

ENGLISH DISTRICT

THE LUTHERAN CHURCH—MISSOURI SYNOD

33100 Freedom Road
Farmington, Michigan 48336
(248)476-0039 † (800)755-9335



2019 SALARY GUIDELINES

For Establishing Congregational
Policies Relating to the Compensation for Pastors

PURPOSE

The primary purpose for these guidelines is to assist the lay leaders of English District congregations in determining policies regarding the compensation of pastors. The guidelines are presented with the hope that they be used for evaluating the present level of compensation and that they might provide standards for establishing and reviewing policies annually.

Resources available to you:

- Congregational Treasurers Manual and Taxes and Ministers <http://www.lcms.org/resources/churchadministration>
- IRS Publication 517 www.irs.gov/uac/about-publication-517
- Concordia Plan Services online compensation decisions support tool. The Compensation Decision Support Tool was created to assist LCMS congregations in the process of determining salaries for certain staff positions. The tool provides compensation suggestions for Sole Pastor, Senior Pastor, Associate Pastor, Director of Christian Education, Director of Christian Outreach, Deaconess, Director of Family Life Ministry, Director of Parish Music and Lay Minister. <https://tc.cbiz.com/CompToolCPS/Login.aspx>
- District Resources for the geographic district where your congregation is located

INTRODUCTION

We recognize the geographic dispersion of the English District, which precludes developing a salary scale and other forms of compensation that will be appropriate to all areas and to all congregational settings and situations. We assume that each of our District congregations will want to provide for their workers. We also assume that the worker, who is called to live in a specific community at a specific time, would like to live at the same general level as most of the families of the parish and at the level of most of the families in the community.

The compensation paid needs to appear reasonable to the lay leaders of the congregation and acceptable to the majority of the members and the church worker. No distinction in salary is to be made on the basis of marital status or family responsibilities.

GENERAL RECOMMENDATIONS

It is recommended that the compensation be determined in the following way:

1. A duly authorized group conducts a review of all salaries. The committee should include representatives of appropriate boards, the congregation's leadership and administrative staff.
2. A salary review is conducted annually by this committee before the congregation's budget is approved.

3. The committee begins its review with a realization of what Scriptures teach regarding providing for the care and wellbeing of those who are duly called to serve in specific roles according to the gifts God has given them and the needs of the congregation.
4. As the committee reviews the compensation of all workers of the parish, consideration should be given to education, experience and responsibility.
5. Recommendations are made and interpreted to the decision-making body of the congregation by the committee.

TWO-POINT PARISHES

When a pastor serves more than one congregation the committee should consist of members of each congregation being served. Recommendations from the committee should be made to the decision-making body of each congregation. It would seem prudent that all members of the committee be present for such meetings.

LEVELS OF RESPONSIBILITY

The senior administrative pastor ordinarily has greater responsibility and therefore receives a larger salary than sole and associate or assistant pastors. However, the fringe benefits accorded the senior pastor should also be provided to other members of the pastoral staff.

The levels of responsibility vary from worker to worker. Compensation should also vary to reflect appropriately these responsibilities.

DEFINITIONS

Total Compensation - the full cost to a congregation of compensating a worker. This includes salary plus other items that the congregation pays directly because they reflect the cost of performing a given ministry.

Salary - an annual wage paid to the worker on a regular basis exclusive of additional benefits such as Concordia Plan Services, travel allowances, utilities, car allowance, continuing education funds, etc.

A. ALLOWANCES

1. Housing and Utilities

The recommended salary scales include housing and are based on the assumption that congregations do not provide a residence for the worker.

If housing is provided and utilities are paid by the congregation, subtract the fair rental value of the parsonage including utilities from the salary. When a home is furnished the

congregation should pay all utilities including gas or oil, electricity, water, sewage, trash removal, and telephone.

If a residence is not provided, a portion of the pastor's compensation may be designated as a housing allowance. To obtain all allowable tax exemptions for "Ministers of Religion" the congregation should have a recorded resolution that approves the housing allowance prior to the first pay that includes the housing allowance.

The eligible worker excludes from income only that part of these allowances which is actually used. The excess must be reported as income by the worker and is subject to taxation.

These explanations are not all-inclusive. Workers are advised to check with tax consultants regarding annual changes. The LCMS Congregational Treasurer's Manual Chapter 2 should be reviewed for information regarding housing allowances:
<http://www.lcms.org/resources/ctmanual>.

