

Mission Presbytery Minimum Terms of Call & Board of Pension Rates **Effective January 1, 2019**

On behalf of Mission Presbytery, General Council is commissioned to recommend the minimum terms of call for Teaching Elders and for Certified Christian Educators and Certified Associate Christian Educators (G-3.0303b). The basis for annual adjustments of these full-time compensation packages in Mission Presbytery is equal to the "Consumer Price Index-All Urban Consumers (CPI-U) US City Average, All Items," as listed by the US Department of Labor, Bureau of Labor Statistics published in October of each year. At its September 29, 2018 meeting, General Council approved an increase of 2.7% for the minimum terms of call, effective January 1, 2019.

2019 Mission Presbytery's *Minimum Effective Salary:*

Full Time (F/T)

Pastoral Calls: \$43,570

Certified Christian Educators: \$29,152

Associate Certified Christian Educators: \$28,152

Part time (P/T) minimum terms of call are prorated:

3/4 - 75%; 1/2 - 50%; and 1/4 - 25%; or, 2/3 - 66.6%; 1/3 - 33.3%

Effective Salary, as defined by the Board of Pensions, is any compensation received during a Benefits Plan year by a Plan member, including, but not limited to:

- Cash salary
- Housing allowance
- Separate utilities allowance
- Bonuses
- Allowances not under a reimbursement plan
- Manse fair rental value, at least 30% of all compensation
- Deferred compensation (Except for the Board's Retirement Savings Program)
- Do NOT include amounts paid as Social Security Offset (SECA), up to 50% of self-employment tax

2019 Board of Pension member dues, based on full time (F/T) compensation, are as follows:

- **25% of the Board's Minimum Salary Basis (\$44,000) for salaries of \$44,000 or less, or actual, up to a maximum salary of \$124,000, for the Medical Plan;**
- **12% of the Minimum Basis for Pension & Disability (\$14,775) for salaries of \$14,775 or less, or actual, up to a maximum of \$280,000;**
- **Churches are required to provide Full Member + Family/Dependent Board of Pensions dues for installed Teaching Elder positions.** Churches are encouraged to provide full Board of Pensions participation to non-installed teaching elders.

Effective salary does not include amounts received from an accountable reimbursement plan or Social Security up to but not exceeding 50% of a Teaching Elder's Self-Employment Contribution Act (SECA) obligations. Recommended, but not mandatory, is churches assisting Teaching Elders in reducing their tax burden by offering an additional amount equal to **one half (or 7.65 % of the effective salary) for the Self-Employment Tax (SECA).**

Note: This payment is considered cash salary by the IRS. However, it is not part of the effective salary on which Board of Pension dues are paid; nor is it included in the Board computation of pension credits earned by teaching elders. IRS requires Medicare and Social Security be paid on salary and housing allowance for all non-retired Teaching Elders. Teaching Elders and Sessions must make informed decisions about the structuring of compensation Terms of Call.

Teaching Elders are encouraged to save for retirement. Employer contributions made to the PC(USA) 403b(9) Retirement Savings Plan administered by the Board of Pensions that match elective contributions

by employees are not included in Effective Salary. Any match program must be available universally to all eligible employees in the same employment category.

Beginning January 1, 2018, moving expenses are no longer deductible as a reimbursable expense under the Tax Cuts and Jobs Act.

If you have questions about completing the terms call forms for the Mission Presbytery or for the forms to be submitted to the Board of Pensions reflecting changes in compensation, contact the Tricia Tedrow, Stated Clerk at 210-826-3296.