

PEACE RIVER PRESBYTERY
GUIDELINES FOR COMPENSATION
Effective January 1, 2022

1.0 COMPENSATION, PURPOSE, AND MINIMUMS

- 1.1 This information is provided for the purpose of making recommendations for minimum salaries and other allowances for ministers and other church professionals as guides to the member churches in planning and setting up their budgets for the next year. **Approved changes would be effective January 1, 2022.**
- 1.2 Collection of data as support for the recommendations is an ongoing process. The Committee on Ministry welcomes suggestions from individuals and sessions to help this committee in its continuing review of compensation for church professionals.
- 1.3 All congregations are reminded that the Book of Order (G-2.0804) mandates that the Terms of Call shall provide always for compensation packages that meet or exceed any minimum requirements of Presbytery in effect when the call is made and thereafter shall be adjusted annually to conform to such requirements.
- 1.4 Please see section 6.1350 of the COM Manual for Compensation Guidelines. Note especially comments on housing. Form 6.1450 is to be used in reporting compensation details for all pastoral positions except temporary positions. Information for temporary positions should be reported on Form 6.1415.

2.0 REQUIRED MINIMUM SALARY AND ALLOWANCES FOR TEACHING ELDERS

2.1	2021	2022
Base Salary	\$59,434	59,434
Pension/Medical (BOP)	ALL	ALL
Vacation	One Month	One Month
Continuing Education	Two Weeks	Two Weeks
With allowance of	\$1,500	\$1,500
With privilege of accumulation by prior arrangement up to	Three Years	Three Years

- 2.2 The following expenses may be handled with accountable reimbursement plans: auto, continuing education, book allowance, professional expense, and moving expense. Churches should record the amount budgeted by the church to reimburse the teaching elder. The \$1500 annual minimum for the continuing education expense has a benefit of accumulation up to three years by prior arrangement.

3.0 RECOMMENDATIONS FOR CHURCH EDUCATORS AND TEACHING ELDERS

- 3.1 An adjustment for inflation of not less than **3.0% Base Salary increase is recommended for 2022.** (This is based on the Consumer Price Index-All Urban Consumers, Not Seasonally Adjusted, South Urban, provided by the US Bureau of Labor Statistics of June 30, 2021).
- 3.2 Sessions are encouraged to consider other increases based on merit and years of service upon their review of the compensation package of all church professionals.
- 3.3 It is recommended that churches pay at least one-half of the Self Employment Tax obligations of the ministers for **2022**. Such money provided by the church represents additional income and must be reported as such.
- 3.4 The Committee continues to recommend that when a minister resides in a church-owned home, a Real Estate Equity payment of at least \$1,000 per annum be put in escrow to be accumulated for and payable to the minister at the dissolution of the pastoral relationship or upon retirement. The funds are intended to provide a down payment on a home for the minister, especially at retirement.
- 3.5 In addition, Sessions are encouraged to review and consider an optional 403(b)-plan as additional retirement income for church professionals. The 403(b)-plan provides for reductions in taxable income through tax deferred annuities.
- 3.6 It is also recommended that consideration be given to granting a three-month sabbatical to Teaching Elders, as well as to Church Educators, following (5-7) years of continuous service to their Parish and assuming the Teaching Elder or Church Educator agrees to continue at least one additional year after their sabbatical before taking another call. Full salary and benefits should continue during this time of renewal, updating professional skills, and refreshing his/her spiritual life and calling.

- 3.7 An alternate minimum at 20% less than standard minimums can be considered for markets that fall in the lowest quartile (of PRP markets) in two of the three following criteria:
- 1) per capita income,
 - 2) cost of living and
 - 3) median home price.

Annual review

Consistent with the annual review of the standard minimum compensation guidelines, the alternate minimum markets will be reviewed and updated annually. Source data for per capita income is the U.S. Census Data, for cost of living and median home prices is www.bestplaces.net.

Qualifying

Churches wishing to offer terms of call under the alternate minimum compensation guidelines shall disclose their financial condition to COM with justification for using the alternate minimum.

Grandfathered

Pastors serving in churches that meet the alternative minimum shall be grandfathered.

4.0 Guidelines for TEACHING ELDERS

- 4.1 Itemized Terms of Call must equal or exceed the minimum standards approved by Presbytery. Some flexibility will be allowed for categories upon mutual consent of the church professional and church, so long as the total figure equals or exceeds the required amount.
- 4.2 In supplying this information, we trust it will be possible for the Sessions in each church to be able to prepare updated Terms of Call forms and forward them to Presbytery in time for a thorough review by the Committee on Ministry, and preparation of the Terms of Call Report (tabulation) for distribution at a Stated Meeting of Presbytery.

5.0 Recommendations for CERTIFIED CHRISTIAN EDUCATORS

5.1 Recommended Allowances	2021	2022
Base Salary	\$35,099	35,099
Pension/Medical	All	All
Vacation	One Month	One Month
Continuing Education	Two Weeks	Two Weeks
With allowance of	\$1,500	\$1,500
With privilege of accumulation by prior arrangement up to:	Three Years	Three Years

- 5.2 An adjustment for inflation of not less than 3.0% Base Salary increase is recommended for 2022.

6.0 RECOMMENDATIONS FOR BUSINESS ADMINISTRATORS AND DIRECTORS OF MUSIC

Since an inflation adjustment of 3.0% is recommended for Clergy and Educators, it should also be considered in arriving at salaries for Business Administrators and Musicians.

Approved by COM: August 10, 2021
 Approved by PRP: October 14, 2021