



The Episcopal Diocese of the Central Gulf Coast

December 17, 2018

MEMORANDUM TO: All Clergy, Senior Wardens and Treasurers

REFERENCE: Clergy Minimum Compensation for 2019

The Standing Committee has approved a change in the initial minimum compensation schedule for full-time active clergy, effective January 1, 2019.

The new minimum standard is a 3.0% increase from previously approved diocesan minimums in 2016. The Diocese takes into consideration both the annual Social Security Administration (SSA) cost of living adjustment (COLA) and the Church Pension Group (CPG) annual recommendations when determining changes to minimum compensation. For reference, SSA & CPG cost of living adjustments announced were 2.8% in 2018 and 2.0% in 2017; the last approved clergy minimum compensation increase was 1% in 2016.

Years of Service in the Episcopal Ministry	Minimum Annual Salary for Full-Time Clergy
0 - 1	\$55,911
2	\$56,916
3	\$57,956
4	\$60,051
5+	\$61,600

Remember that these are **minimum salary standards and not maximums**; salary levels may and can be more than the minimums referenced. Churches are highly encouraged to provide increases for merit and / or local circumstances. Salaries lower than these minimums will be permitted only with agreement between the Bishop and the clergy involved. Those working less than full-time are expected to be compensated in proportion to the scale but may negotiate compensation and benefits with approval of the Bishop. These minimums include that portion of salary also noted as housing allowance but exclude other items such as pension, health insurance, or travel.

In addition, the standard for supply clergy approved earlier in 2018 is \$175 for one service and \$225 for two services on the same Sunday, plus the IRS standard mileage rate for the business use of a vehicle (2019 rate is .58 per mile).

Below is an overview of compensation / benefit information for full-time, active clergy (without church provided housing / rectory):

Salary Compensation	The clergy minimum compensation standard includes the cash compensation that fits individual circumstances for full time / active clergy. It includes cash salary and the portion of that salary designate as housing allowance. Housing allowance is the amount of cash compensation determined by cleric and declared by vestry annually (in accordance with IRS Code).
Pension (required)	Church employers are required by Canon law to pay pension assessment on behalf of clergy, based on total assessable compensation (TAC). The current rate is 18% of a cleric's TAC. Please visit CPG.org for a complete listing of all assessable compensation.
Health Insurance (required)	The plan selection / coverage level is determined jointly by clergy / vestry. Coverage is provided by the Church Medical Trust. There are Diocesan minimum coverage levels and "parity" is required (clergy / lay employees have same coverage opportunities). Please read "CGC Denominational Health Plan Policy" for the specifics.
Group Life (required)	Group term life coverage is required and paid by employer (\$40,000 coverage level). Clergy may waive this coverage if they so wish only by notifying the diocese in writing.
Dental (optional)	Dental coverage is available; it is considered a negotiated benefit option.
SECA Contribuitor (optional)	Churches may provide SECA offset / reimbursement to clergy if so negotiated (minimum compensation amounts do not include SECA). Clergy are considered self-employed for Social Security and Medicare; this compensates clergy for paying both employee & employer's portion of SS/Med. Note: this is considered compensation and is pension assessable.
Disability (optional)	Disability insurance is considered a voluntary / negotiated option. It should be noted that active clergy are now provided with some disability coverages thru CPG beginning in 2018.
Other: (Continuing Education, Phone, Travel Mileage)	It is usual practice that travel required for church business be reimbursed at the IRS allowance. The IRS publishes an annual mileage reimbursement rate each year in late December (2019 rate is .58 per mile.)

If you have any questions or need additional information about minimum compensation, please do not hesitate to contact the Diocesan Administrator at 850-434-7337.