday experience of people
- d) communicate the theology, history, and traditions of The United Church of Canada

6. Leadership

Ministry personnel are expected to function as leaders in their ministry contexts, recognizing that leadership has many dimensions. Ministry personnel have responsibility to

- a) encourage and challenge people to assist with or take on leadership roles
- b) employ such means as communication, co-operation, collaboration, consultation, and wise and appropriate use of authority for effective leadership
- c) identify and address conflicts in appropriate ways
- d) work with people in the ministry context to achieve agreed-upon goals

7. Pastoral Care

Ministry personnel are responsible for the pastoral care of persons they encounter through the ministry in which they serve. As providers of pastoral care, ministry personnel

- a) are sensitive to the situation and needs of those to whom they offer pastoral care, and recognize the unique dynamics of the pastoral relationship
- b) provide a supportive presence for and are accessible to people in times of change and crisis
- c) encourage and facilitate a process to ensure that pastoral care occurs on a regular basis

8. Self-care

Ministry personnel are responsible for maintaining a healthy balance in their own lives. Accordingly, they

- a) maintain their own physical, emotional, and spiritual well-being
- b) nurture supportive personal and collegial relationships
- c) manage time for work, family, friends, personal development, and renewal

9. Worship

Ministry personnel have primary responsibility for the conduct of worship. As worship leaders and facilitators, they

- a) lead and enable the exploration and celebration of God's presence through preaching, liturgy, prayer, music, drama, dance, and other means
- b) inspire, strengthen, and challenge the people of God
- c) encourage and support lay participation and leadership in worship
- d) celebrate God's grace, facilitate the community in its prayer and devotion, and help the community to recognize God's presence in the church and the world
- e) relate the good news of our faith to everyday experience
- f) heighten awareness of world events and invite appropriate responses
- g) encourage the exercise of faithful stewardship
- h) conduct special services of worship (such as weddings and funerals) and administer the sacraments of communion and baptism
- i)

Ethical Standards

The ethical standards are presented alphabetically. The document does not represent an attempt at establishing priority or sequence.

1. Competence

Ministry personnel come to their work adequately prepared to fulfill the positions to which they are called or appointed. In these positions, they are called to:

- a) represent, truthfully and accurately, their abilities, skills, education, qualifications, and experience
- b) acknowledge the limitations of their skills, abilities, and competencies and make referrals when necessary and/or appropriate
- c) establish, maintain, and communicate appropriate personal and professional boundaries

2. Conflicts of Interest and Perceptions of Bias

Conflicts of interest and perceptions of bias may put ministry personnel's integrity and professional conduct in question. Therefore, ministry personnel are called to

- a) identify and appropriately disclose conflicts of interest or bias, real or perceived
- b) follow, where applicable, guidelines established by the church with respect to conflict of interest
- c) deal appropriately with conflicts of interest, consulting where possible with colleagues and/or the body to which the ministry personnel are accountable

3. Personal Relationships and Professional Conduct

"God's intention for all human relationships is that they be faithful, responsible, just, loving, health-giving, healing, and sustaining of community and self" ("Membership, Ministry and Human Sexuality," 1988). Therefore, ministry personnel are called to

- a) abide by and faithfully live out the explicit policies and procedures on sexual abuse (sexual harassment, pastoral sexual misconduct, sexual assault) and child abuse as outlined by The United Church of Canada
- b) be appropriately open and transparent in all relationships
- c) conduct relationships in ways that honour covenants
- d) conduct relationships, especially those that may be intimate and/or sexual, in ways that seek to maintain the peace and welfare of the community of faith
- e) take steps to ensure that alternate pastoral care is available for any person with whom they have an intimate and/or sexual relationship and for whom they are the sole or primary providers of pastoral care
- f) disclose to and seek advice from a colleague and/or the appropriate body to which they are accountable, and take steps to disengage from the pastoral care or professional relationship when that relationship is moving beyond a pastoral or professional level

4. Professional Relationships

Ministry personnel are expected to honour the covenantal relationships of other ministry personnel. Therefore they are called to:

