Presbytery Implementation Resources Addendum

On the following pages you will find these resources to assist you in implementing the PCA Call Package Guidelines in your Presbytery:

- Letter to Presbyters
- Procedures for Implementing the PCA Call Package Guidelines in your Presbytery
- Sample ‘Policy’ Motion
- Sample ‘Letter to Churches’ — Informing and Explaining the Reasons for the Policy
- Call Package Evaluation and Review Worksheet
The need for Presbytery implementation of the PCA Call Package Guidelines is a very serious matter. In 2010, PCA Retirement & Benefits, Inc. (RBI) sponsored a PricewaterhouseCoopers denomination-wide survey of Teaching Elders to determine their ‘retirement readiness.’ As you may have heard, the results of that survey were alarming! The survey revealed an approaching tide of financially unprepared retirees. The study also projected that their overwhelming financial needs would deplete the PCA Relief Fund by 2029. When commenting on the PCA’s current compensation practices, one astute observer remarked: “We have a system that is increasingly producing impoverished widows.” He is right; and this is both egregious and shameful.

Sadly, the call package recommendations made by our PCA founding fathers in 1973 (GA Minutes, 1973 p.49), were not widely implemented because most Presbyteries had no policies regarding call packages, or were completely unaware of those recommendations. Today, though most ministers under the oversight of PCA Committees and Agencies have both reasonable salaries and sufficient benefits, many under Presbytery oversight do not. Sadly, many Presbyteries continue to routinely approve insufficient and unintentionally misleading ‘lump-sum’ call packages that jeopardize the financial welfare of our pastors and their families. By God’s grace, this must change.

In 2011, the PCA General Assembly (GA) responded to the ‘retirement readiness’ survey by directing RBI to develop ‘call package guidelines’ to assist Pastors, Sessions, and Presbyteries in developing and evaluating ministerial call packages. In that same year, RBI published the PCA Call Package Guidelines, and the 2012 GA strongly “exhorted Presbyteries and member churches to implement them.”

That’s why we are including these resources in the PCA Call Package Guidelines. We do not believe that these Guidelines will be implemented, even with GA’s strong exhortation, unless men in our Presbyteries rise up and appeal to their fathers and brothers to make the use of these guidelines a matter of policy in their Presbyteries.

To assist you in your efforts to follow GA’s ‘exhortation to implement’ these Guidelines, RBI has developed the following helpful resources. We have developed a list of Committee ‘implementation procedures,’ a sample ‘motion’ to help you create a policy, a sample ‘letter to churches’ communicating your new policy decision, and an evaluation ‘checklist’ that can be utilized in reviewing call packages. These resources are attached, and digital copies are available in a downloadable and customizable format on www.pcarbi.org so that you can adopt, adapt, or alter them in any way your Presbytery desires. Just go to our website and using your mouse, hover over ‘Resources,’ click on ‘RBI Publications,’ and then select ‘Presbytery Documents’ under Call Package Resources.

Thank you for your serious consideration of this matter, and for your assistance and leadership in your Presbytery. Please read and examine the following materials. And if we can be of any assistance to you, please do not hesitate to call: Dave Anderegg [x1296], Ed Dunnington [x1196], or Mark Melen dez [x1274], at (800)789-8765.
Suggested Presbytery Call Package Guidelines Implementation Procedures

I. Call Package Guidelines (CPG’s) ‘Policy’ Implementation:

■ **Committee Assignment:** A member (or members) of each Presbytery should request that these Guidelines be assigned to an appropriate Committee for action. (Perhaps one specifically tasked with Pastoral care & oversight, or examinations.)

> If no Committee is willing to bring a motion, then any member of Presbytery could make the motion on the floor of Presbytery. A second would be required.

■ **Committee Deliberation:** (if assigned to a Committee)

■ Clearly communicate the reasons why establishing a Presbytery ‘policy’ is important. (You might note the reasons attached to the sample policy motion addendum…)

> Creating a Presbytery ‘policy’ establishes a standard, helps prevent the CPG’s from being ignored or forgotten, and creates the ‘expectation’ that pastoral calls should be developed and presented according to the CPG’s. This expectation should significantly reduce the potential for future misunderstandings, and unnecessary confrontations.

■ Allot sufficient time for Committee reflection, discussion, and prayer.

