

# Christ Church Gladesville

## Staff Salary and Remuneration Package

January 2006

### 1. Preamble

This policy document covers pastoral staff employed at Christ Church Gladesville. It sets out some of the theological foundations for payment of pastoral staff and endeavours to apply those principles to determine the payments made to the pastoral staff. Pastoral staff includes ordained clergy, lay stipendiary workers, children's and youth workers. Other employees of Christ Church such as administrative staff are covered under other policy documents for the Parish.

### 2. Theological Principles and Foundations

- a. In keeping with Biblical principles, pastoral staff are paid a 'stipend' not a wage. The congregation 'ordains' them (set apart) and frees them from working in regular employment so they can serve the congregation and the proclaim Christ full time. This is clear from the teaching of both Jesus and Paul (1 Cor 9:1-19, Luke 10:7, 1 Tim 5).
- b. Those who enter full time Christian ministry are warned about the 'love of money' and the importance of not being lovers of money, nor greedy for gain (1 Tim 3, Titus 1, 1 Tim 6). Staff are expected to set an example of wise stewardship and trustworthiness in managing their wealth and their households.
- c. Some staff will have higher costs than others (eg dependent children, dependent wife etc) and as such their 'needs' may mean they are paid more than some other staff members. While equity is the goal, it does not mean 'sameness' in every aspect.
- d. Staff ought to be provided for such that they are 'neither in poverty nor in riches'. The staff must be freed from concerns about their financial wellbeing so they can concentrate upon ministry. On the other hand there

ought be no perception of the staff living in great comfort while others in the congregation struggle to make ends meet.

- e. Both staff and congregation need to be aware of the different nature of full time Christian ministry from secular work and the extra demands placed on staff. For example staff are expected to use their homes in their ministry (as an office, meeting room and entertainment facility) in a way that few other employers demand.
- f. While pastoral ministry is not well paid by comparison to many other professions with similar amounts of study and responsibility, ministers do obtain some benefits not afforded to others (fringe benefit tax free allowances, deductions on private school fees, cheaper car registration, etc) because they work for a 'charitable' organization. When the full package and benefits are considered it represents an equivalent salary, comparable or better than many in the congregation might have. At the same time while most professionals would expect their salaries to rise with experience and time in the workforce such that their final salary at the point of retirement might well be several times greater than when they began in the workforce, no such expectation is there in ministry. The package for a minister of 30 years standing is not very much different to the new graduate in his first year. For this reason the superannuation contributions are more generous than required by government legislation.

### 3. Structure of Package

#### a. For Clergy and Lay Stipendiary Workers

- i. Staff are paid a stipend on a monthly basis. This stipend is split with 70% paid as salary with appropriate tax deducted and the other 30% directed to the Ministry Expense Account.
- ii. In addition to stipend staff are paid 'benefits' for various ministry related expenses (travel, dependent, phone, electricity, books, entertainment, etc). The amount of these 'benefits' varies according to the employment and family circumstances of each staff member. These benefits are paid into a 'Ministry Expense

Account' kept by the Parish for each individual staff member. Staff are reimbursed from the MEA for expense incurred upon presentation of receipts to the Church bookkeeper.

- iii. According to Diocese guidelines a proportion of stipend (30%) can be directed to the MEA and not subject to taxation, but the total amount paid into the staff member's MEA (being 100% of benefits and 30% of stipend) cannot be more than 50% of the total salary package.
- iv. Some costs incurred by staff maybe paid directly by church (such as office/work phone bill, some staff conferences, repairs on properties owned by church etc). Receipts for these expenses ought be presented to the Church bookkeeper.
- v. Any accrued amounts in the MEA account will be paid as salary (with tax deducted) at the end of each financial year, unless negotiated otherwise with Treasurer and Wardens. This 'non accrual' policy is to avoid any large liabilities being incurred by the Parish which may need to be paid out to a staff member at a time of cash flow difficulties for the Parish.

#### b. For staff other than Clergy or Lay Stipendiary Workers

Staff employed on a basis other than as Clergy or Lay Stipendiary workers will have packages negotiated on an individual basis with the Rector and Wardens. The Parish will be guided by any recommendations from the Diocese for such employment.

## 4. Stipend

- a. The stipend paid to staff is in accordance with the minimum set by the annual Sydney Diocese recommendations for Clergy and Lay Stipendiary workers. The Parish Council may chose to pay an amount above this minimum recommendation. Most years there is a modest increase in stipend based on CPI increases.

- b. At the discretion of the Warden's and Parish Council married staff with 8 or more years experience (post ordination or equivalent) performing pastoral duties similar to the Senior Minister maybe paid at the Rector's rate rather than remain on the slightly lower Assistant Minister's rate.
- c. Stipends for staff without theological qualifications or employed on a part time basis (such as youth workers or children's workers) will be negotiated on a case by case basis.

