

2023-2024 Pastor's Compensation Form

Pastor _____ Church _____ Date _____

For Period of: July 1, 2023 through June 30, 2024 or _____ - _____

Full-time Part-time

Current: July 2022 - June 2023	New: July 2023 - June 2024
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Payment	Church Contribution to Pastor Compensation (<i>Salary from Church</i>)	1		
	Equitable Compensation or other Conference Support <i>Compensation support received from the Annual Conference</i>	2		
	Cash Allowances paid directly to pastor without documentation required <i>(non-accountable plans not already included in line 1)</i>	3		
	Utilities and Appurtenances <i>Amount paid to pastor for utilities and other housing related expenses under designation by the church. See IRS Publication 517 for more information.</i>	4		
	TOTAL OR GROSS CASH PAYMENT Add Lines 1-4	5		
Deductions	Flexible Spending Plan <i>This is a FSP that the pastor sets following IRS Cafeteria Plan Section 125 Rules. This may NOT be used for health insurance premiums. It is a before tax payroll deduction which is elected annually and is a Use it or Lose it amount.</i>	6		
	UMPIP Contribution - <i>This is a voluntary amount elected by the pastor to be paid into UMPIP. FOR CHURCH MATCH, FULL TIME PASTORS MUST CONTRIBUTE AT LEAST 1% OF COMPENSATION (LINE 5 + HOUSING).</i>	7		
	UMPIP Contribution - <i>Is this tax-deferred?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No	7b		
	403B Contribution to Other than UMPIP <i>This is a contribution to an IRA held with a bank or investment firm. There must be a voluntary compensation reduction agreement on file with the church and you may elect it to be tax-deferred.</i>	8		
	Total Payroll Deductions Add lines 6-8	9		
Net	Net Compensation Paid to Pastor Subtract Line 9 from Line 5	10		
Total	TOTAL CASH COMPENSATION Transfer from Line 5	11		
Housing	Parsonage Provided	A	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	Date of (S)PPRC chairperson parsonage inspection	B	DATE:	
	Housing Allowance <i>May only be used in lieu of parsonage</i>	C		
Budget for Reimburse	Accountable Reimbursement Plan (optional) <i>This budget is not considered a part of compensation. It is only paid out via voucher, with receipts required, and represents the maximum available. Pension for full time is not paid on this amount.</i> Written Reimbursement Policy Must Be Agreed Upon and On File at Church	D		
Other Benefits	Does the church provide group health insurance for the staff in which the pastor participates?	E	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	How many weeks of vacation time will the pastor receive this year? <i>(p.325-326, 2021 Arkansas Conference Journal)</i>	F		

***For all full-time pastors, the church will be responsible for a pension benefit of 14% of total comp (line 11) plus housing and will be billed directly by the conference office. This is a benefit and not included in the total compensation paid to the pastor.**

The Pastor Parish Relations Committee recommends compensation after consultation with the pastor and the District Superintendent. The recommendation is reported to the Finance Committee and the Administrative Board/Council for discussion and agreement. The Charge Conference sets compensation. The church is obligated to compensate the pastor at this level until the end of the conference year. (§624.1)

Pastor Signature _____

Treasurer Signature _____

S(P)PRC Chair Signature _____

District Superintendent Signature _____

For District Office Use Only

Date entered in database _____

Pension billing share for multiple point charges _____

2023-2024 Pastor's Compensation Form Instructions

The compensation form matches the conference appointive and fiscal year of July 1 - June 30. The new annual pastor's compensation will be applied to begin July 1. If a congregation seeks to increase compensation for January - June, it should complete an additional compensation form using annualized amounts, indicate the appropriate effective dates, and include the additional form in the Charge Conference Packet for approval. Contact your DS for questions about clergy compensation.

Payment

- **Church Contribution to Pastor Compensation (Line 1)** – List the total pastor's salary as approved by the charge/church conference prior to any deductions. Do not include other compensation items listed below (Equitable Compensation, Cash Allowances, or Utilities and Appurtenances) or housing allowance.
- **Equitable Compensation or other Conference Support (Line 2)** – List all funds received from the Conference for the support of the salary for the pastor.
- **Cash Allowances (Line 3)** – List any amount paid to the pastor for non-accountable cash allowances. This may include, but not limited to car or travel allowance, discretionary funds, and/or expense accounts.
- **Utilities and Appurtenances (Line 4)** – List funds designated for use by the pastor for housing related expenses as provided for by IRS section 107. This may include utilities, furnishings, or other non-consumable housing related expenses. More information on this topic can be found in IRS Publication 517 or by visiting <https://www.gcfa.org/services/legal-services/gcfa-tax-packet/>.

Deductions

- **Flexible Spending Plan (Line 6)** – These plans sometimes referred to as Cafeteria 125 plans may only be used in conjunction with a bona fide group health care plan. If the church does not offer the pastor health care coverage through a group plan, then flexible spending plans may not be used for health care reimbursements. In other words, these plans cannot be used to reimburse medical expenses, including premiums for plans bought through the medical exchange.
- **UMPIP Contribution (Line 7)** – This is the voluntary contribution by the pastor to the United Methodist Personal Investment Plan (UMPIP). These funds may be withheld on either a tax-deferred or tax-paid basis. At least 1% of plan compensation (Line 5 plus housing) must be contributed in order to receive a 14% matching contribution.
- **UMPIP Contribution Tax Deferred (Line 7b)** – If the contribution from the prior line is contributed on a tax-deferred basis then write "Yes" on line 7b. If the contribution is being made after-tax write "no."
- **403B Contribution Other Than UMPIP (Line 8)** – List any amount being contributed to a retirement fund for the pastor other than UMPIP. Please indicate whether this is being made on a tax-deferred basis.

Housing

- **Parsonage Provided (Line A)** – If your church provides a parsonage answer "Yes" otherwise answer "No"
- **Date of Parsonage Inspection (Line B)** – Write the date of the last inspection of the church owned parsonage. If the church does not provide a parsonage then leave this line blank.
- **Housing Allowance (Line C)** – List the amount of money the church provides for the pastor's housing allowance. This is only in lieu of a church owned or leased parsonage. The pastor does not have to provide the church receipts for reimbursements of these funds. This amount may be reported on box 14 of the pastor's W2. **This amount is paid in addition to the amount on Line 11.**

Reimbursements

- **Accountable Reimbursement (Line D)** – Budgeted fund established to reimburse the pastor for expenses. Pension is not paid on this amount, and it is not considered a part of compensation. This optional arrangement should only be established with a written policy set by the church and requires written documentation of expenses. For more information and sample policies visit <https://www.gcfa.org/services/legal-services/gcfa-tax-packet/>.

Other Benefits

- **Does the Church Provide Group Insurance for You (Line E)** – Please write yes or no if the church provides group insurance for the staff for the calendar year in which YOU participate.

Minimum Compensation for Full Time Clergy (p.222, 2021 Arkansas Conference Journal)

- Minimum compensation for full time clergy (Local Pastors, Elders, and Deacons) is set by the Annual Conference, as recommended by the Conference Commission on Equitable Compensation.
- Minimum compensation for full time clergy appointments in church settings must be set at or above the standards (as noted on line 11 of the compensation form). **A parsonage or housing allowance in lieu of a parsonage shall be provided in addition to the figures listed below.**

Full Connection \$48,330	Provisional, Associate Member \$47,280	Local Pastor \$46,230
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Appointed pastors serving a charge that provides a group health insurance plan shall be subject to the following minimum compensation support:

Full Connection \$36,330	Provisional, Associate Member \$35,280	Local Pastor \$34,230
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