

Letter of Call – Minister

Having sought the guidance of the Holy Spirit and believing that God has called us to share in a mutual and common ministry in Christ, the people of Kensington Community Church UCC located in San Diego, CA at a regularly called meeting of the congregation held on or about January 22, 2018 voted to re-enter into covenant and contract with the Rev. Darryl Kistler to resume his duties as Pastor of this church, effective on or about July 8, 2018.

Believing that the cause and mission of Christ's church will be forwarded under your pastoral and spiritual leadership, we enter into this agreement with you.

We recognize and acknowledge that your responsibilities and duties as our pastor shall be those of joining with the congregation in their faith as stated in the covenant, constitution and bylaws of this church, copies of which you have. The pastor shall be a presence in the congregation which will bring to the membership an awareness of the local church as part of the association, conference and the United Church of Christ. The pastor shall practice the customs and usages of the pastoral office of the United Church of Christ which includes maintaining standing in an association, participation and leadership in the mission of the United Church of Christ, the ecumenical movement and the community.

As a congregation we wholeheartedly commit ourselves to the following terms of covenant as we call you to be our Pastor.

1. It is understood that the pastor is to have freedom of the pulpit in matters of faith and ethics according to the dictates of the Word of God, the work of the Holy Spirit, the traditions of the United Church of Christ and the realities of the world.
2. The church agrees to pay cash salary in regular monthly installments. The base salary and other benefit arrangements will be reviewed annually by the Ministry of Personnel and Resources and the Ministry of Finance and Stewardship prior to the drafting of the church's annual budget. Specific consideration will be given to an increase sufficient to cover the annual increase in the cost of living. A merit increase will be considered based on effectiveness of leadership.
3. The church will provide a designated housing allowance that will conform to Internal Revenue Code Section 107 and Federal Income Tax Regulation 1.107. No later than December 1st of each year, the Minister will request that a portion of cash salary be designated as Housing Allowance during the next calendar year. The governing board of the church will record approval of that amount in the minutes of its last meeting of the calendar year. The amount of the cash salary so designated is at the sole discretion of the minister. The minister bears sole responsibility to the IRS for this amount. Henceforth, all statements and reports of the minister's compensation will list salary and housing allowance on separate lines.

At the time of this call, the annual housing allowance shall be 65% of the minister's overall salary.

4. The church agrees to pay the full annuity fund payment to the Pension Boards, The Annuity Fund, and The United Church of Christ, calculated at 14% of salary basis. Salary basis shall mean “the sum of the member’s annual cash salary or wage plus housing allowance, if any, or plus the fair rental value of the parsonage (if occupied free of charge by pastor) including furnishings and utilities (recommended to be at least 30% of such cash salary or wages).”

5. The church agrees to pay 75% of the premium for employee coverage of health and dental insurance which is currently a PPO plan provided by a local administrator.

6. The church agrees to pay the full premium for the Life Insurance and Disability Income Benefit Plan of the Pension Boards, United Church of Christ, calculated at 1.5% of salary basis.

7. Because the IRS categorizes clergy as self-employed for the purpose of Social Security tax, pastors pay their own Social Security tax of 15.3% (or whatever amount is in effect as provided by law) of their combined salary and housing allowance. Some congregations pay to the minister an allowance of 7.65% to cover the employer’s contribution such that the minister is treated equitably with lay employees. In this case, the allowance is considered taxable income.

It is the understanding of Kensington Community Church that at the time of this call, Rev. Kistler intends to opt out of the Social Security system, thereby imposing no incremental financial responsibility for the church to pay in equity a social security allowance. The amount of salary plus housing offered in this letter is predicated on this choice to opt out. If, at any time in the future, the pastor decides to opt in to the Social Security system, it would be the intention of the church to compensate the pastor in equity with the social security allowance. In doing so, it would also be the intention of the church to make an equitable adjustment to the amount of salary plus housing by the same amount as provided by the social security allowance.

The IRS categorizes full time congregational clergy (as opposed to interim clergy) as employees for the purpose of income tax. Therefore the church will issue the minister a W-2 each year that shows the cash salary in the salary box.

8. Professional expenses are church expenses. As such, the pastor will be reimbursed all ordinary and necessary expenses required for the performance of ministry within and on behalf of the church under an Accountable Expense Reimbursement Plan as defined by the Internal Revenue Service. These expenses may be paid by direct billing or by reimbursement after receiving receipts or vouchers and approved by the Church Moderator.

The church will pay for travel expenses by reimbursing business mileage at the rate approved each year by the Internal Revenue Service which for the current year is 55.5¢ per mile.

Other travel expenses may be reimbursed or paid by direct billing. The amount available for professional expenses will be budgeted each year and covered expenses will not exceed the budgeted amount.

Expenses accrued for Sabbatical leave, over and above Continued Education funds, are not to be expected to be covered by the congregation.

9. Recognizing that all personal needs exist, the church will provide:

- Two days off each week; i.e., a five day work week. It is understood that the pastor will keep regular and adequate office hours;
- Twenty-five (25 days) of personal time off (PTO) each year with full pay. PTO includes normal vacation and sick time. The church will provide for supply preachers for four Sundays during absence time.
- To compensate for three day weekends available to most employees, the church provides three 3-day weekends off a year with full pay; these weekends will not count as vacation time; the church will provide for a supply preacher.
- In addition, the following regular holidays will be days off unless they fall on a Sunday: New Year's day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving, Christmas and such additional days as may be provided for in the Personnel Policies of the church;
- Attendance at conference or association meetings shall not be considered vacation or continuing education but shall be part of the pastor's duty to the local church.
- Leave of absence with full pay (less any fees paid by the court) will be made for jury duty for up to ten (10) days. In the case of the birth or adoption of a child, or the need to attend to an elderly parent or other family member, Family Leave with full pay for up to six weeks will be paid on agreement between the Church Council and the pastor. Other or additional Leave of Absence with or without pay may be negotiated with the Church Council.
- It is expected the pastor will arrange for someone else to handle ministerial emergency calls during any prolonged absence.

