

**COMMITTEE ON MINISTRY
2023 PASTORS' MINIMUM COMPENSATION RECOMMENDATION**

For Action: The Committee on Ministry moves that the presbytery adopt the following two recommendations:

- 1. Related to Minimum Effective Salary (Terms of Call) for 2022, and**
- 2. Related to currently employed pastors and staff.**

Recommendation 1:

The 2023 minimum Effective Salary for pastors in the Presbytery of the Miami Valley shall not change. NOTE: There is an increase in the BOP Pastor Participation Plan to 39%.

Plan A (no manse)	
Effective Salary	\$53,870
Plan B (manse)	\$41,439
Manse Value	<u>\$12,432</u>
Total Plan B	\$53,870

This recommendation reflects no change from 2022. PMV minimums are currently higher than the other presbyteries in our Synod.

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.

For information:

**Minimum Effective Salary Comparison for Pastors
in the PMV from 2017 to 2022**

	2017	2018	2019	2020	2021	2022	2023
Plan A (no manse)							
Effective Salary	\$50,252	\$51,267	\$52,549	\$53,337	\$53,337	\$53,870	\$53,870
Plan B (manse)							
Cash salary*	\$38,663	\$39,436	\$40,442	\$41,028	\$41,028	\$41,439	\$41,439
Manse Value*	\$11,589	\$11,831	\$12,127	\$12,309	\$12,309	\$12,431	\$12,431
Total Plan B	\$50,252	\$51,267	\$52,549	\$53,337	\$53,337	\$53,870	\$53,870
% Change	2.0%	2.0%	2.5%	1.5%	0.0%	1.0%	0.0%

***Reflects a change in calculation established in 2012 by the Board of Pensions of the Presbyterian Church (U.S.A.), requiring a minimum valuation of the manse at 30 percent “of all other compensation included in Effective Salary,” not of total Effective Salary.**

Recommendation 2:

1. *Our recommendation to the local congregations who **already have pastors** is to, at the very least, explore the possibility of a cost-of-living increase in 2023. An 8% increase would be ideal if churches are able to afford it, but even a minimum 2.5% increase to cost of living would be a help to some of our pastors and churches that are struggling financially more than others. This recommendation is directly offered to churches who already have pastors on staff. We would also recommend that churches consider giving this cost-of-living increase to all members of staff (not just teaching elders). We recognize that without increases for cost of living, the value of a staff person's salary can diminish by as much as half.*

We came to this recommendation based on our review of the Consumer Price Index, Cost of Living projections, as well as the Synod of the Covenant's report on minimum terms of call salary increases going back to 2017. It is our hope and prayer to offer as fair and just a recommendation as possible.

SS COLA 2022 – 5.9% increase

SS COLA 2023 – preliminary estimates are between 8% and 10% increase

Additional Information

1. **Board of Pensions information:** For 2023, two benefits packages are available to support the well-being of ministers and their families:

Pastor's Participation. This comprehensive benefits package is designed to meet the healthcare and retirement needs of ministers and their families. Coverage includes PPO family medical, the Defined Benefit Pension Plan, the Retirement Savings Plan of the Presbyterian Church (U.S.A.), the Death and Disability Plan, and the Temporary Disability Plan. Employer cost is 39% of effective salary. This reflects a 2% increase.

All installed pastors **MUST** be enrolled in the Pastor's Participation Plan for Board of Pensions members which includes dependent coverage. For 2023, the rate will increase to 39.0% of Effective Salary. While some part-time, and temporary pastoral relationships may participate in the Pastor's Participation Plan, other options for pension, disability and medical coverage are available through the Board of Pensions. More detailed information is available on the Board of Pensions website, www.pensions.org.

Minister's Choice. This benefits package provides important financial protection during active service and into retirement at only 10 percent of effective salary. Plus, it expands access to assistance and education programs now available only through Pastor's Participation, such as CREDO and Board University. Benefits include the Defined Benefit Pension Plan, the Death and Disability Plan, the Temporary Disability Plan, and the Employee Assistance Plan.

2. **Certified Christian Educators** (as approved by the Presbytery, 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. Remember that Continuing

Education Reimbursement, vacation, and study leave are not prorated for part-time positions.

c. Additional guidelines:

- 1) Base salary plus one percent per year for each year of experience beyond five years.
- 2) Provision for medical coverage either by participation in a PC(USA) Board of Pensions Medical Plan or another vehicle.

3. **Commissioned Ruling Elders** (as approved by the Presbytery, January 2002)

a. Salary equal to 75 percent of the minimum Effective Salary (Plan A) above, prorated as appropriate for part-time contracts.

b. Reimbursements, vacation, and study leave as above. Remember that Continuing Education Reimbursement, vacation and study leave are not prorated for part-time positions.

c. Medical coverage is normally obtained by the individual through his/her secular employment.

4. **Pulpit Supply Honoraria.** When a pastor leads worship for a congregation as a visiting guest, the church shall pay mileage at the current IRS authorized rate plus the following:

a. For churches up to 250 members: \$150 (no change)

b. For churches over 250 members: \$200 (no change)

c. Additional compensation of \$75 (no change) for each additional service.

5. **Session Moderator Honorarium.** The Moderator for churches without installed pastors shall be reimbursed mileage at the current IRS authorized rate plus \$75 (no change).

Authority for Presbytery action on terms of call and other compensation matters: The *Book of Order* (2019-2021) specifically addresses minister compensation and the responsibility for its maintenance in the following two sections:

G-2.0804 Terms of Call

The terms of call shall always meet or exceed any minimum requirement of the presbytery in effect when the call is made. The session shall review annually the minister's terms of call and shall propose for congregational action (G- 1.0501) such changes as the session deems appropriate, provided that they meet the presbytery's minimum requirements. The call shall include participation in the benefits plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly.

G-3.0307 Pastor, Counselor, and Advisor to Its Ministers of the Word and Sacrament and Congregations

Presbyteries shall be open at all times to communication regarding the life and ministry of their congregations. Each presbytery shall develop and maintain mechanisms and processes to serve as pastor and counselor to its ministers of the Word and Sacrament, commissioned pastors [also known as commissioned ruling elders], and Certified Christian educators of the presbytery; to facilitate the relations between the presbytery and its congregations, ministers of the Word and Sacrament, commissioned pastors, and certified Christian educators; and to settle difficulties on behalf of the presbytery where possible and expedient.