

ENGLISH DISTRICT

THE LUTHERAN CHURCH—MISSOURI SYNOD

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2025 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 Treasurer's Manual* <http://www.lcms.org/ctm>.
- IRS Publication 517 www.irs.gov/uac/about-publication-517.
- Concordia Plan Services online compensation decisions support tools. The Compensation Decision Support Tool was created to assist LCMS congregations in the process of determining salaries for certain staff positions.
- The **pastor and parish professional tool** found at <https://tc.cbiz.com/CompToolCPS/Login.aspx> 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. An app for the pastor, parish professional tool is currently only available in the Apple app store for Apple devices. Search "CPS Comp" to find the app. It functions in a very similar way to the actual online version.
- The **educator tool** at this link <https://tc.cbiz.com/CompToolCPSEd/Login.aspx> allows the user to create compensation estimates for positions including Teacher, Assistant Teacher, Head Principal/Administrator, Assistant Principal/Administrator and Early Childhood Director. Schools from preschools and child care centers all the way through high schools can use the tool.
- 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/ctm>.

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/ctm>.

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/> or 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 conference and convention 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 for parish professionals that takes many of these factors into account and is available at <https://tc.cbiz.com/CompToolCPS/Login.aspx>. An online compensation tool for teachers has also been created and is available at <https://tc.cbiz.com/CompToolCPSEd/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

<u>Yrs.</u>		<u>w/ M.Div.</u>	<u>M.Div. + 15</u>	<u>2nd Masters</u>	<u>2nd Masters +15</u>	<u>D.Min or Ph.D.</u>
<u>Exp.</u>						
0	1	58,746	60,746	62,746	64,746	66,746
1	1.02	59,921	61,921	63,921	65,921	67,921
2	1.04	61,096	63,096	65,096	67,096	69,096
3	1.06	62,270	64,270	66,270	68,270	70,270
4	1.08	63,445	65,445	67,445	69,445	71,445
5	1.1	64,620	66,620	68,620	70,620	72,620
6	1.12	65,795	67,795	69,795	71,795	73,795
7	1.14	66,970	68,970	70,970	72,970	74,970
8	1.16	68,145	70,145	72,145	74,145	76,145
9	1.18	69,320	71,320	73,320	75,320	77,320
10	1.2	70,495	72,495	74,495	76,495	78,495
11	1.22	71,670	73,670	75,670	77,670	79,670
12	1.24	72,845	74,845	76,845	78,845	80,845
13	1.26	74,020	76,020	78,020	80,020	82,020
14	1.28	75,195	77,195	79,195	81,195	83,195
15	1.3	76,369	78,369	80,369	82,369	84,369
16	1.32	77,544	79,544	81,544	83,544	85,544
17	1.34	78,719	80,719	82,719	84,719	86,719
18	1.36	79,894	81,894	83,894	85,894	87,894
19	1.38	81,069	83,069	85,069	87,069	89,069
20	1.4	82,244	84,244	86,244	88,244	90,244
21	1.42	83,419	85,419	87,419	89,419	91,419
22	1.44	84,594	86,594	88,594	90,594	92,594
23	1.46	85,769	87,769	89,769	91,769	93,769
24	1.48	86,944	88,944	90,944	92,944	94,944
25	1.5	88,119	90,119	92,119	94,119	96,119
26	1.52	89,294	91,294	93,294	95,294	97,294
27	1.54	90,468	92,468	94,468	96,468	98,468
28	1.56	91,643	93,643	95,643	97,643	99,643
29	1.58	92,818	94,818	96,818	98,818	100,818
30	1.6	93,993	95,993	97,993	99,993	101,993
31	1.62	95,168	97,168	99,168	101,168	103,168
32	1.64	96,343	98,343	100,343	102,343	104,343
33	1.66	97,518	99,518	101,518	103,518	105,518
34	1.68	98,693	100,693	102,693	104,693	106,693
35	1.7	99,868	101,868	103,868	105,868	107,868
36	1.72	101,043	103,043	105,043	107,043	109,043
37	1.74	102,218	104,218	106,218	108,218	110,218
38	1.76	103,392	105,392	107,392	109,392	111,392
39	1.78	104,567	106,567	108,567	110,567	112,567
40	1.8	105,742	107,742	109,742	111,742	113,742