- a) respect the call and placement of other ministry personnel, including colleagues or those with whom they are in team ministry
- b) respect the expertise of members of other professions with whom they work in the church, other institutions, or the community
- c) uphold and honour the church's policies on the exercise of the functions of ministry, such as weddings, funerals, baptisms, and pastoral care, as outlined in *The Manual*

5. Relationship with the Law

Action on behalf of the church in pursuit of social justice may bring ministry personnel into conflict with the law. Ministry personnel are called to

- a) abide by the law and encourage others to do so
- b) consult with the body to which they are accountable when contemplating any action that they believe to be an ethically justified act of civil disobedience in aid of a greater good
- c) consider—before acting—the consequences to self, church, and community of any action that contravenes or appears to contravene the law

6. Relationships with Persons Served

Ministry personnel are aware of and attentive to the possible impact of their words and actions in caring for the emotional, mental, and spiritual needs of persons who seek their help. In all relationships, ministry personnel are called to

- a) uphold the integrity of the ministry relationship in which they serve
- b) honour the dignity, culture, and faith of all persons
- c) respect personal boundaries such as those of space and touch
- d) use the power and influence of their office appropriately
- e) be sensitive to the needs and vulnerabilities of all, while clarifying and maintaining the professional nature of the relationship

7. Responsibilities of the Role

Ministry personnel are expected to execute faithfully the various responsibilities of their roles. Thus, ministry personnel are called to

- a) adhere to the organization, governance, and procedures of The United Church of Canada as outlined in *The Manual*
- b) fulfill all the responsibilities of their position description and honour the United Church's standards of practice for ministry personnel
- c) protect the integrity of funds and any property entrusted to their care
- d) use discretion and good judgment and abide by applicable guidelines when accepting favours, honoraria, gifts, and other forms of remuneration

8. Self-awareness

Ministry personnel are called to exercise good judgment and maintain a level of self-awareness that enables them to

- a) be accountable to the church, to the ministry in which they serve, and to themselves
- b) be authentic, dependable, trustworthy, compassionate, and understanding, and live with integrity
- c) keep confidences
- d) be open to constructive criticism, guidance, and challenge
- e) accept that, at times, they will fail or make mistakes
- f) be aware of the visibility of their position and consider how their conduct may be experienced and perceived by others.

Definitions of Terms

This document uses several terms in particular contexts and with particular meanings, as clarified below:

Bias: Canadian courts have said that “bias denotes a state of mind that is in some way predisposed to a particular result, or that is closed with regard to particular issues” (R. v. S. (R.D.), [1997] 3 S.C.R. 484). It is a state of mind that affects an individual’s judgment and makes the individual unable to exercise his or her functions impartially in a particular situation.

There may be circumstances where an individual does not consider himself or herself to actually be biased, but where it is alleged that he or she should not participate in a decision. In this case, the test that must be applied is whether his or her particular conduct gives rise to a reasonable apprehension of bias.

For a reasonable apprehension of bias to exist, the apprehension of bias must be judged by a reasonable person, who is informed of all the relevant circumstances, to be reasonable in the circumstances.

Conflict of interest: A conflict of interest occurs when an individual makes a decision, is present when a decision is made, or participates in making a decision in carrying out his or her role that may directly or indirectly confer a benefit on that individual or on any person with whom he or she does not deal at arm’s length. The individual must know that in making the decision there is an opportunity to further his or her own interest, or the private interest of a party with whom he or she does not deal at arm’s length.

Boundaries: A boundary is the limit of that which is reasonable or permitted. Boundaries are necessary to help define and shape the structure within which healthy and appropriate relationships may develop and grow, as well as to manage the power and vulnerability present in the relationship. In ministry, as in other helping relationships, boundaries need to be clearly defined and maintained, primarily for the benefit of those who seek help.

Ministry personnel are expected to function in informal and even intimate settings (e.g., a home or hospital bedside) and in multiple roles (e.g., pastor, teacher, community leader, social friend), usually without supervision or oversight.

Discipline: The words “discipline” and “disciple” share the same Latin root, *discere*, meaning to learn. Discipline has to do with learning and education (which is why the various branches of learning are often referred to as “disciplines”).

Jesus gave a discipline to his followers and held them accountable for their actions. Discipline refers to the practices in which the disciple is engaged to maintain a healthy, focused spiritual life that is reflected in his or her ministry. Through such discipline, the disciple holds himself or herself accountable to God through the community to which the disciple belongs.

