

## **Report of Emeritus Fund**

To: The Stated Clerk  
P. van der Wel  
Reformed Churches of New Zealand  
P.O. Box 15 129  
Hamilton 3243  
**New Zealand**

21<sup>st</sup> May 2014

Esteemed Brothers,

The purpose for establishing the Emeritus Fund was to enable the churches to fulfil their obligations under Church Order Art. 17.

Our activities since the 2011 Synod and other related matters in this area can be summarised under the following points.

### **1. Communication with Members and Beneficiaries**

The trustees have provided the members and beneficiaries with annual reports for the years ended 31 March 2011, 2012 and 2013, which also included the respective audited financial statements of the Fund, the entitlements of the members and other relevant information as required by the Superannuation Schemes Act 1989.

### **2. Legislation and Management Related Matters**

The Trustees have investigated the effects of the Anti Money Laundering & Counter Financing of Terrorism Act 2009 on the Fund. In early August 2013, through the Fund's lawyers, the Trustees applied for an exemption from the provisions of the Act. The Ministry of Justice has yet to make a decision on the Fund's application.

Since writing our report to the 2011 Synod no other major changes have occurred in Government policy that would affect the operation of the Emeritus Fund.

The Trustees amended the Trust Deed (amendment registered with the Incorporated Societies on or about 12 January 2012) in accordance with Recommendation 6 of the Emeritus Fund Report to the 2011 Synod (clarification of "Member" of the Emeritus Fund).

The Trustees tested the competitiveness of the Fund's insurer by obtaining quotes from other insurers and confirmed that the current insurance arrangements remain competitive.

The investments of the Fund continue to be a major focus of the Trustees as they seek to maximise returns and control investment risk in challenging market conditions.

### **3. Purpose of the Fund**

The Reformed Churches of New Zealand Emeritus Fund "the Scheme" is a defined benefit superannuation scheme registered in New Zealand under the Superannuation Schemes Act 1989.

The Fund exists to provide retirement benefits to members. Membership is restricted to ministers and qualifying missionaries of the RCNZ. Membership is non-contributory.

Benefits paid out to members of the Emeritus Fund are tax-free in the hands of recipients.

#### 4. Taxation Matters

The Fund is incorporated under the Charitable Trust Act 1957 and is also registered as a charity under the Charities Act 2005. As a charitable trust, the Fund is exempt from paying income tax on its investment income.

#### 5. Financial Report

Members receive annual reports and audited financial statements. The annual audit is undertaken by the Auckland office of chartered accountants, KPMG.

Annual financial statements for the years ended 31 March 2011, 2012 and 2013 are summarised in Appendix 1.

The weighting of the Fund's investments are in line with the Strategic Plan. The table below summarises the Fund's investments at 31 March 2013.

<b>Analysis of Funds Invested</b>		
<b>Investment Class</b>	<b>\$</b>	<b>%</b>
NZ equities	256,332	13.22
Australian equities	98,826	5.10
International equities	54,600	2.82
NZ property	496,569	25.61
NZ fixed interest	797,678	41.14
NZ cash at bank	234,804	12.11
<b>Total Funds Invested</b>	<b>1,938,809</b>	<b>100.00</b>

The Fund's actuary calculated the effective compound annual return of the Fund, net of investment management expenses, over the period 1 April 2011 to 31 March 2013, was 7.70%. The annual rates of return achieved on the Fund's assets during the three year review period (calculated by the Fund's actuary) are shown below and are net of investment management expenses.

<b>Annual Rate of Return</b>	
<b>Year Ending 31 March</b>	<b>%</b>
2011	6.22
2012	4.85
2013	12.16

The Trustees are pleased with the Fund's performance over the period being measured in light of the previous losses caused by the global financial crisis and the collapse of many NZ finance companies. The Fund's investment returns compare favourably with the performance of similar funds.

The audited financial statements for the year ending 31 March 2014 will be sent to the members of the Fund as soon as they are available and this should be before 2014 Synod meets in September.

## 6. Actuarial Solvency of the Fund

The Emeritus Fund is a defined benefit superannuation scheme with unallocated funding. Under the terms of the Superannuation Schemes Act 1989 such schemes are required to have an actuarial valuation at no more than three-yearly intervals to determine whether these schemes are able to pay the promised allowances.

