

La Crosse Area Synod, ELCA
Proposed 2016 Minimum Guidelines Compensation
for Clergy with a Parsonage Worksheet

Pastor _____ Year Ordained _____

Date _____ Years of Experience _____

The congregation will provide the following annual compensation:

A. COMPENSATION WHEN PARSONAGE IS PROVIDED

A.1. Base Salary based on:

a. Years of experience \$ _____
 b. Education \$ _____
 c. Extra responsibilities \$ _____
 d. Merit \$ _____

Total base salary equals \$ _____

A.2. Social Security Allowance: line A.1 X 0.0891* \$ _____

A.3. Total cash salary: lines A.1 + A.2 \$ _____

A.4. Housing Factor: Line A.3 X 30% \$ _____

(Not included in cash salary to the pastor; calculated for pension and IRS purposes)

A.5. TOTAL DEFINED COMPENSATION: lines A.3+A.4 \$ _____

(For FICA and Portico Benefits Services calculations)

Percentage seeks to match the calculators on the ELCA Portico website. See Addendum

B. PENSION and OTHER BENEFITS

B.1. ELCA Pension – 10% \$ _____

B.2. ELCA Medical and Dental Insurance through Portico Benefits Services.

www.porticobenefits.org

➤ Synod guidelines are for the **Gold +** option.

➤ For calculators go to

<https://employerlink.porticobenefits.org/Home/Resources/Calculators.aspx>

Medical and dental insurance through Portico \$ _____

B.3. Other insurance or benefits

a. Medical reimbursement \$ _____

b. Additional disability insurance \$ _____

c. Malpractice insurance \$ _____

d. Tax sheltered annuity (TSA) \$ _____

e. Housing equity** \$ _____

B.4. TOTAL PENSION AND OTHER BENEFITS

Total all lines in Section B \$ _____

**allowance paid to ELCA Optional Pension Plan: 3% of Base Salary (line A.1)

TOTAL (CASH) COST TO THE CONGREGATION: LINES A.3. + B.4. \$ _____

C. ADDITIONAL EXPENSES

The congregation will provide for the following expenses related to this pastor's ministry.

C.1. Automobile and travel allowance per IRS rate \$ _____

C.2. Official synod meetings – (\$800) required \$ _____

C.3. Sabbatical Reserve Fund – (\$1150) \$ _____

C.4. Continuing Education Fund – (\$800) \$ _____

C.5. Books and publications – (\$300) \$ _____

C.6. Other professional expenses \$ _____

C.7. Moving expenses \$ _____

D. TIME AGREEMENTS

1. Vacation: _____ weeks including _____ Sundays;
2. Continuing education time of _____ weeks per year (recommended minimum of two weeks per year that may be accumulated up to three years, as reflected in a continuing education agreement developed by the pastor and congregation council);
3. Sabbaticals – up to 3 months after 5 years in the current call
4. Participation in a First-Call Theological Education Program for Seminary graduates during the first three years in the ministry.
5. Up to two months of continued salary, housing, and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the pastor is physically or mentally disabled. *
6. Maternity/adoptive leave up to six weeks with full salary, housing, and benefits.

* Provision may be made for further unpaid time for disability recovery as agreed by the congregation, but with the stipulation that unused accumulated sick leave will not be compensated at the end of this call.

E. OTHER PROVISIONS (Addressed in Letter of Call only) (To correlate with green sheet)

F. OTHER MATTERS

1. Designated Holiday: 7 days minimum
2. Days off: _____ 1 day/week (minimum) or _____ 6 days/4 weeks
(recommended) or _____/_____
3. Sick leave: 1 day/month; maximum 45 days accumulated
4. Family Medical Leave: negotiated
5. Compassionate Leave: negotiated
6. Support Staff

**La Crosse Area Synod - ELCA
Proposed 2016 Minimum Guidelines for
for Clergy with a Parsonage**

**** Review, revise and update this agreement every year. It is suggested that the anniversary of the Call might be the occasion for this review.**

NOTES

For nearly 2000 years the Christian church has seen the pastoral office as a divinely instituted office (de jure divino) given to the church that the Word may be preached and the sacraments administered calling forth the gathered community of believers. God and the church have called and set apart individuals to this holy task to see that our greatest treasure, this Good News, the Gospel of Jesus Christ, is indeed rightly preached and properly administered. We respect, honor and care for our pastors because of Jesus Christ, whom our pastors preach and in whose name they administer the sacraments to us.