Theologically speaking, discipline is an act of faith and must be understood and exercised as an expression of faith. Discipline has to do with mutual accountability, with building up the community of faith, and with the good of others.

Ministry: The term ministry includes the following: service in a pastoral charge; staff appointments in presbyteries/districts, Pacific Mountain Regions, or General Council; outreach ministries; teaching and analogous positions.

Ministry personnel: Ministry personnel means the following people: ordained and diaconal ministers; designated lay ministers; persons serving under appointment as student supply, intern supply or candidate supply; and ministers from other denominations who are serving the United Church as ordained or diaconal supply. It includes members of the Order of Ministry under appointment to a staff position within the United Church, to the faculty of an educational institution, or to an outreach ministry such as a hospital, home, social service centre, community project, or chaplaincy. It also includes all ordained and diaconal ministers retained on the roll of region/district, whether they are active or retired.

Pastoral care and pastoral counselling: Pastoral care refers to any pastoral work that involves supporting and nurturing people and interpersonal relationships. It includes everyday expressions of care and concern that may take place within the context of various pastoral activities and relationships.

Pastoral counselling refers to caring ministries that are structured and focused on specifically articulated need or concern. Counselling always involves some degree of “contract” in which a request for help is articulated and specific arrangements are agreed upon concerning time and place of meeting. In extended counselling, a fee may also be agreed upon depending on the institutional setting and other considerations.

Polity: The polity of the United Church includes all the policies and procedures for accountability, organizational structure, and decision-making that are followed in the church, as set out in *The Manual* and other church documents.

Profession: Profession means a calling requiring specialized knowledge and intensive preparation, including instruction in skills and methods and in the underlying historical and scholarly principles of those skills and methods. The apostle Paul exhorted leaders to “Examine yourselves to see whether you are living in the faith. Test yourselves.” (2 Cor. 13:5).

A profession also maintains, by force of organization or concerted opinion, high standards of achievement and conduct. This means that members are accountable to each other as well as to their profession. Members of a profession commit to continued study and to the kind of work that has for its prime purpose the rendering of a public service, or in the case of ministry personnel, of service to God.

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3250 Bloor St. West, Suite 300, Toronto, ON M8X 2Y4 [CANADA Ethical Standards and Standards of Practice for Ministry Personnel 10](#) This document is licensed under the Creative Commons Attribution Non-commercial No Derivatives (by-nc-nd) Licence.

Appendix 2: Your Pension Plan

Ministry and Employment Unit
The United Church of Canada
United Church Pension Plan Summary
Revised 2015

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Introduction

The first Constitution of the Pension Plan of the United Church of Canada (the plan) was adopted by the Third General Council in Winnipeg, Manitoba, in September 1928. Over the years this document has been revised many times and expanded to meet changing legislation. This is a summary of select plan terms.

The United Church's pension plan is a multi-employer, career-average, defined benefits plan. This means that ministry personnel and lay employees who move between participating employers of the United Church's plan continue to contribute to and earn benefits in the same pension plan each year that they are employed by a participating employer. These benefits are paid as a fixed monthly pension starting at retirement base on each year's pensionable earnings.

The plan and the investment of its assets comply with the requirements of all applicable legislation and accord with the investment policies of the Pension Board. The plan is administered by the Pension Board, as established by the Executive of the General Council. This pension plan is operated on a day-to-day basis through the Ministry and Employment Unit at the General Council Office and the third-party administrator. All administrative expenses of the plan are paid out of the plan.

For additional information contact: The United Church of Canada Benefits Centre:
Telephone: 1-855-647-8222

Employer Participation and Employee Eligibility

If you are an eligible employee working for a participating employer and you work an average of 14⁸ or more hours per week, you must join the plan. Enrolments occur on the first day of the month. There is no waiting period for ministry personnel. Lay employees are enrolled after completing three months of employment.

Once you join the plan, you will remain a contributing member even if you work fewer than 14 hours per

Contributions to the Pension Plan

Contributions to the plan are based on pensionable earnings. Contribution rates may change from time to time.

Since January 2013, the employer contribution rate is 9% of annual pensionable earnings and the member contribution rate is 6% of pensionable earnings.

