

## **CHAPTER TWO - CLERGY ADMINISTRATION**

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## **1.0. INTRODUCTION**

1.1. The administration of Clergy can be complicated because of the complexity of the remuneration package and the various rules, both secular and diocesan, that apply. The following chapter attempts to break down the various components that go to make up the stipend package of a priest into easy bites so that compliance by Ministry Units is simplified.

### 1.2. Why a Stipend?

Clergy remuneration is always described as a stipend rather than a salary or wages. This is because being a priest is a calling from God, not employment for a salary provided in return for work undertaken. The position that clergy are called not employed has been confirmed by the secular world. Over many years clergy of all the main denominations have challenged their perceived employers, usually over what could be called "employment issues", such as unfair dismissal, housing provisions, etc. In every case the secular courts have confirmed that clergy are "called". Decisions have been handed down to this effect in the United Kingdom, Canada, Australia and recently in New Zealand in the "Mabon" decision. The Rev Mabon, being a Methodist Minister in a co-operating parish (Methodist/Anglican) was removed from his position and on appeal to the Employment Court was informed that he was not employed, but called. In 1998 Mr Mabon appealed the decision to the N Z Court of Appeal but was unsuccessful.

### 1.3. Employment Contracts

Because of the rulings referred to in paragraph 1.2 above it is not possible to employ clergy within a Ministry Unit. Priests who take up a calling or a cure within a Unit do so on being licensed by the Diocesan Bishop and receiving a Letter of Offer from the Bishop which details the clergy person's stipend package and various requirements of the Bishop. Ministry Units cannot conclude employment contracts with their Vicar for the reason that the clergy are not employed but are called. It may be possible to agree some Terms of Reference or a Job Description that will allow both the Vicar and Vestry to give some structure to the Vicar's work however neither of these documents can be seen as legally binding. A Vicar, if he or she so wishes, may decide not to follow any such guidelines laid down by the Ministry Unit.

## **2.0. DISAGREEMENTS BETWEEN PARTIES**

2.1. In the event of disagreement arising between Vicar and Vestry or Vicar and parishioners, a complaint may be made to the Diocesan Council as detailed in Clause 74 of the Parish Statute.

2.2. Charges of improper behaviour by clergy are handled by the procedure laid down in Title D of the Canons of the church. Title D is to be found towards the rear of this handbook.

### **3.0. APPOINTMENT OF CLERGY**

- 3.1. The regulations for the selection and subsequent appointment of Vicars to Ministry Units is contained in the Diocesan Statute known as "The Licensed Ministry Statute 1999". To augment this Statute there are two handbooks which expand on and clarify some of the clauses within the Statute. Both the Statute and handbooks are available from the Diocesan Secretary on demand and copies of these two documents should also be held by the Archdeacon. Normally, when a Vicar announces their resignation, copies of the Statute and handbooks are immediately forwarded to the Ministry Unit concerned.
- 3.2. When a priest resigns from a Ministry Unit the provisions of the Statute are brought into play. Unfortunately, the process as outlined in the Statute can be somewhat long-winded and it is not unusual for the selection and appointment process to take upwards of six months. This gap in stipended ministry is not an altogether unfortunate situation in that it allows the Ministry Unit a breathing space to assess where it is, what it would like to happen in the future and to obtain some clarity of the priest they would like for the next appointment.
- 3.3. During the period when a Ministry Unit does not have a Vicar the Archdeacon and/or Diocesan Bishop will arrange for appropriate interim ministry for the Unit.
- 3.4. The Vestry of a Ministry Unit is encouraged to carefully read both the handbook and Statute as soon as possible after a Vicar announces his or her resignation. It is important that parishioners are informed at an early stage the process that will need to be gone through to appoint a replacement Vicar.
- 3.5. The two supporting handbooks are entitled:  
"Parish Clergy Appointment Process - Manual"  
"Parish Clergy Appointment Process - Resources"