People's expectations of pastors have changed dramatically in the past generation. The pastor is expected to be not only an effective preacher, but a teacher, administrator, counselor, and someone available at all times who can relate well with all people. For these reasons, we trust congregations to study these guidelines and consider them carefully as decisions are made regarding the salaries of pastors and associates in ministry. These guidelines are provided for each congregation as *minimum* compensation for those set apart for the office of word and sacrament.

A. COMPENSATION WHEN A PARSONAGE IS PROVIDED:

All utilities and maintenance shall be provided.

A.1.a. Years of Experience

It is commonly agreed that the years served in a profession need to be recognized. These are minimum guidelines for appropriate cash salaries for a range of years of experience in the ministry. For second career pastors some consideration may be given for years of experience in a related field prior to ordination.

The minimum guidelines as recommended are meant to provide assistance to congregations in establishing compensation. It should be noted that cash salary does not include housing allowance.

| | 2016 Salary |
|----------|------------------------|
| Starting | \$35,450 |
| 1 year | \$35,950 |
| 2 years | \$36,450 |
| 3 years | \$36,950 |
| 4 years | \$37,450 |
| 5 years | \$37,850 |
| 6 years | \$38,350 |
| 7 years | \$38,850 |
| 8 years | \$39,350 |
| 9 years | \$39,850 |
| 10 years | \$40,550 |
| 11 years | \$41,050 |
| 12 years | \$41,550 |
| 13 years | \$42,050 |
| 14 years | \$42,550 |
| 15 years | \$43,750 |
| 16 years | \$44,250 |
| 17 years | \$44,750 |
| 18 years | \$45,250 |
| 19 years | \$45,750 |
| 20 years | \$46,550 |
| 21 years | \$47,050 |
| 22 years | \$47,550 |
| 23 years | \$48,000 |
| 24 years | \$48,700 |
| 25 years | \$49,500 |

(Beyond the 25th year, consideration could be given to additional salary, vacation, or a combination thereof commensurate with the above schedule.

A.1.b. Education

For a degree in addition to a Master of Divinity you are encouraged to add an additional \$1,000 to the salary.

Further theological education enriches ministry. For a degree in addition to the basic Master of Divinity, you are encouraged to add an additional \$1000 to the salary. If your pastor has a Master of Theology degree, a Dr. of Ministry, a Dr. of Theology degree, a Ph.D. or a Residency in Clinical Pastoral Education, you are encouraged to recognize that education with an additional compensation.

Note: Other advanced degrees that directly enhance the ministry could be considered for additional compensation.

A.1.c. Responsibilities and Condition of Service

Assess the responsibilities placed on your pastor in this particular call and consider additional compensation for additional workload/expectations.

Each situation is unique. The varieties of situations include solo parish, multiple parish, extra parish (hospital, chaplain, etc.), senior pastor (or administrative or lead pastor), co-pastor, associate pastor, and assistant pastor. If the condition of service involves a greater measure of responsibility or workload, additional compensation is appropriate.

A.1.d. Merit

Excellence in one or more of the main tasks of ministry should be considered in salary decisions. You are encouraged to consider adding \$500 to \$1,000 of merit pay to the salary.

The pastoral call generally includes such primary responsibilities as preaching, leading worship, teaching, pastoral care, management, leadership development, evangelism, and stewardship education. If your pastor demonstrates a particular excellence in one or more areas such as these, you are encouraged to consider a merit increase.

A.2. Social Security Allowance

Clergy pay 15.30% self-employment tax. The congregation or calling agency should pay half or 8.91%.

The pastor will pay 15.3% Social Security tax on income, plus housing, plus Social Security. While most employers directly pay half of an employee's Social Security to the IRS, churches are not allowed to do this for ordained clergy because clergy are considered self-employed for Social Security purposes. However, pastors should be on a par with other employees. The church or calling agency should compensate the ordained minister at least half (8.91%) of the Social Security tax. Some advisors suggest that the allowance should be more than half since this compensation will also be taxed at the self employment rate.

A.3. Sub Total (calculated for pension and IRS purposes only)

A.4. Housing Allowance Factor

The standard for calculating the value of a parsonage is 30% of cash salary plus Social Security Allowance (ELCA Board of Pensions). This percentage of fixed housing allowance helps equalize housing for pension purposes

when rental values vary from one place to another.

