

SYNOD OF ALBERTA AND THE TERRITORIES COMPENSATION GUIDELINES FOR ROSTERED MINISTERS FOR 2015

The following MINIMUM GUIDELINES are provided to assist congregations in planning the remuneration for rostered ministers (pastors and diaconal ministers) for 2015 or the anniversary date of the rostered minister's installation. **It should be noted that these are minimum expectations and that individual circumstances, experience and work load of the individual should be considered and higher amounts paid where necessary.** Where it is impossible for the congregation to pay a minimum salary according to the scale, other options for compensating the individual should be considered, for example, extra holiday time, or availability for part-time employment outside the parish.

The level of remuneration paid to an individual in today's society is arrived at in a variety of ways. In private enterprise including the individual farmer, remuneration results from profits gained from the selling of goods and services. In the labour movement and in some professions, collective agreements, usually negotiated by professional negotiators, are binding on both parties. In other areas, an individual may negotiate a contract based on the perceived value of that individual's services. In very few areas today does an individual rely solely on the good will of a constituency for remuneration. The pastor, diaconal minister and other church staff are among these few.

However, rostered ministers should be paid sufficiently so that they can attend to their ministry without concern for their families' material welfare. As well, it is fair that for congregations within a synod there be established a comparable salary and benefits package.

Compensation guidelines are updated annually. The salary scales need to reflect that our rostered ministers are well-educated professionals, many with at least seven or more years in post-secondary institutions. It is reasonable that salary levels be comparable with other professions with similar educational experience, and with those in other Synods of the ELCIC and other denominations.

Annual increments in salary reflect the understanding that an individual grows in confidence, skill acquisition and skill application with experience in a call. The increases in the compensation guidelines are meant to reflect the increased service potential of the individual with more parish experience. **After reaching the maximum years of service on the guidelines, salary increases should be based on economic conditions (e.g., an increment for cost of living increases) and the satisfaction of the parish.**

Parishes want to have pastors and diaconal ministers who effectively serve, lead and minister to the needs of the community and are adequately compensated for their services. Concerns about salaries, allowances and benefits need to be viewed with regard to the very special nature of the service that a rostered minister is called to provide. It is very important that local grievances concerning a pastor's/diaconal minister's service be addressed locally, and not through general reductions in the guidelines. The compensation guidelines help us to bring order to the Synod so that God's people can grow and the Gospel can be shared.

Base Salary Amounts for 2015
(excluding housing allowance amounts)

	Level 1	Level 2	Level 3	Level 4	Level 5
Start	36,940	37,950	38,955	40,015	41,075
Year 1	37,950	38,955	40,015	41,075	42,135
Year 2	38,955	40,015	41,075	42,135	43,300
Year 3	40,015	41,075	42,135	43,300	44,465
Year 4	41,075	42,135	43,300	44,465	45,580
Year 5	42,135	43,300	44,465	45,580	46,775
Year 6	43,300	44,465	45,580	46,775	47,910

*Level 1: Basic Theological Education; Level 2: Bachelor of Theology (B.Th.); Level 3: Master of Divinity (M.Div.)

*Level 4: Master of Sacred Theology (S.T.M.) or Doctor of Ministry (D.Min.) *Level 5: Doctor of Theology (Th.D.) or Doctor of Philosophy (Ph.D.)

For rostered ministers with service beyond the 6th year the increment for 2015 should be the GREATER OF:

(a) \$520/year for each additional year of service under call after the 6th year (e.g. for 15 years the base amount is \$50,255 for Level 3); OR

(b) 6% above the actual 2014 base salary paid

In no event should the base compensation for any rostered minister in 2015 be less than it was for 2014.

Housing allowance for rostered individuals (ordained and diaconal) must be added to the above amounts using the criteria for housing allowances included elsewhere in these guidelines.

Diaconal ministers may qualify for a non-taxable housing allowance in situations where they fulfill the same function test required of an ordained minister. Consult the ELCIC Treasurer's Information Booklet for a description of the requirements as published by the Canada Revenue Agency. **In order for a rostered person to qualify for reduced tax at source they must qualify for the "Clergy Residence Deduction" Persons must submit Form T1213 to CRA in advance and receive written approval from CRA to have their housing allowance excluded from tax withholding by their employer.**

Where a diaconal minister does not qualify for a non-taxable housing allowance, the appropriate figure above should be increased by 30% to compensate for this fact.

Other Benefits

In addition to the base salary, compensation shall include:

1. Accommodation

a) Cash housing allowance equivalent to fair rental value of housing in the locale. Fair rental value includes rent and basic utilities. Congregations are strongly encouraged to review annually the amount of fair rental value by comparison to published advertisements for renting comparable premises or in consultation with qualified realtors. Tax regulations allow for housing allowance to be up to 50% of the base salary so long as this amount does not exceed market value rent.; **OR**

b) Provision of a parsonage or rental accommodation maintained in good repair; plus \$150 per month as a housing equity allowance. Housing equity allowance is subject to CPP, EI and income tax deductions.