### **4.0. STIPEND**

- 4.1. Priests serving in Ministry Units are paid a stipend, which is the equivalent of a secular wage or salary. The level of stipend varies from year to year as would a normal salary. The amount of stipend is listed at Appendix 1 at the rear of this chapter. New schedules are distributed when any part of a priest's stipend or allowances are changed, therefore the appendix at the rear of this chapter should at all times be up to date.
- 4.2. Stipend payments to Vicars are made on the 25th day of each month. The details of these payments are calculated by the Secretariat and all are made by direct credit to the bank account of the person concerned. Vicar's stipends attract the normal levels of personal taxation and the tax due is deducted at source, in accordance with normal PAYE Inland Revenue Department regulations.
- 4.3. The stipends of priests will vary depending on their seniority and whether or not they have dependent children. Details of the various levels of stipend are also contained at Appendix 1.

- 4.4. Annual increases to stipend are based on cost of living rises, as reflected in the quarterly survey. The Inter-Diocesan Conference retains a Personnel Consultant Group, called the Davidson Group, which is resident in Christchurch, to calculate the level of stipend increase that should apply to clergy persons each year. All dioceses are encouraged to apply the same cost of living increase each year, in this way it ensures that dioceses do not get out of step with their stipend levels and clergy can move between dioceses without experiencing reductions in stipend. The survey utilized to calculate the cost of living rises is the Labour Cost Index (LCI).

## **5.0. STIPEND POOL**

- 5.1. Ministry Unit priests in the Auckland Diocese are, in the main, paid from the Stipend Pool. Ministry Units contribute specified amounts to the Pool on a monthly basis and priests are automatically paid on the 25th of each month, regardless as to whether or not the Ministry Unit has met its financial obligation to the Stipend Pool. This system ensures that priests are paid on a regular basis and are not subject to the vagaries of the financial difficulties of Ministry Units. Towards the end of each calendar year the Secretariat will inform each Ministry Unit of the amount that will be required to be paid into the Stipend Pool for the following year on a monthly basis. This amount is a combination of stipend, pension payments, housing allowances and other small amounts which are detailed elsewhere in this chapter. See also the Finances chapter for details of the system used to communicate stipend package information to Ministry Units.
- 5.2. Ministry Units paying into the Stipend Pool are encouraged to do so using direct debit procedures through their designated bank. In so doing this ensures that the necessary funds for the Pool are paid on time and the Diocese is not left with the problem of making up financial shortfalls in the Pool. Units that are unable to guarantee monthly direct debit payments to the Pool because of financial difficulties are encouraged to take out direct debits of 50% or 75% of the amount required and then make up the remainder with a cheque to the Secretariat as finances within the Unit permit. Ministry Units that are unable to meet Stipend Pool payments for more than a short period of time will need to enter into negotiations with Diocesan Council. Direct debits are actioned by the banks on the 20th of the month. Ministry Units may cancel or alter their direct debits simply by contacting their banks.

## **6.0. TRAVEL ALLOWANCES**

- 6.1. The Inland Revenue Department rules for reimbursement of travel-related expenses are based on the total annual kilometres travelled by the vehicle. The reimbursement is divided into bands, as listed in Appendix 1.
- 6.2. Non-stipended clergy or other persons involved in part time work for the Church, where the Church-related kilometres are less than 25% of the total annual travel, are reimbursed at the "casual rate" which is listed at Appendix 1.
- 6.3. The Inland Revenue Department states that travel to and from work is not reimbursable. Therefore, a Vicar who lives away from the church cannot claim for the cost of travelling from home to the church. However, if the Vicar travels to do pastoral visiting, attend meetings in the parish or elsewhere, the cost can be claimed.

