

E. **Optional Other Units** (See *Interpretive Comments*)
_____ x \$728=
Total Unit Value Add lines 2, 3, 4, 5 & 6
Salary Subtotal Add lines 1 & 7
Percentage of full-time equivalent (FTE)
Multiply line 8 by line 9

III. Self Employment Tax Adjustment

Recognizing that the pastor is self-employed for purposes of Social Security, some congregations choose to add to the salary an amount equal to half the self-employment tax.

Add 7.65% of the salary subtotal (line 10)

Total Salary before Housing Adjustments Add lines 10 & 11

IV. Housing Adjustments for Parsonage

A. **Parsonage**

If parsonage is provided, you will need to deduct an appropriate percentage from line 12. This amount can be determined by local rental value of parsonage or no more than 25% of line 12.

B. **Housing Equity**

If housing equity fund is provided alongside of a parsonage, indicate an amount here. Suggested amounts to be considered might be 5% of line 12 or 2% of assessed parsonage value.

Total Housing Adjustments Subtract 14 from 13

Total Salary after Housing Adjustments Add lines 12 & 15

Church officials are encouraged to separate benefits from salary (I-IV) and expenses (VI) when reporting to the congregation.

V. Benefits

A. **Medical Health Plan**

Single or family health insurance provided through The Corinthian Plan through Mennonite Church USA (including life and disability) or another insurance carrier. Cost information for The Corinthian Plan is available by contacting Denise Henke at Denise.Henke@Everence.com. Information on premium assistance is available from The Corinthian Plan Director at keithh@mennoniteusa.org.

B. **Pension Plan / Retirement Fund**

Annual contributions amounting to 8% to 10% of line 12 to the Mennonite Retirement Trust (Everence is plan administrator) or another plan, but cannot exceed line 16.

C. **Life & Disability Insurance**

Life insurance, accidental death and disability and long-term disability are included in The Corinthian Plan. If another medical plan is used in A above, show additional cost of other life or disability insurance here.

6	_____	
		7 _____
		8 _____
9	_____	
		10 _____
		11 _____
		12 _____
13	_____	
14	_____	
		15 _____
		16 _____
17	_____	
18	_____	
19	_____	

D. Continuing Education Allowances

The congregation should annually provide funds for pastoral growth and continuing education. Suggested range of \$600 to \$1000.

E. Other Benefits

E.g. some congregations contribute to a Health Savings Account. See *Interpretive Comments*.

Total Benefits Add lines 17, 18, 19, 20 and 21

**Total Salary and Benefits
(Pastor's Total Compensation Package)**

Add lines 16 & 22

Church officials are encouraged to separate the following expense items from salary (I-IV) and benefits (V) when reporting to the congregation. Financial reporting should not leave the impression that expenses are part of salary.

VI. Expense Allowances

A. Auto Expense

Auto expense for church related travel should be reimbursed at the current level of allowance by US Internal Revenue Service, currently at 56.5 cents per mile. (Estimate)

B. Conference Expense

The pastor's attendance at area and denominational conference sessions is part of the pastor's professional responsibility. Therefore it is strongly recommended that registration, travel, lodging, and food costs for the pastor be paid by the congregation.

C. Professional Expense

Dues for professional groups and costs incurred on behalf of the congregation should be reimbursed to the pastor. Lunch or dinner meetings or visits for church or pastoral care would be another example.

D. Other Expense

Pastors are usually encouraged by their financial advisors to shift expenses to reimbursement categories whenever possible.

Total Expenses Add lines 24, 25, 26 and 27

**Total Salary, Benefits, and Expenses
(What it costs the church)**

Add lines 23 and 28

Housing Allowance Designation \$ _____

In order for the housing allowance to be tax-deductible for the pastor, the governing body must approve the amount of the housing allowance and record the action prior to the time the income is received. The designation of the housing allowance does not affect other calculations of salary, benefits or expenses. See *Interpretive Comments*.

20	_____	
21	_____	
		22 _____
		23 _____
24	_____	
25	_____	
26	_____	
27	_____	
		28 _____
		29 _____