10. In order to encourage and nurture spiritual growth and professional competency, the church will provide time for continuing education.

- Up to fourteen days may be taken each year for continuing education which will not count as PTO. These days may not accrue from year to year. Approval is required for study leave of more than three consecutive days or to be absent on Sunday.
- Kensington Community Church will provide no less than \$1,500 a year in funds to the pastor to be used for continuing education. This amount may be renegotiated each budget year if the church is experiencing a significant budget shortfall of more than \$30,000 expenses to income.
- At the end of three (3) years of full-time service in this church, after the adoption of this call letter, and every three (3) years following, the pastor shall be granted thirty (30) days continuing education leave (sabbatical) with full compensation for the purpose of spiritual and intellectual renewal. This will be in addition to the annual vacation. If it is not used, it may not accrue into additional years and will be lost. The precise time and plan of the leave shall be subject to the approval of the Church Council. The pastor will be expected to serve this church for a minimum of six months following a return from a sabbatical. During sabbatical leave, the church will provide for pastoral services through an interim or supply pastor.

11. Worker's Compensation will be paid as required by law.

12. Disability.

- In case of disability because of illness or accident, the church shall be responsible for the pastor's full support for the first three months of disability, including base salary, housing and other benefits. Reimbursable expenses, including travel, will be paid if used. This paragraph does not apply to any disability that qualifies under Worker's Compensation.
- When the disability occurs, this agreement shall be in effect by mutual consent of the Church Council, the pastor (and family), the Conference Minister and the association Church and Ministry Committee. The disability must be in accordance with the criteria of the Life Insurance and Disability Income Benefit Plan of the Pension Boards, United Church of Christ, and a letter from the pastor's doctor confirming the disability is required.
- After three months, the Life Insurance and Disability Income Benefit Plan of the Pension Boards, United Church of Christ, will become effective.

13. Death

In the case of the minister's death, the beneficiary, Sasha Perkins (friend), shall receive full salary for the current month plus any vacation time earned, plus one month's salary including any housing allowance. Further provisions may be made upon mutual agreement between the church, the beneficiary, the Conference Minister and the association Church and Ministry Committee.

14. Covenant Agreements

- A Pastoral Relations Committee shall be formed under the procedures of the constitution and bylaws of the church. The pastor shall be consulted in the selection of nominees to this committee. The Pastoral Relations Committee shall support and maintain an open relationship between the pastor and members of the congregation. The Committee shall counsel the pastor in matters pertaining to the ministry of the church and aid the pastor in making ministry effective. The Committee shall be a sounding board for the pastor and the congregation in order to identify and deal with both opportunities and problems; to discuss and counsel on leadership styles of the pastor in relation to the congregation's needs for most effective functioning; to serve as a ministering group or confidante to the pastor; to identify goals of the fellowship as both the pastor and the congregation define them; and to find a common basis for moving together as a Christian community; to use every means available to maintain clear lines of communication between the pastor and the congregation; to monitor the relations between the pastor and the congregation with regard to this letter of call.
- The Ministry of Personnel and Resources, with the cooperation of the Council, will evaluate the pastor's performance annually.
- It is understood that the Conference Minister and/or other conference staff and/or the association Church and Ministry Committee shall be consulted at the request of either the pastor or the congregation, should the relationship between them be strained or in jeopardy.
- It is mutually agreed that this call agreement (contract) may be terminated by either the church voting in a properly called congregational meeting or the pastor upon thirty (30) days notice. An agreement of termination may be negotiated for less than thirty (30) days between the minister and the church Council. If either the church or the pastor feels there

is unfairness in the termination of this call, either party has the right to refer the matter for hearing to the association Church and Ministry Committee.

- The terms of this Call Agreement will cease on July 8, 2020. At that time, terms of the call may be renegotiated.

This call is effective when voted by the church at a congregational meeting, approved by the association Church and Ministry Committee (or its representative) and accepted by the Minister-elect. We look forward to a significant and fruitful ministry to our church and promise you our wholehearted cooperation, love and prayers to this end.

Faithfully yours,

Church Moderator

Date

Representative of the Ministry of Personnel & Resources

Date

Having prayerfully considered the call of Kensington Community Church UCC located in San Diego, California, to continue to be Pastor effective on or about July 8, 2018, I do accept that call and the conditions included in it. In accepting the call, I covenant to proclaim the gospel in season and out, to join with the congregation in its faith and ministry, and exercise the pastoral office with love, faithfulness and prayer.

Minister

Date

Church and Ministry Committee Representative

Date

PROCEDURE FOR SIGNATURES: After verbal agreement between the church, the association Church and Ministry Committee Representative and the Candidate, and following the congregational meeting, at which a call is voted, the church signs four copies of the call, retaining one copy for its reference. The church forwards three copies to the association Church and Ministry Committee. The Church and Ministry Committee signs three copies and sends all three to the minister-elect. The minister-elect signs all three, retains one copy and forwards one copy to the association Church and Ministry Committee and one copy to the church. The church can consider the call officially accepted and in effect after receiving a copy with the signatures of all three parties to the covenant - the church, the minister and the association. The terms of this call shall not be binding until it is approved by the association Church and Ministry Committee.