The last actuarial valuation of the Emeritus Fund was undertaken as at 31 March 2013. That valuation showed that the Fund's assets exceeded the value of the accrued liabilities by \$356,000 at 31 March 2013 compared to a surplus of \$443,000 at 31 March 2010. However, the assets were insufficient to meet the full cost of the expected value of both the accrued and future liabilities in respect of current members (including expenses). The shortfall was \$438,000 as at 31 March 2013 compared to \$285,000 as at 31 March 2010.

The actuary stated that contributions of approximately \$2,400 p.a. per active member, plus expenses, will be required when the surplus of \$356,000 has been extinguished.

From the previous valuation report as at 31 March 2010, the excess of assets over accrued and future benefits was \$433,000. There has therefore been a decrease in the Fund's funding position of approximately \$77,000 during the three years under review.

The sources, in approximate terms, of the change in surplus are as follows:

Source of Change	\$000s
Opening Surplus as at 31 March 2010	433
Interest on Surplus	96
Investment return in excess of expected return	51
Change in actuarial assumptions	(91)
Quota payments less than cost of benefits and expenses	(122)
Group life experience, pension increases and miscellaneous items	(11)
Surplus as at 31 March 2013	356

Apart from the obvious impact of the increased membership of the Fund and the consequential increased liability against the surplus, the next largest contributor to the negative surplus was the change in actuarial assumptions. In calculating the expected future returns on the Fund's assets, the actuary adopted an assumed yield on investments of 6.50% per annum compared with 6.75% p.a. in the previous valuation, a 0.25% p.a. reduction in future earnings.

Should the past service surplus of \$356,000 be extinguished, contributions of approximately \$2,400 per active member per annum will be required from the Churches. These contributions do not include expenses or contribution tax.

The actuary recommended that the annual quota be zero until the next valuation. The actuary made the same recommendation in 1998, 2001, 2004, 2007, 2010 and 2013. The Trustees are continuing to work toward increasing the investment returns and the Fund's assets in an effort to reduce the actuarial deficit. However, the Trustees believe it is in the best interests of the churches to spread

the cost over a number of years rather than suddenly be faced with a massive increase in annual quota.

With the decrease in the actuarial surplus and continuing investment uncertainties, we recommend that Synod again agree that the Trustees should continue to levy the annual quota at the unchanged rate of \$1,500 per active member for the years ending 31 March 2015, 2016 and 2017.

## **7. Benefit Levels**

Two emeritus members and the widow of one deceased member were receiving an allowance from the Fund as at 31 March 2013. Since that time three more members have retired, two of whom are receiving a pension and one of whom (who had only been a member for a short time) received his benefit as a lump sum. This means that currently four emeritus members and one widow are receiving an allowance from the fund.

Emeritus allowances are increased annually on 1 April with the increase based on the Consumer Price Index (C.P.I.) as applied to Government Superannuation allowances over the previous calendar year.

These increases were 4.03% from 1 April 2011, 1.8% from 1 April 2012, and 0.9% from 1 April 2013. As from 1 April 2014 the emeritus allowance after 30 years of service is \$201.32 per week, with a proportionate reduction for emeritus members with less than 30 years' service (e.g. with 20 years of service  $20/30 \times \$201.32$ ) and a proportionate increase for emeritus members with more than 30 years of service.

At recent Synods, the minimum weekly allowance for widows or disabled members, irrespective of years of service, was increased by \$5. It is proposed to increase the allowance from the present \$75 to \$80 per week.

Lump sum payments are made in the case of death or total and permanent disablement. Details are shown under "Recommendations".

Recently the Trustees became aware of some ambiguities regarding the interpretation of clauses 12 and 13 of the Trust Deed. As clause 12 now reads, a minister retiring after the age of 50 with the consent of his employing church, and taking up alternative full time employment, is entitled to a pension from the Fund. The entitlement is automatic, for the full amount of the pension entitlement approved by Synod, and leaves no discretion for the Trustees.

Early retirement means that a retiree will receive a pension for longer than if the retirement had occurred at the normal retirement age of 65 years (retirement date stated in the Trust Deed). This means that the Fund will receive less in contributions for such members but will pay out more than it would have had they retired at normal retirement age. Consequently pensions paid following early retirement are normally discounted by a factor determined on an actuarial basis. Clause 12 does not contain such a provision and the Trustees have proposed, under "Recommendations", to correct this oversight.

