



# Upper New York Conference

## The United Methodist Church

*To live the Gospel of Jesus Christ and to be God's love with our neighbors in all places.*

September 3, 2024

TO: Staff/Pastor Parish Relations Committee Chairpersons, Pastors Serving Local Churches  
FROM: Bob Flask, Conference Treasurer  
RE: Pastor Compensation Information 2025

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 2025. The packet contains important financial information related to clergy benefits that will be helpful in preparing for Charge Conferences this Fall. Pastors, Staff/Pastor Parish Relations Committee Chairpersons and local church Treasurers will receive the packet via email. This information, as well as an abundance of other helpful resources, can also be viewed and/or downloaded from the UNY Conference website <https://www.unyumc.org/about/benefits-administrative-services> on the right side of the screen, select **2025 Pastor's Compensation**. **It is IMPERATIVE that the pastor or S/PPRC Chair provide an approved hardcopy of the compensation form to the Treasurer following charge conference.**

### **Salary Computation:**

1. See *Setting the Pastor's Compensation* document. PLEASE read the document before completing the salary sheet.
2. *There is a new, separate compensation sheet for Retired clergy appointed to churches and lay supply pastors. Please make sure you use the correct form.*
3. Please use the EXCEL spreadsheet versions of the enclosed worksheets and report form (available on the UNY's *Charge Conference Forms Platform* (<https://umcdata.net/ChurchReporting>) and the conference website: (<https://www.unyumc.org/resources/forms>).
4. Salary Forms are due in your District Office by October 1<sup>st</sup> and must be upload on the *Charge Conference Forms Platform* (see above).
5. Salary support grant application process (Equitable Compensation) will be published on the conference website in September 2024 for 2025 grants. Applications are due to the district offices early October 2024.

### **Clergy Benefits:**

1. Benefit premiums have been developed and approved by the Conference Board of Pension & Health Benefits with the expectation that 100% of the benefit premiums will be paid in a timely manner each month.
2. 2025 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. Note: Workers Comp and short-term disability, which are covered and billed through the multi-peril church insurance program, are not included in this information.
3. As in 2024, full-time health benefit eligible clergy will receive a premium credit which is a set amount of money the participant can use to "shop" for their coverage. If the participant chooses a plan(s) that costs more than their premium credit, they will be billed for the difference. If the participant has premium credit money left over, it will be available to use in a health spending account (the account corresponds to the type of plan they choose). The increase in default plan (C2000) HealthFlex medical and prescription premiums for 2025 has been absorbed by the CBOPHB. Accordingly, participants will not see an increase in premiums.
4. Dental and Vision Coverage will continue to be offered as part of the HealthFlex Exchange platform during annual election in late October/early November. The dental carrier remains CIGNA. The vision carrier remains VSP. Dental and vision will be billed as part of the HealthFlex personal premiums (PERS). Note: If you are enrolled under the DHMO dental plan, you will see an increase in premium for 2025. The full service and premier tiers of VSP vision plans will also increase in 2025.



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## **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) for the PPO plan.
2. The Pastor's Personal Contribution (PERS) for any HealthFlex Exchange plan elections will be equivalent to any elections over the premium credit amount. Consider enrolling in the Flexible Spending Account (FSA) available through HealthFlex to help manage your deductible and co-payment costs while also reducing your taxable income. FSAs can only be elected during Open Enrollment. (Limited use rules apply if enrolled in a high deductible plan.)
3. 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 for CRSP; use the **UMPIP Contribution Election Form** to make changes. Take advantage of the FREE EY financial planning offered through Ernst & Young.
4. Do you have household expenses that could qualify as a housing exclusion? Use of this exclusion is not an additional expense to your church. It can reduce your taxable income by excluding eligible housing expenses from your federal income taxes. The housing exclusion form is included on the Charge Conference Forms Platform and the conference webpage (see above). Housing exclusions must be signed and in place before the start of a new appointment or before the start of a new calendar year.
5. The Annual Conference approved the designation of a separate amount for continuing education within the clergy Accountable Reimbursement Plan (ARP). (See *Clergy Support Policies 2024-2025*) The total MINIMUM ARP will increase in 2025 to \$4250 for full-time clergy serving one church and \$5250 for clergy serving more than one church. Within that amount you need to identify how much will be designated for continuing education and professional expenses.

## **Charge Conference Forms:**

Other forms that are needed for your church/charge conference are available on the UNY's Charge Conference Forms Platform along with their deadlines (see above).

## **Clergy Appointment Moves:**

If a clergy appointment move (of any distance) is paid for by the Conference, a 1099-MISC reflecting the actual cost of the move will be sent to you at year end. Under federal tax law, the cost of a move paid on your behalf is taxable income which must be reported. The expense is non-deductible.

**\*\*NOTE:** Effective 1/1/2024, this cost is no longer considered pension eligible income. Accordingly, your church(es) will no longer see a one month, one time, increase in the Pastor's CPP and CRSP on their billing statement.

## **Important Dates:**

See Deadlines on the Annual Report Form Check List

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

• This is important for anyone who:

- 1). Waived HealthFlex coverage in 2024 and wishes to enroll for 2025;
- 2). Wants to elect an FSA or HSA for 2025;
- 3). Wants to make changes to their 2024 elections (for 2025; i.e., Add/drop dependents, add/drop coverages).

If you need any assistance, please contact Julie Valeski (ext. 2001 or JulieValeski@unyumc.org) or Bob Flask (ext. 2008 or bobflask@unyumc.org). Thank you!

cc: District, Superintendents, Local Church, Treasurers