## **7.0. REIMBURSEMENT OF EXPENSES**

- 7.1. There are no specific amounts allocated for allowances. Clergy are reimbursed for actual expenses up to an agreed ceiling. The reimbursements are tax free and have been negotiated and agreed by the Inland Revenue Department.
- 7.2. Hospitality  
Vestry is authorised to reimburse hospitality expenditure tax free up to the amount specified in Appendix 1 to each stipended priest within its Ministry Unit. Vestry and clergy will negotiate and agree the actual maximum. The Priest will need to provide receipts or details of hospitality (who, what, where).
- 7.3. Books  
Vestry is authorised to reimburse book expenditure tax free up to the amount specified in Appendix 1 to each stipended priest within the Ministry Unit. Vestry and clergy will negotiate and agree the actual maximum. Reimbursement may also cover periodicals, magazines, audio cassettes, video cassettes, computer CD's and software. Receipts will need to be produced.
- 7.4. "Other"  
Vestry is authorised to reimburse other expenses tax free up to the amount specified in Appendix 1 to each stipended priest within the Ministry Unit. Vestry and clergy will negotiate and agree the actual maximum. This allowance is to cover expenditure such as hospital visiting, discretionary support (assisting individuals and families in urgent need), office expenses not otherwise met by Vestry, in-service training and supervision. This expenditure needs to be supported by receipts.
- 7.5. Stationery, Telephone and Postal Charges  
Vestry will provide all stationery requirements and full reimbursement for all postal and telephone charges accrued as a result of the performance of duties. As a priest must be contactable at all times, Vestry should pay for the rental of one phone in the vicarage, as well as all work-related phone calls. Vestry needs to decide whether it wishes to pay for a cell phone or E-mail costs.

## **8.0. SUPERVISION**

- 8.1. All clergy are encouraged to have supervision. In all new Letters of Offer to clergy taking up positions within the Diocese, the Diocesan Bishop clearly states that adequate supervision is a requirement not an option.
- 8.2. The costs of supervision are provided for as follows:
- (a) From the priest's "other" allowance. A part of the overall cost can be met from this allowance.
  - (b) From the priest's own pocket. Past Diocesan Bishops have stated that clergy should meet at least some of the cost of supervision so that they appreciate the value of what they are receiving.
  - (c) From an allocation made by Vestry from Ministry Unit funds. There is no compunction for this to happen. Vestry may allocate funds towards supervision if it so wishes.

## **9.0. CLERGY-RELATED INSURANCES**

### **9.1. Life Insurance**

All permanent stipended priests under the age of 65 are covered by life insurance which is known as "Payroll Life Insurance". Upon the event of death in service the insurance pay out is three times the annual stipend and this is paid to the surviving spouse or estate. The cost of this insurance is 1.8% of stipend (inclusive of GST). This cost is met by the Ministry Unit and is included in the amount sent into the Diocesan Secretariat monthly by direct debit. Clause 18 of the Financial Regulations Statute provides more details.

### **9.2. Stipend Continuance Insurance**

This insurance provides all permanent stipended priests with a benefit amounting to 55% of stipend (tax free) should they suffer from a long term illness and be unable to work. The benefit commences after three months of continuous sickness and is dependent on doctors' certificates being accepted by the insurer. The benefit continues until the priest is able to return to work or reaches the age of 65. The stipend for the three months prior to the benefit commencing is met by the priest taking all outstanding annual leave . Any "gap" after that is met by the Ministry Unit and is included in the amount sent into the Diocesan Secretariat monthly by direct debit. However, to satisfy an Inland Revenue Department ruling clergy must make a nominal contribution (\$9.00 per month) towards the premium cost. This is deducted from stipend before payment.

### **9.3. Professional Indemnity Insurance**

This insurance covers priests who might be sued for such things as sexual harassment, inappropriate behaviour, incompetent counselling. The cost is met by Ministry Units. It is included in the amount sent into the Diocesan Secretariat monthly by direct debit.

### **9.4. Accident Compensation Insurance**

This insurance covers priests when they suffer a work-related injury. It is the same cover that all persons receive via their work place. At present, cover is provided by a government-sponsored organisation.

### **9.5. Medical Insurance**

The Diocese belongs to a "group scheme" with Southern Cross. Clergy obtaining their medical insurance via the Diocese receive a 10% discount. Contact the Personnel Administrator at the Diocesan Secretariat for details.

## **10.0. CLERGY PENSION**

10.1. Stipended priests in the Diocese of Auckland must join the New Zealand Anglican Church Pension Board Pension Fund. The Fund is managed from the Board's offices in Wellington. All New Zealand dioceses and Te Pihopatanga utilize the Fund to provide pension facilities for their priests.

