



THE DIOCESE OF NEW WESTMINSTER

Anglican Church of Canada

The Most Reverend Melissa Skelton
Archbishop

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November 15, 2019

TO: PARISH CLERGY, WARDENS AND TREASURERS
DIOCESE OF NEW WESTMINSTER

Re: 2020 Clergy Compensation and Allowances

Dear Friends,

A copy of the 2020 Clergy Compensation and Transportation Allowance documentation as approved by Diocesan Council is enclosed. A complete set of the documents has also been emailed to each priest and transitional deacon, warden and treasurer and it is posted on the diocesan website at <http://www.vancouver.anglican.ca/resources/hr-screening-in-faith/pages/payroll-and-benefits>.

Diocesan Council advises parishes of the Clergy Salary Recommendations in the fall each year to assist parishes in planning their budget for 2020.

As a reminder, in June 2017, Diocesan Council approved combining stipend, housing and utilities to form one number: salary.

Please review all parts of the attached memorandums regarding Year 2020 clergy salary, transportation allowance and benefits. **Diocesan Council increased the values for salary by 2.0% to reflect the BC Cost of Living Allowance (COLA).** The cost of some benefits may also increase for 2020 but we have not yet been notified by our provider of any changes.

Clergy, whether living in their own or rented premises, are entitled to claim the Clergy Housing Deduction from their total reported income for Income Tax purposes (Canada Revenue Agency Form T1223.) The onus is upon the individual clergyperson to justify the appropriateness of amounts claimed. Clergy are advised to maintain in their records the basis for such amounts being claimed such as actual rental costs and real estate brokers' correspondence on 'fair market value'.

1) Transportation Allowances

This amount is considered taxable income by the Canada Revenue Agency. When clergy report actual transportation expenses to the Canada Revenue Agency on their tax return, they are able to benefit from a tax deduction on their income tax. The Consumer Price Index (CPI) increase for transportation in BC for the year over year to September 2018 was 2.6%.

The transportation allowance for 2020 remains at \$8,660 annually.

2) Benefits Cost Sharing

The cost sharing of contributory benefits shows no change year over year and is as follows:

	<u>Yr. 2019 Sharing %</u>		<u>Yr. 2020 Sharing %</u>	
	<u>Clergy</u>	<u>Parish</u>	<u>Clergy</u>	<u>Parish</u>
B.C. Medical Services Plan	0%	100%	0%	0%
Extended Health Care	25%	75%	25%	75%
Dental Plan	25%	75%	25%	75%
Life Insurance	25%	75%	25%	75%
Self Insured Death Benefit	0%	100%	0%	100%
Dependent Life Insurance	25%	75%	25%	75%
Long Term Disability	0%	100%	0%	100%
Church Pension	26%	74%	26%	74%
Continuing Education	0%	100%	0%	100%
Counseling	50%	50%	50%	50%

3) Temporary Clergy Supply Rates for 2020

Temporary Clergy Supply Rates	2020
One Sunday Service	\$250
Two Sunday Services	\$300
Three Sunday Services	\$350
Evening or Midweek Service	\$150

Plus Transportation at \$0.55 per KM, Minimum of \$5.00 for 2020 – Full Round Trip

4) Rectory Allowance Amount

For those living in a rectory, and where they do not have a Residential Tenancy Agreement and are not paying rent to the parish, it is important that this amount reflects the **fair rental value** of the rectory. While this amount is not paid out, it is utilized in calculating Long Term Disability and Church Pension eligibility numbers.

This number should therefore be reviewed carefully each year when completing the Payroll Authorization form.

5) **Payroll Authorization**

A copy of this form is attached. **One completed copy of the appropriate form must be sent to, and be received by, the Payroll and Benefits Administrator at the Synod Office no later than December 6th, 2019.** The salary/benefit cost calculation sheets will be completed, and copies sent to treasurers as soon as benefit rates are known.

A separate sheet is required for each clergy person or lay employee being paid through the diocesan payroll. If you would like the blank form sent to you electronically, please e-mail your request to payroll@vancouver.anglican.ca.

Late arriving forms may well result in the employee receiving any pay change retroactively.

A new form must be completed for both clergy and lay for 2019 whether or not there is a change in rates. When cost calculations sheets have been completed and mailed to the Payroll and Benefits Administrator please make sure the appropriate person in the parish retains a copy.

6) **Monthly Remittance Forms**

Please be sure to include your remittance form each time you are sending a cheque to the attention of Michèle van Teunenbroek.

Payroll is due in the Synod Office on or before the 14th of each month. Cheques may be postdated. You may also sign up for the electronic fund transfer arrangement. Should you be unable to send in your payment on time please notify the Payroll and Benefits Administrator at payroll@vancouver.anglican.ca with the approximate date payment can be expected.

If you have any questions please do not hesitate to contact Shailene Caparas, Interim Chief Financial Officer, at scaparas@vancouver.anglican.ca or 604-684-6306 x214

Yours sincerely,

Bob Hardy
Diocesan Treasurer

Enclosures:

1. Clergy Compensation Schedule - 2020
2. Clergy Compensation Schedule Worksheet
3. Payroll Authorization Form for Lay Employees
4. Monthly Remittance Form