

1 **Document: 650.01**
 2 **NAME: Minimum Salaries for Full-Time Elders**
 3 **Author(s): Equitable Compensation Task Force as created by 2023 Annual Conference Action.**
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 6 **CCFA Action:**
 7 **Legislative Section:**
 8
 9 **ACTION:**

10 1) Minimum cash salaries for full-time Elders appointed in the NIC will be as follows, showing
 11 an increase of 7.0% for the next fiscal year:
 12

Status	2023 actual	2024 actual	2025 recommended	2026 projected	2027 projected
Elder	(\$37,450)	(\$40,763)	(\$43,616)	(\$46,669)	(\$49,936)
LLP	(\$37,450)	(\$40,763)	(\$41,782)		

13
 14 2) Local churches are to provide a minimum of \$2,500* for accountable reimbursements for
 15 their appointed Elder(s). This covers the costs of providing travel, continuing education, and
 16 other expenses incurred in the course of providing pastoral ministry. Information about
 17 accountable reimbursements can be found at: Accountable Reimbursement Policy Q&A
 18 **Ideally the church maintains \$5,500 but, in an effort to maintain full-time, some churches may*
 19 *need to reduce the reimbursement to \$2,500. Anything lower will not*
 20 *allow the pastor to engage in fruitful ministry.*
 21

22 **RECOMMENDATIONS:**

- 23 • While the charge for the Equitable Compensation Task Force (ECTF) was a
 24 recommendation for FY 2025 only, the ECTF is recommending a minimum salary for
 25 fulltime Elders to be approximately \$50,000 by 2026 for FY 2027, achieved by 7.0%
 26 increases over the next three fiscal years (2025, 2026, and 2027). This becomes a
 27 minimum for fulltime Elders of \$43,616 in FY 2025, \$46,669 in FY 2026, and \$49,936 in FY
 28 2027.
- 29 • The United Methodist Book of Discipline does not require Annual Conferences to
 30 establish a minimum salary for LLPs. However, to responsibly recognize changes in
 31 buying power, the ECTF recommends that the minimum salary for Licensed Local
 32 Pastors for these three years at least mirror the Cost-of-Living Index as defined by
 33 governmental agencies FY2025 (\$41,782).

- 1 • The ECTF recommends that the Conference Board of Pensions and Benefits be
2 responsible for establishing annual minimum compensation amounts for Elders in
3 addition to their pension and benefits responsibilities. This would satisfy the UMBoD
4 requirement of the establishment of and Equitable Compensation Commission.

5 RATIONALE AND METHODOLOGY:

- 6 • The ECTF submitted surveys to all US Annual Conferences and received 18 replies. The
7 NIC is currently second to last in minimum salary (by a sliver margin of \$165) among
8 the 18 annual conferences responding to the survey. Had the 2023 Annual Conference
9 not approved the 8.7% increase, bringing the current minimum to \$40,763, NIC would
10 be at the bottom. Current minimums across annual conferences range from \$40,598 to
11 \$50,923.
- 12 • The ECTF determined that their recommendation would be focused on base
13 compensation only, having found it impossible to identify/consider values of
14 parsonages, housing allowances, or health insurance benefits due to the wide disparities
15 between conferences and the extreme difficulties in assigning dollar values.
- 16 • This survey showed that a lower minimum salary for LLPs is consistent with the other
17 annual conferences responding to the survey.
- 18 • A study of current A/R practices among NIC churches shows that the average A/R is
19 \$4930, already below the currently recommended \$5,500. Lowering this amount to
20 \$2,500 could make it easier for NIC churches who struggle to reach the new minimum
21 salary.
- 22 • A study determined that the proposed 7% increase and decrease of accountable
23 reimbursements would affect only 6 NIC churches, none of whom are currently paying
24 the established 2024 minimum.
- 25 • The UMBoD ¶342 speaks only to “Elders in full connection” who assume “the obligations of
26 the itinerant ministry” and who bear the burden of extensive student loans from the
27 required Master’s degree. Further, “the Church shall provide, and the ordained minister is
28 entitled to receive, not less than the equitable compensation established by the annual conference
29 for clergy members.”
- 30 • The UMBoD states in ¶625.2(a) that the Equitable Compensation Commission be
31 responsible for “recommending conference standards” for pastoral salaries, and (b)
32 “administering funds to be used in base compensation supplementation.”
- 33 • The NIC BoP&B agreed at their meeting on March 2 to assume equitable compensation
34 for 2025 and beyond as part of their charge and ongoing work.