



THE DIOCESAN SYNOD OF FREDERICTON

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December 3, 2008

Notice to Parishes

From the Finance Committee

Subject: Employer Premiums For Group Benefits Plan

As you are aware, premiums for the Clergy group benefits plan are shared. The participating clergy pay 36% of the cost and the employing parishes pay the remainder. The parish premium is included in the "Parish Payroll Assessment" as an employment cost. The current cost is \$300 per month per cleric. In situations where there are vacancies, shared clergy, or interim appointments, the rate is halved.

Our Benefits Plan is renewed annually. In both 2007 and 2008 our renewal terms were much more favourable than had been anticipated when the employer premiums were set. In fact, the 2008 renewal came in with a premium that was a margin reduction.

At a recent meeting of the Finance Committee, the employer share of funding for our benefits plan was reviewed and found to be in a surplus position. The Committee has decided on the following steps with regard to the management of this surplus:

- The employer benefits premium share for 2009 will remain at \$300 (or \$150) per month.
- A portion of the surplus will be retained as a contingency for future spikes in premium rates.
- The remainder of the surplus will be rebated to the employing parishes. The base rebate amount is \$600 (\$300 in cases of vacant, part time or shared clergy situations). The total rebate being distributed is \$41,000. Those parishes who do not normally have a Payroll Assessment will not receive a rebate.

Cheques will be issued and forwarded to Parish Treasurers by December 15th.

The Finance Committee is pleased to share this good news and to provide a financial benefit to the parishes. Thank you for your ongoing cooperation and support.

L F Scott, for the Finance Committee