A.5. Total defined compensation

B. ELCA PENSION AND OTHER BENEFITS

The Pension/Major Medical contribution is a percentage of the total compensation (cash salary, plus Social Security, plus housing, plus furnishings allowance).

You are encouraged to request current pension materials from Portico Benefit Services 800 Marquette Avenue, Suite 1050, Minneapolis, MN 55402, 1-800-352-2876, or www.porticobenefits.org.

Pension Rate

B.1. The 10% pension rate is for all pastors.

Medical/Dental Rates

B.2. Go to Portico Benefits website(www.porticobenefits.org) for up-to-date rates and calculators. The synod guidelines are for the **gold+** option.

B.3. Additional Benefits

They may include insurance to supplement the ELCA Pension and Other Benefits Plan. Although this plan includes usually adequate disability coverage, at certain high risk times in life, e.g., when children are in college, additional disability may be advisable for the sake of the congregation and pastor. A medical reimbursement plan can be established by the congregation via an enabling resolution, but counsel regarding these issues as well as malpractice insurance should be considered. Portico Benefits can help.

B.3.d. Tax Shelter Annuity and Life Insurance

These are listed in the ELCA call guidelines as other possibilities for additional compensation. These options may be discussed with the Board of Pensions.

B.8.e. Housing Equity Allowance

Shall be provided when the pastor is required to live in housing provided by the parish. Consider minimum 3% of cash salary per year.

This will give the clergy some equity over the years to provide purchasing power when he/she will have to provide housing. Consult ELCA Pensions for details on this program. These monies are deposited in ELCA Optional Pension plan through the congregation's treasurer.

C. PARISH MINISTRY EXPENSES

Expenses are not a part of salary itself. They are legitimate expenses of the ministry of the congregation.

C.1. Travel Expense

Reimbursement for travel and car expense can be handled in one of three ways:

- a. Reimbursement for actual business miles at the current IRS rate.
- b. Payment of an established year travel allowance, pro-rated on a monthly basis. (Clergy and other members of the professional staff who receive a yearly/monthly allowance need to keep accurate records, available to the IRS upon request. Any funds in excess of the allowance must be reported as "other income").
- c. The congregation can purchase or lease a car and assume all expenses. (Clergy and staff must reimburse congregations for personal use of the car).

C.2. Official Meetings & Events of the Synod

Required \$400. This is budget line item separate from Continuing Education Fund.

Registration fees, motel/housing, travel and meal expenses are normal costs that should be paid by the congregation/agency. Examples: Synod Assemblies, Spring & Fall Theological Conferences (required attendance) and special events, Conference Pastors meeting, Assemblies, etc. The pastor should discuss with the appropriate committee his/her plans to attend a specific event.

C.3 Sabbatical

We strongly recommend sabbaticals for all pastors as endorsed by the ELCA Assembly in 1997 and the Synod Assembly in 1999. A sabbatical is a "planned" extended time away from congregational responsibilities for study, reflection and spiritual refreshment. The pastor can take a sabbatical after five years in the present call. A first call pastor must have completed three years of FCTE. Prior to taking a sabbatical, the sabbatical details would be drawn up by the pastor, congregation and bishop and would generally cover up to three months after five years in the current call.

Reserve Fund

The Reserve Fund, to be escrowed, (recommend \$1,150 annual deposit by the congregation) would be divided equally between pastor (sabbatical expenses) and congregation (cost of supply services). In the year the sabbatical is taken, current Continuing

Education funds shall be used, and no more than two weeks of that year's vacation time could be used. Typically a pastor will serve at least one year in the present call following a sabbatical. Complete details available in synod office. Ask for "Sabbaticals: Policy and Procedures"

C.4. Continuing Education (Funds)

\$800 is minimum annually.

Continuing education benefits the pastor and the congregation. The congregation/agency will contribute a minimum of \$800 or approximately 2/3, and the ordained minister contributes a minimum of \$350, or 1/3 toward the yearly goal of \$1,150 for continuing education. This money should be set aside in an escrowed account and allowed to accumulate for three years thus making a continuing education opportunity with higher tuition costs and greater time requirement a viable option.

C.5. Books and Publications

\$300 minimum annually

Books, publications, audio, videotapes, and CDs that are directly related to the church's ministry should be funded by the congregation/agency.

