October 22, 2012

**To:** Clerks of Session/Personnel Chairpersons

**Regarding:** 2013 Salary Report

Dear Friends in Christ:

Every year the Presbytery’s Committee on Ministry takes a look at the current financial climate, what the cost of living situation is in the regions where our churches carry out their ministry, and makes a recommendation to congregations concerning salary increases for pastoral staff.

This year the Committee on Ministry is not making a specific recommendation of a salary or cost of living increase. **The minimum salary and housing requirement for 2013 is $42,531,** the same as last year. This minimum is for full-time ordained clergy. It is for newly ordained or entry level positions and does not include travel, professional, education or pension/medical expenses.

The Committee on Ministry strongly urges each Session or Personnel Committee to make sure an intentional, thorough and conscientious review of your pastor’s salary package is carried out in preparation for this coming budget cycle. In addition, please look at all aspects of compensation and make sure they are tax savvy, just, and reflect your best efforts to take care of the well-being of your pastor. Consider merit increases. And make sure the way you interpret that salary package to your congregation clearly delineates pension and medical costs separate from salary and housing. Please pay attention to the fact that loss of salary has cumulative ramifications to your pastor’s pension plan. If you would like more information please contact our Commission on Ministry Board of Pensions liaison, Rev. Christine Long, at ctlong@wpcoly.org or 360-357-5750.

Find ways to show appreciation for your pastor’s work and guidance. Not all compensation needs to be monetary. If you cannot offer a raise for merit and faithful service, consider offering more time off. Sundays away from preaching responsibility, extended vacation time, more study time, a couple paid retreat days for spiritual nurture, all would be welcome during these times of financial stress. Use your imagination and your love to nurture your pastor in ways that will be life giving.

Minimum study leave allowance is 2 weeks and $1,000 for full-time ordained positions.Personnel committees are encouraged to reimburse transportation costskeeping in mind the IRS mileage reimbursement. For 2012 it is 55.0 cents per mile but please check at the beginning of December to see what it will be for 2013.

**Board of Pensions Dues - 2013 will be 33% (note increase)**

* 11% of Pension Participation Basis for Pension coverage: Pension Participation Basis is defined as the greater of effective salary or 25% of church wide median effective salary of pastors serving churches, subject to IRS cap.
* 1% of Pension Participation Basis for Death and Disability coverage, subject to IRS cap.
* 21% of Medical Participation Basis for Medical coverage: Medical participation basis is defined as the greater of effective salary (capped at 200% of church wide median effective salary of pastors serving churches) or 55% of church wide median effective salary of pastors serving churches.

A Presbytery report form for year 2013 compensation is enclosed. A BOP Salary Change form is enclosed. You must also submit a change of salary form to the BOP for salary changes for clergy and **mail directly to the Board. The BOP form is critical to your pastor’s retirement**. Please either email or snail mail Form G to the presbytery office no later than end of January 2013.

Your Partners in Christ’s Ministry,

Rose Erickson, Moderator, Commission on Ministry

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