## 8. Membership and Beneficiaries

<b>Membership Movements</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>
Membership - beginning	23	22	20
New members	1	2	2
Withdrawals	-	(1)	-
Left service – tsfr to deferred beneficiaries	-	-	-
Joined service – ex deferred beneficiaries	-	-	-
<b>Membership - closing</b>	<b>24</b>	<b>23</b>	<b>22</b>
<b>Deferred Beneficiaries</b>			
Deferred beneficiaries - beginning	8	8	8
Transfers in from membership	-	1	-
Withdrawals	-	(1)	-
<b>Deferred beneficiaries - closing</b>	<b>8</b>	<b>8</b>	<b>8</b>
<b>Beneficiaries - Pensioners</b>			
Pensioners - beginning	3	3	3
Additions	-	-	-
Deaths	-	-	-
<b>Pensioners – closing</b>	<b>3</b>	<b>3</b>	<b>3</b>

## 9. State Social Welfare Benefits

As of 1 April 2014, New Zealand Superannuation payments were set at \$638.46 gross per week for a married couple (both 65 years of age or older) and \$604.54 gross per week for a married couple where only one partner has reached 65 years. In the latter case the benefit reduces progressively if joint gross income from other sources exceeds \$100 per week. Residency qualifications apply for this benefit.

Widows and invalids benefits are also available. We advise sessions wishing to call a minister from outside New Zealand to check his eligibility for New Zealand social welfare benefits.

## 10. Provision of Retirement Accommodation

It is encouraging to note that many members are making provision for their retirement accommodation.

## 11. Members - Notification of Arrivals and Departures

When ministers and missionaries (members) arrive from outside New Zealand we need to know the dates of their arrival in New Zealand and of their ordination/installation. When ministers leave the ministry of the Reformed Churches of New Zealand we need to know the date and terms of their departure. This information is needed for insurance purposes and for our own records. The co-operation of the sessions in this matter continues to be greatly appreciated.

## 12. Trustees of the Fund

Of the five trustees of the Fund appointed by Synod 2011 four are still serving. Rev A Nugteren resigned as a trustee on 4 March 2013 as a consequence of accepting the call to CRC Toowoomba, Australia. Rev M Willemse was subsequently appointed a trustee of the Fund by the Synodical Interim Committee. As at the date of this report, all five current trustees were available for re-

appointment by the 2014 Synod. The Trustees acknowledge with thanks the contribution of Rev Andrew Nugteren after five years of faithful service as a trustee of the Fund.

The minimum number of trustees required under the terms of the Trust Deed is three.

At the Trustees' request, the Synodical Interim Committee appointed Mrs Sarah Bryant to serve in an administrative capacity to the Board of Trustees of the Emeritus Fund.

## Recommendations

1. *That Synod receives this report.*
2. *That existing pensions in payment remain inflation adjusted as per previous decisions of Synod.*

*(The 2005 Synod decided to increase emeritus allowance entitlements and pensions annually from 1 April using the increase in the CPI as applied to Government Superannuation allowances. The subsequent Synods made no change to this method.)*

3. *That Synod approves the following emeritus allowances:*
  - a) *From 1 April 2014 the emeritus allowance for an emeritus member with 30 years' service is \$201.32 per week, with a proportionate reduction for members with less than 30 years' service and a proportionate increase for members with more than 30 years' service.*
  - b) *For the widow of an emeritus member, 80% of the pension as calculated on the basis of the years of service of the deceased member.*
  - c) *For the widow of a member who died before emeritation, irrespective of years of service, a minimum of \$80 per week\*\* and a lump sum payment as shown under "e".*
  - d) *In both "b" and "c" the widow's allowance will cease upon re-marriage.*
  - e) *For a member who is permanently and totally disabled under the terms of the Emeritus Fund's Group Life and Disablement Assurance Policy, irrespective of years of service, a minimum of \$80 per week\*\* and a lump sum payment as shown under "e".*
  - f) *The payment of a lump sum on the death or total and permanent disablement of a member according to the following scale:*

Member's Age	Current Lump Sum \$
under 29	212,000
30-32	184,000
33-35	155,000
36-38	127,000
39-41	99,000
42-44	71,000
45-47	56,000
48-50	42,000
51-53	28,000
54-56	25,000
57-59	21,000
60-62	16,000
63-64	14,000

\*\* It is possible that a member or surviving spouse can receive a pension based on actual years of membership greater than the minimum of \$80 per week.