■ **Sample Motion:** “That __________ Presbytery hereby adopt and implement the PCA Call Package Guidelines as its official policy regarding the acceptable form of Call Packages. Every Call Package presented to Presbytery must reflect interaction with these Guidelines by breaking-out separate, specific, and sufficient amounts for Salary; Housing Allowance; Retirement Savings (stated as a percentage of Salary plus Housing Allowance); Health, Life, and Long-Term Disability Insurance benefits; Moving Expenses; and Vacation benefits.”

■ This motion, or one similar to it, would only prescribe thoughtful interaction with the CPG’s, and a mathematical break-out of the components.

■ This would not prescribe ‘salary levels,’ but clarify the amount of the pastor’s net salary, and clarify whether necessary and sufficient benefits were also being provided.

■ And, this would not prevent the presentation of ‘non-conforming’ call packages, as long as reasonable and thoughtfully considered explanations are provided.
**Making a motion:** A Committee would first make a motion (M/S/C) to recommend to Presbytery the use of the “PCA Call Package Guidelines” as an official policy of the Presbytery. Once passed in Committee, the Committee would then bring this motion to the floor of Presbytery where it would be communicated as an official ‘Recommendation’ of the Committee.

**Communication:** Once passed, the Committee or Presbytery should consider sending an official communication of this ‘policy’ to all the member churches of Presbytery. The mailing or communication should: (see attached CPG addendum ‘Letter to Churches’ for an example)

- **Inform** each Session of the decision to implement this new policy, and communicate that ‘lump-sum’ packages will no longer be approved.

- Explain the reasoning behind the policy decision, including the significance of the PCA retirement-readiness crisis, the value of a policy, and the 2012 PCA General Assembly’s ‘exhortation to implement’ the CPG’s.

- Provide each church with a copy of the CPG’s, or a link to the CPG’s on the PCA AC or PCA RBI website.

- Encourage each Session to examine, evaluate, and make changes to their existing ministerial call package(s) in light of the CPG’s.

**II. Ongoing Implementation of the Call Packages Guidelines (CPG’s):**

**Responsibility:** The Presbytery should assign responsibility for ongoing implementation and administration to a Committee. A Committee could assign that responsibility to a member. Responsibilities would include providing resource availability and policy communication, Call Package development assistance and evaluation, and a genuine concern for the financial wellbeing of pastors and their wives.

**Communication/Resources/Assistance:**

- Make sure that current PCA CPG’s are readily available to all churches.

  ➤ *Current copies of the CPG’s, or a link to the CPG’s should be maintained on the Presbytery website. (current digital copies are available at www.pcarbi.org)*

- With humility, kindness, patience and understanding, Committees should work graciously and closely with churches developing Call Packages to provide assistance.

- Committees should also make known to all interested parties the available assistance and resources at RBI.
■ Call Package Examinations/Approvals:

■ As early as possible, enter into a Call Package development conversation with a church planning to issue a call. You might ask:

— Do you have a current copy of the PCA Call Package Guidelines?

— Do you plan to include necessary benefits, and have you calculated their cost?

— Have you developed a budget (or will you ask the candidate to develop a budget) that is reflective of the actual cost of living in your city or town?

— Has the candidate estimated his housing expenses by completing the ‘Housing Allowance Worksheet’ located in the back of the CPG’s?

— Do you need help in developing the Call Package? How can I assist you?

— Are you aware of RBI’s ability and willingness to assist you?

■ Schedule a Call Package review meeting as far in advance of the Presbytery meeting as possible to allow ample time for Call Package re-development if necessary.

■ Utilize helpful tools to assist in the call package examination process (consider using the CPG’s addendum: ‘Presbytery Call Package Review Worksheet’).

■ When Call Packages appear insufficient, discuss this with the church prior to Presbytery. Offer helpful modification suggestions to churches with insufficient funding abilities (e.g. alternative funding strategies like full or partial ‘tent-making,’ partial support raising, a ‘ramp-up’ strategy that starts low but promises to increase compensation and benefits quickly, two-church ‘sharing’ arrangements, circuit/stated supply opportunities, part-time or retiree employment options, etc…).}

■ Carefully examine all new Call Packages brought to the floor of Presbytery for approval.

■ Make recommendations to approve Call Packages if consistent with policy.

■ Withhold approval of Packages that are clearly insufficient and endanger the current or future financial welfare of the church, or the pastor and his family.