2. Vacation

The benefit to ministry, health and welfare of the family through scheduled vacation time is self-evident. Therefore, the following vacation time is recommended:

Years of Service	Number of Weeks
1 - 4	2
5 - 9	3
10 and more	4

In addition to vacation time it is important that workers be given a day off per week.

3. Social Security - (Not applicable in Canada, please check Canadian tax laws.)

By law, Synod-rostered workers must pay their own Social Security tax based on the "Self-Employed Rates". This costs considerably more than the F.I.C.A. tax for a corporately employed person. This amount may be added to the salary and is subject to income tax and additional S.E.C.A. tax. See Congregational Treasurer's Manual Chapter 1.
<http://www.lcms.org/resources/ctmanual>

B. ADDITIONAL ALLOWANCES

1. Automobile

Automobile and travel expenses should be regarded as "business expenses" of the congregation. An annual replacement cost of actual automobile expenses or mileage reimbursement at the applicable government rate for business is suggested. (Most agencies and businesses allow the standard government rate which includes gas and oil, depreciation, maintenance, and insurance.) Congregations may also wish to purchase or lease a car for their workers.

There are tax ramifications for both unaccountable cash allowances and personal use of congregation-owned vehicles. Please refer to the *Congregational Treasurer's Manual* for additional information.

2. Library

A professional library is a necessity for an effective pastor, teacher, DCE or other professional church worker. Since access to current materials enhances effectiveness and both congregation and worker receive the benefit, it is recommended that the congregation include in the annual budget an amount for acquisitions to the worker's personal library. These funds should be disbursed as payment for specific materials rather than given in a lump sum.

3. Professional Growth

Workers are encouraged to continue to grow professionally. Professional growth is often most productive when it takes the form of continuing education. Continuing education may be formal course work at a university or seminary or less formal in workshops, seminars, and professional association conferences. Since professional growth benefits both worker and congregation through more effective ministry, it is recommended that worker and congregation share the cost of the education and travel expenses and the pastor should not be expected to use his vacation time for this purpose.

4. Sabbatical Leave

If a worker has been at your congregation for six or more years, a sabbatical for renewal and growth purposes may be considered. The congregation should develop a policy regarding sabbatical leaves. Contact the district office for a sample policy.

C. BENEFITS

U.S. congregations should provide participation in Concordia Plan Services, (Canadian congregations should contact the English District office), which include Concordia Health Plan, Concordia Disability and Survivor Plan and Concordia Retirement Plan. The congregation is responsible for all payments to the Retirement and Disability Survivors Plan. It is recommended that they pay for health coverage for the entire family.

Information describing the Concordia Plan Services may be obtained from Concordia Plan Services, PO BOX 229007, 1333 South Kirkwood Road, Saint Louis, MO 63122, <http://www.concordiaplans.org/> 1-888-927-7526.

Miscellaneous Compensation Items

1. Required Meetings

Attendance at District conventions, conferences, circuit and regional conferences is required of all pastors, and therefore, should not be treated as vacation time. Pastors should attend these official events with all expenses (travel, meals, housing, and registration) paid by the

congregation. It is a supportive gesture to also cover the cost for the pastor's wife to attend these events with him.

The District conferences and conventions expenses are covered by an assessment paid by the congregation to the District annually. Circuit and regional conference expenses are paid directly by the congregation.

2. Substitute Pastors

The congregation needs to provide for pastoral services during their pastor's vacation, attendance at required meetings, or in the event of his illness. It is recommended that a fee policy be established by the congregation for the amount to be paid. The policy should include a stipend based on the services provided plus expenses (travel, lodging, meals). If the guest speaker is a District staff person speaking in their area of responsibility an honorarium is left up to the congregation. However, reimbursement for travel is expected.

3. Discretionary Fund

It is recommended that a small sum be budgeted to provide the pastor with the ability to make a timely response to certain pressing situations of which he becomes aware such as immediate assistance to parishioners or others.

SALARY RANGE SCALE BY REGION

Salary Range scales are provided by region. Determine the pastor's years of experience taking into consideration years in another career if applicable. Determine the education of the pastor using the appropriate column for the amount of education (credits) above a M.Div. degree. The coordinating salary should be considered. Also consider the size of the congregation, cost of living for the congregation's area within the region and level of responsibility of the pastor.

