

RMC CLERGY COMPENSATION GUIDELINES FOR THE 2008 BUDGET YEAR

This year the Clergy Compensation Guidelines are presented as a function of attendance rather than church membership. This is done to align clergy compensation with the RMC's goal of increasing attendance.

The curves, for nine sizes of churches, are based on attendance and RMC salaries reported earlier in 2007 for the 2006 budget year. These salary curves were increased by 3.5 percent, representing the Consumer Price Index increase during 2006 to find the salaries starting in early 2007 and then 4 percent, which is the estimated CPI increase during 2007. The resulting curves are what we believe RMC-UCC churches will be paying their Senior Ministers during the 2008 budget year.

Eighty percent of the salaries used to develop the curves were above the Minimum Salary Curve at 85 percent of the Average Salary curve and only 6 percent were below 80 percent of the Average Curve. The average for all the salaries used is within 0.13 percent of the Average Curve. These strongly suggest that the 2006 curves fit the data and the curves, for nine sizes of churches, provide guidelines on what churches in the RMC will pay their Senior Ministers in 2008.

THE PASTOR PARISH MINISTRY TEAM RECOMMENDATIONS

1. This year churches should use the guidelines based on average weekly attendance.
2. At a minimum churches should give a cost of living increase of 4 percent. If a cost of living increase was not given in 2007, a 7.6% cost of living increase should be given for the 2008 budget year.
3. In addition to the cost of living increase, an experience increase should be given and a merit raise should be considered.
4. Churches should pay at least the minimum suggested **salary**¹ shown on the following tables or graphs for a full-time pastor for the appropriate church attendance.
5. Churches that do not pay at least the minimum suggested salary for their church attendance should work toward paying the Minimum Suggested Salary. If a church is unable to pay this amount the pastor's job should be considered to be part-time.
6. When possible and if the pastor's work meets expectations his or her pay should be near the "Average Salary" curve and if they exceed expectations for a number of years their pay should be near the High Pay for Excellent Performance curve at the top of each graph.
7. Interim ministers should be paid as much as the church paid their last full-time minister.
8. In addition to the salary, the church should pay all benefits.
9. All professional expenses should be paid by the church and should not be considered part of the clergy compensation.
10. A minimum salary of \$36,400 is recommended. This is based on the 2007 minimum corrected for a 4 percent 2007 CPI increase.

These guidelines are to be used with *RMC Clergy Compensation*, which is available on the RMC web page **About Us** at <http://www.rmucc.org/aboutus/07-clergycompbooklet.pdf>

¹ **Throughout these guidelines, the term salary is used to denote salary and housing and any social security offset paid by the church.**

Instructions for Calculating Clergy Compensation

This year, as in past years, the center or “average curve” replaces the target curve used in 2006. This “average curve” is based on actual salaries and is what we expect RMC churches to pay in 2008.

1. **Cost of Living Adjustment.** Multiply the pastor’s present salary by 1.04 to compensate for inflation during 2007.

For example, if a pastor’s salary in 2007 is \$40,000 his or her 2008 salary with their cost of living increase will be (\$40,000 X 1.04) or \$41,600.

2. **Experience Raise.** From the **Table 1** select the Experience Multiplier corresponding to the numbers of years since the pastor graduated for seminary or was ordained. Multiply this number by the salary calculated in step 1.

For the example in step 1, assuming the pastor will have been ordained for five years during the 2007 budget year the Experience Multiplier is 1.0161. This will increase the pastor’s salary to [\$41,060 X 1.0161] or \$42,270.

Note: If the pastor has more than 25 years of experience use an Experience Multiplier of 1.0022.

Table 1. Experience Raises for 1 to 25 Years of Experience.

YEARS of EXPERIENCE	EXPERIENCE MULTIPLIER	YEARS of EXPERIENCE	EXPERIENCE MULTIPLIER	YEARS of EXPERIENCE	EXPERIENCE MULTIPLIER	YEARS of EXPERIENCE	EXPERIENCE MULTIPLIER	YEARS of EXPERIENCE	EXPERIENCE MULTIPLIER
1	1.0475	6	1.0134	11	1.0067	16	1.0042	21	1.0029
2	1.0335	7	1.0114	12	1.0061	17	1.0039	22	1.0028
3	1.0252	8	1.0098	13	1.0055	18	1.0036	23	1.0026
4	1.0198	9	1.0086	14	1.0050	19	1.0034	24	1.0024
5	1.0161	10	1.0076	15	1.0046	20	1.0031	25	1.0023

5. **Merit Raise.** If the pastor has been meeting expectations and doing a good job, the church may want to give him or her a 2 to 5 percent merit increase. If the pastor has been doing an excellent job the church may want to give the pastor a 4 to 7 percent raise.

For the example used above, a 4 percent merit increase is {\$42,270 X 1.04}, which results in a 2008 salary of \$43,961.

6. **Compare the calculated salary with other RMC Pastors’ Salaries.** Plot the pastor’s proposed 2008 salary on the appropriate salary graph. This will allow a comparison of the pastor’s 2008 salary with other salaries for 2008 in the Rocky Mountain Conference.

If the pastor meets expectations, his or her 2008 salary should be near the average curve. If the pastor has been consistently exceeding expectations, his or her salary should be between the average and high salary curves, or even above the high salary curve.

If the pastor’s salary is significantly below the appropriate curve, the church may want to make a salary correction to bring the salary in line with the salaries of similar churches in the conference. (In the past few years salary corrections between 12 and 37 percent have been made in the RMC.)