10.2. Contributions to the Fund are paid by the priest and diocese. Stipended priests have their contribution (6%) deducted from stipend. The diocesan share (9%) is provided by the Ministry Unit and this is paid into the Diocesan Secretariat along with the other monthly costs associated with stipend.

10.3. The pension is available to clergy upon reaching the age 65.

### **11.0. WELFARE GRANTS**

11.1. The New Zealand Anglican Church Pension Board has a Welfare Fund which provides assistance to clergy experiencing difficulties. Typical payments might be for medical or counselling fees. Initial enquiries should be made to the Personnel Administrator at the Diocesan Secretariat.

11.2. The Diocese of Auckland administers the Janet Hancock Memorial Fund, which provides support for "...women workers regularly employed in Church work in the Diocese". The Fund is administered by trustees who consist of the Diocesan Bishop, the Archdeacon of Auckland, the Diocesan Chancellor, the Diocesan Secretary, the Chairperson of the General Trust Board and a representative of Te Pihopatanga ki te Tai Tokerau. The Fund provides modest grants to both lay and ordained women for such things as medical expenses, etc. Queries should be made to the Personnel Administrator at the Diocesan Secretariat.

### **12.0. HOUSING**

12.1. Normally, it would be expected that the Vicar would live in the vicarage rent free. The Vicar is expected to meet the costs of power and gas. The Ministry Unit must provide a residence maintained and appointed to a standard set out by the Bishop's Advisory Committee on Faculties and Buildings. The Vestry will meet general rates, insurance premiums and water rates.

12.2. If there is no vicarage available or the Vicar expresses a desire to live in private accommodation away from the church, then the rules contained within clause 14 of the Financial Regulations Statute will apply. This Statute is included in the section on Diocesan Statutes contained elsewhere in this handbook.

12.3. The Vestry is expected to provide a reasonable size refrigerator with a freezer compartment, and a washing machine. There is no requirement to provide a clothes dryer, dishwasher or garbage disposal unit.

12.4. Clergy living in their own homes and in receipt of a housing allowance can be paid the portion of the allowance attributed to the study tax-free. Contact the Diocesan Secretariat for further details.

### **13.0. HOUSING LOANS FOR CLERGY**

13.1. The Diocese of Auckland has a Clergy Retirement Housing Fund. This was set up in 1974 and the Fund has been built up through levies on Ministry Units. The Fund usually has a cap of \$100,000 per loan and is normally used to buy modest homes, provide second mortgages or loans to undertake renovations of houses. Ministry Units pay a levy of \$36 per year into the Fund. The Fund is also used to purchase houses to provide accommodation for clergy unable to afford their own homes. Once the clergy and spouse are deceased the home is sold and the proceeds revert to the Fund. Clause 16 of the Financial Regulations Statute provide more details.

13.2. The New Zealand Anglican Church Pension Board is the main source of funds for clergy to purchase houses. The Board will lend up to 80% of the valuation of the house and interest rates are usually slightly lower than the normal bank lending rates. Initial enquiries should be made to the Personnel Administrator at the Diocesan Secretariat.

#### **14.0. CAR LOANS FOR CLERGY**

14.1. The General Trust Board of the Diocese of Auckland offers finance for clergy to purchase a vehicle for the purposes of carrying out ministry in the Diocese. A maximum of \$18,000 can be borrowed over a five year period. Initial enquiries should be made to the Personnel Administrator at the Diocesan Secretariat.

#### **15.0. LEAVE PROVISIONS**

15.1. Clergy are entitled to two paid days leave each seven day week (Saturday and Sunday or two other days in lieu). Clergy can work one of these two days at their discretion. In other words clergy must take one day off a week and can take two days. However, due to their uncertain hours they are unable to schedule Saturdays off and for obvious reasons need to work on Sundays! The Wardens must ensure one day of leave is taken every seven days and, if possible, a second day.

15.2. Clergy are entitled to four weeks annual leave every twelve months of service, which must include four Sundays. This leave is taken as "arranged and notified" to the Churchwardens. This means the Wardens must keep a record of leave taken and the dates must be mutually agreed. One of the leave periods must be a continuous break of at least eight days. Up to two weeks of annual leave not expended can be carried over to the next twelve months of service, but no further.