LAKE ERIE

<u>Yrs. Exp.</u>		<u>w/ M.Div.</u>	<u>M.Div. + 15</u>	<u>2nd Masters</u>	<u>2nd Masters +15</u>	<u>D.Min or Ph.D.</u>
0	1	61,042	63,042	65,042	67,042	69,042
1	1.02	62,262	64,262	66,262	68,262	70,262
2	1.04	63,483	65,483	67,483	69,483	71,483
3	1.06	64,704	66,704	68,704	70,704	72,704
4	1.08	65,925	67,925	69,925	71,925	73,925
5	1.1	67,146	69,146	71,146	73,146	75,146
6	1.12	68,367	70,367	72,367	74,367	76,367
7	1.14	69,587	71,587	73,587	75,587	77,587
8	1.16	70,808	72,808	74,808	76,808	78,808
9	1.18	72,029	74,029	76,029	78,029	80,029
10	1.2	73,250	75,250	77,250	79,250	81,250
11	1.22	74,471	76,471	78,471	80,471	82,471
12	1.24	75,692	77,692	79,692	81,692	83,692
13	1.26	76,912	78,912	80,912	82,912	84,912
14	1.28	78,133	80,133	82,133	84,133	86,133
15	1.3	79,354	81,354	83,354	85,354	87,354
16	1.32	80,575	82,575	84,575	86,575	88,575
17	1.34	81,796	83,796	85,796	87,796	89,796
18	1.36	83,016	85,016	87,016	89,016	91,016
19	1.38	84,237	86,237	88,237	90,237	92,237
20	1.4	85,458	87,458	89,458	91,458	93,458
21	1.42	86,679	88,679	90,679	92,679	94,679
22	1.44	87,900	89,900	91,900	93,900	95,900
23	1.46	89,121	91,121	93,121	95,121	97,121
24	1.48	90,341	92,341	94,341	96,341	98,341
25	1.5	91,562	93,562	95,562	97,562	99,562
26	1.52	92,783	94,783	96,783	98,783	100,783
27	1.54	94,004	96,004	98,004	100,004	102,004
28	1.56	95,225	97,225	99,225	101,225	103,225
29	1.58	96,446	98,446	100,446	102,446	104,446
30	1.6	97,666	99,666	101,666	103,666	105,666
31	1.62	98,887	100,887	102,887	104,887	106,887
32	1.64	100,108	102,108	104,108	106,108	108,108
33	1.66	101,329	103,329	105,329	107,329	109,329
34	1.68	102,550	104,550	106,550	108,550	110,550
35	1.7	103,771	105,771	107,771	109,771	111,771
36	1.72	104,991	106,991	108,991	110,991	112,991
37	1.74	106,212	108,212	110,212	112,212	114,212
38	1.76	107,433	109,433	111,433	113,433	115,433
39	1.78	108,654	110,654	112,654	114,654	116,654
40	1.8	109,875	111,875	113,875	115,875	117,875

MIDWEST

<u>Yrs. Exp.</u>		<u>w/ M.Div.</u>	<u>M.Div. + 15</u>	<u>2nd Masters</u>	<u>2nd Masters +15</u>	<u>D.Min or Ph.D.</u>
0	1	60,195	62,195	64,195	66,195	68,195
1	1.02	61,399	63,399	65,399	67,399	69,399
2	1.04	62,603	64,603	66,603	68,603	70,603
3	1.06	63,807	65,807	67,807	69,807	71,807
4	1.08	65,011	67,011	69,011	71,011	73,011
5	1.1	66,215	68,215	70,215	72,215	74,215
6	1.12	67,418	69,418	71,418	73,418	75,418
7	1.14	68,622	70,622	72,622	74,622	76,622
8	1.16	69,826	71,826	73,826	75,826	77,826
9	1.18	71,030	73,030	75,030	77,030	79,030
10	1.2	72,234	74,234	76,234	78,234	80,234
11	1.22	73,438	75,438	77,438	79,438	81,438
12	1.24	74,642	76,642	78,642	80,642	82,642
13	1.26	75,846	77,846	79,846	81,846	83,846
14	1.28	77,050	79,050	81,050	83,050	85,050
15	1.3	78,254	80,254	82,254	84,254	86,254
16	1.32	79,457	81,457	83,457	85,457	87,457
17	1.34	80,661	82,661	84,661	86,661	88,661
18	1.36	81,865	83,865	85,865	87,865	89,865
19	1.38	83,069	85,069	87,069	89,069	91,069
20	1.4	84,273	86,273	88,273	90,273	92,273
21	1.42	85,477	87,477	89,477	91,477	93,477
22	1.44	86,681	88,681	90,681	92,681	94,681
23	1.46	87,885	89,885	91,885	93,885	95,885
24	1.48	89,089	91,089	93,089	95,089	97,089
25	1.5	90,293	92,293	94,293	96,293	98,293
26	1.52	91,497	93,497	95,497	97,497	99,497
27	1.54	92,700	94,700	96,700	98,700	100,700
28	1.56	93,904	95,904	97,904	99,904	101,904
29	1.58	95,108	97,108	99,108	101,108	103,108
30	1.6	96,312	98,312	100,312	102,312	104,312
31	1.62	97,516	99,516	101,516	103,516	105,516
32	1.64	98,720	100,720	102,720	104,720	106,720
33	1.66	99,924	101,924	103,924	105,924	107,924
34	1.68	101,128	103,128	105,128	107,128	109,128
35	1.7	102,332	104,332	106,332	108,332	110,332
36	1.72	103,536	105,536	107,536	109,536	111,536
37	1.74	104,739	106,739	108,739	110,739	112,739
38	1.76	105,943	107,943	109,943	111,943	113,943
39	1.78	107,147	109,147	111,147	113,147	115,147
40	1.8	108,351	110,351	112,351	114,351	116,351

