

**Presbytery of Western New York**  
**Compensation, Benefits & Expenses For Ministers 2010 (CBE Form)**

\* \* \* *Please return no later than February 28, 2010* \* \* \*

MINISTER'S NAME: \_\_\_\_\_

CHURCH (or employer): \_\_\_\_\_

POSITION: \_\_\_\_\_

SERVICE:  Full Time - 13 segments (a segment is a morning, afternoon or evening)  
 Part Time - How many segments per week? \_\_\_\_\_

	2009	2010		Taxable	Location on W-2
1	\$ _____	\$ _____	Annual Cash Salary	Yes*	Box 1
2	\$ _____	\$ _____	Housing, Utility and Furnishings Allowance (for clergy living in church owned manse - use line 6)	Yes SECA only	Box 14
3	\$ _____	\$ _____	Contributions for 403(b), either employer or employee contributions, tax sheltered annuity plans, or equity allowances	No	Box 12, code E
4	\$ _____	\$ _____	Bonuses, overtime pay, unvouchered professional expense allowances, gifts from employing organization, manse equity allowances (unless contributed to a qualified deferred compensation program). Include year-end or other bonuses, unvouchered allowances (such as expenses that are not paid through an accountable reimbursement plan), down payment grants for the purchase of a home, savings from interest-free or interest-reduced loans (not loan principal), and gifts paid by the employing organization. (Gifts received directly from private donors or honoraria are NOT included).	Yes*	Box 1
5	\$ _____	\$ _____	Other allowances. Include all other forms of compensation not otherwise covered on Lines 1-4, including medical deductible and medical expense reimbursement allowances not paid through a group benefit plan, insurance premiums for additional insurance coverage provided for individual employees (premiums for group plan coverage are not included) and others. If an allowance is provided to reimburse Self-Employment Contributions Act (SECA) tax obligations, any amount in excess of 50% of the minister's SECA tax obligation should be included on this line.	Yes*	Box 1
6	\$ _____	\$ _____	Manse value (Fair market rental value, furnished, including utilities. Must be at least 30% of lines 1-5).	Yes SECA only	Box 14
7	\$ _____	\$ _____	<b>TOTAL EFFECTIVE SALARY (TES) (sum of lines 1-6)</b> <i>This is the figure upon which dues are paid. (Minimums - Pg 3)</i>		
8	\$ _____	\$ _____	Board of Pension dues calculation (multiply amount on line 7 by 31.5%) [Major Medical accounts for 19.5%, Retirement, Death & Disability - 12%.]	No	

\*refers to income taxability in three areas: Federal Income Tax, NYS Income Tax and SECA (Social Security) Tax

**OTHER BENEFITS & PROFESSIONAL EXPENSE REIMBURSEMENT  
NOT INCLUDED IN TOTAL EFFECTIVE SALARY (TES)**

	2009	2010		Taxable	Location on W-2
9	<b>Accountable</b> reimbursement plan (vouchered business expenses)				
9a	\$ _____	\$ _____	Continuing education <b>reimbursements</b>	No	
9b	\$ _____	\$ _____	Automobile expense <b>reimbursements</b>	No	
9c	\$ _____	\$ _____	Business and professional expense <b>reimbursements</b>	No	
10	\$ _____	\$ _____	Social Security (SECA) tax allowance -up to 50% of estimated obligation - 7.65% of total effective salary (TES) in line 7 minus line 3 (403b not subject to SECA)	Yes	Box 1
11	\$ _____	\$ _____	Group plan for medical, deductibles, and/or dental premiums (available to all employees).	No	
12	\$ _____	\$ _____	Other <b>vouchered</b> allowances _____	No	
13	\$ _____	\$ _____	<b>TOTAL BENEFITS &amp; PROFESSIONAL EXPENSES</b>		
	\$ _____	\$ _____	<b>TOTAL COMPENSATION FOR POSITION</b> (add lines 7, 8 & 13)		

**Presbytery approval of changes in Terms of Call:** The Committee on Ministry reviews all CBE Forms and is charged with the responsibility of bringing before Presbytery the terms of call for all minister members serving in a pastoral capacity each year in accordance with Book of Order G-14.0505b ("The call extended to a pastor or associate pastor shall be approved by the presbytery and cannot be changed except by consent of the presbytery..."). *Those Terms of Call need to be reported each year, even if there are no changes.*