■ Review any previously approved but clearly ‘insufficient’ Call Packages, and offer assistance and encouragement to any church desiring to modify an existing Call Package.
"Motion to Adopt and Implement the PCA Call Package Guidelines as a Presbytery Policy"

FROM ______________________________________________________________ COMMITTEE(S)

OF ________________________________________________________________ PRESBYTERY

Be it resolved that ____________ Presbytery hereby adopts and implements the PCA Call Package Guidelines as its official policy regarding the acceptable form of Call Packages. Every Call Package presented to Presbytery must reflect interaction with these Guidelines by breaking out separate, specific, and sufficient amounts for Salary; Housing Allowance; Retirement Savings (stated as a percentage of Salary plus Housing Allowance); Health, Life, and Long-Term Disability Insurance benefits; Moving Expenses; and Vacation benefits.

ADOPTED BY ________________________________________________________ PRESBYTERY

AT ITS STATED MEETING, ____________________________________________, 20________

ATTESTED BY /S/ TE _________________________________________________, STATED CLERK.

This motion is made for the following reasons:

a) The responsibility for the financial welfare of those who preach, teach, and minister the Word of God has always been entrusted to the people of God. In 1 Timothy 5:17-18 the Apostle Paul clearly commends this stewardship by commanding “Let the elders who rule well be considered worthy of double honor, especially those who labor in preaching and teaching. 18 For the Scripture says, ‘You shall not muzzle an ox when it treads out the grain,’ and, ‘The laborer deserves his wages.”

b) The PCA BCO also clearly reaffirms this biblical stewardship by calling upon congregations to make a promise, or a vow, to strengthen their commitment to provide for the financial welfare of their pastor(s) and his family in the following or like manner: “[we] do earnestly call you… promising you, in the discharge of your duty, all proper support,… That you may be free from worldly cares and avocations, we hereby promise and oblige ourselves to pay you… and other benefits, such as, manse, retirement, insurance, vacations, moving expenses etc…” (BCO 20-6)
c) The congregations of this Presbytery already affirm this stewardship by utilizing this language, and by making these promises.  (Presbytery Minutes)

d) In response to this stewardship, our founding fathers, at our first General Assembly, created and recommended sufficient participation in denominational Health, Life, and Long-term Disability Insurance Plans, and participation in the Retirement Plan for all Teaching Elders.  (M1GA, 1973 p.49)

e) Many, however, did not heed those wise recommendations, and today have insufficient savings for retirement — directly impacting their ability to retire, and also the retirement income of their widows.

f) Statistically, the number of retirees in the PCA is estimated to ‘triple’ in the next 25 years with many of these men and their families being financially unprepared for retirement.  (PwC PCA Survey, 2011)

g) In response to this retirement readiness crisis, the 2011 PCA General Assembly charged RBI to develop a PCA Call Package Guidelines, and the 2012 PCA General Assembly exhorted Presbyteries and churches to implement these Call Package Guidelines.  (M39GA, 2011 p.51; M40GA 2012, p.__)

h) It is the responsibility of Presbytery to approve Calls and Call Packages, and the desire of this Presbytery to take seriously its’ responsibility to guard and protect the welfare of our Congregations, as well as the welfare of ‘every’ Pastor in this Presbytery.  We are our brother’s keeper.  (BCO 20-1,10)

i) Without a Presbytery policy, it is not likely that the PCA Call Package Guidelines will be implemented, or the looming PCA retirement readiness crisis averted.
Dear Fathers and Brothers,

In light of the denomination-wide Teaching Elder ‘retirement readiness’ survey conducted in 2011 by PCA Retirement & Benefits, Inc. (RBI) and PricewaterhouseCoopers, this passage has taken on special significance for us. The survey opened our eyes to a number of concerning trends in our denomination, including a coming ‘financial famine.’ Over the next 25 years, the PCA will experience a demographic tidal wave of ‘baby boomer’ retirees—tripling the number of current retirees, with approximately 34% of them having opted-out of Social Security. Given the current lack of preparation, this will significantly impact not only these men, but their wives and their widows in the years to come.

PricewaterhouseCoopers estimated that annual relief assistance over the next 25 years will skyrocket from $350,000 per year (2011), to more than $5 million per year. We are already experiencing this reality; more than $489,000 was disbursed in 2015. The survey concluded that the PCA Ministerial Relief Fund would be depleted in less than 20 years!

