

2018 BUDGET COMPENSATION PACKAGE FOR NON CLERGY REPORT OF PASTOR (STAFF) - RELATIONS COMMITTEE TO CHARGE CONFERENCE

NOTE: By tax law, clergy is defined as one who is ordained, licensed or commissioned as clergy by an Ordaining Body

NAME _____ Last 4 digits of Social Security # XXX-XXX-_____

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

Church/Salary Paying Entity Name						Column 6
District Number						COMBINED
Church GCFA Number (6 digit number)						TOTAL
NOTE: Use One column per salary paying unit	1	2	3	4	5	FOR YEAR
A. Total SPRC/PPRC Budget for Non Clergy Start Computation on instructions in Section A.						
A.1 Cash Salary						
A.2 FICA/Medicare Match-Church Expense						
A.3 Employer Reimbursable Expense Limit: Is a plan adopted? <input type="checkbox"/> yes <input type="checkbox"/> no (Not on W-2)						
A.4 Total SPRC/PPRC Budget as adopted at the Charge Conference						
B. Payroll Check Computation						
B-1. Cash Salary A-1 above divided by number of pay periods Pay period is Monthly (12) _____ Semi-Monthly(24) _____ Bi-weekly(26) _____ Weekly(52) _____						
B-2. FICA: Multiply B-1 times 6.2%						
B-3. Medicare: Multiply B-1 by 1.45 %						
B-4 Federal Withholding-(Consult W-4 and Federal Withholding Tables in Circular E)						
B-5 State Withholding-(Consult Form 89-350 and State Withholding Tables)						
B.6 Net Pay-Check to Employee						

_____ Non Clergy Signature
 _____ Column 1=PPRC Chair & Treasurer Signature
 _____ Column 2=PPRC Chair & Treasurer Signature
 _____ Column 3=PPRC Chair & Treasurer Signature
 _____ Column 4=PPRC Chair & Treasurer Signature
 _____ Column 5=PPRC Chair & Treasurer Signature

NOTE: Only District Superintendent will complete below

For 2017 Charge Conference Season DUE in Conference office no later than 12-4-2017

*Does non clergy live in a United Methodist provided parsonage? Yes _____ No _____ **Time Appointed: Full _____ Less than full time _____

DS Approval _____ Date Faxed to Treasurer _____ Fax Number **601-326-0568**



2018 NON Clergy Budget Compensation Package Instructions

General Instructions:

This form is used by the charge conference for officially setting the salary of appointed non clergy pastors and determining the Clergy Benefit that the conference will bill. Also, this form can be of real benefit in providing documentation required by the IRS. Remember, this form must be adopted at Charge Conference and Section A can only be changed by Charge Conference Action.

- All amounts in section A are to be **ANNUAL** (not monthly) amounts regardless of the date of the appointment.
- A separate column must be used for each salary paying unit (District Appointment, Wesley Foundation, etc) .
- Be sure to check your addition and enter totals in the correct boxes.
- You must use column 6 to total all columns.
- Be sure all signatures are obtained before submitting the form to the District Superintendent at charge conference.
- The church must file forms 941 and W-2 and pay the taxes to the IRS
- The church is responsible to pay the Direct Invoice to the conference as it is received. There is a credit for paying by ACH.

Data Section-Top of Form

All blanks must be properly completed. Be sure you enter the GCFA and the church conference number.

Use the begin date for this compensation to indicate effective date of this compensation.

GCFA and church conference numbers may be found on your mission share report.

Section A: Total SPRC/PPRC Budget for Non Clergy (Start computations here)

A-1 This is the cash salary that is to be included on the W-2 form and is the basis for the computation of FICA and Medicare. The annual amount (Line 3 below) actually paid is included on the W-2 form in blocks 1, 3, 5, and the State Wages block.

