

PRESBYTERY OF BOSTON

2021 Minimum Compensation Standards

Installed Pastor, Associate Pastor, Designated Pastor

Pursuant to G-2.0804, the presbytery is required to establish minimum standards for pastors' compensation, and to review those standards each year. The Presbytery of Boston has voted to apply the following standards to all terms of call in 2021. Many of the special words and phrases that appear below are defined in Section V of the *Pastoral Compensation Standards: Explanation*, along with some examples and illustrations.

The Committee on Ministry recognizes that 2020 has been a difficult year for many in our congregations, our congregations as a whole, our pastors, and the world. The Committee is sensitive to the economic impact this pandemic is having, particularly those who are considered essential personnel. We know that many of our congregations are facing a difficult 2021 budget year because of the many losses sustained in 2020. We know that many are grieving as the losses pile up. We urge congregations to seek grace from COM should they be unable to meet the minimum compensation standards for 2021. May God grant us all the grace, patience, and comfort needed in these difficult times.

A. Minimum Base Compensation

Base compensation includes cash salary and allowances, housing¹, and most church contributions to deferred income and medical expenditures over and above the Board of Pensions dues.

The presbytery requires that all congregations pay their pastors at least the Adjusted Minimum Base Compensation appropriate to their years of service since ordination, computed as follows:

The *Entry-level* Minimum Base Compensation for 2021 is \$ 60,139.00. To compute the *Adjusted* Minimum Base Compensation for any pastor, the Entry-level Minimum Base is augmented by an Experience Adjustment of 1% of the entry-level minimum base each year for the first 10 full years of active ministry following her or his ordination, and by 0.5% for each subsequent year beyond ten.

B. Minimum Mandatory Monetary Benefits

1. Board of Pensions dues for 2020: 37% of Effective Salary
 - PPO medical coverage: 27%
 - pension: 8.5%
 - death and disability: 1%
 - temporary disability: .5% - **New This Year**
2. SECA [Social Security Offset]: 7.65% of Effective Salary

C. Minimum Mandatory Non-Monetary Benefits

¹ The IRS imposes specific and strict limits to the size of a housing or manse allowance in order to be exempt from federal income taxes. Extensive discussion of the requirements appears in the Board of Pensions' *Tax Guide for Ministers*, available on the Board of Pension's website. Those requirements are summarized in our presbytery's *Pastoral Compensation Standards: Explanation* which accompanies these Standards.

1. Vacation: 4 weeks, including 4 Sundays, if the pastor has been ordained less than 7 years;
5 weeks, including 5 Sundays, if the pastor has been ordained 7 years or more.

The presbytery recommends that all vacation time be taken during the year in which it is earned – that it not be allowed to accumulate and carry over to a subsequent year.

2. Sick Leave: 1 week of paid or unpaid sick leave², as required by Massachusetts law.

See Section D.4. below, and page 22 in *Pastoral Compensation Guidelines: Explanation*.

3. Study Leave: 2 weeks, including 2 Sundays

The presbytery recommends that pastors' study leave be allowed to accumulate for up to two years [for a leave of 4 weeks], to enable the pastor occasionally to attend a special continuing educational event that is longer than two weeks or that requires considerable travel there and back.

D. Recommended Monetary Benefits

1. Accountable Reimbursement Travel account: \$1,500 suggested
2. Accountable Reimbursement Continuing Education/Study Leave account: \$1,500 suggested, which can accumulate up to a limit of three years' worth
3. Accountable Reimbursement Professional Expenses account: \$600 suggested, which can accumulate up to a limit of three years' worth
4. One week of ***paid*** sick leave, going beyond the Commonwealth of Massachusetts' requirement of one week [40 hours] of ***unpaid*** sick leave. See p. 25 in *Pastoral Compensation Guidelines: Explanation*.
5. [Congregations may offer additional reimbursement accounts and other compensation as appropriate to their and their pastors' circumstances.]

E. Recommended Increase in Effective Salary: 1.3 % for 2021.

F. Part-time Calls

These standards may serve as guidelines to pro-rate compensation for part-time calls, except that

1. paid time off for study leave and vacation must remain at 2 and 4 or 5 weeks, respectively;
2. time off, paid or unpaid, for sick leave must remain at 1 week.

