2018 Recommended Compensation Guidelines.

Updates for 2018/19 voted by Church and Ministry Commission, and recommended by Board of Directors to be taken to CAM

The MT-NWy Conference continue with the 2009 guidelines, updated with current insurance rates and including the 9.6% cost of living increase in Montana and Northern Wyoming in the past ten years.

INTRODUCTION:
Because congregations are committed to spiritual, emotional, and financial support of their pastors, we offer and encourage these guidelines.

BIBLICAL BASIS:
What are the undergirding Biblical values which sustain and indwell any guidelines for Clergy Compensation? The prophetic witness of the Bible emphasizes the inseparability of love and justice. Without love there is no justice and without justice there is no love. When a congregation calls a minister, they enter into a mutual relationship of love. This bond of love is expressed through clergy support which is just.

The incarnation of Jesus reveals that the word has become flesh. Spirit and flesh go together. Financial support is the physical embodiment of the spiritual relationship between minister and congregation. The components of a minister’s salary package are not just statistical amounts; they are an incarnation of the spiritual energy of the congregation.

If the minister’s salary is a reflection of prophetic truth and the incarnation, it is also a reflection of the meaning of covenant. When a church supports a minister through the UCC Health and Pension Plan, they are acknowledging and affirming the covenant that exists between their particular minister and the wider UCC. In addition, through basic support of the minister, the congregation is expressing its covenantal bond with other UCC churches and providing a catalyst for them to be loving and just members of the body of Christ.

BACKGROUND:
Each year voting delegates at the Montana-Northern Wyoming Association and Conference Annual Meeting adopt guidelines for clergy salaries and related benefits to commend to our local congregations. These guidelines enable our congregations to give counsel to one another and encourage each congregation to establish clergy salaries which are fair and equitable.

A. GENERAL SUPPORT
The Commission believes that it is essential that congregations provide general support to clergy and their families.

1. Housing: provide a parsonage with all utilities paid, or a housing allowance of at least 30% of cash salary or $9,992 whichever is greater. Clergy who are able to document the need may
request that a larger percentage of the salary/housing package be designated as housing allowance.

2. Housing Equity: If a parsonage is provided, it is recommended that the congregation contribute an annual amount equal to 3% of salary basis to a housing equity account maintained in the name of the pastor and invested either in the United Church Cornerstone Fund, the UCC Foundation, Pension, or other appropriate investment which will be available for the use of the pastor when purchase of a home becomes necessary. This benefit assists pastors in gaining equity for future housing needs. Without this benefit, pastors who live in parsonages may be unable to accumulate equity in a home and at retirement would have limited funds to provide for their housing needs.

3. Annuity/Retirement:
   a. When a parsonage is provided: Annuity is calculated as 14% of salary basis, which includes cash salary, plus fair rental value of parsonage usually calculated at 30% of cash salary or a housing allowance of at least $9,992, whichever is greater.
   b. When a housing allowance is provided: Annuity is calculated as 14% of the cash salary plus the housing allowance. The minimum amount to calculate the annuity from the housing allowance is $9,992. For example, if the salary is $33,305 and the housing allowance is $9,992, the annuity is calculated on 14% of $43,297.
   c. When neither housing allowance / parsonage are provided: Annuity contributions should be 17% of cash salary (see #2 above regarding housing equity).

4. Family Protection Plan: provide disability and life insurance (1.5% x salary basis).

5. Disability Policy: provide full or partial salary during a period of disability until the Family Protection Plan benefits commence (30 days).

6. Health and Dental Insurance: provide (pay full premium) for UCC Health and Dental Plans. In order to honor our covenant with the wider Church in providing health care for clergy and lay workers, and to ensure continued insurability, congregations are urged to enroll pastors and lay workers in the UCC Health and Dental Plan.

<table>
<thead>
<tr>
<th>Coverage type:</th>
<th>Quarterly Health</th>
<th>Quarterly Dental</th>
<th>Annual Health</th>
<th>Annual Dental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>up to $5,589.75</td>
<td>$270.00</td>
<td>up to $22,359</td>
<td>$1,080</td>
</tr>
<tr>
<td>Single</td>
<td>up to $2,615.25</td>
<td>$122.25</td>
<td>up to $10,461</td>
<td>$489</td>
</tr>
</tbody>
</table>

Where the pastor has other supplementary employment, the church should ensure that health and pension benefits are provided, and should assist in developing a benefit package.

7. Social Security: provide cash allowance equivalent to at least 50% of minister’s Social Security Self Employment Tax (7.65% of salary basis)
8. Automobile Expenses: provide the current IRS allowable mileage rate. (2018 rate is 54.5 cents per mile)

9. Vacation and Days Off: Days off per week should be consistent with a five-day work week. Vacation time should be at least 20 working days per year to include at least four Sundays. More vacation time should be considered for those exceeding 15 years of service.

10. Maternity/Paternity/Adoption Leave: maternity/adoption leave shall be granted for six weeks at full salary, or 12 weeks at half salary. Benefits shall be paid in full. Paternity/adoption leave shall be for two weeks at full salary. Benefits shall be paid in full.