Your contributions will be deducted from your salary and be sent to the custodian of the pension fund each month along with the employer contributions made on your behalf.

Earning Pension Credits

The plan is a career-average defined benefit pension plan. The benefit, or "pension credit," you accrue is based on your pensionable earnings during each year that you are contributing and employed by a participating employer or in search of a call. See the Contributions to the Pension Plan section for the definition of pensionable earnings.

The rate that the pension credit is earned or "accrues" has changed over the years and is now 1.4% of pensionable earnings. Units of pension credit are cumulative. Each year's pension credit is added to what has already been earned, forming the total amount of annual pension at termination or retirement.

Earning Pension Credits while Receiving Long-Term Disability Benefits

If you become disabled and qualify for long-term disability benefits from the group insurance plan, you will continue to earn pension credits for as long as you long-term disability benefits are approved.

⁸ If you are an eligible employee of a participating employer who works less than 14 hours per week, you just join the plan if you meet the earnings and/or hours threshold in applicable pension legislation, which varies from province to province.

The pensionable earnings at the date of disability are used for the calculation of the pension credit and may be increased by up to 3% in subsequent years at the discretion of the Pension Board.

You will not be required to make member contributions while you are receiving long-term disability benefits under the group insurance plan.

Purchase of Service

Purchase of Service Prior to the Date of Plan Membership

If you had an eligible period of service with a participating employer prior to the date you joined the plan, you may be able to purchase past-service pension credits. This service could be pre-ordination/commissioning employment, a probationary period, or contract service. Eligible service does not include service during which you previously participated in the plan and for which you received a refund from the pension plan (either in cash or by transfer to another registered plan). Depending on the circumstances, the purchases may be paid by you, by you and your employer or by your employer. Any portion paid by you is generally deductible for income tax purposes. Purchases of post 1989 periods of service reduce RRSP contribution room.

Purchase of Unpaid Employment Leave

You may also purchase pension credit for certain approved periods of employment leave. These include approved leaves of absence, maternity/parental/adoption leaves, periods while in search of a call/appointment and study leaves. Plan membership must be established prior to the leave.

Forms of Pension

At retirement, plan members choose from four forms of pension. All pensions come with a minimum guaranteed number of months of payout.

Exception for Small Pensions: Your pension can be paid out in a single lump sum (subject to withholding tax) instead of in monthly installments if the amount of the pension or its lump sum value falls below a prescribed amount. This amount varies from province to province.

1) Joint and 66 2/3 percent Spousal Pension with 5-year guarantee

This is the automatic payment form if a plan member has a qualifying spouse.⁹ This option provides a monthly payment until the plan member's death. After the plan member's death, 66 2/3 percent of the plan member's monthly lifetime pension will be paid to the member's qualifying spouse as long as he or she lives. If the plan member and spouse die before 5 years of payments are made, the plan member's beneficiary will receive a lump sum of the balance remaining. If the plan member and spouse die after receiving 5 years of payments, no further benefits will be paid to any beneficiary.

2) Joint and 66 2/3 percent Spousal Pension with 10-year guarantee

This option provides a monthly payment until the plan member's death. After the plan member's death, 66 2/3 percent of the plan member's monthly lifetime pension will be paid to the member's qualifying spouse as long as he or she lives. If the plan member and spouse die before 10 years of payments are made, the plan member's beneficiary will receive a lump sum of the balance remaining. If the plan member and spouse die after receiving 10 years of payments, no further benefits will be paid to any beneficiary.

The pension payable under this option is reduced to reflect the longer guarantee period after the plan member's death.

3) Joint and 100 percent Spousal Pension with 5-year guarantee

This option provides a monthly payment until the plan member's death. After the plan member's death, 100 percent of the plan member's monthly lifetime pension will be paid to the member's qualifying spouse as long as he or she lives. If the plan member and spouse die before 5 years of payments are made, the plan member's beneficiary will receive a lump sum of the balance remaining. If the plan member and spouse die

⁹ The plan generally defines a qualifying spouse as a legally married spouse or a common-law partner who has cohabited with the member in a conjugal relationship for a specified period of time. The exact definition of 'spouse' depends on province of residence.

after receiving 5 years of payments, no further benefits will be paid to any beneficiary. The pension payable under this option is reduced to reflect the higher spousal pension payable after the plan member's death.

