

**PRESBYTERY APPROVED
MINIMUM FOR A CALL – 2007
Full-time Pastorates**

MANDATORY

	<u>With Manse Provided</u>	<u>No Manse Provided</u>
Minimum Effective Salary (3% COLA).....	(\$27,919) \$28,757	(\$36,295) \$37,384 ¹
Manse Value Maximum	(\$8,376) \$8,627	
Travel Reimbursement (<u>Minimum</u>) (Vouchered @ IRS approved rate--presently \$.445).....	\$2,500 (Est.)	\$2,500 (Est.)
Professional Development Allowance (Vouchered, per year; cumulative to 4 years)	\$1,000	\$1,000
Four Weeks Vacation (4 Sundays) -- 5 weeks (5 Sundays) with 15+ yrs exp.		
Two weeks professional development leave per year (cumulative to 8 weeks)		
Full pension (2007 = 31.5%) {Based on EFFECTIVE SALARY = Salary + Housing + Utilities + Deferred Comp}.		
Full moving expenses [If applicable]		

(See recommendations below for additional considerations)

NATIONAL MEDIAN SALARY (for Presbyterian pastors) was \$42,500 in 02; \$43,200 for 03; \$44,200 for 04; \$45,500 in 2005; and \$46,500 in 2006; and 47,900 for 2007 calculations.
Median for Synod of Lincoln Trails was **\$49,850** in 2006

MEAN AVERAGE FOR WHITEWATER VALLEY WAS \$57,197.38 in 2006.
(BASED ON THOSE REPORTING)

RECOMMENDED AND STRONGLY ENCOURAGED EFFECTIVE SALARY RANGES FOR 2007

The Committee on Ministry, after reviewing our table of salary ranges, determined that churches and pastors would be better served by providing the median salary for pastors in our three networks. By selecting median salaries, the information allows for variations between pastors and associate pastors; ministers with a few years' experience and those with 20 or 30; and cost of living variations between rural and city. Hence, the following median salaries from 2006: (BASED ON THOSE REPORTING)

Large Church Network:	\$76,969
Associates:.....	\$55,833
Medium Church Network:	\$50,640
Small Church Network:	\$36,989
(Only full time factored)	

1. Fair Rental Value of church owned housing must be determined by a qualified real estate appraisal and normally is not to be valued at more than 30% of Mandatory Minimum Cash Salary without clear evidence of actual value. Board of Pensions determines manse value as 30% of (Cash + Utilities & housing expenses + 403b)—or Fair Market Value
2. Mileage Reimbursement is an expense of the church and not compensation; it is vouchered (at current IRS approved rate/ \$.445 in 2006) for actual mileage **and actual mileage must be paid.**
3. Pension dues (31.5% in '07) are the responsibility of the employing congregation.

¹ This represents a 3.0% Cost of Living for 2006. National COLA increase, January to June 2005 was 3.0% (Dept. Of Labor)

3. A pastor is liable for 15.3% of effective salary for Social Security and Medicare Taxes and may be liable for up to 5% of Effective Salary for out-of-pocket medical/pharmacy expenses. **THUS:**

The Presbytery recommends employing congregations, in addition to salary, provide an amount equal to **4%** of Effective Salary to reimburse ministers for a portion of medical costs not covered by the Board of Pensions (including dental and eye care). (Vouchered) The Presbytery's position is that this is **NOT** part of Effective Salary.

4. The Presbytery recommends employing congregations pay up to ½ the social security tax as an "offset". This is not included in calculating "effective salary" for the Board of Pensions but is considered taxable income by the IRS; it is intended to help equalize the difference created by being taxed for Social Security at the IRS "Self-Employed" rate.
5. Vacation and Continuing Education are not pro-rated for Part-Time positions.
6. There is no longer a Board of Pensions "cap" on Effective Salary for Pension purposes. Medical dues (19%) are paid on up to 200% of median salary. Pension dues (12%) are paid on full effective salary.
7. Committee On Ministry strongly encourages congregations and pastors to create a matching fund for a 403b Retirement Savings Plan (available through the Board of Pensions). **[THIS IS ESPECIALLY TRUE FOR CONGREGATIONS WHICH PROVIDE A MANSE AS THE PASTOR IS NOT ACCUMULATING EQUITY ON A HOME]**

"EFFECTIVE SALARY" = Salary + Housing + (Utilities) + Deferred (not "vouchered") Compensation [tax deferred—e.g. 404b, insurance annuity, etc.] The Presbytery's position is that "Medical Reimbursable" amounts are not reported as part of "Effective Salary" for Board of Pension purposes.

"The terms of the call shall always provide for compensation that meets or exceeds any minimum requirements of the presbytery in effect when the call is made and shall thereafter be adjusted annually as required to conform to such requirement." G-14.0506e and "...to find in order, approve, and record in the presbytery minutes the full terms of all calls, and changes of calls approved by the presbytery." G-11.0103n [Responsibilities of Presbytery]