Fathers and Brothers, we believe these statistical truths have come to us as a dire warning! Our denomination is facing a retirement readiness crisis—a crisis that will become deeply personal for many pastors and their families over the course of the next two decades. The challenges we face are both real and enormous! And like Joseph, we too must prepare. That is why we are writing to you.

RBI has developed a two-pronged approach to this looming crisis, one they call ‘the prevention,’ and the other, ‘the cure.’ The ‘prevention’ strategy involves helping pre-retired PCA Teaching Elders and employees become better prepared for retirement. And the ‘cure’ strategy involves a $10 million dollar capital fund raising initiative for the PCA Ministerial Relief Fund.

At the center of the ‘prevention’ strategy lays the important step of developing and implementing a new set of PCA Call Package Guidelines. Many Teaching Elders simply cannot afford to save an adequate amount for retirement because of insufficient compensation. Others are burdened by unnecessary taxes because of their Call Package structures. To remedy this problem, the PCA 2011 General Assembly requisitioned a new set of call package ‘Guidelines’ for the PCA. These Guidelines, which were reviewed and improved by numerous Ruling and Teaching Elders, do not set a salary level but do call upon churches to make sure every call package minimizes taxes, recognizes the dual tax status of ministers, provides an sufficient salary, and contains the necessary core components or benefits that protect local con-
gregations, pastors, and their families. In 2012, the PCA General Assembly received the PCA Call Package Guidelines and exhorted churches and presbyteries to implement them!

Biblically speaking, the people of God in each local church have been given the privilege and responsibility to provide for the financial welfare of those whom they have called to preach and teach the Word of God. And every church in our Presbytery has acknowledged this responsibility by promising on the floor of this Presbytery to provide ‘all proper support’ so that their pastors ‘may be free from worldly cares and avocations.’ (BCO 20-6)

And as a Presbytery, we too are called to guard and protect the welfare of all the families who serve in our courts. We are charged with the task of rigorously reviewing the elements of every call package presented for approval. Ruling Elders and Teaching Elders alike are called upon to ensure that our pastors are truly free from “worldly cares and avocations,” so that they might remain singularly focused on the ministry to which they have been called.

For this reason, and in light of the looming retirement readiness crisis impacting this denomination, at our last meeting, after careful examination, and much discussion and prayer, the ________ Committee of ________ Presbytery, made a motion to adopt and implement the PCA Call Package Guidelines as a ‘policy’ in our Presbytery. That motion was seconded and carried, and has become our policy in regard to approving all Call Packages.

Simply put, to be approved on the floor of Presbytery, all Call Packages presented to this Presbytery must now reflect active engagement with the PCA Call Package Guidelines and break-out separate, specific, and sufficient amounts for Health, Life, Long-term Disability Insurance benefits, Retirement Savings as a percentage of salary + housing allowance, Vacation, and Moving expenses. We will no longer approve ‘lump-sum’ packages.

In addition to this policy covering all newly developed call packages, (something already being advised for MNA Planters, and required for MTW Missionaries, and RUM Campus Ministers) we are asking that you review your current call packages in light of these guidelines.

Please find enclosed a link to a copy of the PCA Call Package Guidelines. (http://www.pcarbi.org/) If you would like to discuss this policy further, please give me a call. If you need further assistance structuring or re-structuring a Call Package, or simply need to ask a financial question, then give RBI a call at (800)789-8765.

We would also urge you and your church to begin to take part in ‘the cure’ by participating in the annual PCA Relief Fund offering (if you are not already doing so). Currently, only 27% of our churches participate in this offering which is used to assist widows and pastor’s families who are in serious financial need. This offering has been traditionally known as the ‘Christmas Offering,’ but materials are available if you would prefer to participate in this offering at a more opportune time during the year. All materials (video’s, handouts, and envelopes) and information necessary to participate are available from PCA RBI free of charge.

In Christ,

John Doe
Chairman, Ministers’ & Candidates Committee
Presbytery Name
(555)555-5555

Committee Members

__________________________________      __________________________________     __________________________________

__________________________________      __________________________________     __________________________________
**PCA Call Package Guidelines Evaluation and Review Worksheet**

**Candidate:** ______________________; **Presbytery/Church:** __________________________

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### Family & Demographics:
- **Is this Pastor married?** Y N
- **What is his approx. age?** _______  **Wife's approx. age?** _______
- **Number of children:** ____  **Ages:** ________________________________
- **Does this Pastor/family need benefits?** Y N
  - Some? Which? ________________________
  - If not, why not?  
    - (military chaplain, retired, wife has benefits, independently wealthy, etc...)