4. *That Synod ratifies the Synodical Interim Committee's decision to authorise the Emeritus Fund to continue to use its current 'flat rate' method of calculating and applying quota for the years ending 31 March 2012, 2013 and 2014.*
5. *That Synod approves a quota based on a 'flat rate' calculation of \$1,500 per annum for each active member (minister and/or missionary) of the Emeritus Fund that each of the Reformed Churches of New Zealand employ during the years ending 31 March 2015, 2016 and 2017 and, provided further that each of the respective churches will also be responsible for paying the Employer Superannuation Contribution Tax ('ESCT') for each active member of the Emeritus Fund that they employ during the years ending 31 March 2015, 2016 and 2017.*

[Please refer to Appendix 2 for an explanation as to why the Trustees deemed it necessary to change the method used to levy quota from a 'proportional' calculation to a 'flat rate' calculation.]

6. *That Synod appoints Mrs Sarah Bryant to serve in an administrative capacity to the Board of Trustees of the Emeritus Fund up until the time of the next Synod.*
7. *That Synod determines that the retirement benefit payable to each Member of the Emeritus Fund (having not previously retired from office) upon requesting payment of the retirement benefit having attained fifty (50) years of age and having the consent of the Employer but having not reached the Normal Retirement Date (as set in the Trust Deed) shall be entitled to an immediate pension pursuant to clause 12 of the Trust Deed reduced by such amount as shall be determined by the Actuary to reflect the fact that the Member is retiring before the Normal Retirement Date.*

[The purpose of this recommendation is to provide equitably for Members of the Emeritus Fund who retire from ministry on or after the Normal Retirement Date (Member's 65<sup>th</sup> birthday) and those who decide to retire from ministry, apart from ill health, between the age of 50 years and the Normal Retirement Date.]

Report respectfully submitted by the current Trustees of the RCNZ Emeritus Fund:

W M Kingham (Treasurer)  
M J Leenders (Secretary)  
J Ploeg  
Rev M Willemse  
C A Young (Chairman)

APPENDIX 1

<b>Reformed Churches of New Zealand Emeritus Fund</b>						
<b>Statement of Changes to Net Assets</b>						
<b>For Years Ended 31 March 2011, 2012 &amp; 2013</b>						
				<b>2013</b>	<b>2012</b>	<b>2011</b>
				<b>NZ\$</b>	<b>NZ\$</b>	<b>NZ\$</b>
<b>FINANCIAL ASSETS - At Fair Value Through Profit &amp; Loss</b>						
<b>Equity - Onshore</b>						
Barramundi Ltd				72,000	62,000	79,000
Colonial Motor Group				21,253	-	-
Contact Energy Ltd				-	3,571	4,196
Ebos Group Ltd				24,258	18,824	19,760
G.U.D Holdings Ltd				26,826	-	-
Mainfreight Ltd				18,000	-	-
Marlin Global Ltd				54,600	61,620	77,220
Methven Ltd				19,840	-	-
Sanford Ltd				26,760	-	-
Vector Ltd				46,304	42,528	41,378
				<b>309,841</b>	<b>188,543</b>	<b>221,554</b>
<b>Unlisted Managed Funds</b>						
Fisher Funds - NZ Growth Funds				99,917	78,146	65,444
				<b>99,917</b>	<b>78,146</b>	<b>65,444</b>
<b>Property</b>						
Direct Property Fund shares				496,569	449,500	452,600
				<b>496,569</b>	<b>449,500</b>	<b>452,600</b>
<b>Fixed Interest - Onshore</b>						
Air New Zealand				88,284	84,992	-
ANZ National Bank				88,060	85,468	91,483
Contact Energy Ltd				87,720	85,000	-
Fletcher Building Finance Ltd				54,668	52,538	50,441
Genesis Power Ltd				52,750	52,150	-
Goodman Fielder New Zealand Ltd				88,698	80,763	89,191
Infratril Ltd - Infra Structure Bonds				70,457	70,812	71,001
Kiwi Bank Term Deposit				-	104,718	192,424
Kiwi Income Property				90,950	91,800	90,950
Mighty River Power Ltd - Fixed rate bonds				55,321	58,240	55,000
Rabobank Nederland- Perpetual capital securities				67,200	64,440	60,800
Strategic Finance Ltd				4,800	8,400	15,773
Trust Power				48,770	47,433	46,813
Trust Power Convertible Bonds				-	40,384	41,152
Westpac Term Deposit				-	-	50,999
Works Finance (NZ) Ltd				-	50,601	-
				<b>797,678</b>	<b>977,739</b>	<b>856,027</b>
<b>Total Investments</b>				<b>1,704,005</b>	<b>1,693,929</b>	<b>1,595,625</b>
<b>CURRENT ASSETS</b>						
Accrued Interest				9,858	13,785	9,957
Cash at Bank				234,804	30,699	56,330
Accounts Receivable				6,572	8,184	8,227
<b>Total Current Assets</b>				<b>251,234</b>	<b>52,668</b>	<b>74,514</b>
<b>Total Assets</b>				<b>1,955,239</b>	<b>1,746,597</b>	<b>1,670,139</b>
<b>Less LIABILITIES</b>						
Sundry Creditors				6,396	6,210	5,980
Total Liabilities				6,396	6,210	5,980
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>				<b>1,948,843</b>	<b>1,740,387</b>	<b>1,664,159</b>