##### 15.3. Statutory Holidays

The holidays that clergy are entitled to take are:

- New Year's Day
- 2 January
- Auckland Anniversary Day
- Easter Monday
- Queen's Birthday
- Labour Day
- Christmas Day
- Boxing Day
- Anzac Day (if it falls on a week day)
- Waitangi Day (if it falls on a week day)

If the priest worked on any of the above days they are entitled to take a day off in lieu. Days in lieu must be taken within each twelve months of service. These days cannot be accrued.

##### 15.4. Parental Leave

There is a parental leave entitlement which is detailed in Clause 70A of the Parish Statute. This Statute can be found elsewhere in this handbook.

##### 15.5. Clergy Study Leave

This is provided for in Clause 6.6 of the Financial Regulations Statute. Clergy are eligible for a maximum of 120 days study leave after every seven years of service in



any Diocese, calculated from the end of the fourth year after ordination to the diaconate. It must be taken within seven years of it falling due. It may not be accumulated. Diocesan Synod 2002 agreed to the setting up of fund to help finance relief ministry whilst the vicar is on study leave. The fund is financed by a levy on all ministry units of up to 1% to provide for up to half-time relief ministry, the Bishop to decide the level of support a ministry unit is to receive.

15.6 Study Leave Relief Ministry Fund

At the 2002 Diocesan Synod, a Motion was passed which established a Fund to provide stipend support for ministry units when the resident clergy person is on study leave which has been approved by the Bishop. The Fund is financed by a levy on all ministry units of up to 1% of the current base stipend, Ministry units can apply to the Diocesan Secretary for support from this Fund, up to the cost of a half-time stipend. The funds granted are to be used to offset the costs of relief ministry. Requests must be approved by the Diocesan Bishop.

15.7. Sick Leave

There is no mention in the Statutes as to the entitlements for clergy who fall sick. Normally clergy should continue to receive their stipend when off sick. For longer periods of sick leave prior to stipend continue insurance commencing all available annual leave should be expended. (see proceeding Clause 9.2)

15.8. During the Vicar's absence the Ministry Unit concerned is responsible for meeting the Vicar's ongoing stipend and pension contributions as well as meeting the costs of any interim or substitute priest.

## **16.0. RELIEF MINISTRY**

16.1. Clergy in full stipended ministry are not to receive payment for conducting services outside of their normal Ministry Unit. Reimbursement for mileage can be asked for.

16.2. Non-stipended and retired clergy can be paid \$50.00 per service conducted and a maximum of \$75 if they remain in the Ministry Unit that day to take other services. These payments must be declared to the Inland Revenue Department. Tax is deducted by the following two methods:

- By the ministry unit, with the tax forwarded to the Inland Revenue Department; or
- By the priest when they complete their income tax return. Copies of suitable invoices for managing this taxation are shown at Appendices Two and three of this chapter.

## **17.0. SERVICE FEES**

17.1. Clergy may not charge a fee for officiating at baptisms, burials or marriages. The Financial Regulations Statute is very clear on this matter. Note the terminology - "charge a fee". However it is not unreasonable to expect to be reimbursed for any expenses incurred.

17.2. The above paragraph does not preclude clergy suggesting a donation, especially for marriages. A survey of "donations requested" ranged from \$375 to \$130 with further donations for organist, bell ringers, vergers, etc. Larger churches, such as the Cathedral and St Matthew-in-the-City request larger amounts.

- 17.3. Where should the donations go? The Financial Regulations Statute does not allow these donations to become clergy income. It is acceptable to set up a separate "discretionary fund" for the priest into which donations are placed. The fund then allows clergy to distribute funds to persons in need and at the same time protects the privacy of the person involved. Clergy must keep clear records of all income and where it came from and outgoings, including details of distributions. These records can be kept private but should be available to the Inland Revenue Department should an audit of the Ministry Unit be required.

