

PERSONAL FINANCIAL POLICIES: CANADA

Your personal financial support is derived from three sources:

- 1) Housing, health benefits, salary and expense reimbursement paid by the field according to their ability to pay;
- 2) Village Missions of Canada's base supplement; and
- 3) Donor support.

Field Support

Before your arrival, the District Representative has worked with your Church Board to establish the financial arrangements. The church will be asked to provide medical benefit, housing and utilities, and as much of the Minimum Base Support as they are able. Every church or field will vary in their ability. We want to help the church, but it is understood that they will not allow Village Missions of Canada to furnish what is their responsibility and within their ability.

Base Supplement

The base supplement is exactly that, a supplement. It is intended to be only one part of your total support. The supplement is provided by Village Missions of Canada to make up the difference between the support that the field provides, and a pre-determined level, called the Minimum Base Support.

The amount is not guaranteed and is established as God makes the funds available. This amount may be increased or decreased from time to time as deemed necessary by the Board of Village Missions of Canada. The current Minimum Base Support figure is \$1,400 per month.

Items that the field pays directly to you or on your behalf decrease the supplement paid. Certain items are exempt. Review the Monthly Report instructions. Please check with your District Representative for further details.

Donor Support

The amount of donor support you are required to raise is established based on when you apply to the Mission. When accepted you will be given a suggested goal of needed support. You are required to raise an additional amount for each child under the age of 18. The first portion of your donor support stays with the Mission to fund basic support services that the Mission provides to you and your donors.

The current suggested amount of personal support needed is \$600.00 per month, of which \$300.00 stays with the Mission. You are also required to raise \$50.00 per month, per child under 18 years of age. (Your fundraising goal will be \$600 plus \$50 per child under 18.)

That goal may require additional funds for your personal support. The amount of needed support may vary in response to amounts set by the Mission, family size and location where you will be serving. You are free to raise more as your situation demands. All that you raise above the amount for the Mission is yours for ministry with Village Missions of Canada, in addition to the Minimum Base Support.

Operational Service Fee

A "Operational Service Fee" of \$300.00 each month is charged of new missionaries. This service fee will be deducted from your donor support each month. If a missionary's donor support falls below the fee charged when they entered the Mission, they will be required to make up the difference. These monies are used to fund basic support services that the Mission provides to the missionary. The amount of donor support you are required to raise is established based on when you apply to the Mission. When accepted you will be given a suggested goal of needed support. You are required to raise an additional amount for each child under the age of 18. The first portion of your donor support stays with the Mission to fund basic support services that the Mission provides to you and your donors.

Pay Cycle

Supplement and donor support payments are transmitted electronically to your bank account on a monthly basis. This transmission is based on actual salary reported on your Monthly Report and funds credited to your account through the last business day of the report month. The cut-off for payments of donor support is the last business day of the month. **Make sure your donors mail their support early.**

When you arrive on the field, send a voided check to the Sorrento B.C. office as soon as possible. Direct Deposit needs to be set up no later than the first day of the month in which you receive your first payment.

Gifts from U.S. donors to Canadian missionaries will likely be delayed an additional 30 days because the U.S. office must forward the funds to the Canadian office.

Payday is mid month. Your pay will be transmitted to your account within two working days of the 15th of the month. This is contingent upon you submitting your monthly report on time. Both missionaries in self-supporting churches as well as those needing supplement are very much included. **Monthly Reports must be submitted by the Wednesday following the last Sunday.**

Medical Benefit

Be sure you are enrolled in the provincial medical plan of the province in which you serve. There are also supplemental insurance programs, which you may want to consider purchasing for further protection and extra coverage.

Canada Pension

A program for retirement is established with Investor's Group. All couples automatically go into this plan after one year with Village Missions of Canada. Currently, both the Mission and the missionary

contribute to this RRSP fund (Mission \$75.00, missionary \$25.00). The Village Missions of Canada office will provide you with additional information.

The payroll service will deduct Canada Pension Plan (CPP) premiums from your gross pay. Your church is required to do the same, on any salary they pay directly to you.

Life Insurance

All missionaries are automatically enrolled in a life insurance program with Long Term Disability with the Canadian Council of Christian Charities after being in the Mission for one year. The husband is covered for \$25,000 and the wife for \$10,000 and \$1,000 for each of the children.

Helping Fund

This fund is available to those of our missionaries who have excessive medical bills that they are unable to pay. For dental expenses, the Helping Fund will contribute 80% of your bill, up to a maximum of \$1000.00 per family, per year. When making application for assistance, a copy of all bills should be sent to the Sorrento, B.C. office, along with a written request for help. Funds will be paid directly to the provider as indicated on the bill, or if you have already paid the bill, you will be reimbursed up to the amounts allowable.

Dental Reimbursement

See **HELPING FUND**, above.

Tax Reporting

The Missions's payroll service will deduct income tax, Canadian Pension Plan, and Employment Insurance premiums from your net pay on the amount of supplement you receive from the Mission and the donations you receive. The individual churches are required to do the same on any salary they pay directly to you.

Each year you will receive a T4 slip from Village Missions of Canada, reporting your earnings and deductions on supplement and donations you received through the Mission. Your local church is required to provide a T4 on salary they paid directly to you including the fair market rental value of the parsonage and utilities. Be sure to report all of your income from all sources when you file your annual income tax return. Failure to do so can result in severe penalties.

An estimated tax form, TD1, must be filled out annually.
