

Minimum Compensation Standards for Ministers

Savannah Presbytery

Effective January 1, 2010

These minimum standards are intended to apply to all full-time ministers who are members of Savannah Presbytery. Full-time is defined as forty-eight hours per week. Minimum salaries for part-time ministers should be a percentage of the full-time minimum, based on the percentage of the minister's time devoted to that ministry. Ministers serving in military reserve must not be required to pay for pulpit supply in their absence, or to count military reserve time as vacation time or as continuing education time.¹

CASH COMPENSATION

1. Total Annual Salary :

a. *Without a manse:*

- i. Where there is no manse, the specific amounts designated as Base Salary and Housing Allowance, including all expenses of providing a home, should be negotiated between the minister and the congregation, but the total amount shall be at least \$40,800.00.

b. *With a manse:*

- i. The annual Base Salary shall not be less than \$26,375.00. The minimum Base Salary shall be increased by 1% for each year of a minister's service after ordination, up to thirty years of service.
- ii. The minister's utility allowance shall cover the cost of all utilities (telephone included, but ordinarily not including long distance charges). The annual fair rental value of the manse plus the cost of utilities shall not exceed \$15,290.00 (30% of \$40,800.00 plus \$3,050.00 for utilities) out of the total compensation of \$40,800.00. If the total of the annual fair rental value of the manse and the cost of utilities is less than \$15,290.00, the difference shall be added to the Base Salary.

2. Four weeks of Paid Vacation per year.

3. Full Moving Expenses.

PROFESSIONAL EXPENSES

1. Professional Expense Reimbursement through an accountable reimbursement plan, which includes mileage for use of a personal automobile at the Internal Revenue Service standard mileage rate for business travel, and other necessary expenses for the performance of the ministerial work.² The mileage rate is subject to change by the IRS, usually once a year in the fall for the next calendar year. For budget purposes, \$3,000.00 may be used for this item. If a dollar amount is stated for this reimbursement, there should be a clear understanding whether this is an estimate or maximum amount.
2. Continuing Education allowance of at least \$300.00. Two weeks of annual leave time with pay shall be allowed for Continuing Education. The Continuing Education allowance is cumulative to a maximum of six weeks and \$900.00 for a three-year period.

¹ For more information refer to the *Uniform Services Employment and Reemployment Rights Act, 1994* (<http://www.osc.gov/userra.htm>).

² For more information refer to the *2010 Church and Clergy Tax Guide* by Richard Hammar or the IRS *Publication 517 (2008), Social Security and Other Information for Members of the Clergy and Religious Workers*.

3. Book allowance of at least \$200.00. A book allowance is strongly recommended, however, in a given year a minister may combine the Book Allowance with the Continuing Education Allowance to provide additional funds for a particular conference.

BENEFITS

1. A Housing Equity Allowance for ministers living in a Manse shall be established and shall be paid to the minister upon his/her retirement or when he/she moves to another position. The Home Equity Allowance should amount to 2% per year of the total of Base Salary, the rental value of the manse, and the utilities allowance, and these funds should be placed in an interest-bearing trust until needed. (*Estimate \$820.00*)
2. At least one half of Social Security, calculated on the total of Base Salary and Housing Allowance. Since ministers are treated as Self-Employed by Social Security, the benefit must be treated as taxable income. (*Estimate \$3,121.00*)
3. Full participation in the Pension, Death & Disability, and Major Medical programs of the Board of Pensions³ of the Presbyterian Church (U.S A). Currently, this amounts to 31.5% of the total of Base Salary, Housing Allowance, and Deferred Compensation. Deferred compensation may include the Above Housing Equity Allowance if applicable. (*Estimate \$12,852*)
4. Questions regarding Dental Insurance may be directed to the Presbytery Office.

TO MEET THESE MINIMUM COMPENSATION STANDARDS, A CHURCH OR AGENCY MUST PROVIDE APPROXIMATELY \$44,156 PER YEAR. WHEN CHURCHES ARE UNABLE TO EXTEND CALLS THAT MEET THESE MINIMUM STANDARDS, THEY SHOULD HOLD CONSULTATIONS WITH THE COMMITTEE ON MINISTRY OF SAVANNAH PRESBYTERY FOR GUIDANCE AND PLANNING.

³ For more information refer to www.pensions.org.