

2012 CLERGY BUDGET COMPENSATION PACKAGE

REPORT OF PASTOR (STAFF) - RELATIONS COMMITTEE TO CHARGE CONFERENCE

PASTOR'S NAME _____ Social Security # ____-____-____

CHARGE NAME: _____ DISTRICT _____ Begin date of this compensation: _____

A. Church Name District Number (4 or 5 digits)						COMBINED
B. Church GCFA Number (6 digit number)						TOTAL
	1	2	3	4	5	FOR YEAR
A. Clergy Compensation Items						
1. Cash Salary (Include on W-2)						
2. Non Accountable Plan Allowances (Include on W-2) (Use either 2. or B. below)						
a. Travel Allowance						
b. Continuing Education, books, publication allowances						
c. Other allowances (entertainment, dues, memberships)						
3. Salary Reductions (not included on W-2)						
a. General Board of Pension UM Personal Investment Plan (UMPIP)						
b. Health Premiums (Adopted plan)						
c. Medical Reimbursements (Adopted Plan)						
4. Equitable Comp/New Church/ Wesley Fndn Other Conference Funds (Include on W-2)						
5. Housing Related Allowances (Not included on W-2)						
a. Housing (Only if No parsonage provided)						
b. Appurtenances (parsonage provided or not)						
c. Utilities (Parsonage provided or not)						
Sub Total lines 1 – 5						
B. Reimbursement Plan (Use B. or 2. Above) Church Board adopted (Not on W-2)						
C. Total Budget-Clergy Compensation						
Clergy Pension Benefit Base for Computation						

Notes: See instructions of back of form. Salary and compensation is set only at Charge Conference.

Clergy Signature

PPRC Chairperson Signature

Treasurer Signature

Treasurer Signature

Treasurer Signature

Treasurer Signature

Treasurer Signature

FOR DISTRICT OFFICE USE ONLY

Parsonage provided by Charge: Yes ____ No ____ Pastor Lives in Parsonage: Yes ____ No ____

Time Appointed: 1/4 ____ 1/2 ____ 3/4 ____ Full ____ STATUS ____ DS Approval _____

Date Faxed to Treasurer's office _____

Instructions for Completing the 2012 Clergy Budget Compensation Package

General Instructions:

1. This form is used by the charge conference for officially setting the salary of appointed pastors.
2. This form can also be of real benefit in providing documentation required by the IRS.
3. Accuracy is utmost importance as this form governs the conference's contribution to your pension account.
4. All amounts are to be **ANNUAL** (not monthly) amounts.
5. Be sure to check your addition and enter sub totals and totals it in the correct boxes.
6. Be sure all signatures are obtained before submitting the form to the District Superintendent.

Data Section-Top of Form

1. All blanks must be properly completed. Be sure you enter the GCFA and the church conference number. Use compensation begin date to indicate effective date of this compensation.
2. GCFA and church conference numbers may be found on your mission share report.

Budget Figures

Section A: Compensation Items

1. Part 1-This is the cash salary that is to be included on the W-2 form. If you are covered by the pension plan, then 3% of plan compensation as defined by the General Board of Pension must be received as salary.
2. Part 2-Non Accountable Plan Allowances are salary type elements that are for your business expenses. **This amount is to be paid equally to the pastor without documentation.** These amounts **are reported** on your W-2 form. You must take deductions on your tax return for the actual expense you paid. If you account to the church treasurer for the expenses, then you must use a reimbursement plan in item B below.
3. Part 3-These are salary reductions that are not reported on the W-2 form. Plans must be adopted on the minutes of the Board or Charge Conference. These amounts can not be changed during the year.
4. Part 4-Equitable compensation and new church salary is a grant to the church. The conference treasurer direct deposits the funds to the church account and the local church treasurer pays those designated funds to the pastor. The amount is included on the W-2 form. Any conference paid amount should be listed under a separate column. Examples of this include campus ministers, conference secretary or conference statistician.
5. Part 5-Housing allowances are three types **and preferably should be paid equally over the year. Clergy are required to account for these funds to the IRS. If a church utilizes a reimbursement plan, any unused amount is to be paid to the pastor by year end and the unaccounted for amount included on the W-2 form.** Line 5A are the funds paid to the pastor by the church to provide a parsonage when no parsonage is owned by the local church. Utilities and appurtenances (lines 5B and 5C)are acceptable whether the home is provided by the church or pastor. These amounts can be changed for future months-not prior months.

NOTE: Sub Total Lines 1 – 5 to determine plan compensation as defined by the General Board of Pension. **This total line represents the total pastor compensation whether taxable or tax deferred.**

Section B: Reimbursement Plan

This is the block where you will enter the amount budgeted for employee business expenses. There must be a plan adopted by the Board or charge conference ***prior to payment of the first check***. The pastor is accountable to the church for these reimbursed expenses. These amounts **shall not** be included on the W-2 form. Any amount not used is lost.

Section C: Total Budget-Clergy Compensation*

This is the grand total of the compensation amount plus the reimbursable plan amount. This amount must be adopted by charge conference.

****NEW THIS YEAR BY 2011 ANNUAL CONFERENCE ACTION: This line and your response to the parsonage question on the bottom of the salary sheet are the factors that are used to determine the local church's Clergy Pension Benefit billing.***