August 2016

TO: Staff/Pastor Parish Relations Committee Chairpersons
Pastors Serving Local Churches
FROM: Vicki Putney, Benefits Officer
RE: 2017 Pastor Compensation Information

Greetings to our colleagues in the local churches of the Upper New York Conference!

A packet of information has been prepared related to pastor compensation in our Conference for 2017, along with related benefits. Staff/Pastor Parish Relations Committee Chairpersons are receiving a hard copy of the information that pertains to the task before them prior to Charge Conferences this fall. This information, and more, can also be opened and/or downloaded from the Upper New York Conference website (see below).

Pastors will receive this cover letter via email along with the packet information and important financial information concerning benefits that they will find helpful in planning for the year ahead.

Each year Local Church Treasurers tell us that they have not been provided with their pastor's compensation information! It is IMPERATIVE that the pastor or S/PPRC Chair provide an approved copy of the compensation form to the treasurer following charge conference.

Salary Computation:

1. See ***Setting the Pastor's Compensation*** brochure. ***PLEASE*** read the brochure before doing the salary sheet.
2. I encourage you to use the EXCEL spreadsheet versions of the enclosed worksheets and report form – which will be available on the Charge Conference Forms page during the first week of August: **unyumc.org/resources/forms**
3. Please note that there are changes in the minimum salary computation.
4. Salary Forms are due in your District Office 2 weeks prior to your Charge Conference.
5. Salary support grant application process (Equitable Compensation) will be publicized in September for 2017 grants.

Clergy Benefits:

1. There has been a significant change in pension eligibility and cost for some categories of pastors. REVISED health Insurance rates, pension plan costs, and disability/death benefit premiums are provided in the accompanying document: ***Setting the Pastor's Compensation*** and on the Clergy Compensation Form. Workers Comp and short term disability, which is covered and billed through the multi-peril church insurance program, are not included in this information.

Clergy Considerations:

When considering your compensation package, it is a good time to review your financial goals and options.

1. Review the health plan deductibles and co-payments you have experienced. There are NO Health Reimbursement Accounts (HRAs) and NO Pastor's Personal Contribution (PERS) in 2017. Would you benefit from the use of the Flexible Spending Account (FSA) available through HealthFlex for enrolled participants? FSAs can only be elected during Open Enrollment. **Clergy should carefully review the document in this mailing that outlines benefit changes and costs for 2017!**
2. Are you saving enough for retirement? Consider starting or increasing your personal contribution to the United Methodist Personal Investment Plan (UMPIP). Review the **UMPIP Information** document regarding the 1% match; this and the UMPIP Contribution Election Form is available on the website: **unyumc.org/about/2017-compensation-package**. Take advantage of the FREE financial planning offered through Ernst & Young.
3. Do you have household expenses that could qualify as housing exclusion? Use of this exclusion does not cost your church more, but can exclude some of your income from federal income taxes. The resolution form is included on the Charge Conference Forms page (see below).
4. The Annual Conference approved the designation of a separate amount for continuing education within the clergy Accountable Reimbursement Plan (ARP). (See Clergy Support Policies) The total MINIMUM ARP remains $3,500 for full-time clergy serving one church or $4,500 for multiple churches. However, within that amount you need to identify how much will be designated for continuing education.

Charge Conference Forms:

Other forms that are needed for your church/charge conference are available on the UNY website's Charge Conference Forms page, along with their deadlines: **unyumc.org/resources/forms**

Important Dates:

See Deadlines on the Annual Report Form Check List

Early November – dates to be announced -- Open Enrollment and FSA Election Period

- This is important for anyone who waived HealthFlex coverage and wishes to enroll for 2017; for those who want to elect a FSA for 2017; and for those who want to elect the CDHP coverage.

If you need any assistance, please contact Julie Valeski (ext. 303 or JulieValeski@unyumc.org) or me (ext. 317 or Vicki@unyumc.org). Thank you!

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cc: District Superintendents