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## **Target Ministerial Salary Packaging and Superannuation Review December 2022**

### **History**

In July 2020 the Lake Mac Evangelical Church (LMEC) Overseers reviewed the salary structure for pastors and set new target salaries for the Lead Pastor and the Assistant Pastor. Currently LMEC is paying salaries below this target and expects to achieve the adjusted target levels by 2025.

In December 2022 the LMEC Overseers reviewed and updated the salary levels as required by the LMEC Staff Salary Policy.

### **Salary Package Review**

The July 2020 comprehensive review of pastor salaries was undertaken with reference to the 2020 salary packaging for Sydney Anglican, NSW Baptist, NSW Presbyterian and three FIEC senior pastors. See table at the end of this document.

This review was undertaken by the LMEC Operations Manager/Treasurer and two suitably experienced senior church members. The unanimous recommendation was that the Lead Pastor's target salary package should be set to match the lower end of the 2020 referenced packages and for future salary reviews the package should be based on 90% of the Sydney Anglican total package plus a local housing allowance. This packaging was selected as the reference point as it is fully detailed for all levels of staff and is reviewed regularly by the Diocese. The LMEC housing allowance for 2020 was set at \$470pw being the average rental cost of a local modest 4-bedroom 2-bathroom house. The housing allowance is included in the MDBA.

Note that the current Associate Pastor's total package would be paid at 97% of the Lead Pastor total package in line with the Sydney Anglican relativities. Housing and other allowances and superannuation amounts are set the same for both the Lead and Associate Pastor with the total package difference made up in the stipend and the balance of the MDBA.

This December 2022 review has resulted in a package increase comprising a stipend increase of approximately 5% and a housing allowance increase of 27.5% which is in line with local house rental increases and mortgage interest rate increases.

The approved December 2022 target packages for LMEC pastors are shown in the tables below:

<b>LMC 2023 Target Salary Package - Lead Pastor</b>	
<b>Item</b>	<b>Value</b>
Stipend	36,518
MDBA* maximum	66,052
Allowable Expenses	
Vehicle \$10,507	
Communications and Power \$3,220	
<b>Total Package ex Super</b>	<b>\$102,570</b>
Superannuation	9,830
<b>Total Package inc Super</b>	<b>\$112,400</b>
<p>* Note: MDBA can cover agreed costs such as housing however there needs to be an arms length valuation of the costs. Eg: Rental or Loan Repayments, school fees etc. For the Morisset area the typical house rental for a 4 bed 2 bath house is \$600pw or \$31,200pa. MDBA minimum is housing value and maximum is housing plus vehicle plus 40% of remaining base salary.</p>	

<b>LMC New Target Salary Package - Associate Pastor</b>	
<b>Item</b>	<b>Value</b>
Stipend	34,598
MDBA* maximum	64,772
Allowable Expenses included in the MDBA	
Vehicle \$10,507	
Communications and Power \$3,220	
<b>Total Package ex Super</b>	<b>\$99,370</b>
Superannuation	9,830
<b>Total Package inc Super</b>	<b>\$109,200</b>

	Stipend	Super		Vehicle	House LMEC Est	Total Package	Total ex Super	Increase
<b>Sydney Anglican Diocese</b>								
2020 - Rector	67,856	11,536	17%	10,507	24,440	114,339	102,803	
2020 - Assistant Minister	64,463	11,536	18%	10,507	24,440	110,946	99,410	
2022 - Rector	71,182	11,959	17%	10,507	31,200	124,848	112,889	10%
2022 - Assistant Minister	67,623	11,959	18%	10,507	31,200	121,289	109,330	10%
Anglican salary packages for accredited ministers based on recommended minimum levels. The LMEC total package set at 90% of Anglican minimum.								

For information purposes only the July 2020 church pastor salary comparison is shown below:

	Stipend	Super		Vehicle	House	Total Package	Total ex Super
<b>Sydney Anglican Diocese</b>							
Rector	67,856	11,536	17%	10,507	24,440	114,339	102,803
Assistant Minister	64,463	11,536	18%	10,507	24,440	110,946	99,410
<b>NSW Baptist</b>							
Lead Pastor	66,405	7,637	11.50%	7,045	24,440	105,527	97,890
Associate	57,743	6,640	11.50%	7,045	24,440	95,868	89,228
<b>NSW Presbyterian</b>							
Minister	59,772	9,265	15.50%	11,227	24,440	104,704	95,439
Salary packages for accredited ministers based on recommended 2020 levels.							
<b>FIEC Church 1</b>	54,285	9,229		9,780	30,576	103,870	94,641
<b>FIEC Church 2</b>	61,070	11,536		8,507	21,996	103,109	91,573
<b>FIEC Individual 1</b>	60,078	8,644	9.5% total	13,752	17,160	99,634	90,990