11. Candidate travel Costs: costs for interviewing and candidating are covered by the seeking congregation.

12. When a new minister is called, the practice of our congregations is to cover the costs of the move.

13. Sick Leave accrues at the rate of one day per month of continuous employment for a maximum accrual of 65 working days. Extended sick leave beyond the maximum accrual allowance shall be negotiated with the employer.

B. PROFESSIONAL SUPPORT
The Commission believes it is essential that churches provide Professional Support to clergy.

1. Continuing Education: provide two weeks per year with pay, and a minimum $500 annually for books, professional publications, travel and tuition.

2. Sabbatical: provide a sabbatical leave of 90 days with full pay after each five years of service or 72 days with full pay after each four years of service to the church.

3. Conference Annual Meetings: provide time and expense money for Association and Conference and Annual Meetings, including pulpit supply for clergy attending the Annual Meeting of the Conference.

4. Conference Annual Clergy Retreat: provide time and expense money for clergy to attend the Annual Clergy Retreats.

5. Wider Church Involvement: provide one week (not to be counted in vacation or continuing education time) for clergy to give leadership and involvement to the ministry and mission of the wider United Church of Christ. This includes, but is not limited to: counseling/giving program leadership at Camp Mimanagish; service on the directorates of the national United Church of Christ; leadership in the program/business of the Conference Annual Meeting; leadership in the
Association; adult leadership/sponsor at a Conference Youth Event, Western Regional or National Youth Event, or Conference Youth Mission Trip.

6. Professional Expenses: congregations are expected to provide reimbursement for reasonable professional expenses incurred by the pastor.

C. CASH SALARY
The Commission believes it is essential that congregations provide a minimum Cash Salary as outlined below. As congregations and clergy work together to negotiate cash salary, the Commission recommends that congregations take into account not just the size of the congregation and the years of pastoral experience, but also:

a. Years in present pastorate;
b. Other ministerial experience;
c. Additional non-ministerial experience;
d. Other financial needs;
e. Ways responsibility is assigned or shared with other staff or laity;
f. Value of additional experience and exceptional achievement; and
g. Cost of living (inflation or deflation) adjustment.

Gender or family circumstances should not be factors in determining cash salary.

1. Minimum Cash Salary: provide a minimum of $30,388 cash salary. Minimum Cash Salary figures in italics reflect our 2009 guidelines, the Cost of Living Adjustment for Montana between 2009 and 2018 is 9.6% and should be factored into cash salary compensation.

<table>
<thead>
<tr>
<th>Years’ Experience</th>
<th>2009</th>
<th>2018/19</th>
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</thead>
<tbody>
<tr>
<td>1-5 years'</td>
<td>$30,388</td>
<td>$33,305</td>
</tr>
<tr>
<td>6-10 years'</td>
<td>$33,765</td>
<td>$37,006</td>
</tr>
<tr>
<td>11-15 years'</td>
<td>$37,142</td>
<td>$40,708</td>
</tr>
<tr>
<td>16-20 years'</td>
<td>$40,517</td>
<td>$44,407</td>
</tr>
<tr>
<td>21-25 years’</td>
<td>$43,894</td>
<td>$48,108</td>
</tr>
<tr>
<td>25+ years’</td>
<td>$46,145</td>
<td>$50,575</td>
</tr>
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</table>

2. Minimum Salary Basis: (Cash salary + actual housing allowance of at least $9,992 or 30% of cash salary, whichever is greater equals Salary Basis.) Therefore, the minimum salary basis equals $43,297 ($33,305 cash salary plus parsonage value or parsonage allowance). Clergy serving for less than this salary basis could be considered part-time and should have the option of obtaining supplementary employment.

3. Alternate compensation at “per unit” basis for part-time compensation: $75 - $150 per 3-4 hour unit of time (a morning, an afternoon, or an evening).

4. Part-time ministry may include part-time monthly coverage, i.e. a three-quarter time position would include one weekend off every month.
In all circumstances, the local church determines the salary level of its minister.

Note: The Pension Boards reported that the MT-NWy Association and Conference UCC has the lowest average total compensation rates ($47,422) of any of the geographic conferences, as adjusted for full-time equivalency. Among similarly sized conferences average total compensation rates: Northern Plains—N.Dak. (54,080), South West—AZ and NM (74,300), Rhode Island (68,000); and among bordering Conferences: Rocky Mountain—CO and UT (110,271), South Dakota (82,080), Central Pacific—OR and ID (128,549)

3. Interim Minister
The Commission recommends that trained Interim Ministers be compensated consistent with the preceding guidelines, including the usual and applicable range of benefits.

4. Supply Minister
Compensation for supply ministers should be $100.00 per worship service plus travel expenses (the current IRS allowable mileage rate) with extra compensation for additional services.

D. AVAILABILITY TO COMMITTEES
The Church and Ministry Commission continues to be available to ministers and to congregations for consultations relating to ministerial compensation as well as other church and ministry issues.

1. Where a congregation has a membership of less than 90, it is suggested that the compensation be 85% of the above salary figures and other benefits should be adjusted proportionately.

2. Where a pastor has less than full academic training (college and M. of Div.) it is suggested that the compensation be 90% of above salary figures and other benefits should be adjusted proportionately.

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