



Rationale for the 2027 Minimum Terms of Call

A recommendation of the Pastoral Transitions Commission

For presentation to the Presbytery. Board of Pensions dues percentages will be confirmed upon release of the 2027 rates.

What we are recommending

The Commission recommends setting the minimum terms of call for full-time installed pastors at **\$80,100** in total cost to the congregation — an increase of **3.76%** over the 2026 minimum of \$77,200. We further recommend a minimum of \$80,100 for full-time temporary calls served by ministers of Word and Sacrament and **\$68,085** (85% of that figure) for temporary calls served by commissioned pastors; a **\$100-per-year experience bonus** for every year since ordination or commissioning, now applied to commissioned pastors as well; and a worksheet restructured to match the Board of Pensions' 2027 benefit packages.

A measured increase, not an aggressive one

The 3.76% adjustment is deliberately restrained. It is consistent with the **3.8% Social Security cost-of-living adjustment projected for 2027** and falls below the rate of inflation across our region. Its purpose is to keep the floor from falling behind the cost of living, so that pastors paid at or near the minimum do not quietly lose ground each year. This is not an attempt to raise clergy compensation in real terms; it is an attempt to hold it steady.

Why the floor matters more than the headline number

The minimum is expressed as “total cost to the congregation.” That figure is not what a pastor takes home. Once the required Board of Pensions dues (27.5% of effective salary) and the \$1,500 continuing-education minimum are met, the \$80,100 floor leaves a pastor with a **cash-and-housing (effective) salary of approximately \$61,650** — and less wherever the congregation also funds family medical coverage, travel, or other allowances counted within the total. A small movement in the floor is therefore a small movement in a pastor's actual income, not a windfall.

The cost of living our pastors face — read correctly

A fair reading of clergy compensation must account for the **clergy housing allowance**, which a pastor excludes from federal (and, in New York, state) income tax. A minister who designates, say, \$30,000 of effective salary as housing pays no federal income tax on that amount;

depending on the marginal bracket, that is roughly **\$3,600 to \$6,000** of additional purchasing power that a comparable lay salary would not provide. (The housing allowance remains subject to the 15.3% SECA self-employment tax, and the exclusion is limited to actual housing costs or fair rental value — so the benefit is real but bounded.)

Accounting for this, a minimum-package pastor in our area with an effective salary near \$61,650 has purchasing power in the range of **\$65,000 or more** — approaching, and for many households meeting, the MIT family living wage for Monroe County of about \$64,600 per working adult. The honest conclusion is not that our floor leaves pastors destitute, but that it is calibrated to provide **roughly a family living wage for our region** — which is exactly what a minimum should do: neither lavish nor inadequate.

Local context (Monroe County and the surrounding area)

Median household income (a two-earner figure): about \$76,400

Family living wage (MIT): about \$64,600 per working adult

Effective salary at our floor, after the housing-allowance tax advantage: roughly \$65,000

Regional health-insurance costs: up about 25% over five years

Inflation has outpaced our recent increases

Consumer prices nationally have risen roughly 3.8% to 4.2% over the past year, and prices in the Northeast have risen about **5.0%** — the steepest in three years. The 2026 Social Security adjustment was 2.8%, and 2027 is projected at 3.8%. Our recommended 3.76% increase is calibrated to that reality: enough to track the projected adjustment, modest enough to remain affordable for our congregations.

The emerging “pastor’s market”

These numbers must also be read against a shifting reality in the wider church. The supply of ministers available for call is contracting: across the PC(USA), fewer than half of congregations now have installed pastoral leadership, and the trend is accelerating. As demand outpaces supply, pastors increasingly hold the stronger hand in negotiating terms — and within a few years many congregations may find that a pastor, if one can be found at all, is able to set the terms of the call.

This dynamic cuts two ways for our presbytery. It makes a **robust, fair minimum more important, not less**: a credible floor helps our smaller and under-resourced congregations remain in the conversation rather than being priced out entirely, widening the gap between churches with deep pockets and those without. It also sharpens the structural concern below: as pastors gain leverage and benefit costs climb, a minimum expressed as a single “total cost” figure will protect congregations’ budgets more than it protects pastors’ take-home pay.

A structural question for a future cycle

Expressing the minimum as “total cost to the congregation” means that as Board of Pensions and medical costs rise, a fixed floor quietly absorbs those increases at the expense of the pastor’s cash-and-housing income. A

future revision should consider setting a cash-and-housing floor with required benefits layered on top — a structure that protects clergy income from benefit inflation and is more resilient in a tightening pastor’s market.

