

Definition

Salary: Cash compensation paid for services rendered and includes base pay, cash bonuses, equitable compensation, and cash paid to the clergy for benefits. It does not include reimbursement for professional expenses or cash allowances provided in lieu of parsonage (i.e. Housing Allowance.)

Reimbursable Expenses: The minimum professional reimbursement account for a pastor serving full-time is \$6,000.00. Charges may elect to provide greater amounts. Pastors serving in part-time appointments are to receive a minimum of \$1,500.00 for each ¼ time increment. Pastors serving multi-point charges are to receive an additional \$750.00 in professional reimbursement for each church after the first church on their circuit, whether serving in a part-time or full-time appointment.

Health Insurance and Pension Benefits for eligible clergy are billed to the charge and the pastor monthly. A pastor must have a total combined appointment of at least 75% to qualify for Health Insurance and Pension benefits and participate in the conference's pension plan (CRSP). Those pastors whose total combined appointment percentage falls below 75% are not eligible for health benefits but may participate in a UMPIP plan, which is administered between the charge and Wespath.

For 2023, the Uniform Rate for HealthFlex is \$ 19,200.00

For pensions, the cost will remain 11.8% of total compensation, which is defined as base salary plus either: a) 25% of salary for a parsonage or, b) the actual amount of a housing allowance for those not provided a parsonage. For charges with Episcopal appointments of 75% or greater these amounts will be billed to you by the Conference. For charges with Episcopal appointments of less than 75% these amounts should be remitted directly by the charges to Wespath to be deposited into a pastor's United Methodist Personal Investment Plan (UMPIP) account. If the pastor does not elect to contribute at least 1% of salary, the church will be responsible for remitting only 10.8% vs. 11.8%.

Health benefits that the pastor chooses to incur related to the plan they choose, will also be billed to the church. And the church must withhold those amounts from the pastor's paycheck. In addition, the pastor's contribution to UMPIP should be withheld and remitted by the church to Wespath

Clergy CPP: (Death & Disability) for 100% appointments only: The cost will remain at 3.0% of total compensation as defined above.

Housing Allowance: an amount **paid to the pastor** for housing expenses in lieu of providing a parsonage. This amount is approved by the Charge Conference and is excluded for income tax purposes on the pastor's W-2. It is in addition to, and not included in the amount listed as salary. Although housing allowance is not reported on the W-2, the pastor must report it on a Form-1040 SE for social security and Medicare purposes.

Housing Exclusion: a portion of Salary from Column A that the pastor designates as additional housing expenses which are excluded for income tax purposes on the pastor's W-2. This is an optional amount that clergy with or without parsonages may designate and is also approved by the Charge Conference. As with a housing allowance, a housing exclusion must be reported on a pastor's Form 1040-SE, along with the fair rental value of the parsonage.

Other: Some charges may provide their pastor with additional benefits outside of the normal categories, please list them here.