

2010 ROSTERED CHURCH WORKERS COMPENSATION GUIDELINES

for

Congregations of Lutheran Church–Canada East District

*Provided by the Department for Finance
East District Compensation Guidelines Committee*

Revision - October 1, 2009

PURPOSE: Rostered Church Workers (Worker) are called of God to be servants, leaders, counselors, caregivers, proclaimers, teachers, listeners, evangelists, and stewards to his congregation (1 Tim. 3:2-4, Titus 1:9). The congregation is called to respond to these benefits and blessings (1 Cor. 9:14, 1 Tim. 5:17-18). This is done in part through the provision of adequate salary, housing, transportation, vacation and financial assistance for spiritual and professional growth.

With these thoughts in mind, the Department for Finance of Lutheran Church–Canada, East District, is pleased to provide these ‘guidelines’ to assist member congregations in establishing fair and reasonable levels of remuneration for Workers.

RESPONSIBILITIES: Recognizing the autonomous nature of each congregation, it is stressed that these are guidelines and are not binding upon any congregation, but are offered as recommendations. Each congregation should appoint a Compensation Review Committee to make salary recommendations to their voters in advance of establishing the annual congregational budget. Where a pastor serves more than one congregation, a single committee comprising representatives from each congregation should accept this function. For compensation purposes, multiple congregations should be considered as one.

SALARY: (*see page 4*) The suggested salary ranges for **2010** are unchanged from 2009. The approximate 2009 Consumer Price Index decreased by **point zero nine per cent (.09%)**. The ranges are based on the Worker’s total years in the ministry. The top of the range is a suggested annual salary for a Worker serving a congregation of about 400 communicant members. The lower figure is a suggested minimum, regardless of the size of the congregation. To determine the appropriate position in the range for your Worker, the following points should be considered:

- A large congregation may wish to pay above the suggested level whereas a small congregation may wish to compensate at or near the range minimum. Small congregations are defined as those with fewer than 250 communicants and large congregations are those with membership in excess of 400 communicants;
- Congregations in large urban areas may have a need to pay higher in the range than those of similar size in a smaller community (e.g. cost of living, housing, etc.);
- Some congregations are in a better financial position than others and are able to be more generous in their compensation policy;
- How much do you expect of your Worker? In the discharge of the Worker’s duties do they consistently meet or go beyond that which is expected? If your congregation provides some form of performance feedback, you may be able to take this into consideration;
- If you believe your Worker should be paid significantly higher in the range than in the past, you may wish to phase in an increase over a two, three or five year period. It is always good policy when setting salaries to look ahead to where you might like to be two to three years hence.

Supplemental Unemployment Benefit for Employers (SUB plan):

Participation permits employers to supplement worker’s EI benefits (to 95% of salary) without affecting EI benefits paid to the worker. There is no cost to enroll in the plan. For more information see: www1.servicecanada.gc.ca/en/cs/sub/010.shtml

HOUSING: (see also page 4) Where there is no parsonage, all congregations should pay their Worker a housing allowance in addition to their base salary. This should be an amount sufficient to cover mortgage payments (assuming a minimum down payment) and municipal taxes on a home that reasonably reflects the local home market. Cost of insurance, utilities, maintenance, etc., should be the direct responsibility of the Worker.

Where the congregation provides a parsonage, the congregation benefits from an increased equity through the appreciation of the parsonage over time. This equity should be shared with the Worker. The congregation should pay a housing allowance to the Worker. The Worker, in turn, is responsible for a fair market rent and all utilities payable back to the congregation resulting in a residual.

The residual, housing allowance less rent and utilities, would be considered the Worker's housing equity.

The housing equity goal should be 5% of the Worker's base salary. Where this residual amount is less than 5% of the Worker's base salary, an additional housing allowance should be paid by the congregation to the Worker to top up this housing equity to the 5% level. Failure to pay a housing allowance where a parsonage is provided will have a negative effect on the Worker's pension, which is based on salary plus housing allowance.

