

The Presbytery of Scioto Valley Annual Review of Installed Pastor's Compensation for 2023

Instructions: The Form of Government (G-2.0804) requires an annual review of the adequacy of the compensation of ministers. The Session should conduct the review and report its recommendations to the congregation for approval. This form gathers data in accordance with the Board of Pensions' definition of Effective Salary and the Presbytery policy on Minimum Compensation Guidelines (September 2023). (See attached Notes for explanation of individual items.) The Commission for Church Professionals will compile this information for approval by the Presbytery during 2023.

This form may be filled out using Microsoft Word®. Please fill out one form for each installed pastor and return to Presbytery Office (dagmar@psvonline.org or 4131 N. High Street, Suite B, Columbus, OH 43214).

PLEASE COMPLETE THE FOLLOWING INFORMATION

City _____ Church _____ PIN # _____

Minister _____ E-Mail _____

Pastor Associate Co-Pastor Designated

If this position is part-time, what is the percent of full-time (40-48 hrs./wk.)? _____ %

On the _____ day of _____ 20____ at a properly called meeting of the Session of the _____ Presbyterian Church located in _____ Ohio, the adequacy of the compensation for the teaching elder _____ was conducted, and subsequently approved by the congregation on the _____ day of _____ 20____ at the following annual terms:

2023 EFFECTIVE SALARY FOR PENSION CALCULATION (Fill in all that apply)

1.0	Annual Cash Salary	\$
2.0	Housing	
	2.1 Fair Rental Value of Manse	
	2.2 Housing/Utilities Allowance	
	2.3 Furnishing Allowance	
	2.4 Down Payment	
	2.5 Equity Allowance	
	Total Housing	\$
3.0	Deferred Compensation	
	3.1 Elective Individual Contributions	
	3.2 Tax-deferred or Tax-sheltered Annuities	
	Total Deferred Compensation	\$
4.0	Loans	
	4.1 Forgiven Loan Principal	
	4.2 Interest Savings on Interest-free Loans	
	Total Loans	\$
5.0	Reimbursements	
	5.1 Lump-sum Non-accountable Reimbursements	
	5.2 Co-payment and Deductible Reimbursements	
	Total Reimbursements	\$
6.0	Insurance Premiums	
	6.1 Individual (not group) Policies (life, health, auto, etc.)	
	6.2 Section 125 Allowances	
	Total Insurance Premiums	\$
7.0	Self-Employment Contributions Act Reimbursements (amount over 50%)	\$
8.0	Other Income (Bonuses, Employer Gifts, Overtime, Severance)	\$
	TOTAL EFFECTIVE SALARY [F-T \$54,406.] (Carry over to other side)	\$

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PENSION AND BENEFITS CALCULATION (37% of total Salary)

Total Effective Salary (From other side)		\$
P1	2023 Retirement Dues (11% of Total Effective Salary) [Required]	\$
P2	2023 Disability Dues (1% of Total Effective Salary) [Required]	\$
P3	2023 Medical Plan Dues (27% of Total Effective Salary) [Required]	\$
TOTAL PENSION AND BENEFITS PAYMENT		\$

VOUCHERED AND REIMBURSED EXPENSES

V1	Continuing Education Expenses (F-T minimum = \$1,500)	\$
V2	Professional Expenses (\$500)	\$
V3	Automobile and Travel Expenses (IRS RATE 0.655)	\$
V4	Other:	\$
V5	Other:	\$
V6	Other:	\$

VACATION AND STUDY LEAVE

L1	Vacation – Number of weeks per year (minimum = 4 weeks)	Weeks
L2	Study Leave – Number of weeks per year (minimum = 2 weeks)	Weeks

All calls are subject to the Presbytery of Scioto Valley Sexual Misconduct Policy.

Attested: _____ Date _____
Clerk of Session

Accepted: _____ Date _____
Minster of the Word and Sacrament

Annual Minister Compensation

EXPLANATORY NOTES*

EFFECTIVE SALARY

1.0 ANNUAL CASH SALARY. The full amount of gross cash compensation paid to the member must be included in effective salary. The annual salary or 12-month salary must be reported. For example, if the salary is \$20,000 but the minister starts July 1, report the annual salary of \$20,000, not the amount the minister receives for the part of the year he/she works.

2.0 HOUSING

2.1 Fair Rental Value of Manse. If a manse is provided, the rental value of the manse is included in Effective Salary. The amount included shall be at least thirty percent (30%) of all other compensation included in Effective Salary. If utility or furnishings allowances are provided to a member residing in a manse, those allowances are to be included in Effective Salary **in addition to** the manse value defined above.

2.2 Housing/Utilities Allowance. This allowance is an elective portion of an individual member's compensation package. For this reason, it is included as part of effective salary. The housing allowance amount is designated annually by the session or employing organization in advance of payment. Effective Salary also includes any amount designated as housing allowance and used to pay rent to the employing organization.

2.3 Furnishing Allowance. These arrangements are generally elective and negotiated as part of an individual member's overall compensation package. If a member lives in a manse and receives an additional allowance for utility services and/or furnishings, the additional allowances are to be included in effective salary, in addition to the 30% manse amount.

