

2010 PASTOR'S COMPENSATION RECOMMENDATION

Presbytery of the Miami Valley

The Book of Order enumerates the provision of equitable compensation as a responsibility of the Session (G-10.0102m) and directs the presbytery to provide encouragement, guidance, and resources to its member churches in the areas of...equitable compensation... (G-11.0103f).

In addition presbytery has the responsibility and power "to establish minimum compensation requirements for all pastoral calls" (G-11.0103n) and to see that all compensation "meets or exceeds any minimum requirements of the presbytery in effect when the call is made." (G-14.0534). The Committee on Ministry has the responsibility (G-11.0103n.) to establish guidelines for compensation and benefits for Certified Christian Educators employed by the churches of the presbytery.

The Committee recommends to the Presbytery:

1. That the 2010 minimum Effective Salary package (salary, housing, utilities allowance, medical/dental supplement, deferred compensation, etc.) for pastors in the Presbytery of the Miami Valley be set as follows:

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<i>Plan A—no manse provided</i>				
Effective Salary	\$40,812	\$42,159	\$43,761	\$44,199
<i>Plan B—manse provided</i>				
Effective salary plus manse	\$28,569	\$29,511	\$30,633	\$30,939
(manse at 30% total eff. sal.)	\$12,243	\$12,648	\$13,128	\$13,260
Total Plan B	\$40,812	\$42,159	\$43,761	\$44,199

This recommendation reflects a 1.0% increase over 2009.

Information which was used to formulate this recommendation included:

- a. The full-time median salary* of PCUSA pastors rose 2.8% from May 2008 to May 2009 (median salary \$52,200). The average salary increased 2.8% to \$57,199. The median salary and average salary in the Presbytery of the Miami Valley is \$51,000 and \$54,427 (no data available yet), respectively. ***Note:** The Board of Pensions of the Presbyterian Church (U.S.A.) annually tabulates the median and average effective salary information reported to it for minister members of the Benefits Plan who are serving U.S. congregations. The median salary is generally considered more representative than the average salary, since it is less influenced by the very high or very low salaries.
- b. Bureau of Labor Statistics data (www.bls.gov) reflects a decrease in the Consumer Price Index-All Urban Consumers of 1.40% from July 2008 through June 2009 (heavily skewed by energy which fell 25.5%). For the first six months of 2009, the CPI increased

2.70% and has been rising (again, heavily skewed by energy which fell 21.3 % in 2008 and has climbed 14.8% year-to-date).

- c. Social Security (www.ssa.gov/cola) gave a 5.8% increase for 2009 (computed in Oct 08). Their increase was based on 3Q07 to 3Q08 data.
- d. As a result of the fragile U.S. economy, General Assembly Council (GAC) staff members at the Presbyterian Church (U.S.A.) national offices experienced a one-week furlough in May 2009. In another decision, planned salary increases for 2010 will be eliminated.

- 2. That the following standard minimum requirements apply for parish pastor, educator, and Commissioned Lay Pastor calls:

Continuing Ed Reimbursement	\$1010 (record as separate item)*
Vacation	4 weeks including 4 Sundays
Study Leave	2 weeks including 2 Sundays

***Note:** The committee recommended that this item be indexed to inflation.

The committee also reports additional information useful in preparing terms of call/employment packages for pastors and other church professionals:

- 1. Certified Christian Educators (as approved by the presbytery in November 2000):
 - a. Salary equal to the minimum effective salary (Plan A) above, pro rated as appropriate for part-time contracts
 - b. Reimbursements, vacation and study leave as above

Additional guidelines—

 - Base salary plus one percent per year for each year of experience beyond five years
 - Provision for medical coverage either by participation in the PC (USA) Major Medical Plan or other vehicle.
 - Associate Certified Christian Educators and Enrolled Educational Assistants were removed from the Book of Order June 2007
- 2. Commissioned Lay Pastors (approved January 2002)
 - a. Salary equal to 75% of the minimum effective salary (Plan A) above, pro rated as appropriate for part-time contracts
 - b. Reimbursements, vacation and study leave as above
 - c. Medical coverage is normally obtained by the individual through their secular employment
- 3. Board of Pension dues will remain at 31.5% (19.5% medical/12% retirement, death, and disability) of effective salary for 2010. Medical dues are based on effective salaries no less than the church-wide median of \$50,800 for pastors. Churches paying less than the church-wide median will be billed medical dues based on the church-wide median (pro-rated for part-time) and not actual effective salary.

4. To calculate Effective Salary plus other helpful information, visit the Board of Pensions web site at www.pensions.org. It's important to remember that calculating Effective Salary is not the same as calculating federal tax implications.
5. Pulpit Supply Honoraria – Whenever a pastor leads worship for a congregation as a visiting guest, the church shall pay mileage at the current IRS authorized rate, plus:
 - a. For churches up to 250 members - \$75
 - b. For churches over 250 members - \$100
 - c. Additional compensation of \$50 for each additional service.
6. Session Moderator Honoraria – Moderator of churches without installed pastors shall be reimbursed mileage at the current IRS rate, plus \$35.
7. Travel Reimbursement – member churches should reimburse pastors, educators, and CLPs for church-related travel at the current IRS rate.

This review was conducted by Committee on Ministry members Les Ferguson and Rev. Lutrelle Rainey.

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