Part-time calls must be reported to the Board of Pensions through Benefits Connect in terms of hours per week. In its formulae, the Board considers 35 hours per week to represent full time. Internally, most congregations and teaching elders would expect that a full-time pastor would devote 45 or sometimes even more hours per week to her or his call.

G. Unit Compensation

In 2021, the Minimum Unit Compensation Rate is \$90.00.

Compensation for any service during any day must be at least one unit; compensation for service exceeding one unit [whether defined as “a morning, an afternoon or an evening,” or as three to four

² Congregations may consult the Co-Chairs or the Recording Clerk of the Committee on Ministry to obtain immediate pastoral coverage if their pastor is suddenly and temporarily unable to serve.

hours] will be appropriately higher. The presbytery has established specific Unit Assignments for certain pastoral services, as follows:

1. Temporary moderator of a session or congregational meeting
 - a. First meeting: no payment
 - b. All subsequent meetings: 1.5 units or \$135.
2. Pulpit Supply
 - a. Single worship service on a Sunday: 2 units or \$ 180
 - b. Two worship services on the same day: 3 units or \$ 270
 - c. Note: The congregation hosting a Neutral Pulpit for a candidate under consideration by another congregation is not expected to compensate that candidate for preaching.

H. Manse Notes

1. Manse – Cash Salary Ratio

If the terms of call include a manse, the Board of Pensions requires that the value of the reported Manse allowance must be at least 30% as large as the sum of all the other components of Effective Salary. An equivalent statement is that the Manse allowance must be at least 23% of Effective Salary.

2. Equity-Equivalent Accumulation Fund

If the terms of call include a manse, the Presbytery of Boston recommends that an additional 5% of the value of the pastor's adjusted minimum base compensation be added to the terms of call in the form of a suitable deferred income account to make up for lack of equity growth.

I. Summary

Entry Level Minimum Base Compensation: \$ 60,139

Recommended increase in compensation: 1.3 %

Minimum Unit Compensation \$ 90

Mandatory benefits:

Board of Pensions dues: 37%

Vacation 4 or 5 weeks

SECA Offset 7.65 %

Study Leave 2 weeks

Sick Leave 1 week [recommend paid]

Recommended Accountable Reimbursement benefits:

Travel \$ 1,500

Professional Expenses \$ 600

Continuing Educ./Study Leave \$ 1,500

Recommended non-monetary benefits:

Sick Leave 1 week ***paid***

J. General Provisions

1. The guiding principles of these minimum compensation standards are:

- a. grounded in Scripture
 - i. "... for the laborer deserves to be paid." [Luke 10:7], and

- ii. “In the same way, the Lord commanded that those who proclaim the gospel should get their living by the gospel.” [I Corinthians 9:14]
 - b. informed by our Constitution
 - i. for the integrity of each pastor’s call [G-2.0504] ; and
 - ii. for the accountability of each pastor to presbytery [G-2.0501].
2. Logistics
- a. All calls shall be in writing on the presbytery’s appropriate *Terms of Call* form on the Presbytery of Boston’s website. They shall be approved by the congregation and then recommended for approval by the presbytery through the Committee on Ministry [COM].
 - b. The pastor and the session or its personnel committee shall annually review the adequacy of the terms of call and modify them as may be deemed advisable.
 - i. The modified [or “revised”] terms of call must then be presented for approval to the congregation at a duly-called congregational meeting.
 - ii. The terms of call approved by the congregation for the following year shall be submitted to the COM on the presbytery’s *Terms of Call* form, no later than the end of February [or within 5 weeks of the congregational meeting].
 - iii. If the revised terms of call conform to these Standards, the COM will recommend that presbytery approve them.
 - c. Local churches may, for good and valid reasons, petition the presbytery through the COM to approve terms of call that do not conform to these minimum standards. When doing so they shall either submit a plan that brings them into compliance within three years, or request an exception to the policy by documenting the particular circumstances that prevent compliance. Such exceptions must be included in the written original call, or the amended terms of call, and the presbytery may specify conditions for continuing to grant the exceptions.

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