4) Lifetime Pension with a 15-Year Guarantee Payout

This is the automatic payment form if a plan member does not have a spouse. This option provides a monthly payment until the plan member's death. If the plan member dies before receiving payments for 15 years, the beneficiary will receive a lump sum of the balance remaining. If the plan member dies having received 15 years of payments, no further benefits will be paid to any beneficiary.

A plan member with a spouse can elect this option if the plan member and spouse waive the right to a surviving spousal pension from the plan within the 12 months leading up to retirement. The spouse must sign a waiver form to affect this.

Pension Commencement

Normal Retirement

For benefit purposes, the plan recognizes the normal retirement date as the first of the month following the member's 65th birthday. For ministry personnel, the church also recognizes the normal retirement date as the end of the Pacific Mountain Region year following the member's 65th birthday.

Unreduced Early Retirement

The plan has a provision whereby a member who has attained at least age 60 and has at least 35 years of credited service in the plan may retire and receive a pension that is unreduced and based on the earned credit to the date of retirement. The pension will be paid beginning the first of the month immediately following termination of plan membership or in the case of a vested deferred member, the first of the month following the date the pension becomes an unreduced pension.

Early Retirement

Plan members may retire anytime after age 55 and begin to receive their pension benefit. For every year the pension goes into pay prior to age 65 or the projected attainment of "60/35," whichever first occurs it is reduced by 4 percent to reflect the longer pension payout period.

Postponed Pension

When retirement is postponed beyond age 65, contributions continue to be made to the plan and additional pension credits accrue. In addition, for each year retirement is postponed beyond age 65, the pension accrued to age 65 is actuarially increased. However, the pension must go into payment no later than the first of December in the year the member reaches age 71.

Pension Payment

Pensions are paid in equal monthly installments of 1/12 of the annual amount, on the first day of each month. Payments are electronically deposited into the pensioner's Canadian bank account unless the pensioner lives out of country. In this situation, cheques are mailed to the pensioner.

To be "Retired from the United Church," you must be receiving a monthly pension benefit paid directly from the United Church's pension fund. As a retired member, you may be eligible to join the pensioner health and dental plans, as long as you remain eligible for provincial health coverage.

Termination vs. Retirement

In the United Church, members move between pastoral charges and other participating employers without terminating plan membership.

A person terminates plan membership when there is no immediate plan to return to the United Church as an employee. If this occurs before the age of 55, the option to transfer the lump sum value to a registered retirement vehicle is available. For members age 55 or more at termination of plan membership, funds other than Excess contributions, remain in the plan as a deferred pension. Retirement from the United Church, for those who retain pension entitlements paid directly from the plan, takes place anytime after termination of plan membership after age of 55. Payment of a monthly pension from the plan must begin no later than December 1st of the year the member turns age 71.

The process of “retirement” involves the final calculation of monthly pension benefit options, paperwork sent from the Benefits Centre, and the option to continue membership in the Pensioner Health and Dental plans. Direct deposit of the monthly pension into a bank account will start after completed paperwork is returned to the Benefits Centre. To be considered “Retired from the United Church,” one must be in receipt of a monthly pension benefit paid directly from the United Church’s pension fund.

Termination Options

Multi-employer Plan

Because the United Church plan is a multi-employer pension plan, moving between pastoral charges and other participating employers will not affect your plan membership.

You will continue to contribute to and earn benefits in the same pension plan each year that you work for a participating employer.

If your employment ends and you have no immediate plan to return to the United Church as an employee, you will become eligible for Termination Options under the plan, which is described below.

Vesting and Locking-in

The plan grants immediate vesting and locking-in benefits. Vesting gives you the right to a pension. Locking-in prevents the value of your pension from being “cashed out” and ensures the pension will be intact to pay a benefit at retirement.

When Employment Ends before Age 55

If your employment ends before age 55, you can choose one of the following options:

- Leave your earned pension in the plan and begin to receive it from age 65 or at any time after age 55 on a reduced basis
- Transfer the value of the pension to another employer’s pension plan (if that plan accepts transfers), or
- Transfer the value of the benefit to an approved retirement savings plan.

