

**PRESBYTERY OF LAKE MICHIGAN  
COMMITTEE ON MINISTRY  
A PRESBYTERY POLICY  
MINIMUM TERMS OF CALL - 2024**

**B-1**

**A. Cash Salary and Housing**

1. \$42,479 plus free use of the manse and payment of actual utilities by the church, the value of the manse for pension purposes must be at least 30 percent of cash salary, plus annuity plus Social Security allowance, if negotiated.

**or**

2. \$55,245 combined salary and allowance for housing and utilities allowance. The exact amount for salary and housing for 2024 is to be determined by the pastor and session prior to December 31, 2023. The Book of Order (G1.00503) Business Proper to Congregational Meetings states that one business of the congregation is: "...reviewing the adequacy of and approving changes to the terms of call of the pastor or pastors..." Richard R. Hammer, J.D., LL.M., CPA states in his book "Tax Guide for Ministers & Church" that the church designates housing allowance "in advance (prior to the beginning of the new year or prior to beginning employment for a newly hired minister) and that the housing allowance "(1) represents compensation for ministerial services, (2) it is used to pay housing expenses, and (3) it does not exceed the annual fair rental value of the home (furnished, plus utilities)."

**B. Benefits Plan (PC U.S.A.).**

Full participation in the Benefits Plan of the PC (U.S.A.) for 2024 is 39.0 percent of Effective Salary (ES). This covers pension (8.5 percent), death and disability (1 percent), temporary disability (0.05 percent), and medical insurance (29 per cent). [The Effective Salary used to calculate pension dues includes Salary plus fair rental value of the manse at not less than 30 percent of cash salary plus utilities or housing allowance plus any deferred compensation such as tax-deferred annuities. Effective Salary is the compensation figure reported to the Board of Pensions.]

**C. Professional Expenses.**

1. Automobile expenses are to be vouchered and reimbursed at the current IRS rate. The 2024 rate effective January 1, 2024, is \$0.67 per mile.
2. Professional Development allowance of a minimum of \$800 is to be vouchered and may be accumulated for up to three years.
3. Book allowance is to be vouchered up to at least \$300 or more if negotiated.
4. Professional expenses allowance includes vouchered business costs such as subscriptions, pamphlets, professional membership, supplies, etc. as negotiated.

**D. Professional Development and Vacation Time.**

1. Professional development time (formerly study leave or continuing education) is two weeks annually and may be accumulated for up to three years.
2. Annual vacation is one month, including four Sundays. A month is at least 30 days including 4 Sundays.

### **E. Presbytery policy regarding Pastoral Sabbatical.**

When a pastor has been in his or her congregation for at least seven years, the Commission on Ministry strongly encourages the session to talk with the pastor about a sabbatical period. Typically this would be for three months or more, and the current terms of call would be in place during the sabbatical time. A sabbatical enables the pastor to do some longer term study or reflection which will enable him or her to return to the congregation refreshed and with new perspectives on ministry. The Commission on Ministry has models for how the church and pastor can plan for a sabbatical.

### **F. Presbytery policy regarding Minimum Terms of Call.**

The Presbytery at its September 2023 meeting adopted the following recommendation Of the Committee on Ministry: “ that the minimum terms of call in effect for pastors serving churches beginning January 1, 2014, be either

[1] \$42,479 plus free use of manse and payment by the church of actual manse utilities.

The value of the manse for Board of Pensions purposes must be at least 30% of cash salary, plus annuity, plus Social Security allowance, if negotiated; OR,

[2] \$55,245 combined salary and housing/utilities allowance.

If a church cannot meet these requirements, the Session must annually submit a request to Presbytery through the Committee on Ministry to be excused from this requirement and outline the justification for such a request, indicating why this position should not be reduced to a part-time position. The minister must be in agreement with this request and indicate in writing a willingness to be compensated less than the minimum terms of call approved by Presbytery. Special provisions apply to teaching elders in part-time situations.

NOTE: The IRS mileage rate for business changes from time to time. Pastors and churches have the responsibility to use the rate current at the time the business expenses were incurred.

### **G. Presbytery Policy Regarding Family Leave**

Terms of Call must include the Family Leave Policy of the Presbytery of Lake Michigan. See Policy B-8.