## 5. Ministry Expenses and Benefits

Each staff member has a Ministry Expense Account in the accounts of the Parish. Into this account various benefits are paid. These benefits are not subject to FBT for the Parish as we are an exempt charitable organization. These benefits are effectively tax free in the hands of the staff member. The benefits paid are as follows

- a. A general benefit of 3% of stipend is paid to the MEA for general expenses incurred in performing duties. These are the cost associated with a home office, stationary, computers, books, utilities (a proportion of gas, electricity, water etc), conference fees and the like. This benefit is 4% for the Senior Minister. Utilities are included in this benefit rather than reimbursed directly as the staff member has some responsibility to minimise the cost and because administratively it is simpler
- b. A hospitality benefit of 3% for entertainment and use of the home for ministry purposes.
- c. A dependant benefit based on the number and ages of dependent children as set out in the table. For each child the appropriate percentage of stipend is paid into the MEA.

<b>Child Age</b>	<b>% of stipend</b>
Baby to Pre-school	1
Infants/primary	2
High school	3
Tertiary age and dependent	5

Where a staff member has older children who are no longer dependant having obtained employment and yet maybe living at home, the dependent benefit for that child will cease.

- d. A travel benefit is paid based on the recommended rate of the Diocese for full time pastoral staff. This amount assumes approximately 10000 km travel in an average sized family car.

The amount of benefits paid will therefore be slightly different for each staff member. Reimbursement from the MEA is made each month upon presentation of receipts for expenses. The list of legitimate expenses able to be reimbursed from the MEA is very wide and not limited to only ministry expenses. In addition to the obvious ministry expenses (books, conferences, education fees, stationary, computers, entertainment, phone, internet, insurance, utilities etc) it includes dependent school fees, dependent expenses (shoes, lessons, food, etc), repairs and maintenance and the like. The full list is available from the Church Treasurer or bookkeeper.

## 6. Other Ministry Expenses

Christ Church will pay some expenses incurred by staff directly. These include but are not limited to :

- a. Conference Costs – where a staff member is required to attend a conference for the Parish and is ‘working’ during that time, Christ Church will pay some or all of that conference cost (eg at the church houseparty or

a staff retreat). The amount to be paid will be negotiated with staff members prior to attending.

- b. House maintenance and repairs – where a staff member occupies a house owned by Christ Church and they incur some costs to repair or maintain that property these expenses will be paid by the Parish. Receipts for smaller amounts ought be tendered monthly and larger capital items discussed with Parish Council before the expense is incurred.
- c. Phone and Internet – the Parish will pay directly some proportion of the costs of communication by phone and email. The following table applies:

Item	% paid by Parish	Limit paid by church
Work phone (where the phone line is used exclusively for work purposes)	100	None
Internet access and usage	50	\$30 /month
Mobile phone (where the phone is used for both work and private calls)	50	\$50 /month
New connection fees / new communication equipment	Negotiable but usually 50/50	\$300

## 7. Housing Benefit

As part of the package full time pastoral staff are provided with housing. This can be achieved either by

- i. accommodating the staff member in a church owned property (Pile St, Boronia Park etc), or
- ii. accommodating them in a rental property and Christchurch pays the rent, or

- iii. allowing the staff member to occupy their own home and paying a housing benefit to them.

Where staff member lives in their own house an ‘agreed figure’ for the housing benefit will be paid into the staff member’s MEA (or directly to the mortgage provider if the agreed amount is less than the minimum mortgage payment). Staff can then claim accommodation expenses from the MEA by showing evidence of the cost incurred (interest payments, repairs, rates, etc)

The following schedule applies to the different housing options :

Type of housing	Housing Benefit paid	Rates, sewer, fixed water charges paid by	Maintenance, repairs, building insurance paid by
Church house	NO	Christ Church	Christ Church
Rental house	NO	Landlord	Landlord
Own house	up to \$400pw paid into MEA	Staff member (through MEA if desired)	Staff member (through MEA if desired)

This upper limit of any housing benefit based on a ‘proportion of average rental in the area’ (currently fixed at approximately 85% of Boronia Park Duplex rent).

## 8. Superannuation and Long Service Leave

- a. Superannuation for all employees is paid according to Government legislation (9%) with an additional amount paid by the Parish as recommended by the Diocese for any ordained and stipendiary lay workers. Additional employee contributions can be made. Under Government legislation the staff are not required to use the ‘industry’ Super Fund (the Sydney Diocese Superannuation Fund managed by AMP)

but can nominate which fund to direct their superannuation payments into.

- b. Long Service Leave is payable to all full time pastoral staff employees. Clergy have special arrangements as stipulated by the national church and Diocese. Lay Stipendiary workers are entitled to 13 weeks stipend for 15 years of continuous service. This can be taken after 10 years. When a staff member leaves to take up a full time pastoral position in another Anglican Church the accrued LSL owing will be paid to that church. LSL payments are subject to taxation when received as a lump sum. Full details of LSL arrangements are available from the Treasurer or bookkeeper.

## 9. Study and Sabbatical Leave

- a. The parish council in principle agrees that all pastoral staff ought be given some amount of study leave each year. The intention of this is to allow staff to develop theological and pastoral skills by way of further research or study. The exact amount of leave and details are still being determined by Parish Council and a clear policy will be provided for 2007.