

MARS HILL CHURCH

MARS HILL CHURCH – EXECUTIVE ELDERS COMPENSATION STUDY

JUNE 2012

Compiled by Ma,

@ma

_____rshill.com) for Capin Crouse

From Capin Crouse: *For our report, we believe will need much of the following information. It will facilitate our process if numerical information is provided in a digital format, and even better if it is in Excel.*

Church Data

1. Estimated weekly attendance at all services.

12,129

2. Annual gross revenue & expense.

FY2013 (July 1, 2012 to June 30, 2013) \$30,000,000 revenue, \$21,410,526 expenses.

3. Number of employees. 136 (as of 06/30/12)

4. The number of employees and gross revenue and expense for the previous year.

151; FY2012 to date (July 1, 2011 to 05/31/12) \$22,548,938 revenue and \$20,999,413 expenses.

5. Estimated number of volunteers and hours of volunteered service per week. Please include a brief description of the process or formula used for the estimate.

For all of our locations and departments I requested the following information (as applicable to their church/department):

- Sunday service volunteer hours per week—this includes volunteer positions such as kids and youth ministry, welcome and hospitality teams, security, worship, productions, etc.
- Community Group volunteer hours per week—these are our mid-week Bible study groups and includes a host, leader and coach.
- Mid-Week volunteer hours per week—this includes admin type volunteers who may help with reception/office management, graphic design, data entry, helpdesk.
- Unpaid elders volunteer hours per week—we have lay elders that serve at our Mars Hill locations.
- Unpaid interns—the interns are all on a volunteer basis and receive no compensation

Weekly volunteer hours for all locations and departments: **15,132 volunteer hours** church-wide per week on average.

To find the number of equivalent FTEs, for each volunteer area I divided the total number of volunteer hours by 40. This equals an equivalent of **378 FTEs**.

To find the salary equivalent, I used our current compensation structure for volunteer positions and lead volunteer positions.



Unpaid elder equivalent is an entry level elder on our salary table, which is \$65,000 annual.

Unpaid intern is equivalent to Washington state minimum wage. \$9.04 an hour for 40 hours a week.

Total FTE salary equivalent for the volunteers: \$12,136,461

Please see attached excel document "Mars Hill Church_Exec Elder Compensation Study_June 2012"– tab #1 "Total Volunteer Hours" for totals and tab #2 "Church.Dept" for details.

6. **Are there any management or professional positions requiring 10 or more hours of work per week that are occupied by volunteers? If so, please provide the title of the position (and a brief description) and the approximate number of hours per week.**

None

7. **The names and descriptions of any separate ministries or organizations that would not be part of a traditional church, and the annual income and employees associated with them.** None

Individual Data-For Each Pastor - see below for each Executive Elder; information also included in excel document "Mars Hill Church_Exec Elder Compensation Study_June 2012", tab #3 "Comp Hx"



PASTOR MARK DRISCOLL – date of hire 09/01/1996

1. Job description, describing normal responsibilities and reporting structure—those to whom the pastor reports, and those who report to the pastor. An organizational chart can be helpful.

Pastor Mark is the founding pastor of Mars Hill Church and is responsible for the preaching and vision of Mars Hill. He preaches 40 Sundays a year and coaches other Mars Hill pastors in preaching the other 12 Sundays. He oversees a team of 4 staff, including an Executive Assistant, a Department Administrative Assistant, Research and Editorial Assistant, and Hospitality Manager. The Executive Assistant is the only staff that reports directly to Pastor Mark and the Executive Assistant supervises the other staff in the department—though Pastor Mark leads the vision and direction of the department. His responsibilities during a typical week include: meeting and coordinating with Executive Elders, Creative and Communications team and other staff as needed; study and sermon preparation; writing blogs for Mars Hill, PastorMark.tv, and the Resurgence; recording Leadership Coaching videos; phone calls, emails and meetings with other Mars Hill pastors and pastors from other churches for coaching, training and shepherding; create campaigns and work on outlines and writing for books. Pastor Mark reports to the other two Executive Elders as well as the Board of Directors of Mars Hill. For his performance reviews we have a team of pastors and Christian leaders who review his work and life and make salary and additional compensation recommendations.