When Employment Ends after Age 55 but before Age 65

If you are 55 or more when your employment ends, you will not have the option to transfer your earned pension¹⁰ out of the plan.

You can begin your pension immediately (with early retirement reduction, if applicable) or wait until you turn 65 or become eligible for an unreduced early pension when you reach “60 and 35¹¹”.

Excess Contribution

When your benefit becomes payable (i.e., when you terminate service, retire, or die before retirement), a calculation is performed to see whether the sum of your contributions with interest is higher than 50% of the value of your pension credit. If it is, the amount above 50% is called “excess contributions.”

If you terminate service or die before retirement, you excess contributions may be:

- a) used to purchase a higher pension from the plan, if you are leaving your earned pension in the plan,
- b) transferred, along with the lump sum value of the pension, out of the plan to another retirement savings, vehicle, or
- c) refunded to you in cash (subject to withholding tax).

Example of Excess Contribution Calculation

Your contributions with interest: \$4,600

¹⁰ Only your excess contributions, if any, will be available in cash (see “Excess Contributions”)

¹¹ Remember “60 and 35”, if you terminate service with 35 or more years of credited service, but before age 60, you will be eligible for an unreduced pension on the first of the month following the date you reach age 60.

Value of pension at termination: \$8,000
 50% of pension value \$4,000

Contributions	+ Interest	Minus	50% of Value	Equals	Excess Contributions
	\$4,600	-	\$4,000	=	\$600

In the case of retirement, your excess contributions may be:

- a) used to purchase a higher pension from the plan
- b) refunded to you in cash (subject to withholding tax) or transferred on a tax-free basis to an RRSP in your name.

Survivor Benefits: Pre-retirement Death

Spousal Benefits

If you have a qualifying spouse and you die before starting your pension, your surviving spouse will receive a death benefit equal to the greater of:

- the value of your earned pension on the date of your death, or
- the value of the spouse's pension (generally 2/3 of the member's accrued pension at death) plus any children's pension payable under the plan, plus
- any excess contributions with interest on the date of your death.

The spouse may elect to:

- a) receive the benefit in monthly installments for life (see "Exception for Small Pension's", or
- b) take the benefit in a lump sum as taxable income where permitted under provincial legislation, or
- c) transfer the lump sum benefit (tax sheltered) into a retirement savings vehicle or to another employer's pension plan, if that plan accepts transfers.

Children's Pensions

Each dependent child will receive a monthly child's pension subject to a maximum.

A dependent child is a natural or adopted child who is under the age of 18, or over 18 but under 25 if still in school.

Beneficiary Benefits

If no pre-retirement death benefit is payable to a qualifying spouse, your designated beneficiary, or absent a living beneficiary, your estate will receive a taxable refund of the value of the pension.

Survivor Benefits-Death after Retirement

Spousal Benefits

If you have a qualifying spouse and you die after your pension begins, your surviving spouse will receive the survivor benefit according to the form of pension you chose at retirement.

Beneficiary Benefits

Any death benefit payable to your designated beneficiary or estate will be paid as a lump sum.

Dependent Children's Pensions

Each dependent child will receive a monthly child's pension subject to a maximum. This applies whether the parent dies before or after retirement.

A dependent child is a natural or adopted child who is under the age of 18, or over 18 but under 25 if still in school.

Marital Breakdown

Pension assets are family property and can be divided between spouses on marital breakdown, although this is not mandatory in most jurisdictions.

The value of the pension credit you accrue during the spousal relationship is generally included in your assets for the purpose of equalizing family property on marital breakdown. In some jurisdictions, this value is calculated by the pension plan administrator on application by one of the former spouses and payment of the applicable fee. In other jurisdictions, the spouses arrange their own calculations(s).

In a family property equalization payment is owing from the member spouse to the non-member spouse, the member is not required to split his/her pension to satisfy that payment if the other assets are transferred to the non-member spouse. Similarly, spousal support/maintenance can but is not required to be satisfied through a pension split.

A court order or separation agreement must specifically require a split of the pension. The pension plan administrator will administer each split within the parameters of the order/agreement subject to the requirements of applicable pension legislation.