Concordia Plan Services has created an online compensation tool that takes many of these factors into account and is available at <https://jag1.prghr.com/CompToolCPS/Login.aspx>

Note: Canadian congregations are reminded that the dollar amounts are in U.S. currency. The amounts need to be restated in Canadian dollars.

1. The Base Cash Salary Range is suggested for congregations of up to 300 communicant members. An increment of 1% is suggested for each additional 100 members or fraction thereof.
2. Pastors who further their education should be considered for an additional 3% of the base upon receiving an advanced graduate degree.

A suggested SALARY/COMPENSATION WORKSHEET is appended.

EASTERN

Yrs. Exp.		Ordained Pastors w/ M.Div.	M.Div. + 15	2nd Masters	2 nd Masters +15	D.Min or Ph.D.
0	1	50,669	52,669	54,669	56,669	58,669
1	1.02	51,682	53,682	55,682	57,682	59,682
2	1.04	52,695	54,695	56,695	58,695	60,695
3	1.06	53,709	55,709	57,709	59,709	61,709
4	1.08	54,722	56,722	58,722	60,722	62,722
5	1.1	55,735	57,735	59,735	61,735	63,735
6	1.12	56,749	58,749	60,749	62,749	64,749
7	1.14	57,762	59,762	61,762	63,762	65,762
8	1.16	58,775	60,775	62,775	64,775	66,775
9	1.18	59,789	61,789	63,789	65,789	67,789
10	1.2	60,802	62,802	64,802	66,802	68,802
11	1.22	61,816	63,816	65,816	67,816	69,816
12	1.24	62,829	64,829	66,829	68,829	70,829
13	1.26	63,842	65,842	67,842	69,842	71,842
14	1.28	64,856	66,856	68,856	70,856	72,856
15	1.3	65,869	67,869	69,869	71,869	73,869
16	1.32	66,882	68,882	70,882	72,882	74,882
17	1.34	67,896	69,896	71,896	73,896	75,896
18	1.36	68,909	70,909	72,909	74,909	76,909
19	1.38	69,923	71,923	73,923	75,923	77,923
20	1.4	70,936	72,936	74,936	76,936	78,936
21	1.42	71,949	73,949	75,949	77,949	79,949
22	1.44	72,963	74,963	76,963	78,963	80,963
23	1.46	73,976	75,976	77,976	79,976	81,976
24	1.48	74,989	76,989	78,989	80,989	82,989
25	1.5	76,003	78,003	80,003	82,003	84,003
26	1.52	77,016	79,016	81,016	83,016	85,016
27	1.54	78,029	80,029	82,029	84,029	86,029
28	1.56	79,043	81,043	83,043	85,043	87,043
29	1.58	80,056	82,056	84,056	86,056	88,056
30	1.6	81,070	83,070	85,070	87,070	89,070
31	1.62	82,083	84,083	86,083	88,083	90,083
32	1.64	83,096	85,096	87,096	89,096	91,096
33	1.66	84,110	86,110	88,110	90,110	92,110
34	1.68	85,123	87,123	89,123	91,123	93,123
35	1.7	86,136	88,136	90,136	92,136	94,136
36	1.72	87,150	89,150	91,150	93,150	95,150
37	1.74	88,163	90,163	92,163	94,163	96,163
38	1.76	89,177	91,177	93,177	95,177	97,177
39	1.78	90,190	92,190	94,190	96,190	98,190
40	1.8	91,203	93,203	95,203	97,203	99,203