2.4 Down Payment. If any amount for a down payment on a house/condominium is given to the minister or paid for the minister outright (that is, without the stipulation that it must be paid back), such an amount is compensation, which is included in Effective Salary.

2.5 Equity Allowance. Sums paid or contributed by an employing organization to a deferred compensation plan or other account, on behalf of a member residing in a manse, to compensate for equity which the member forgoes by not owning his or her own residence.

3.0 DEFERRED COMPENSATION

3.1 Elective Individual Contributions. Deferred compensation plans (funded and unfunded) include employer and member contributions to 403(b) plans (including the Retirement Savings Plan), Rabbi Trusts, and other forms of funded and unfunded deferred compensation arrangements. These arrangements are generally elective and negotiated as part of an individual member's overall compensation package. As long as the member has a legally enforceable right to the deferred sums at some time in the future, the sum set aside in a given year to reserve for that obligation is to be included in the member's Effective Salary that year. If an employer offers to match elective contributions made to the Retirement Savings Plan, the employer match portion of the contribution is not to be included in Effective Salary.

3.2 Tax-deferred or Tax-sheltered Annuities. These allowances are voluntary salary reductions from a member's cash salary. They are, therefore, compensation to be included in Effective Salary.

4.0 LOANS

4.1 Forgiven Loan Principle. Loan forgiveness should be reported as Effective Salary.

4.2 Interest Savings on Interest-free Loans. Interest savings to the member because of the nature of this type of loan are included. The amount of interest to be included in the Effective Salary calculation is that amount reportable under federal income tax laws.

5.0 REIMBURSEMENTS

5.1 Lump-sum Non-accountable Reimbursements. Lump-sum amounts paid directly to the minister and not through an accountable reimbursement process must be included in Effective Salary.

5.2 Co-payment and Deductible Reimbursements. Co-payment amounts paid or reimbursed to the minister by the church on an individual basis, even if the payments are made through a Flexible Spending Plan (Sec. 125 Plan) must be included in Effective Salary.

6.0 INSURANCE PREMIUMS

6.1 Individual (Not Group) Policies (life, health, auto, etc.). Premiums for individual insurance policies (auto, disability, life, supplemental medical, etc.), other than dues for participation in the basic benefits provided by the Benefits Plan of the Presbyterian Church (U.S.A.), that the church pays for or reimburses to the member at his/her request are compensation to be included in Effective Salary. Subscription dues for optional benefit coverage under the Benefits Plan paid for by the employing organization are to be included in Effective Salary on the same basis.

6.2 Section 125 Allowances. These allowances are voluntary salary reductions from a member's cash salary. They are, therefore, to be included in Effective Salary.

- 7.0 SELF-EMPLOYMENT CONTRIBUTIONS ACT REIMBURSEMENTS (SECA) (over 50%).** If the church pays for or reimburses the member more than 50% of this expense, then the amount in excess of 50% of the expense must be included in the Effective Salary.
- 8.0 OTHER INCOME (BONUSES, EMPLOYER GIFT, OVERTIME, SEVERANCE.** See the details for these particular items in Policy 2010-10 –Minimum Compensation Guidelines, which may be found on the Presbytery website www.psvonline.org

PENSION AND BENEFITS CALCULATION

- P1 Retirement Dues.** Multiply the Total Effective Salary by 0.11 (11%) to calculate the amount of retirement dues.
- P2 Disability Dues.** Multiply the Total Effective Salary by 0.01 (1%) to calculate the amount of disability dues.
- P3 Medical Plan Dues.** Multiply the Total Effective Salary by 0.25 (27%) to calculate the amount of medical plan dues. **Medical Plan dues for part-time positions are pro-rated, see www.pensions.org for minimum participation salary.**

VOUCHERED AND REIMBURSED EXPENSES

- V1 Continuing Education Expenses.** Continuing education expenses include items such as tuition, room, board, and travel to study events which are related to employment, and which are actually undertaken in the current year. The expenses are to be reimbursed to the minister through an accountable reimbursement plan.
- V2 Professional Expenses.** Professional Expenses include items such as books, subscriptions, business meals. The expenses are to be reimbursed to the minister through an accountable reimbursement plan.
- V3 Automobile and Travel Expenses.** The IRS approved mileage rate for 2023 has been set at \$0.655 /mile. Churches should anticipate 5,000-10,000 miles per year for budget purposes. Travel expenses may also include the cost of parking, tolls, public transportation, commercial travel and related costs, meals in transit or at attended functions, and/or lodging. The expenses are to be reimbursed to the minister through an accountable reimbursement plan.
- V4 Other.**

VACATION AND STUDY LEAVE

- L1 Vacation.** Vacation time is calculated in terms of weeks per year. The time designated as vacation is part of the time for which compensation is paid. The minimum vacation time is four (4) weeks per year.
- L2 Study Leave.** Study leave time is calculated in terms of weeks per year. The time designated as study leave is part of the time for which compensation is paid. The minimum study leave time is two (2) weeks per year. At the church's discretion the study leave can accrue up to six (6) weeks over a three year period.

*All explanatory notes are based on the Presbytery's "Minimum Compensation Guidelines" policy which may be found at www.psvonline.org or contact the Presbytery Office – dagmar@psvonline.org or 614-847-0565.