

PRESBYTERY OF LAKE MICHIGAN

2027 Minimum Terms of Call

Background

The Presbytery of Lake Michigan has historically set minimum compensation standards based on Total Effective Salary (Cash Salary + Housing Allowance/Manse + Deferred Compensation).

Two developments now prompt a reconsideration of this approach. First, beginning in 2025, the Board of Pensions significantly restructured how medical benefits are offered, changing the cost of dependent coverage so that it is not feasible for many congregations if we were to require it. Second, several peer presbyteries in the Synod of the Covenant have transitioned to a Total Compensation Package model, and our own policy has included an optional total compensation track since 2026.

For these reasons, the Commission on Ministry is proposing a full transition to a minimum Total Compensation Package model. We believe this approach increases transparency and clarity for sessions as they budget for pastoral leadership, and more accurately reflects what it costs to call and support a pastor in our presbytery. It also is beneficial to pastors, giving them more flexibility in how they choose to be compensated.

Values

In establishing minimum Total Compensation Package standards, the Presbytery of Lake Michigan affirms the following values and calls upon its member congregations to do the same:

- That pastors' compensation should keep pace with the cost of living in our region, so that they can afford to work and live among the communities they serve.
- That pastors are graduate-educated professionals called to a vocation of significant responsibility, and compensation should reflect that reality.
- That all pastors and their families should have access to quality health care.
- That pastors and congregations should be given maximum flexibility to negotiate compensation packages, so long as the above values are upheld in doing so.

2027 Minimum Total Compensation Package

All Ministers of Word and Sacrament working full-time (40 hours/week) in a congregation of the Presbytery of Lake Michigan shall have a Total Compensation Package no less than \$78,184, inclusive of:

- Cash salary
- Housing allowance or manse value

- The manse's value must be at least 30% of \$60,458¹.
- Participation in the Board of Pensions pension program
- Medical coverage for the pastor through the Board of Pensions Congregational Pastors Package.
 - If a pastor is already enrolled in the Transitional Pastors Package, then the church shall continue to provide that package or comparable coverage in 2027.
- SECA offset
- Professional Reimbursements
- Twelve weeks of paid family medical leave in keeping with G-2.0804 and the policies of the Presbytery of Lake Michigan (see Policy B-8).
- Four weeks of vacation, inclusive of four Sundays.
- Two weeks of continuing education leave, inclusive of two Sundays.

The compensation package for any pastor working at least 20 hours per week shall include:

- A Total Compensation Package that is prorated according to the number of hours worked (20 hours/week = 50%, 30 hours/week = 75%).
- Participation in the pension plan of the Presbyterian Church (U.S.A.).
- Four weeks of vacation, inclusive of four Sundays.
- Two weeks of continuing education leave, inclusive of two Sundays.
- Professional Reimbursements
- Twelve weeks of paid family medical leave in keeping with G-2.0804 and the policies of the Presbytery of Lake Michigan (see Policy B-8).

Commissioned Ruling Elders

Minimum compensation standards for Commissioned Ruling Elders (CREs) serving congregations of the Presbytery of Lake Michigan are 80% of the Total Compensation Package for Ministers of Word and Sacrament. For 2027, the minimum total cost to the congregation for a part-time CRE is \$31,273.60.

The compensation package for any CRE working at least 20 hours per week shall include:

- The Presbytery strongly recommends enrollment in the Board of Pensions Covenant Package, which includes pension accrual and other benefits.

¹ \$60,458 is determined by the Bureau of Labor Statistics Consumers' Price Index (CPI) for Midwest Urban, using the average CPI for the first 6 months of 2026.

- Professional Reimbursements
- Four weeks of vacation, inclusive of four Sundays.
- Two weeks of continuing education leave, inclusive of two Sundays.
- Twelve weeks of paid family medical leave in keeping with G-2.0804 and the policies of the Presbytery of Lake Michigan (see Policy B-8).
- Congregations are strongly encouraged to assess and address health care needs and options for CREs.

Professional Reimbursements

The following professional reimbursement minimums are as follows:

- Automobile expenses are to be vouchered and reimbursed at the current IRS rate.
- Professional development allowance of a minimum of \$800, which may be accumulated for up to three years.
- Book allowance to be vouchered up to at least \$300, or more if negotiated.
- Additional professional reimbursement allowance includes vouchered business costs such as subscriptions, professional memberships, supplies, and similar items, as negotiated.

Sabbatical

Congregations must follow Sabbatical Leave Guidelines (C-325), which recommends a sabbatical leave after seven (7) continuous years or more of service at a particular church.

Exceptions

If a congregation cannot meet these minimum standards, the session must annually submit a request to the Presbytery through the Commission on Ministry, outlining the justification for the exception and explaining why the position should not be reduced to part-time. The minister must agree with the request and indicate in writing a willingness to be compensated below the presbytery minimum. For example, consideration might be given to congregations that give extra weeks of vacation and may count those weeks as part of the Total Compensation Package at the rate of 1.9% of the Total Effective Salary.