Faithful to our own congregations

This increase asks little of most congregations. Across the presbytery, the typical installed pastoral package already runs well above the minimum; the floor chiefly governs our smaller and more fragile calls. Raising it modestly protects the pastors most exposed to underpayment while adding nothing to the many congregations already compensating above it. Sustaining faithful pastoral leadership in our smaller churches depends on terms that are at once fair to the pastor and realistic for the congregation — and that balance is what these numbers attempt to strike.

Improvements in fairness and clarity

Beyond the dollar figure, this year’s terms make three structural improvements:

- **Extending the experience bonus to commissioned pastors**, recognizing their years of service on the same terms as ministers of Word and Sacrament.
- **Setting the temporary commissioned-pastor minimum at a clear 85%** of the ministers-of-Word-and-Sacrament floor, replacing an ad hoc figure with a transparent, defensible relationship.
- **Restructuring the worksheet around the Board of Pensions’ 2027 packages** — the Covenant Package, the Congregational Pastors Package, and the closing Transitional Pastor’s Participation — so that congregations budget accurately and pastors receive the coverage they are due.

A note on the Board of Pensions figures

The dues percentages in the worksheet — 27.5%, 51%, and 10% — are set by the Board of Pensions, not by this Commission. They appear as the 2026 rates because the 2027 rates will not be published until July. We will confirm the final percentages at that time. They affect the cost of benefits, not the compensation floor the presbytery is being asked to approve.

Recommendation

The Pastoral Transitions Commission recommends that the Presbytery of Genesee Valley approve the 2027 Minimum Terms of Call as presented, with the Board of Pensions dues percentages to be confirmed upon release of the 2027 rates.

In setting these terms, we seek to honor both the people of our congregations and those called to serve them — mindful of the counsel that “the laborer deserves to be paid.”



2027 Minimum Terms of Call

Installed Pastors

As recommended by the Pastoral Transitions Commission. Board of Pensions dues percentages are subject to confirmation upon release of the 2027 BOP rates.

Approved by the Presbytery: _____

The minimum terms of salary, compensation and benefits for all full-time (40 hours/week) **installed calls** shall be no less than **\$80,100**. This figure is the “total cost to the congregation.” Part-time calls shall reflect compensation commensurate with the percentage of full time worked.

There is, additionally, a minimum **\$100 per year experience bonus** for each year since ordination as a minister of Word and Sacrament, or since commissioning as a commissioned pastor. The experience bonus is not pro-rated for part-time service. **Example:** a pastoral leader with 5 years of experience has a minimum total compensation of \$80,100 plus a \$500 experience bonus, for a total of **\$80,600**.

This minimum pastoral compensation and benefits package **shall include, at a minimum, all of the following components:**

- Pastor’s cash salary
- Pastor’s housing allowance (if selected by the pastor)
- Board of Pensions dues for pension, death and disability, and 100% of the medical premium of the pastor. Additional major medical coverage for the pastor’s spouse, children, or family (spouse + children) must be offered to the pastor for purchase.
- \$1,500 per year continuing education reimbursement (may be accrued for up to 4 years or \$6,000)
- Provide at least one of the following qualifying coverages — pension, death and disability, medical, dental, vision, or an employer contribution of at least \$100 to the Board’s 403(b) plan. Participation in any one of these provides access to the Board’s emergency assistance programs.

The package **may also include some or all of the following:**

- Additional major medical coverage premiums for the pastor’s spouse, children, or family, with the congregation contributing between 0% and 100% of benefits
- SECA (employer pays the first 7.65% of total effective salary)
- Accountable auto expense reimbursement account, miles driven reimbursable per mile using current IRS guidelines
- Other accountable expense reimbursement account (e.g., business and professional expenses)

- Moving expenses (note: moving expenses are taxable by the federal government as part of the pastor's salary)
- 403(b) non-profit retirement savings account, with or without employer matching
- Health care flexible spending accounts
- Dental insurance
- Vision

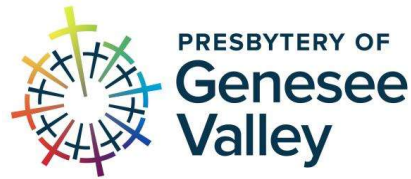
The list above is not meant to be an exhaustive list of ways to compensate your pastor.

The total of all salary, compensation and benefits components negotiated between the pastor and the congregation must total no less than **\$80,100**.