### Primary Benefits:

1. **Retirement Contributions**
   - (Pastors pay no tax on PCA 403(b) contributions, but must pay 15.3% Social Security tax on IRA contributions.)
   - **a. Is the church making retirement contributions?** Y N ____________________________________
   - **b. If so, what percentage of gross salary is being contributed:**  _______
     - (Calculate as a % of Salary + Housing)
   - **c. Is this % within the 10-15% Guidelines?** Y N ____________________________________
     - (If no contributions, then contributions will need to be made from the Salary package. Deduct 10-15% x 'Salary+Housing' from Salary below)

2. **Healthcare Insurance**
   - **a. Individual:**      **Group:**   **Sharing Ministry:**      **Medicare:**
   - **b. Is this a High-Deductible Health Care Plan (HDHP)?** Y N
     - Deductible amount?  $ ___________.00/yr.
   - **c. Are ‘HSA’ contributions being made?** Y N
     - Contribution to HSA?  $ ___________.00/___
   - **d. What is the maximum annual out-of-pocket expense?**  $ _______________________.00/year
     - (Risk Alert:  If high deductible, and no HSA, ask the Church 'How will he pay for the deductible if required to do so?' e.g. Will 'out-of-pocket' med expenses come from the Pastor's budget, or is the church 'Self-Insuring' for this potential expense?)
   - **e. What is the cost?**  $ _______________________.00/month x 12 = $ _______________________ .00/year
   - **f. Does the church pay the premium?** Y N  
     - (Subtract non-Employer paid cost from Salary)
   - **g. Are the premiums taxable to the pastor?** Y N  
     - (If yes, reduce his Salary by 'Premiums + 22%' more...)

3. **Life Insurance**
   - **a. Is Group Term Life Insurance provided?** Y N  
     - (PCA RBI Basic + Std Life = $26.48/mo. or $338/yr.)
   - **b. How much coverage is being provided?**  $ ___________.00  
     - Estimated Need?  $ ___________.00
   - **c. Is Life insurance coverage sufficient?** Y N  
     - (Young families = highest need. Any other coverage?)
     - (Risk Alert:  If not provided, discuss with church needed protection for church and family! This ought to be a non-negotiable!)

4. **Long-Term Disability Insurance (LTD)**
   - **a. Is Long-Term Disability Insurance provided?** Y N  
     - (PCA LTD = $304/yr for $50k Sal, $425/yr for $70k Sal)
     - (Risk Alert:  If not is provided, discuss with church needed protection for church and family! This ought to be a non-negotiable!)

5. **Ministerial Counseling and Coaching**
   - **Confidential & Affordable Reimbursement plan?** Y N N

### Secondary Benefits:

6. **Dental Insurance**
   - **Is Dental Insurance provided?** Y N N

7. **Vision Insurance**
   - **Is Vision Insurance provided?** Y N N

8. **Long-Term Care Insurance**
   - **Is Long-Term Care Insurance provided?** Y N N

### Relocation/Temporary Benefits:

9. **Relocation/Moving Expenses**
   - **Are moving expenses provided?** Y N N/A $ ___________.00
   - **Other Paid or Reimbursed Expenses?** Y N $ ___________.00

### Vacations & Leaves:

10. **Vacation Weeks/Days**
    - **Specified?** Y N
    - **How many?** _____ wks/days. Are these sufficient?

11. **Leave**
    - **Is sick leave, paternity leave, funeral leave, educational leave, or sabbatical leave specified?**
      - If so, describe: ____________________________________

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This worksheet is based on the most recent copy of the PCA Call Package Guidelines (CPG’s), and was developed to help you evaluate a Call Package. It focuses your attention on several key areas, and risk. It’s ok if several questions are answered ‘No.’ Answering ‘No’ to any particular question may not indicate an insufficient Call Package. To determine that, you must make a judgment call based on all of the answers on this Worksheet. In making that judgment, ask whether this Call Package reflects sufficient conformity to and engagement with the PCA CPG’s, and whether it provides the necessary income, benefits, and protections needed. Missing benefits increase a pastor’s family’s risk, as well as the congregation’s risk! Focus on risk! What happens if...? Will he be able to retire?

**Demographic info helps when considering the financial needs of this family. Ask: ‘Are there any special needs or circumstances?’**