

## Minimum Terms of Compensation 2023 Terms

**(IRS mileage for 2023 is \$65.5 cents per mile driven for business use)  
Commuting mileage IS NOT reimbursable**

For 2023, the Committee on Ministry proposed and the presbytery concurred at the November 19, 2022 meeting of presbytery, that the Minimum Terms of Compensation be raised progressively, based on experience level, from 3% (for those newly ordained) to 5% (for those with 10+ years of experience). The 2023 Minimum Terms of Compensation below are rounded off to the nearest \$100.

IRS will release the 2023 mileage reimbursement in December, 2022—It will be posted in Tuesday Connect and changed in this document then

Compensation is based on length of Experience:

Experience	2022		2023 Progressive 3-5% increase
Newly ordained	\$46,100	3%	\$47,500
1 year experience	\$47,100	3%	\$48,500
2 years experience	\$47,700	3.5 %	\$49,400
3 years experience	\$48,600	3.5 %	\$50,300
4 years experience	\$49,200	3.5 %	\$50,900
5 years experience	\$49,900	4%	\$51,900
6 years experience	\$50,500	4%	\$52,500
7 years experience	\$51,400	4.5 %	\$53,700
8 years experience	\$52,000	4.5 %	\$54,400
9 years experience	\$52,800	4.5 %	\$55,200
10+ years experience	\$54,800	5%	\$57,500

*As of the November, 2022 presbytery meeting, every church in the presbytery currently paying a full-time Pastor and any Associate Pastor/s is above the proposed Minimum Terms of Compensation for 2023. All of the churches searching for full-time pastors are also above the proposed Minimum Terms for the experience range they seek.*

## **Minimum Terms of Compensation The Presbytery of New Covenant**

Presbytery's Minimum Terms of Compensation is based on years of experience—from those Newly Ordained to those with 10+ years of experience.

Minimum Terms of Compensation consist of 4 parts, explained below:

**Effective Salary** as defined by the Board of Pensions

**Re-imbursed expenses** (Pension dues ARE NOT based on this part of a Minister's compensation)

**Benefits**

**Annual Review**

### **PART ONE: Effective Salary**

**Effective Salary as defined by the Board of Pensions**, consists of salary plus housing and utility allowance as well as payments to offset self-employment taxes above 50% and non-reimbursement payments made on behalf of the recipient, including payments made for medical or other insurance coverage outside the Board of Pensions plans and dependent coverage under the Board of Pensions medical benefits plan. **Part-time calls are to be prorated in accordance with the fraction of full-time service the call represents.**

*Housing Allowance may not be approved to a date retroactive to the date of approval (IRS Section 107).*

**Effective Salary DOES NOT include payments made to the Board of Pensions for Pension and basic medical benefits programs.**

### **PART TWO: Reimbursed Expenses**

Automobile Mileage—to be reimbursed at the IRS Standard Rate. It includes tolls and parking. It DOES NOT include commuting mileage to/from the church.

Reimbursed expenses may also include cell telephone costs when the phone is used for church business.

### **PART THREE: Benefits**

**a. Pension/Medical Dues:** Participation in the denominational Pension/Death & Disability (nominally 12% of Total Effective Salary) and Major Medical Insurance Program for Member (nominally 25% of Total Effective Salary). Full dues are 37%.

**b. Study Leave:** For those clergy who do not attend the Presbytery of New Covenant Clergy Retreat: Study leave for two weeks with expense allowance of \$1,450 annually, accumulative for 3 years.

**For those clergy who attend the Presbytery of New Covenant Clergy Retreat when it is offered.** Study leave for two weeks (*including 2 Sundays*), *plus 3 days*, with expense allowance of \$1,700 annually, cumulative for 3 years. This includes an additional allowance of \$250 for the Clergy Retreat and additional leave of 3 days (this leave is not cumulative).

Newly Ordained Clergy are expected to participate in the Presbytery of New Covenant Clergy Retreat for the first three years of ministry, **when it is offered.**

Newly Ordained Clergy are expected to participate in Entry into Ministry events sponsored/ supported by the Presbytery of New Covenant. Full provision will be made for the actual cost for one year (approximately \$750) and the time needed to participate in these events.

**c. Paid Vacation:** Paid vacation for four weeks (includes 4 Sundays).

Study leave and vacation are **not** prorated for part-time calls or contracts. Study leave and vacation may be prorated for limited term calls or contracts.

***NOTE: Actual Moving Expenses (where applicable) are no longer tax deductible; adding this to the first year salary should be considered, along with the estimated tax on the amount.***

**PART FOUR: Annual Review**

The session will establish a review committee to meet with the Minister every twelve months to discuss:

- \*The congregation's expectations of the minister and how well he/she meets those expectations;
- \*The minister's expectations of the congregation and how well it (and its members) meet those expectations; and
- \*Adequacy of compensation.

The review committee is encouraged to utilize the resources provided by the Committee on Ministry "Guidelines for Church Professional Evaluations". The Session shall report to the Committee on Ministry, not later than July 1 of each year, the date on which the annual review was conducted, and the date of the congregational meeting (if a change in compensation is proposed by the Session) the revised terms of call were approved as provided in G-2.0804 of the Book of Order:

*G-2.0804 Terms of Call*

The terms of call shall always meet or exceed any minimum requirement of the presbytery in effect when the call is made. The session shall review annually the minister's terms of call and shall propose for congregational action (G-1.0501) such changes as the session deems appropriate, provided that they meet the presbytery's minimum requirements. The call shall include participation in the benefits plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly.

**(NOTE: A change in the contribution amount to the Board of Pensions is viewed by the Committee on Ministry as a change in compensation and congregational approval of such change is required.)**

Approved by COM 8/5/14; 9/6/16; 10/3/17; 11/6/18; 11/5/19; 9/1/20, 11/2/21, 11/1/2022

Beginning on January 1, 2023, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 65.5 cents per mile driven for business use, up 3 cents from the midyear increase setting the rate for the second half of 2022.
- 22 cents per mile driven for medical or moving purposes for qualified active-duty members of the Armed Forces, consistent with the increased midyear rate set for the second half of 2022.
- 14 cents per mile driven in service of charitable organizations; the rate is set by statute and remains unchanged from 2022.