2. Last 2 year's "compensation" history, divided among (1) regular salary, (2) housing allowance, (3) retirement contributions, (4) medical and other employee benefits, (5) tuition reduction (value) if any of his children attend the schools with a reduced tuition, (6) automobile, (7) church "business" expense reimbursements and (8) other benefits, whether or not believed to be taxable.

1. Current Salary (effective 10/01/11): \$564,615 total (\$364,615 salary + \$200,000 housing)
Previous Salary (effective 02/01/11): \$267,750 (\$67,750 salary + \$200,000 housing)
2. Current housing: \$200,000; previous year \$200,000
3. Current retirement: \$33,000 annual Mars Hill contribution; previous year \$33,000.
4. Medical and other employee benefits:
 - a. Medical – Mars Hill pays 100% premium for Pastor Mark and his family.
2012: \$13,314 annual medical premium plus \$2500 annual Mars Hill contribution to HSA (Health Savings Account).
2011: \$12,926 annual medical premium plus \$3000 annual Mars Hill contribution to HSA.
 - b. Dental and Long-Term Disability (covers 60% of salary to maximum of \$6000 month) – Mars Hill pays 100% premium for Pastor Mark and his family.
2012: \$1400 annual premium.
2011: \$1000 annual premium.
 - c. Vision -- Mars Hill pays 100% premium for Pastor Mark and family.
2012: \$180 annual premium.
2011: \$150 annual premium.



- d. Life Insurance – West Coast. Basic info: \$1230 annual premium; Amount \$2,000,000; Beneficiaries: Grace Driscoll (\$1,000,000), Bank of America (\$575,000), and MHC (\$425,000).
 - e. Cell phone - \$4200 annual.
 - f. Additional wellness stipend - \$6000 annual.
 - g. Book stipend - \$1200 annual.
5. Tuition reduction: N/A
6. Automobile: N/A
7. Church “business” expense reimbursements: see #3 below
8. Other benefits: N/A
- 3. Estimated allocation of Pastor’s time among the ministries in item #7 (could be hours per week, per month or per some other period). Generally, what does the Pastor do for the ministry?**
- This is difficult to break out or estimate. He does speaking engagements for different ministries and reports honorariums when received. A majority of the events have a tie to Mars Hill and Mars Hill benefits from the work, so difficult to classify anything as purely outside ministry. Pastor Mark’s executive assistant is available to discuss this question in more detail.
- 4. Is the Pastor compensated separately by any organizations related to the church? If so, how much does the organization pay, and what is the relationship to the church?**
- Pastor Mark receives honorariums for outside speaking requests. Examples this past year include Real Marriage speaking tours, Elephant Room tours, conferences with The Hub that are part of Harvest Bible Church and leadership conferences at other mega-churches. He receives pay from these tours and speaking engagements. Amounts can vary, but average \$17,000 per speaking engagement. In terms of relationship to the church, Mars Hill hosted one of the Elephant Room talks and used some of the recordings from Real Marriage tour as sermons at the local Mars Hill Church.
- Pastor Mark also receives royalties from Crossway, Zondervan and Thomas Nelson for published books, amounts vary and are detailed in individual contracts with publishing company for each book. Pastor Mark does not receive any royalties from books sold at Mars Hill Church.
- 5. Whether Pastor’s spouse is compensated by the church, and if so, a description of the duties the spouse performs, the approximate hours the spouse works weekly, and the amount the spouse is paid.**
- Spouse is not compensated by church.
- 6. Whether the Pastor’s spouse works for any organizations related to the church, the nature of the relationship, whether the spouse is paid by the organization, and the amount the spouse is paid.**
- Spouse has helped co-author a book but all payment goes to Pastor Mark.