<b>Reformed Churches of New Zealand Emeritus Fund</b>			
<b>Statement of Changes to Net Assets</b>			
<b>For Years Ended 31 March 2011, 2012 &amp; 2013</b>			
	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>NZ\$</b>	<b>NZ\$</b>	<b>NZ\$</b>
<b>INVESTMENT ACTIVITIES</b>			
<b>Investment Revenue</b>			
Gains/(losses) on disposal of and changes in fair value of investments	100,262	(31,575)	(1,321)
Dividends and Interest Received	111,197	112,250	100,088
<b>Net Investment Revenue/(Loss)</b>	<b>211,459</b>	<b>80,675</b>	<b>98,767</b>
<b>OTHER EXPENSES</b>			
Actuarial Fees	511	1,011	10,619
Audit Fees	6,396	6,419	8,427
Insurance	6,392	7,475	4,575
Brokerage Fees	1,024	1,417	462
General Administration Fees	202	129	567
Legal Fees	635	578	-
<b>Total Other Expenses</b>	<b>15,160</b>	<b>17,029</b>	<b>24,650</b>
<b>Change in Net Assets before Membership Activities</b>	<b>196,299</b>	<b>63,646</b>	<b>74,117</b>
<b>MEMBERSHIP ACTIVITIES</b>			
<b>Contributions</b>			
Sponsors Contributions	36,000	36,000	-
<b>Total Contributions</b>	<b>36,000</b>	<b>36,000</b>	<b>-</b>
<b>Benefits Paid</b>			
Emeritus Allowances	23,842	23,420	22,513
<b>Total Benefits Paid</b>	<b>23,842</b>	<b>23,420</b>	<b>22,513</b>
<b>Net Membership Activities</b>	<b>12,158</b>	<b>12,580</b>	<b>(22,513)</b>
<b>Net Increase in Net Assets During Year</b>	<b>208,457</b>	<b>76,226</b>	<b>51,604</b>
Net Assets Available for Benefits at Beginning of Year	1,740,386	1,664,160	1,612,555
<b>Net Assets Available for Benefits at End of Year</b>	<b>1,948,843</b>	<b>1,740,386</b>	<b>1,664,159</b>