LAKE ERIE

Yrs. Exp.		Ordained Pastors w/ M.Div.	M.Div. + 15	2nd Masters	2 nd Masters +15	D.Min or Ph.D.
0	1	52,647	54,647	56,647	58,647	60,647
1	1.02	53,700	55,700	57,700	59,700	61,700
2	1.04	54,753	56,753	58,753	60,753	62,753
3	1.06	55,806	57,806	59,806	61,806	63,806
4	1.08	56,859	58,859	60,859	62,859	64,859
5	1.1	57,912	59,912	61,912	63,912	65,912
6	1.12	58,965	60,965	62,965	64,965	66,965
7	1.14	60,018	62,018	64,018	66,018	68,018
8	1.16	61,071	63,071	65,071	67,071	69,071
9	1.18	62,124	64,124	66,124	68,124	70,124
10	1.2	63,177	65,177	67,177	69,177	71,177
11	1.22	64,230	66,230	68,230	70,230	72,230
12	1.24	65,283	67,283	69,283	71,283	73,283
13	1.26	66,336	68,336	70,336	72,336	74,336
14	1.28	67,389	69,389	71,389	73,389	75,389
15	1.3	68,441	70,441	72,441	74,441	76,441
16	1.32	69,494	71,494	73,494	75,494	77,494
17	1.34	70,547	72,547	74,547	76,547	78,547
18	1.36	71,600	73,600	75,600	77,600	79,600
19	1.38	72,653	74,653	76,653	78,653	80,653
20	1.4	73,706	75,706	77,706	79,706	81,706
21	1.42	74,759	76,759	78,759	80,759	82,759
22	1.44	75,812	77,812	79,812	81,812	83,812
23	1.46	76,865	78,865	80,865	82,865	84,865
24	1.48	77,918	79,918	81,918	83,918	85,918
25	1.5	78,971	80,971	82,971	84,971	86,971
26	1.52	80,024	82,024	84,024	86,024	88,024
27	1.54	81,077	83,077	85,077	87,077	89,077
28	1.56	82,130	84,130	86,130	88,130	90,130
29	1.58	83,183	85,183	87,183	89,183	91,183
30	1.6	84,236	86,236	88,236	90,236	92,236
31	1.62	85,289	87,289	89,289	91,289	93,289
32	1.64	86,342	88,342	90,342	92,342	94,342
33	1.66	87,395	89,395	91,395	93,395	95,395
34	1.68	88,447	90,447	92,447	94,447	96,447
35	1.7	89,500	91,500	93,500	95,500	97,500
36	1.72	90,553	92,553	94,553	96,553	98,553
37	1.74	91,606	93,606	95,606	97,606	99,606
38	1.76	92,659	94,659	96,659	98,659	100,659
39	1.78	93,712	95,712	97,712	99,712	101,712
40	1.8	94,765	96,765	98,765	100,765	102,765

MIDWEST

Yrs. Exp.		Ordained Pastors w/ M.Div.	M.Div. + 15	2nd Masters	2nd Masters +15	D.Min. or Ph.D.
0	1	51,918	53,918	55,918	57,918	59,918
1	1.02	52,956	54,956	56,956	58,956	60,956
2	1.04	53,995	55,995	57,995	59,995	61,995
3	1.06	55,033	57,033	59,033	61,033	63,033
4	1.08	56,071	58,071	60,071	62,071	64,071
5	1.1	57,110	59,110	61,110	63,110	65,110
6	1.12	58,148	60,148	62,148	64,148	66,148
7	1.14	59,187	61,187	63,187	65,187	67,187
8	1.16	60,225	62,225	64,225	66,225	68,225
9	1.18	61,263	63,263	65,263	67,263	69,263
10	1.2	62,302	64,302	66,302	68,302	70,302
11	1.22	63,340	65,340	67,340	69,340	71,340
12	1.24	64,378	66,378	68,378	70,378	72,378
13	1.26	65,417	67,417	69,417	71,417	73,417
14	1.28	66,455	68,455	70,455	72,455	74,455
15	1.3	67,493	69,493	71,493	73,493	75,493
16	1.32	68,532	70,532	72,532	74,532	76,532
17	1.34	69,570	71,570	73,570	75,570	77,570
18	1.36	70,608	72,608	74,608	76,608	78,608
19	1.38	71,647	73,647	75,647	77,647	79,647
20	1.4	72,685	74,685	76,685	78,685	80,685
21	1.42	73,724	75,724	77,724	79,724	81,724
22	1.44	74,762	76,762	78,762	80,762	82,762
23	1.46	75,800	77,800	79,800	81,800	83,800
24	1.48	76,839	78,839	80,839	82,839	84,839
25	1.5	77,877	79,877	81,877	83,877	85,877
26	1.52	78,915	80,915	82,915	84,915	86,915
27	1.54	79,954	81,954	83,954	85,954	87,954
28	1.56	80,992	82,992	84,992	86,992	88,992
29	1.58	82,030	84,030	86,030	88,030	90,030
30	1.6	83,069	85,069	87,069	89,069	91,069
31	1.62	84,107	86,107	88,107	90,107	92,107
32	1.64	85,146	87,146	89,146	91,146	93,146
33	1.66	86,184	88,184	90,184	92,184	94,184
34	1.68	87,222	89,222	91,222	93,222	95,222
35	1.7	88,261	90,261	92,261	94,261	96,261
36	1.72	89,299	91,299	93,299	95,299	97,299
37	1.74	90,337	92,337	94,337	96,337	98,337
38	1.76	91,376	93,376	95,376	97,376	99,376
39	1.78	92,414	94,414	96,414	98,414	100,414
40	1.8	93,452	95,452	97,452	99,452	101,452