C.6. Other Professional Expenses

C.7. Moving Expenses

D. TIME AGREEMENTS

D.1. Vacation

Four weeks and four Sundays minimum.

D.2. Continuing Education (Time)

Two weeks minimum which may include Sundays, when necessary. Unused time may be accumulated for up to six weeks in three years.

D.3. Sabbaticals – Same as C.3.

D.4. Refer to synod booklet on First Call Theological Education

D.5. Up to two months of continued salary, housing and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the pastor is physically or mentally disabled.*

*Provision may be made for further unpaid time for disability recovery as agreed by the congregation, but with the stipulation that unused accumulated sick leave will not be compensated at the end of this call.

D.6. Maternity/Adoptive and Paternity/Adoptive Leave

Six weeks of paid maternity/adoptive leave is available to a new mother. Additional unpaid leave time may be negotiated with the congregational leadership. Likewise, paternity leave may be negotiated with the congregational leadership.

E. OTHER PROVISIONS (Addressed in Letter of Call only)
(To correlate with green sheet)

F. OTHER MATTERS

F.1. Designated Holidays

Minimum seven days.

Holidays that are normal workdays for clergy should be compensated with time off either the days immediately before or after the holiday.

Nationally recognized holidays are New Years Day, Good Friday, Memorial Day, 4th of July, Labor Day, Thanksgiving, and Christmas Day. It is recommended that the designated holidays be clearly identified. These days are distinct from vacation days. For additional information refer to the ELCA Churchwide guidelines.

F.2. Work Days and Days Off

We want our pastors to be healthy; mentally, emotionally, spiritually and physically. Therefore, we must be aware of the necessity of creating a balance between work and days off. It is clear that pastors and congregations need to look at this balance.

Full time pastors are expected to be full time, but the very nature of the work of a pastor puts a pastor on call 24 hours a day. Often this schedule does not allow time for the family, proper rest, time for renewal, study and reflection. One day per week minimum.

Recommended six (6) days per four (4) weeks.

We therefore recommend for your serious consideration that twice a month at properly spaced intervals the pastor has a two day break. It should include two consecutive nights with no meetings and two days with no church meetings and responsibilities. In case of emergencies, the break is rescheduled. These breaks are not designed to be saved and accumulated. These breaks are designed to be used in the midst of the work schedule. It's important to discuss work days and days off.

F.3. Sick Leave

One day per month.

Reasonable amount of time for routine illnesses is assumed. If illness continues into the third month consult the Board of Pensions for disability. ELCA guidelines recommend one day of sick leave per month, accruing up to 45 days. Accrued sick leave will not be paid upon the end of the Call.

F.4. Family Medical Leave

Negotiated with congregational leadership as needed. Accrued sick leave may be used.

F.5. Compassionate Leave

Three to five days with Sunday pulpit supply depending upon the circumstances of the emergency. Compassionate leave is defined as an event of death in the pastor's immediate family (including spouse, children, parents, brother, sister, grandchildren, mother-in-law, father-in-law or legal guardian).

F.6.

Ten hours minimum of secretarial support per week.

Pastor is supervisor of all staff.

Pastor does an annual performance appraisal of staff and forwards results to appropriate leadership.

Current forms, additional information and counsel are available from the Synod Office, the synod website: www.lacrosseareasynd.org , or from members of the La Crosse Area Synod Compensation Guidelines Sub-Committee:

Rev. Dale Ruosch, Chair
PO Box 422
24610 3rd St
Trempealeau WI 54661
608-534-5127
dkonriv@centurytel.net
(Journey Lutheran Church)

South Conference

Kelly Gochenaur
902 N Beaumont RD
Prairie du Chien, WI 53821
608-326-4136
kellygochenaur@yahoo.com
(St. Peter Evangelical Lutheran Church)

North Conference

Steve Hogden
N14802 Hogden Rd
Galesville, WI 54630
608-582-2184 residence
(French Creek Lutheran Church)

East Conference

Don Hoffmann
PO Box 355
Mauston, WI 53948
608-847-2153 residence
dohoffmann@frontier.com
(Bethany Lutheran Church)

West Conference

Tom Monson
225 Country Club Ct
La Crosse, WI 54601
608-782-7222 residence
608-785-1727 work
Tmonson55@gmail.com
(English Lutheran Church)