Questions 3-5 are for the purpose of identifying whether other income possibly should be considered with what is being paid by the church. Often, the answers to those questions confirm and document that only church income should be considered.

PASTOR DAVE BRUSKAS—date of hire 07/01/2009:

- 1. Job description, describing normal responsibilities and reporting structure—those to whom the pastor reports, and those who report to the pastor. An organizational chart can be helpful.** Pastor Dave is the Network Pastor at Mars Hill Church. He is responsible for oversight of the day-to-day ministries, e.g. worship, community groups, kids ministry, at the 14 Mars Hill Church locations. Direct reports for Pastor Dave include, the lead pastor at each Mars Hill Church, the Leadership Development Executive Director and an executive assistant. His responsibilities during a typical week include: meetings with pastors and church leaders; meetings and coordination with Executive Elders; weekly Lead Pastor syncs; writing and preparation for teaching and training; meet with Lead Pastors individually for coaching and shepherding; weekly meeting with Leadership Development department and other department leaders to cast vision and provide clarity and direction; strategic planning special projects, writing and special projects. Pastor Dave reports to the other two Executive Elders as well as the Board of Directors of Mars Hill. For his performance reviews we have a team of pastors and Christian leaders who review his work and make salary and additional compensation recommendations.
- 2. Last 2 year's "compensation" history, divided among (1) regular salary, (2) housing allowance, (3) retirement contributions, (4) medical and other employee benefits, (5) tuition reduction (value) if any of his children attend the schools with a reduced tuition, (6) automobile, (7) church "business" expense reimbursements and (8) other benefits, whether or not believed to be taxable.**
 1. Current Salary (effective 04/06/12): \$225,000 total (\$120,000 salary + \$105,000 housing. Previous Salary (effective 08/01/2011): \$175,000 (\$70,000 salary + \$105,000 housing)
 2. Current housing: \$105,000; previous year \$105,000
 3. Current retirement: Dollar to dollar match up to 4% of salary annual Mars Hill contribution – \$9000 annual current.
 4. Medical and other employee benefits:
 - a. Medical –Mars Hill pays 100% premium for Pastor Dave and his family.
2012: \$13,314 annual medical premium, Pastor Dave is not enrolled in HDHP and therefore does not receive an employer contribution.
2011: \$12,926 annual medical premium, Pastor Dave is not enrolled in HDHP and therefore does not receive an employer contribution.
 - b. Dental and Long-Term Disability (covers 60% of salary to maximum of \$6000 month) – Mars Hill pays 100% premium for Pastor Dave and his family.
2012: \$1400 annual premium.
2011: \$1000 annual premium.
 - c. Vision -- Mars Hill pays 100% premium for Pastor Dave and family. 2012: \$180 annual premium; 2011: \$150 annual premium.
 - d. Cell phone stipend - \$2400 annual
 - e. Book stipend - \$1200 annual



5.Tuition reduction: N/A

6.Automobile: N/A

7.Church “business” expense reimbursements: N/A

8.Other benefits: N/A

- 3. Estimated allocation of Pastor’s time among the ministries in item #7 (could be hours per week, per month or per some other period). Generally, what does the Pastor do for the ministry?**

N/A

- 4. Is the Pastor compensated separately by any organizations related to the church? If so, how much does the organization pay, and what is the relationship to the church?**

N/A

- 5. Whether Pastor’s spouse is compensated by the church, and if so, a description of the duties the spouse performs, the approximate hours the spouse works weekly, and the amount the spouse is paid.**

N/A

- 6. Whether the Pastor’s spouse works for any organizations related to the church, the nature of the relationship, whether the spouse is paid by the organization, and the amount the spouse is paid.**

N/A

Questions 3-5 are for the purpose of identifying whether other income possibly should be considered with what is being paid by the church. Often, the answers to those questions confirm and document that only church income should be considered.

