

NORTHEASTERN IOWA SYNOD
Compensation Worksheet for a Rostered Minister Living in a Parsonage

Congregation(s) _____

Name of Pastor _____ Years of Service _____

Start Date: _____

**Do not use commas
in numbers**

A. COMPENSATION/SALARY

1. Base salary paid to pastor

\$ _____

Note: For First Call pastors, base salary increases will follow synod guidelines for at least the first three years. It is appropriate to increase base pay beyond years of service for head of staff positions, advanced degrees, additional responsibilities, or merit.

2. Parsonage Value for Determining FICA Allowance only (Base salary x 30%)

\$ _____

This amount is **NOT** paid to the pastor. It is only used to determine Defined Compensation. For the possible tax benefit and protection of the pastor, it is recommended that the ministry site and pastor seek the services of a realtor or tax professional in determining the Fair Rental Value of the parsonage if it were a fully furnished rental property. However, the Portico Housing Factor below will always be (line 1 + 3) x 30%.

i. Basic utilities are to be paid by the ministry site (internet, gas, electricity, sewer, garbage). The pastor and congregation may negotiate whether cable/satellite is paid by the congregation. In some cases, a tax professional may recommend that a pastor receive a utilities allowance instead. If that is the case, list the utilities allowance paid to the pastor here: _____.

ii. A pastor may choose to designate some of the base salary as a Furnishings Allowance. This provides a tax advantage to the pastor by reducing taxable income for expenses related to furnishing the parsonage and covering monthly expenses not covered by the congregation. If the pastor is designating an amount of salary as a housing allowance, list that amount here: _____.

3. FICA Allowance Paid to Pastor as Additional Salary: (line 1 + 2) x 7.65%

\$ _____

Our nation's tax policy treats pastors as self-employed persons for FICA purposes. Where straight W-2 employees pay 7.65% of their income for FICA Tax, with the employer providing the remaining 7.65%, ordained clergy are required to pay the full 15.3% FICA Tax on income and housing. Congregations must provide a FICA Tax offset equivalent to the employer's portion of this tax which is paid as regular salary.

4. Portico Housing Factor for determining Defined Compensation (line 1 + 3) x 30%

\$ _____

5. TOTAL DEFINED COMPENSATION (Lines 1 + 3 + 4)

\$ _____

B. REIMBURSEMENTS

Required:

1. Travel ☐ Reimbursement at current IRS rate (enter budgeted amount or leave blank)

☐ Annual Allowance (enter budgeted amount for annual allowance)

\$ _____

2. Official required meetings (Synod Assembly & Fall Conference)

\$ _____

3. Continuing Education (\$900 recommended for full-time call)

\$ _____

4. Moving Expenses and Arrangement: _____

\$ _____

(Note: Under the current federal tax code, moving expenses are considered a fringe benefit and must be included as taxable income on the pastor's W-2)

Recommended:

5. Publications and Professional Expenses (\$700 recommended for full-time call)

\$ _____

6. Amount set aside annually if Sabbatical Leave is offered (\$400 recommended)

\$ _____

(This is set aside by the congregation to pay for coverage while pastor is on sabbatical.)

7. TOTAL for all items in section B. REIMBURSEMENTS

\$ _____

C. PAID BENEFITS

To calculate retirement & medical you must sign into your Portico EmployerLink account, select "Resources" then "Understanding Portico's Benefits" and select "Calculators," or call Portico Customer Care at 800.352.2876.

1. Required Retirement Plan Contributions

Indicate percentage: 10% 11% 12% (% x Total Defined Compensation) \$ _____

2. Health + Disability + Basic Group Life

\$ _____

Plan Option:

☐ Member only ☐ Member & spouse ☐ Member & children

☐ Member, spouse, children ☐ Coverage waived

3. Housing Equity Allowance paid as additional retirement contributions

\$ _____

4. Reimbursement for medical expenses not covered by medical plan

\$ _____

5. TOTAL for all items in section C. PAID BENEFITS

\$ _____

D. OTHER BENEFITS

1. Vacation Four weeks including four Sundays
2. Continuing education Two weeks including two Sundays
3. Sabbatical Leave _____ weeks after _____ years of service in this congregation
4. Parenting leave of _____ weeks with full salary, housing, and benefits.
(Recommended 6 weeks)

E. AGREEMENTS

YES NO

1. We presently have or will establish a Mutual Ministry Committee. _____
2. Congregation has or will establish a Sabbatical Leave Policy. _____
3. Other _____
4. When calling a new seminary graduate, the congregation(s) must fully support the pastor participating in the Synod First Call Theological Education Program.

F. OTHER PROVISIONS (may be copied from the Mutual Expectations section of the Ministry Site Profile)

1. During this time period, the pastor will give special attention in ministry to the following:

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

2. The congregation will encourage this pastor's ministry in the following ways:

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

3. Other matters:

CONTACT PERSON:

Name: _____ Phone: _____

Address: _____