**Report 13**  
**Emeritus Fund**

<b>Reformed Churches of New Zealand Emeritus Fund</b>			
<b>Statement of Changes to Net Assets</b>			
<b>For Years Ended 31 March 2011, 2012 &amp; 2013</b>			
	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>NZ\$</b>	<b>NZ\$</b>	<b>NZ\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash provided from</i>			
Dividend Received	47,086	49,255	44,494
Interest Received	64,111	62,995	52,538
Members Contributions	36,000	36,000	-
	<u>147,197</u>	<u>148,250</u>	<u>97,032</u>
<i>Cash applied to</i>			
Benefits Paid	23,842	23,420	22,513
Other Expenses	9,435	20,584	22,747
	<u>33,277</u>	<u>44,004</u>	<u>45,260</u>
<b>Net Cash Flows from Operating Activities</b>	<u>113,920</u>	<u>104,247</u>	<u>51,772</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash provided from</i>			
Sale of Investments	211,143	142,777	43,375
	<u>211,143</u>	<u>142,777</u>	<u>43,375</u>
<i>Cash applied to</i>			
Purchase of Investments	120,958	272,655	164,335
	<u>120,958</u>	<u>272,655</u>	<u>164,335</u>
<b>Net Cash Flows from Investing Activities</b>	<u>90,185</u>	<u>(129,878)</u>	<u>(120,960)</u>
<b>Net (Decrease) in Cash Held</b>	204,105	(25,631)	(69,188)
<b>Cash at Beginning of Year</b>	30,699	56,330	125,518
<b>Cash at End of Year</b>	<u>234,804</u>	<u>30,699</u>	<u>56,330</u>

## **APPENDIX 2**

### **BACKGROUND:**

Quota levied for the Emeritus Fund for the years (ended 31 March) up to and including 2008 was based on a 'proportional' calculation using the number of communicant members in each of the respective churches that comprise the RCNZ.

The 2008 Synod decided not to levy Quota for the Emeritus Fund for the three years ended 31 March 2009, 2010 and 2011. However, in response to the Global Financial Crisis, the 2011 Synod decided to again levy Quota for the Emeritus Fund for the years ending 31 March 2012, 2013 and 2014.

The last year Quota was levied for the Emeritus Fund using the 'proportional' calculation was for the year ended 31 March 2008.

The Trustees of the Emeritus Fund levied the Quota based on a 'flat rate' calculation for years ending 31 March 2012 and 2013.

The Reformed Church of Dunedin challenged the Trustees decision to change the Quota basis to a 'flat rate' calculation in a letter to the Emeritus Fund dated 10 December 2012.

In response the Trustees obtained authorization from the Synodical Interim Committee to continue to levy Quota based on a 'flat rate' calculation for years ending 31 March 2012, 2013 and 2014, subject to the Trustees providing a recommendation to Synod including the rationale for changing the method used to levy Quota from a 'proportional' calculation to a 'flat rate' calculation.

The Reformed Church of Nelson was the only other church to formally raise this matter with the Trustees.

### **RATIONALE FOR 'FLAT RATE' CALCULATION**

The Trustees' rationale for changing the method used to levy Quota from a 'proportional' calculation to a 'flat rate' calculation is based on the following reasons and issues that needed to be dealt with:

1. Changes to NZ tax legislation, which came into effect sometime after 31<sup>st</sup> March 2008 but before 1 April 2012. Previously, SSCWT was payable at a flat rate of 33% but this has now been scrapped in favour of Employer Superannuation Contribution Tax (ESCT). ESCT is based on an employee's marginal income tax rate.  
  
(The change from SSCWT to ESCT now allows a tax saving from a flat rate of 33% tax to a marginal tax rate (mostly 17.5%). This change in tax saves the RCNZ over \$10,000 annually in tax costs.)
2. Superannuation contributions (i.e. Emeritus Quota payments) and ESCT are both a direct cost of employment which is to be borne by the employer. Since RCNZ ministers and missionaries (members) are employed by the local church and not by the denomination, both of these costs need to be paid by the local church.
3. As a consequence of the change to the ESCT, employers (churches) are not levied the Quota in the event that they do not employ an active member of the Emeritus Fund during any full financial year of the Emeritus Fund, commencing 1 April and ending 31 March.
4. Qualifying missionaries are members of the Emeritus Fund and their Quota is levied on their sending church.
5. For the Trustees to administer Quota levied from a 'proportional' calculation now that the ESCT is in place would be exceedingly complex making it impractical.

Note: Currently the Quota is set at a flat rate of \$1,500 per minister/missionary (member) and is paid based on the number of **members** a church has, i.e. those churches that have several ministers or missionaries will have a higher Quota payment than those churches with a single minister. In this regard, any reference to "members" refers to members of the Emeritus Fund and not church members.