OTHER FORMS OF DIRECT COMPENSATION: Payments to the Worker by members of the congregations for such things as baptisms, weddings, funerals, etc., are not encouraged as these services should be viewed as part of his normal duties. However, it should be noted that gifts, honourariums, etc., are taxable and should be recorded by the Worker.

BENEFIT PROGRAMMES: The congregation will pay the full cost of the synodical benefit programme for Workers and the employer portion of Canada Pension and Employment Insurance plan. We encourage congregations to enroll in the Federal government's Supplementary Unemployment Benefits (SUB) plan. There is no cost to enroll in this program. If your congregation is NOT enrolled in the SUB plan, contact the East District Office for particulars or visit Service Canada's web site: www1.servicecanada.gc.ca/en/cs/sub/010.shtml.

TRAVEL: (see also page 4) To carry out the duties of his office, the pastor will incur expenses of various kinds, not the least of which will be the operation of an automobile. These should be borne by the congregation and should not be viewed as part of his compensation package. It is the recommendation that reimbursement be based on kilometers driven based at the rate established by the District. **Note:** A Travel Log must be maintained by the Pastor for income tax purposes.

CONTINUING EDUCATION: (see also page 4) Workers are encouraged to enroll in Continuing Education Programmes and congregations should provide an allowance for Worker's books and Continuing Education.

DISCRETIONARY FUND: The congregation is encouraged to make available each year, an amount which the Pastor can immediately draw upon without obtaining board approval to cover miscellaneous expenses which may arise from time to time. The

Pastor would be required to report on the nature of the withdrawals made, thereby enabling the congregation and/or responsible board to exercise some measure of control.

ASSOCIATE/ASSISTANT PASTORS: These guidelines may be applied to multiple Pastors within a congregation. The compensation level of the senior Pastor should be established first. The guidelines may then be applied to associates/assistants. An additional factor of establishing or maintaining an acceptable differential which reflects responsibilities, must be taken into account.

2010 COMPENSATION GUIDELINES

1. BASE SALARY RANGE (Please refer to Page 2 of Compensation Guidelines before considering the following.)

Full Years in Ministry	Pastors: 2010 Range	Deacons: 2010 Range
0	\$33,133 - 36,458	\$26,506 - 29,167
1	\$33,898 - 37,286	\$26,789 - 30,202
2	\$34,651 - 38,117	\$28,414 - 31,256
3	\$35,402 - 38,929	\$29,384 - 32,311
4	\$36,153 - 39,770	\$30,369 - 33,407
5	\$36,904 - 40,598	\$31,369 - 34,509
6	\$37,479 - 41,222	\$32,232 - 35,450
7	\$38,049 - 41,860	\$33,103 - 36,419
8	\$38,625 - 42,485	\$33,990 - 37,387
9	\$39,220 - 43,122	\$34,906 - 38,379
10	\$39,770 - 43,747	\$35,794 - 39,373
11	\$40,331 - 44,371	\$36,701 - 40,378
12	\$40,905 - 45,009	\$37,633 - 41,408
13	\$41,477 - 45,633	\$38,574 - 42,439
14	\$42,052 - 46,044	\$39,528 - 43,282
15 & over	\$42,627 - 46,894	\$40,495 - 44,550

- 1. (a) Pay for part-time (Rostered) Worker should be pro-rated.
- 2. **HOUSING ALLOWANCE:** While local conditions vary and should be considered, housing allowance should generally be calculated up to 40% of the pastor's BASE SALARY.
- 3. **TRAVEL:** Should be paid at the rate of \$.45 per km. driven.
- 4. **VACATION:** 1 - 3 year service = 2 weeks; 4 - 9 years service = 3 weeks; 10 - 15 years service = 4 weeks; 16 years service & over = 5 weeks.
- 5. **BOOK and/or CONTINUING EDUCATION ALLOWANCE:** \$550.00 (over and above salary).
- 6. **SUPPLY PASTORS:** Should be paid in the range of \$75 - \$125 per service plus travel allowance.
- 7. **VACANCY PASTOR:** Should be paid in the range of 40% to 50% of the Pastor's base salary, excluding housing allowance.