2. A 10% addition to the base salary, or equivalent consideration such as days off, for pastors required to conduct more than two services in different localities each Sunday or for pastors required to conduct two services in different languages on a regular basis and whose ministry is conducted largely bilingually.
3. Participation in the continuing education program of the ELCIC. The program includes two weeks annual study leave, including two Sundays, and a minimum annual contribution of \$600 by the congregation and \$300 by the pastor/diaconal minister. Study leave may be accumulated over time to a maximum of six weeks. Educational leave must be granted in consultation with the parish council and is not ordinarily granted at the end of a call.
4. A taxable book allowance of \$500 per year to be used by the pastor/diaconal minister to purchase books and periodicals which become the property of the individual.
5. A non-taxable mileage allowance of \$.54 per km, for distance actually traveled in the course of parish work. The parish should be claiming a GST rebate of \$.01286 per km paid. Upon mutual agreement, an individual may agree to take a salary below guideline with the difference offset by a higher mileage allowance. This is acceptable and is encouraged in travel circumstances where the individual incurs significant travel and is not being fully compensated for such. (Note that under an arrangement where salary is reduced and mileage is raised there is a reduction in pension and disability contributions.)

Parishes are reminded that generally the per kilometer rate should not exceed \$.54 per km for 2015 and that the non-taxable allowance must be calculated based on actual distance travelled. Flat monthly allowances are considered to be taxable to the individual as salary and detailed mileage records are required to be kept by the individual if he/she intends to claim car expenses against employment income.

6. The congregation's contribution to the ELCIC pension plan, ELCIC life and disability plan and employer's portion of EI and CPP as required by federal regulation.

Where a housing allowance is paid, pension is calculated as 8% of the total of base salary and housing allowance. Where there is no housing allowance, pension is calculated as 8% of the salary paid.

Where a house is provided, pension is calculated as 8% of the base salary, plus fair rental value of the accommodation provided, plus housing equity allowance, if any. (NOTE THE CHANGE FROM PRIOR YEARS AND REFER TO INFORMATION ISSUED BY ELCIC GROUP SERVICES INC).

(The congregation is also required to withhold and remit monthly 7% of the appropriate amount as the individual's contribution to the pension plan.)

The congregation pays the entire premium for the ELCIC life and disability plan. Effective January 1, 2015, the amount is calculated as 3% of the appropriate base used for the pension calculation.

In case of a full-time call to one parish where the total of actual salary (and housing allowance or housing equity, when applicable) is below the guideline established above, the pension calculation only may be based on the minimum guideline amount. In such circumstances, advice should be sought from the ELCIC Group Services (1-877-352-4247).

7. Participation in the ELCIC Health/Dental Plan unless the individual is covered under a spousal plan. **The parish pays 100% of these monthly premiums.**
8. Coverage for short-term disability. The congregation is expected to continue the member's full salary and benefits for the period until EI benefits apply (approximately nine weeks). The ELCIC plan pays 60% of the member's salary for long term disability commencing approximately six months after disability occurs.
9. Moving costs shall be paid and should include \$.54 per km plus reasonable accommodation and meal costs. A settling-in allowance of up to \$850 should be considered.

10. Expenses for conference, synod and national church events where the individual is required to attend should be paid by the employer.

Vacation

Ordained

Four weeks annual vacation with pay, including four Sundays, for years in ministry up to 15 years. Congregations are encouraged to provide one additional week of vacation in every 5th year of anniversary of call to service (to be taken during the eligible year only).

For service in ministry over 15 years, there shall be five weeks annual vacation, plus one additional week in every 5th year of ministry.

If the pastor does not take his/her vacation time, this cannot be accumulated unless it is approved by the congregational council prior to year end in the year in which the vacation was not taken.

Diaconal

As a minimum vacation is required by provincial labour regulations, generally two weeks in the first year, with additional vacation time based on length of employment.

Other

The vacation period shall be based on the calendar year January 1 to December 31. Where employment begins or ceases during the year, vacation should be calculated on a pro-rata basis using the calendar year.

Supply Pastors

Supply pastors should be paid \$165.00 for the first service, \$70.00 for a second service (\$140.00 for a second service in a different language), and \$.54 per km for travel.

Deductions and withholdings may apply to these amounts, depending on the circumstances (including ELCIC pension if the individual is still an active member of the ELCIC pension plan). Consult the CRA guide T4001 for payroll deductions and remittances for statutory requirements. A T4 slip must be issued if annual remuneration is more than \$500.00, or if withholdings (including ELCIC pension) are made. Contact ELCIC Group Services to determine the pension plan status of the individual.