



FACT SHEET FOR PASTORS IN TRANSITION

The following is a brief summary of key information regarding **Payroll, the Ministers' Pension Plan, Group Benefits and Employment Insurance** for pastors in transition. More detailed information is available from the Ministry Centre.

PAYROLL

- Providing information regarding payroll is the responsibility of the church Treasurer, however, the Pastor can be of assistance to the Ministry Centre in ensuring the necessary information is sent.
- The Ministry Centre needs to be advised of the final date of pay to ensure a correct Record of Employment is issued on behalf of a Pastor's employer.
- In the case of a Pastor commencing service at a new church, the new compensation information needs to be provided to the Ministry Centre for central payroll purposes. The church Treasurer has responsibility for ensuring this information is provided.

MINISTERS' PENSION PLAN

- This information relates to pastors who are transitioning out of active ministry with a Free Methodist church for an indefinite period or permanently.
- To continue to contribute to the Ministers' Pension Plan, it is necessary to be employed by a Free Methodist church.
- The options available to an individual who "terminated" for purposes of the Pension Plan depend upon whether or not the individual is "vested" or not. A participant's pension is vested after two years of service in the pension plan.
- If a person is not vested, their defined benefit pension contributions with interest are refundable. Their defined contribution pension contributions are refundable based on market values as determined by the insurance company.
- If a person was a member of the pension plan prior to April 1, 2009 and is vested, they can elect to receive a deferred defined benefit pension at normal retirement date, transfer the value of their pension to a locked in RRSP or another pension plan or purchase an annuity through an insurance company. Their defined contribution pension amount options will be made available to them by mail by the insurance company (currently Great West Life).
- If a person became a member of the pension plan after March 31, 2009 their defined contribution pension amount options will be made available to them by mail by the insurance company (currently Great West Life).

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GROUP BENEFITS

- Pastors in transition can continue participating in the Group Benefits Program for up to 3 months providing they are actively seeking employment within The Free Methodist Church in Canada.
- In the above instances, **to ensure continuation of benefit coverage, pastors must provide 3 post dated cheques (for monthly employee premiums) to The Free Methodist Church in Canada prior to the commencement of the transition period.** (Employer premium costs will be covered by The Free Methodist Church in Canada for no longer than the first 3 months of the transition period.)
- Pastors who are transitioning to another ministry or to secular employment cannot continue to be covered by the Group Benefits Program beyond the last day of employment with a Free Methodist church but can convert the group life benefit to an individual life policy without evidence of insurability provided necessary forms are completed within 30 days of termination, or within such other period as outlined by the insurance carrier.
- In all instances, pastors in transition do not have the benefit of Long-Term Disability coverage since this coverage is "income replacement" insurance in the event of disability. Pastors in transition are not earning income from a Free Methodist church.

EMPLOYMENT INSURANCE BENEFITS

- Information about applying for Employment Insurance benefits, can be found at the Government of Canada website at:
www.servicecanada.gc.ca/eng/ei/application/applying_for_benefits.shtml
- It will tell you **how**, **where**, and **when** to apply for EI benefits.
- Be sure to apply as soon as possible
- The first two weeks are considered a deductible so no funds are paid

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