## **18.0. RETIREMENT**

- 18.1. Historically, clergy have retired at age 65 in line with the rules of New Zealand society. Since the introduction of the Human Rights Act it has been illegal to discriminate on the basis of age. To insist clergy retire at 65 would contravene the Act. Therefore, there is no finite retirement age. Some clergy could find that they need to retire before age 65, others might feel they have the energy and desire to continue.
- 18.2. Diocesan policy on retirement is that clergy can serve as long as they are performing well, satisfying the requirements of the Ministry Unit and meeting the requirements of the Diocesan Bishop, as set out in the relevant Letter of Offer.
- 18.3. The Diocesan Bishop will interview all clergy as they approach age 65 to ascertain their suitability for ongoing stipended ministry. As noted in paragraph 18.1. it may well be that there is mutual agreement that a priest's stipended ministry finishes before the age of 65.
- 18.4 Clergy are encouraged to attend a retirement seminar if within ten years of reaching the age of 65. The seminar is free to clergy and their spouse and are funded by a small levy on all ministry units. The seminars are arranged by the Diocesan Secretariat, enquiries to the Personnel Administrator (09) 302 7210.

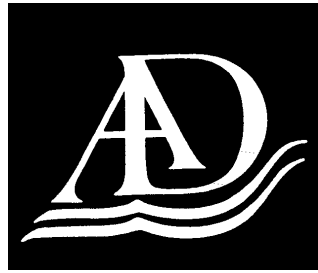
## **19.0. CLERGY REMOVAL COSTS**

- 19.1. When clergy move from one Ministry Unit to another, the Ministry Unit receiving the priest pays all removal costs. Expenses include the cost to move the priest and family (airfares, etc.), freight for furniture. Insurance costs are covered by the insurance of the Ministry Unit so there are no extra insurance premiums involved.
- 19.2. When clergy in fully stipended positions in the Diocese retire, the Diocese will pay all removal expenses within the Diocese. If the priest is to retire beyond the Diocese, then that part of the expenses equivalent to transferring them to the appropriate boundary of the Diocese will be paid.
- 19.3. Ministry Units paying for clergy moves should obtain three quotes from reputable moving companies, which are exclusive of insurance costs. These should be forwarded to the Personnel Administrator at the Diocesan Secretariat, in the first instance. Insurance cover might not be honoured by our insurers if amateurish movers are used.

## **20.0. PULPIT EXCHANGES**

- 20.1. From time to time priests arrange for exchanges to take place with priests of other countries. Normally these are for periods of about 3 months. The priests will swap houses, cars and congregations.
- 20.2. Diocesan Council has ruled that such exchanges must have the approval of Vestry and the Bishop.
- 20.3. Pulpit exchanges are not to be regarded as study leave.
- 20.4. There is to be no costs incurred by the ministry unit in facilitating the exchange unless Vestry wishes to provide financial support.

## **APPENDIX ONE**



### *ANGLICAN DIOCESE OF AUCKLAND*

#### **REMUNERATION PACKAGE 1 MAY 2002 TO 30 APRIL 2003**

##### **STIPEND**

Please note "dependent children" are pre-schoolers or a school-aged child, or a young person under the age of 21 and undertaking a full-time tertiary education course whilst wholly dependent on their parent/s for accommodation, food, lodging etc. It is irrelevant whether the course is being taken in New Zealand or overseas provided the parent is supplying substantial financial support. Priest/Deacon Assistant rate applies to those who have been ordained for less than 3 years and not a vicar.

##### **Vicar**

Category 1 - supporting dependent children	\$38,903 pa
Category 2 - without dependents	\$37,056 pa

##### **Priest/Deacon Assistant**

Category 1 - supporting dependent children	\$36,322 pa
Category 2 - without dependents	\$34,605 pa

Stipend is paid directly in to the cleric's bank account on the 25th of each month.