This amount is determined in the following manner. Please round all numbers:

1. Begin with Page 1 A-4 which is the amount approved at charge conference. 1 _____
2. Subtract A-3 Page 1 that is also approved at charge conference 2 _____
3. Subtract 2 from 1 and enter here. This is the cash compensation and employer tax 3 _____
4. Divide Line 3 by 1.0765 and enter here and on A-1page 1 . 4 _____

A-2 Multiply A-1 by 7.65% and enter into block A-2. This should be the same amount computed above on A-1 (4).

A-3 Employer Reimbursable Expense Limit This is the block where you will enter the amount budgeted by the church for employee business expenses. There must be a plan adopted by the Board or charge conference **prior to payment of the first check**. The appointee is accountable to the church for these reimbursed expenses. These amounts **shall not** be included on the W-2 form. **Any amount not used cannot be legally paid to the appointee. Doing so actually nullifies the adopted Reimbursement Plan.**

A-4 Be sure that the total on page one of A-1, A-2 and A-3 equals the amount on page 1 A-4. Also remember that this is the amount set by charge conference.

Section B: Payroll Check Computation (DO NOT round these figures)

B-1 Divide the amount on page 1 in A. 1 by the annual number of pay periods
(Monthly=12, Semi Monthly= 24, Bi-weekly= 26, Weekly= 52).

B-2 Multiply B-1 by .062 and enter the results here.

B-3 Multiply B-1 by .0145 and enter the results here.

B-4 Using the W-4 and Circular E issued by the IRS, determine the appropriate federal withholding.

B-5 Using the Form 89-350 and the State Withholding Table, determine the appropriate state withholding.

B-6 Subtract B2, B-3, B-4, B-5 from B-1 and enter the results here. This is the net pay for the employee.



2018 NON Clergy Budget Compensation Package Instructions

(Continued)

Clergy Benefits Invoice: Line A-4, page 1 will be used to invoice the local church for the funding of the clergy benefits. By conference action, all appointments will be direct invoiced for the clergy benefits, even though the current appointment may choose not to participate or is ineligible for enrollment for the benefits. This is the way to level the budget process as churches have changes in their pastors or pastors have changes in their status.

The following chart allows the church to compute the 2018 Clergy Benefit Invoice amount for budgeting purposes. The Clergy Benefit is an expense of the salary paying entity and is NOT chargeable to the Pastor.

Church/Salary Paying Entity Name (Same as page 1)						Column 6
District Number (Same as page 1)						COMBINED
Church GCFA Number (6 digit number) (Same as page 1)						TOTAL
NOTE: Use One column per salary paying unit	1	2	3	4	5	FOR YEAR
Section 1. Enter amount from Page 1 Line A-4.						
Section 2. If the pastor lives in a UM provided parsonage follow the instruction for Section 2. If not, enter -0-.						
Section 3. Add Section 1 and Section 2.						
Section 4: Enter the amount as determined by the instructions for Section 4 below.						

Section 1: From **Page 1**, enter the amount on **A 4**.

Section 2: Multiply line Section 1 by 25% and enter here. (Note: The 25% factor is the Wespath (General Board of Pension) determined rate to give value to a UM provided parsonage and *is for benefits computations only.*) (See front page at bottom under the District Superintendent section to determine if a pastor lives in a parsonage.)

Section 3: For an amount to enter into Section 3, add Section 1 and Section 2.

Section 4: Follow the instructions below and enter in Section 4. This annual amount will be billed in monthly increments. ACH is available for payment of this amount and there is a \$10 discount available for using the ACH method.

Use only one of the following lines:

1. If your pastor is full time, multiply Section 3 by 26.5% and enter in Section 4.
2. If your pastor earns in total \$20,454 or more and is serving less than full time (see bottom of page 1), multiply Section 3 by 20% and enter in Section 4.
3. If your Pastor in total earns less than \$20,454 and is serving less than full time (see bottom of page 1), multiply Section 3 by 6% and enter in Section 4.

Benefit Rates for 2018 as adopted by 2017 Annual Conference are as follows:

1. Pension- Full Time 15.5%
2. Pension ¾ Time-Total Salary in excess \$20,454 9%
3. Pension ½ time Total Salary less than \$20,454 6%
4. Medical Benefits Total package in excess of \$20,454 11%