WESTERN

<u>Yrs. Exp.</u>		<u>w/ M.Div.</u>	<u>M.Div. + 15</u>	<u>2nd Masters</u>	<u>2nd Masters +15</u>	<u>D.Min or Ph.D.</u>
0	1	69,360	71,360	73,360	75,360	77,360
1	1.02	70,748	72,748	74,748	76,748	78,748
2	1.04	72,135	74,135	76,135	78,135	80,135
3	1.06	73,522	75,522	77,522	79,522	81,522
4	1.08	74,909	76,909	78,909	80,909	82,909
5	1.1	76,296	78,296	80,296	82,296	84,296
6	1.12	77,684	79,684	81,684	83,684	85,684
7	1.14	79,071	81,071	83,071	85,071	87,071
8	1.16	80,458	82,458	84,458	86,458	88,458
9	1.18	81,845	83,845	85,845	87,845	89,845
10	1.2	83,232	85,232	87,232	89,232	91,232
11	1.22	84,620	86,620	88,620	90,620	92,620
12	1.24	86,007	88,007	90,007	92,007	94,007
13	1.26	87,394	89,394	91,394	93,394	95,394
14	1.28	88,781	90,781	92,781	94,781	96,781
15	1.3	90,168	92,168	94,168	96,168	98,168
16	1.32	91,556	93,556	95,556	97,556	99,556
17	1.34	92,943	94,943	96,943	98,943	100,943
18	1.36	94,330	96,330	98,330	100,330	102,330
19	1.38	95,717	97,717	99,717	101,717	103,717
20	1.4	97,104	99,104	101,104	103,104	105,104
21	1.42	98,492	100,492	102,492	104,492	106,492
22	1.44	99,879	101,879	103,879	105,879	107,879
23	1.46	101,266	103,266	105,266	107,266	109,266
24	1.48	102,653	104,653	106,653	108,653	110,653
25	1.5	104,041	106,041	108,041	110,041	112,041
26	1.52	105,428	107,428	109,428	111,428	113,428
27	1.54	106,815	108,815	110,815	112,815	114,815
28	1.56	108,202	110,202	112,202	114,202	116,202
29	1.58	109,589	111,589	113,589	115,589	117,589
30	1.6	110,977	112,977	114,977	116,977	118,977
31	1.62	112,364	114,364	116,364	118,364	120,364
32	1.64	113,751	115,751	117,751	119,751	121,751
33	1.66	115,138	117,138	119,138	121,138	123,138
34	1.68	116,525	118,525	120,525	122,525	124,525
35	1.7	117,913	119,913	121,913	123,913	125,913
36	1.72	119,300	121,300	123,300	125,300	127,300
37	1.74	120,687	122,687	124,687	126,687	128,687
38	1.76	122,074	124,074	126,074	128,074	130,074
39	1.78	123,461	125,461	127,461	129,461	131,461
40	1.8	124,849	126,849	128,849	130,849	132,849

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		