##### **TAX FREE REIMBURSABLE EXPENSES**

The amount of reimbursement for book, hospitality and other expenses is determined and reimbursed by Vestry. Please encourage your new Vestry to inform you of their resolution as soon as possible. The maximum rates are as follows:

Hospitality	\$1,500 pa
Books	\$1,100 pa (minimum of \$275 pa)
Other	\$600 (to include Ministry Conference and part of supervision)

##### **REIMBURSEMENT FOR BOOKS**

- (a) Ministry Units are obliged to reimburse clergy a minimum of 25% of the total maximum allowable reimbursement. In the case of local Shared Ministry Units, this reimbursement is applicable to the ministry team.
- (b) Lay Ministers – this policy will only apply to lay ministers if the books are essential texts for the proper pursuit of their duties and service to that ministry unit.
- (c) Part-time Ministry – there is no differentiation for clergy in less than full time ministry. There is still an obligation to preach and be updated and refreshed on matters of theological and spiritual development and literature. Therefore, the need is as great as that for a full-time priest.
- (d) Non-Stipendiary Clergy – similar reimbursement is to apply to non-stipendiary clergy if they are engaged in an active "Sunday ministry" as there is still an obligation for them to preach and to be updated. This is in

accordance with the policy of the Diocese that the position of non-stipendiary priest is not of a lesser status than of stipendiary clergy.

## **TRAVEL**

Travel to and from work is not reimbursable. Casual travel is where total distance travelled on Church business is less than 25% of total annual travel. The casual rate is 28c per kilometre with unlimited kilometres. Otherwise, total annual travel is used to calculate a "band" rate for reimbursement as follows:

Where total annual travel is

up to 12,000 kms pa business travel is reimbursed at	62 cents per km
18,000 kms pa	50 cents per km
24,000 kms pa	42 cents per km
30,000 kms pa	37 cents per km
36,000 kms pa	34 cents per km etc...

## **PAYROLL LIFE INSURANCE**

1.8% of stipend, inclusive of GST.

## **STIPEND CONTINUANCE INSURANCE**

0.79% of stipend, inclusive of GST.

## **HOUSING**

If a parish has an available vicarage it is not obliged to provide a housing allowance but once a parish meeting agrees to such a course of action the following rules apply:

- (1) It is expected that the Vicar will reside within the boundaries of the ministry unit. If the Vicar wishes to reside outside these boundaries then the permission of the Bishop is to be sought.
- (2) 4/5ths of the market rental of the vicarage is to be provided to the Vicar as a Clergy Housing Allowance.
- (3) After setting the allowance the remaining 1/5th is to be held by the parish for the purposes of ongoing house maintenance.
- (4) Any vicarage being rented out must be covered by a standard rental agreement that includes a release clause which allows the ministry unit to reclaim the house with statutory notice.
- (5) It is recommended that ministry units engage professional management for any vicarage rented out but in any event the rent must be collected at least monthly.
- (6) During the employment process of a new Vicar the housing arrangements must be reviewed.
- (7) Single clergy require housing or an allowance to the same standard as married clergy.

This document should be read in conjunction with the provisions of the Financial Regulations Statute which shall take precedence.

## **INSURANCES**

All permanent ministers on the payroll under the age of 65 are covered by Payroll Life insurance which, upon the event of death in service, provides a benefit of 3 times annual stipend to the surviving spouse or Estate. A similar benefit is also provided for total and permanent incapacity to work through illness or injury. The benefits are reduced by 20% for each year over 60.

Stipend Continuance insurance is offered and provides a 55% tax free benefit of stipend (equivalent to 75% of gross stipend) after 3 months of continued sickness. A nominal charge of \$108 per annum is levied on the insured person.

### **PENSION FUND**

It is mandatory for stipendiary clerics to join the NZ Anglican Church Pension Fund. In certain instances, a better option might be to join the lay fund, RETIRE. These matters should be discussed with the Personnel Administrator.

### **MOTOR VEHICLE LOANS**

Stipendiary clergy are entitled to a loan of up to \$18,000 to purchase a car for parish business. The interest rate is half a percent below ANZ Bank Index lending rate. There is a \$50 fee and the loan is repayable over 5 years.

### **CLERGY RETIREMENT HOUSING FUND**

The Diocese has a fund which can lend up to \$100,000 for the purchase of a suitable retirement home. Each loan is negotiated on individual needs. Please contact the Personnel Administrator. The NZ Anglican Church Pension Board will also loan up to 80% of the value of a home for retirement at 1.4% below current market rates.

**If you have any queries about the stipend package offered, please do not hesitate to contact Jan Scott, Personnel Administrator, on [09] 302 7201.**