PASTOR SUTTON TURNER—date of hire 04/01/2011:

- 1. Job description, describing normal responsibilities and reporting structure—those to whom the pastor reports, and those who report to the pastor. An organizational chart can be helpful.** Pastor Sutton is the Executive Pastor at Mars Hill Church. He oversees all the day-to-day operations of the church and is responsible for oversight of the following departments: Media and Communications, Finance, Human Resources, IT, Property and Development and Legal. The CFO, Media and Communication Director, Development and Property Director, Executive Communication Manager and an Executive Assistant report to Pastor Sutton. His responsibilities during a typical week include: weekly Operations team meetings with his direct reports; individual one on one meetings with direct reports; meetings and coordination with Executive Elders; weekly meeting with creative and communications team; weekly lead pastor syncs; check signing with CFO and Controller; church executive pastor syncs and training; phone calls and meetings with various business leaders and church leaders; strategic planning special projects and writing; review real estate opportunities for expansion; work with Mars Hill Talent Manager on key hires. Pastor Sutton reports to the other two Executive Elders as well as the Board of Directors of Mars Hill. For his performance reviews we have a team of pastors and Christian leaders who review his work and make salary and additional compensation recommendations.
- 2. Last 2 year's "compensation" history, divided among (1) regular salary, (2) housing allowance, (3) retirement contributions, (4) medical and other employee benefits, (5) tuition reduction (value) if any of his children attend the schools with a reduced tuition, (6) automobile, (7) church "business" expense reimbursements and (8) other benefits, whether or not believed to be taxable.**
 1. Current Salary (effective 04/06/12): \$225,000 total (\$153,000 salary + \$72,000 housing).
Previous Salary (effective 01/01/2012): \$175,000 (\$85,000 salary + \$90,000 housing).
Previous Salary (effective 09/16/2011): \$150,000 (\$60,000 salary + \$90,000 housing).
Previous Salary (effective 04/01/2011): \$126,000 (\$60,000 salary + \$66,000 housing).
 2. Current housing: \$72,000; previous year \$90,000
 3. Current retirement: Dollar to dollar match up to 4% of salary annual Mars Hill contribution – \$9000 annual current.
 4. Medical and other employee benefits:
 - a. Medical –Mars Hill pays 100% premium for Pastor Sutton and his family.
2012: \$13,314 annual medical premium plus \$2500 annual Mars Hill contribution to HSA (Health Savings Account).
2011: \$12,926 annual medical premium plus \$3000 annual Mars Hill contribution to HSA.
 - b. Dental and Long-Term Disability (covers 60% of salary to maximum of \$6000 month) – Mars Hill pays 100% premium for Pastor Sutton and family his family.
2012: \$1400 annual premium.
2011: \$1000 annual premium.



- c. Vision -- Mars Hill pays 100% premium for Pastor Sutton and his family.
2012: \$180 annual premium.
2011: \$150 annual premium.
- d. Cell phone stipend - \$2400 annual
- e. Book stipend - \$1200 annual

9. Tuition reduction: N/A

10. Automobile: N/A

11. Church "business" expense reimbursements: N/A

12. Other benefits: N/A

- 7. Estimated allocation of Pastor's time among the ministries in item #7 (could be hours per week, per month or per some other period). Generally, what does the Pastor do for the ministry?**

N/A

- 8. Is the Pastor compensated separately by any organizations related to the church? If so, how much does the organization pay, and what is the relationship to the church?**

N/A

- 9. Whether Pastor's spouse is compensated by the church, and if so, a description of the duties the spouse performs, the approximate hours the spouse works weekly, and the amount the spouse is paid.**

N/A

- 10. Whether the Pastor's spouse works for any organizations related to the church, the nature of the relationship, whether the spouse is paid by the organization, and the amount the spouse is paid.**

N/A

Questions 3-5 are for the purpose of identifying whether other income possibly should be considered with what is being paid by the church. Often, the answers to those questions confirm and document that only church income should be considered.