**Signed for the congregation:**

\_\_\_\_\_  
Clerk of Session

\_\_\_\_\_  
Date

\_\_\_\_\_  
Minister

\_\_\_\_\_  
Date

**Waiver:** If changes in Terms of Call do not meet the current minimum, a waiver is required.

We wish to request a waiver. Rationale for waiver request:

\_\_\_\_\_  
\_\_\_\_\_

**NOTE: Pastors also need to file a separate annual report to the Board of Pensions. Complete Service/Salary Change Form ENR-111**

## Compensation, Benefits & Expenses For Ministers 2010 (CBE Form)

Return completed form to the Presbytery of Western New York Office.  
2060 Union Road, West Seneca, NY 14224  
no later than **February 28, 2010**.

For specific questions about this CBE, contact Jan at 668-1995.  
For financial questions, call Carol Lally, extension 11.

### EXPLANATION AND INFORMATION

We recommend that every church give at least a cost of living adjustment to its minister based on the Consumer Price Index. In addition, a salary increase may be warranted due to increased responsibility, experience, outstanding performance, and comparable salaries in the community. **The recommended cost of living increase for 2010 based on the current economy is 0.0%.**

#### Minimum Salary and Housing for:

	<b>2010</b> (same as in 2009)
Clergy owned or rented home	\$43,463
Living in Church-owned Manse	\$38,853

#### Compensation Included In Total Effective Salary (TES)

See the Board of Pensions Booklet titled "Understanding Effective Salary", issued August, 2003. This booklet give clear, concise details on all categories of compensation. Copies may be obtained online at [www.pensions.org](http://www.pensions.org), go to the Forms & Publications Category. It is listed under Publications, alphabetical, (U) "Understanding Effective Salary."

#### **REIMBURSEMENTS/EXPENSES NOT INCLUDED IN TOTAL EFFECTIVE SALARY (TES)**

**Line 9:** Accountable Reimbursement Plan.

- 9a. Continuing Education – Study Leave – required for all part time and full time pastors regardless of segments, the minimum is \$1,000.

- **9b. Automobile Costs** are required expenses, and can be covered in one of two or three ways. We encourage congregations to reimburse by the mile, using an accountable reimbursement plan. The IRS-approved mileage rate for 2009 was 55¢/mile. (*The 2010 rate will be announced in December*). This is the preferred method.
- For those congregations who do not choose to use this preferred method, a church may choose to pay the pastor the annual minimum “auto allowance” of \$2,500 per year. When an auto allowance is paid to the minister directly under a non-accountable plan, it must be reported to the IRS as income (add to salary in Box 1 of W-2) on the year-end tax form and is also subject to pension dues. It should be reported on the CBE under **Line 5** as a non-accountable allowance.
  - Another suggested alternative is to provide the pastor with a car with full operating expenses for use in ministerial duties.
- **9c. Business and Professional Expenses** – examples would be books, professional subscriptions, overnight travel for business (taxi, hotel, etc.), meals or parking fees while away from home on business, laundry costs for professional clothing, long distance business phone costs from home.

*Guidelines for an “Accountable Reimbursement Plan” can be requested through the Presbytery Office.*

**Line 10:** Self-Employment Contribution Act (SECA) Tax Allowance is an optional benefit paid to offset the Social Security (SECA) tax obligation of clergy. (Ministers are required to pay 15.3% of TES for Social Security taxes on income received for services performed in the exercise of their ministry on a “self-employed” basis even though they are employees for IRS and W-2 purposes). If the allowances exceed 50% (7.65% of TES) of the minister’s projected Social Security (SECA) tax obligation, the allowance in excess of the 50% is subject to Benefits Plan dues and must be reported on **Line 5** as other allowances.

**Line 11:** Group plan covering, medical deductibles, coinsurance, dental premiums, refers to an optional supplemental medical plan offered by the church or employing organization to cover its employees’ additional medical expenses. If offered as a group plan (all employees receive same benefit), qualifying expenses can be paid by the employer and excluded from the employee’s gross wages for Federal income and Social Security tax purposes. IRS regulations govern these plans. If these expenses are reimbursed by the employing organization through a means other than a formal group plan (for the minister only when you have other employees), the expenses constitute an allowance that would be subject to income and Social Security taxes and would be included in Total Effective Salary (TES) (report such amounts on **Line 5**). Also see “Understanding Effective Salary,” page 7.

Updated 9/09