WESTERN

Yrs. Exp.		Ordained Pastors w/ M.Div.	M.Div. + 15	2nd Masters	2nd Masters +15	D.Min. or Ph.D.
0	1	59,823	61,823	63,823	65,823	67,823
1	1.02	61,019	63,019	65,019	67,019	69,019
2	1.04	62,216	64,216	66,216	68,216	70,216
3	1.06	63,412	65,412	67,412	69,412	71,412
4	1.08	64,609	66,609	68,609	70,609	72,609
5	1.1	65,805	67,805	69,805	71,805	73,805
6	1.12	67,002	69,002	71,002	73,002	75,002
7	1.14	68,198	70,198	72,198	74,198	76,198
8	1.16	69,395	71,395	73,395	75,395	77,395
9	1.18	70,591	72,591	74,591	76,591	78,591
10	1.2	71,788	73,788	75,788	77,788	79,788
11	1.22	72,984	74,984	76,984	78,984	80,984
12	1.24	74,181	76,181	78,181	80,181	82,181
13	1.26	75,377	77,377	79,377	81,377	83,377
14	1.28	76,573	78,573	80,573	82,573	84,573
15	1.3	77,770	79,770	81,770	83,770	85,770
16	1.32	78,966	80,966	82,966	84,966	86,966
17	1.34	80,163	82,163	84,163	86,163	88,163
18	1.36	81,359	83,359	85,359	87,359	89,359
19	1.38	82,556	84,556	86,556	88,556	90,556
20	1.4	83,752	85,752	87,752	89,752	91,752
21	1.42	84,949	86,949	88,949	90,949	92,949
22	1.44	86,145	88,145	90,145	92,145	94,145
23	1.46	87,342	89,342	91,342	93,342	95,342
24	1.48	88,538	90,538	92,538	94,538	96,538
25	1.5	89,735	91,735	93,735	95,735	97,735
26	1.52	90,931	92,931	94,931	96,931	98,931
27	1.54	92,127	94,127	96,127	98,127	100,127
28	1.56	93,324	95,324	97,324	99,324	101,324
29	1.58	94,520	96,520	98,520	100,520	102,520
30	1.6	95,717	97,717	99,717	101,717	103,717
31	1.62	96,913	98,913	100,913	102,913	104,913
32	1.64	98,110	100,110	102,110	104,110	106,110
33	1.66	99,306	101,306	103,306	105,306	107,306
34	1.68	100,503	102,503	104,503	106,503	108,503
35	1.7	101,699	103,699	105,699	107,699	109,699
36	1.72	102,896	104,896	106,896	108,896	110,896
37	1.74	104,092	106,092	108,092	110,092	112,092
38	1.76	105,288	107,288	109,288	111,288	113,288
39	1.78	106,485	108,485	110,485	112,485	114,485
40	1.8	107,681	109,681	111,681	113,681	115,681

SALARY/COMPENSATION WORKSHEET

	Current Year, 20 __	Proposed for 20 __
A. ALLOWANCES		
1. Housing		
2. Utilities		
3. Equity		
4. Vacation		
5. Social Security (Taxable Income)		
B. ADDITIONAL ALLOWANCES		
1. Automobile		
2. Library		
3. Professional Growth		
4. _____		
C. BENEFITS (U.S. Plan--Canadian Plan should be substituted here for congregations in Canada)		
1. Concordia Health Plan		
2. Concordia Disability/Survivor Plan		
3. Concordia Retirement Plan		
4. _____		
D. OTHER RELATED EXPENSES		
1. Required meetings		
2. Substitute Pastors		
3. Discretionary Fund		
E. SALARY		
1. Base Salary		
2. Adjustment for _____		
3. Adjustment for _____		
4. Total adjustments		
Total Salary		
Total Compensation		