Additional required minimum benefits for all installed calls:

- Five weeks of vacation (inclusive of 5 Sundays) per year
- Two weeks of continuing education (inclusive of 2 Sundays) per year
- Twelve weeks of family and medical leave, per presbytery Family and Medical Leave Policy
- Sabbatical leave after six years of consecutive service in the same call, per presbytery sabbatical leave policy

Please use the worksheet on the following page to assist you. **That worksheet is the document returned to the Commission for approval.**



2027 Minimum Terms of Call Worksheet — Installed Pastors

Presbytery of Genesee Valley. This worksheet is the page returned to the Commission for approval; please complete one per call.

Congregation _____

Pastor _____

Hours per week _____

Effective salary

The following financial amounts are based on YEARLY compensation.

Salary	
+ Housing allowance (if selected by the pastor)	
+ Other reportable effective salary income	
+ SECA — typically \$0 (only if the church pays more than the first 7.65%)	
= Total effective salary	

Refer to the Board of Pensions Effective Salary Calculator (pensions.org/calc/totalSalary) and “Understanding Effective Salary” for assistance.

Reimbursement allowances

+ Continuing education reimbursement (presbytery minimum \$1,500/yr; may accrue to \$6,000)	
+ Auto expense accountable reimbursement (per current IRS mileage guidelines)	
+ Other accountable expense reimbursement account	
+ Moving expenses (taxable as part of the pastor’s salary)	
= Total reimbursement allowances	

Continuing education and time away

These are presbytery minimums. They apply to full- and part-time calls and are not pro-rated by hours worked.

Vacation: 5 weeks (incl. 5 Sundays), plus additional time, if any: _____

Continuing education: 2 weeks, plus additional time, if any: _____

Family and medical leave: 12 weeks, plus additional time, if any: _____

Sabbatical planned for 2027? _____

Approximate dates, if any: _____

Board of Pensions (BOP) of the Presbyterian Church (U.S.A.)

Option 1 — Congregational Pastors Package

\$ 27.5% of effective salary (rate pending 2027 BOP release)

Includes pension, death and disability, temporary disability, and medical for the member only. Additional family coverage may be paid by the congregation, the pastor, or shared — through the BOP or an ACA marketplace plan.

\$ Child(ren) coverage paid by congregation

\$ Spouse coverage paid by congregation

\$ Family coverage paid by congregation

Option 2 — Transitional Pastor's Participation

Available only to employers who have continuously had the same pastor in Transitional Pastor's Participation since December 31, 2024. The plan is available through December 31, 2029.

\$ 51% of effective salary (rate pending 2027 BOP release)

Includes pension, death and disability, temporary disability, and medical for the member plus any combination of child(ren), spouse, or family.

The BOP offers other benefits — dental, vision, 403(b), flexible spending — that may be paid by the congregation, the pastor, or split between them. See the BOP website for options.

\$ Other BOP benefit paid by congregation

\$ Other BOP benefit paid by congregation

\$ Other BOP benefit paid by congregation

\$ Total of all BOP dues / benefits

Total pastoral compensation cost to congregation

\$ Total effective salary

\$ Total reimbursement allowances

\$ Total all BOP dues / benefits

= Total pastoral compensation cost to congregation

Must total at least \$80,100, plus \$100/yr experience bonus for each year since ordination or commissioning.

Signatures

Clerk of Session

Print

Signature

Date

Pastor

Print

Signature

Date

Return the completed worksheet to the Stated Clerk, Bethany Benz-Whittington (statedclerk@pbygenval.org). For **continuing calls**, send a second copy to the chair of the Congregational Relations Commission, Chuck Roberts (holyretired2019@gmail.com). For **new calls**, send a second copy to the chair of the Pastoral Transitions Commission, Carin Farmer (cbfarmer825@hotmail.com).



2027 Minimum Terms of Call

Temporary Pastoral Relationships

As recommended by the Pastoral Transitions Commission. Board of Pensions dues percentages are subject to confirmation upon release of the 2027 BOP rates.

Approved by the Presbytery: _____

The minimum terms of salary, compensation and benefits for all full-time (40 hours/week) **temporary calls** shall be no less than **\$80,100 for ministers of Word and Sacrament**, or **\$68,085 for commissioned pastors** (85% of the minimum for ministers of Word and Sacrament). This figure is the “total cost to the congregation.”

Part-time calls shall reflect compensation commensurate with the percentage of full time worked. There is, additionally, a minimum **\$100 per year experience bonus** for each year since ordination as a minister of Word and Sacrament or since commissioning as a commissioned pastor.

Example 1. A full-time pastoral leader with 5 years of experience has a minimum total compensation of \$80,100 plus a \$500 experience bonus, for a total of **\$80,600**.

Example 2. A part-time minister of Word and Sacrament with 5 years of experience working 20 hrs/week (50% of full time) has a minimum of \$80,100 reduced by 50% (\$40,050), plus the \$500 experience bonus, for a total of **\$40,550**.

