

# MINIMUM TERMS OF CALL

## Proposed for Calendar Year 2013

---

As required by the Book of Order, The Committee on Ministry **annually recommends a MINIMUM for Terms of Call** for the fair and equitable employment of pastors and educators in the geographic region of this Presbytery. Based on the projected cost of living index, we have voted to increase the minimum Taxable Salary by 1.75% for 2013, based on a cost of living increase of 1.7%. In addition, the Board of Pension dues for 2013 are going up from 32.25% to 33% for 2013.

**FOR PASTORS** this means the Minimum Taxable Salary will be \$34,876 for 2013.

### **MINIMUM Effective Salary when Manse is provided:**

The Manse is a Housing Benefit, calculated at 30% of Salary for Pension purposes)

Cash Salary: \$35,486

Manse Value: + \$10,646 (This is the non-cash Value for Manse use based on 30%)

Total Effective Salary for Pension purposes With Manse: \$46,132.

### **MINIMUM Effective Salary without Manse (When Housing Allowance is Paid):**

Cash Salary: \$35,486

Manse Allowance: \$10,646

Total Effective Salary without Manse: \$46,132

Effective Salary is used to compute dues to the Board of Pensions. This may include cash salary, housing, utility and furnishing allowances, and equity allowances, if any of these are paid. The first ½ of SECA reimbursement, Honorariums and deferred compensation that is a match to the pastor's contributions are not included in computing Effective Salary for Pension Dues, but are taxable. If the church pays more than 7.65% of SECA or contributions to a deferred compensation plan that is not a match, those items then become a part of Effective Salary for Pension Dues. If you have any questions about how to handle your salary package, you can contact our Regional Representative, Allison Seed, [aseed@pensions.org](mailto:aseed@pensions.org), or Bill Grossman, [bgrossman@marcelluspc.com](mailto:bgrossman@marcelluspc.com) of the Committee on Ministry for help in sorting it out.

**Continuing Education Leave:** 2 weeks, plus \$900.

Both time and money may, by prior agreement between the pastor and Session, be accumulated up to three years.

**Vacation:** 4 weeks

Please note that the terms of call for pastors must also include four weeks paid vacation.

**Travel Allowance** should be reimbursed at the current IRS rate 55.5¢ per mile.

### **WHEN AN INTERIM PASTOR IS CALLED**

UNLESS a congregation can, and does explain that circumstances have dramatically changed related to the loss of the last pastor, Interim Pastor Compensation shall be at the same Effective Salary as the last Installed pastor, or Presbytery minimums, whichever is greater. (approved 11/08)

**THE BOARD OF PENSIONS** dues for 2013 will increase by 0.075%.

Dues are figured at 33%, of Effective Salary. For the first twelve months of a vacancy, the church pays vacancy dues of 12% of the Effective Salary of the most recently installed pastor. This does not apply to Federated or United Churches. Sessions are reminded to contact the Board of Pensions (Pastor Change Form), whenever a pastor's salary changes.

### **BOARD OF PENSIONS DUES:**

Medical: 21% - **\$9,688** (minimum participation basis for 2013)

OR 21% of Effective Salary, whichever is greater.

Pension, Death & Disability: 12% - **\$5,536** (minimum participation basis for 2013)

OR 12% of Effective Salary, whichever is greater.

**Minimum Participation Basis** is used to compute dues to the Board of Pensions if the effective salary falls below 25% (for pension benefits) or 65% (for medical benefits) of the Church-wide Median Salary of Pastors serving churches.

**SECA Tax**, also known as "social security tax", for Pastors is at the full self-employed rate (15.3%). Half of this tax is not considered income by the IRS and is subtracted on line 25 of federal form 1040. Secular employers are required to pay half of this tax, or 7.65% of an employee's salary. Churches may wish to provide their pastors with a similar SECA tax offset. This is considered taxable income.

**HONORARIUM FOR PULPIT SUPPLY** recommended minimum for one service is \$125 and for two services is \$200. We are recommending that these figures include mileage, so that the checks for Pulpit Supply can be prepared in advance and presented to the Pulpit Supply at the time she/he fills the pulpit. These new figures are the first increase in recommended Pulpit Supply minimums in many years and now include a portion to cover travel expenses.

**HONORARIUM FOR MODERATOR OF SESSIONS** recommended minimum is \$50. In all cases reimbursement for mileage should be considered at the current IRS rate and it should be negotiated with the moderator.

**PERFORMANCE REVIEWS FOR ALL STAFF.** It is the responsibility of the Session to annually review the adequacy of compensation. During this review COM encourages Sessions to consider increases based on performance, years of experience, length of term of service, and other factors, in addition to increases for cost of living.

**FOR PC (USA) CERTIFIED CHRISTIAN EDUCATORS** who have met the requirements of a Master's degree or equivalent course of study, and completed the certification process, the minimum terms of compensation for full time employment, should be 85% of the minimum effective salary for pastors: **\$39,212**.

**FOR PC (USA) CERTIFIED ASSOCIATE CHRISTIAN EDUCATORS** who have met the requirements of a Bachelor's degree or equivalent course of study, and completed the certification process (G-14-0702b). The minimum terms of compensation should be 75% of the minimum for pastors without a manse, **\$34,599**.

**FOR CHRISTIAN EDUCATORS** travel reimbursement, continuing education allowance, books and other professional expenses should be considered. Christian Educators are unable to claim manse or housing allowance benefits.

**FOR COMMISSIONED RULING ELDERS** the minimum terms of compensation for full time employment, shall be 75% of the minimum effective salary for pastors: **\$34,599**.

**SABBATICAL LEAVE COMPENSATION FOR PASTORS AND CERTIFIED CHRISTIAN EDUCATORS.** Sessions should refer to the Presbytery policy approved 09/2007.

If you have any questions regarding this, or need assistance in any calculations, please contact Bill Grossman, chair of the Committee on Ministry at [bgrossman@marcelluspc.com](mailto:bgrossman@marcelluspc.com) or 315-673-2201.