This minimum pastoral compensation and benefits package **shall include, at a minimum, all of the following components:**

- Pastor’s cash salary
- Pastor’s housing allowance (if selected by the pastor)
- Board of Pensions dues for pension, death and disability, and 100% of the medical premium of the pastor. Additional major medical coverage for the pastor’s spouse, children, or family (spouse + children) must be offered to the pastor for purchase.
- \$1,500 per year continuing education reimbursement (may be accrued for up to 4 years or \$6,000)
- Provide at least one of the following qualifying coverages — pension, death and disability, medical, life, dental, vision, or an employer contribution of at least \$100 to the Board’s

403(b) plan. Participation in any one of these provides the pastoral leader and the congregation access to the Board's emergency assistance programs.

The package **may also include some or all of the following:**

- Pension, medical for the pastor, death and disability, and temporary disability
- Additional major medical coverage premiums for the pastor's spouse, children, or family, with the congregation contributing between 0% and 100% of benefits
- SECA (employer pays the first 7.65% of total effective salary)
- Accountable auto expense reimbursement account, miles driven reimbursable per mile using current IRS guidelines
- Other accountable expense reimbursement account (e.g., business and professional expenses)
- Moving expenses (note: moving expenses are taxable by the federal government as part of the pastor's salary)
- 403(b) non-profit retirement savings account, with or without employer matching
- Health care flexible spending accounts
- Dental insurance
- Vision

The list above is not meant to be an exhaustive list of ways to compensate your pastor.

Additional required minimum benefits:

- Five weeks of vacation (inclusive of 5 Sundays) per year
- Two weeks of continuing education (inclusive of 2 Sundays) per year
- Twelve weeks of family and medical leave, per presbytery Family and Medical Leave Policy
- Sabbatical leave after six years of consecutive service in the same call, per presbytery sabbatical leave policy

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2027 Minimum Terms of Call Worksheet — Temporary Pastors

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Congregation _____

Pastor _____

Hours per week _____

Effective salary

The following financial amounts are based on YEARLY compensation.

Salary	
+ Housing allowance (if selected by the pastor)	
+ Other reportable effective salary income	
+ SECA — typically \$0 (only if the church pays more than the first 7.65%)	
= Total effective salary	

Refer to the Board of Pensions Effective Salary Calculator (pensions.org/calc/totalSalary) and “Understanding Effective Salary” for assistance.

Reimbursement allowances

+ Continuing education reimbursement (presbytery minimum \$1,500/yr; may accrue to \$6,000)	
+ Auto expense accountable reimbursement (per current IRS mileage guidelines)	
+ Other accountable expense reimbursement account	
+ Moving expenses (taxable as part of the pastor’s salary)	
= Total reimbursement allowances	

Continuing education and time away

These are presbytery minimums. They apply to full- and part-time calls and are not pro-rated by hours worked.

Vacation: 5 weeks (incl. 5 Sundays), plus additional time, if any: _____

Continuing education: 2 weeks, plus additional time, if any: _____

Family and medical leave: 12 weeks, plus additional time, if any: _____

Sabbatical planned for 2027? Approximate dates, if any: _____

Board of Pensions (BOP) of the Presbyterian Church (U.S.A.)

At least one package must be chosen.

Covenant Package (if desired)

\$ 10% of effective salary (rate pending 2027 BOP release)

Includes pension, death and disability, and temporary disability.

Congregational Pastors Package (if desired)

\$ 27.5% of effective salary (rate pending 2027 BOP release)

Includes pension, death and disability, temporary disability, and medical for the member only. Additional family coverage may be paid by the congregation, the pastor, or shared.

\$ Child(ren) coverage paid by congregation

\$ Spouse coverage paid by congregation

\$ Family coverage paid by congregation

The BOP offers other benefits — dental, life, vision, 403(b), flexible spending. All terms of call in the Presbytery of Genesee Valley require participation in at least one Board of Pensions benefit.

\$ Other BOP benefit paid by congregation

\$ Other BOP benefit paid by congregation

\$ Other BOP benefit paid by congregation

\$ **Total of all BOP dues / benefits**

Total pastoral compensation cost to congregation

\$ Total effective salary

\$ Total reimbursement allowances

\$ Total all BOP dues / benefits

= **Total pastoral compensation cost to congregation**

Must total at least \$80,100 for ministers of Word and Sacrament, or \$68,085 for commissioned pastors, plus \$100/yr experience bonus for each year since ordination or commissioning.

Signatures

Clerk of Session

Print

Signature

Date

Pastor

Print

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