



**Metropolitan Chicago Synod**  
**Evangelical Lutheran Church in America**  
God's work. Our hands.

**2019 Salary Guidelines  
for Rostered Leaders  
in the  
Metropolitan Chicago Synod  
Evangelical Lutheran Church in America**

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# Part I Determining the Cash Salary

## Step 1 Base Salary

Base salary is that portion of compensation that is provided to sustain the rostered leader who is called to lead ministry through the congregation or another organization. Base salary does not include housing, social security allowance, or professional expenses.

Please refer to Salary Guidelines on page 10.

\$ \_\_\_\_\_

## Step 2 Merit Adjustment

**Education:** Further education enriches ministry. Modest reimbursement for advanced degrees is appropriate. The suggested amount added to base pay for this component is a multiplier in the range of 1% to 5% of base pay.

\$ \_\_\_\_\_

**Responsibility:** Each call is unique to the situation in a given congregation. Things to consider in this area include solo parishes, multiple staff parishes, and specialized ministries. When there is a unique measure of leadership or workload, additional compensation is appropriate. The suggested amount added to base pay for this component is a multiplier in the range of 1% to 5% of base pay.

\$ \_\_\_\_\_

**Previous Work Experience:** Previous experience in the church and/or secular workforce that enhances a person's skills for ministry should be taken into consideration. Such experience prior to ordination should be calculated at a rate of 1/3 to 1/2 year for each year of prior experience, not to exceed 5 years of ministry credit.

\$ \_\_\_\_\_

## Step 3 Total Cash Salary

\$ \_\_\_\_\_(1)

## Part II Determining Housing Allowance (choose Option 1 OR 2)<sup>1</sup>

### Option 1: Allowance if pastor is a homeowner or renter

If your congregation provides a housing allowance for your pastor and family, this amount should be sufficient to provide adequate housing as well as care for the related expenses of upkeep and utilities (e.g., electricity, fuel, trash removal, water/sewer, internet, and basic telephone service). Your pastor may exclude the housing allowance from taxable income up to the *Fair Rental Value* of a furnished home plus utilities to the extent that the housing allowance is actually spent for housing. Expenses that qualify for the housing allowance include payments on purchase, mortgage payments (principal and interest), taxes, insurance, utilities, maintenance, repairs, furnishings, landscaping, etc. A helpful guide is to start with the median cost of a home in the community (which can be found at <http://www.elca.org/Our-Work/Congregations-and-Synods/Research-and-Evaluation/Demographic-Reports>). Add an additional 12% of that cost to that figure for being fully furnished. A rule of thumb is taking 1% of this figure to determine the fair market rental value. This 1% equals the monthly amount of housing allowance. For example: the median cost of a home in Elmwood Park, Illinois, was \$229,455. Fully furnished, that home would be valued at \$256,990 (\$229,455 x 1.12). 1% of \$256,990 (\$256,990 x .01) gives you a monthly housing allowance figure of \$2,570 (annually: \$30,840) to which the cost of utilities would be added.

The above calculation is recommended to determine your pastor's housing allowance. If this is not feasible, please refer to Appendix D to obtain the median housing costs by county for use as a minimum guideline.

\$ \_\_\_\_\_ (2a)

### Option 2: Allowance if parsonage is provided

Portico Benefit Services determines 30% of Total Cash Salary is to be added to the Defined Compensation. This is its value only, not an amount paid to the pastor.

Value \$ \_\_\_\_\_ (2b)

#### Utilities

Congregations are encouraged to pay utilities directly, but may instead add an allowance of about \$3,600. Paid directly

OR Allowance \$ \_\_\_\_\_ (2c)

#### Furnishings Allowance

Congregations may add a portion to the cash salary called "furnishing allowance" or may designate an amount from the cash salary for this allowance. Purchases made with this allowance are the property of the pastor. OR Designated

Added \$ \_\_\_\_\_ (2d)

(Option 2 continued on page 6)

<sup>1</sup> Only Word and Sacrament Ministers are eligible for a housing allowance. Please see Appendix C for Internal Revenue Service housing resolution.

### Housing Equity

When a church-owned or rented parsonage is provided as part of the pastor's compensation, the pastor does not have the opportunity to build equity, as do homeowners. Some congregations choose to compensate for this lack of equity with a housing equity allowance. These funds are vested in the pastor. The congregation pays a predetermined amount in monthly installments directly to Portico (preferred) or to another depository agreed upon by the pastor and the parish or directly to the pastor. If paid directly to the pastor, it becomes taxable income. It is recommended that the housing equity allowance be placed in a tax-deferred account with Portico. The housing equity allowance is intended to assist the pastor or the pastor's family to provide housing that would be available when the pastor decides to purchase a home, retires, becomes disabled, dies, or when the congregation disposes of its parsonage and begins paying a housing allowance. When the pastor resigns, the assets accumulated in the depository (if not Portico) are transferred to another congregation or paid directly to the pastor, at the pastor's discretion. Our recommendation would be to pay a housing equity allowance of at least \$3,600 per year.

\$\_\_\_\_\_ (2e)

**Total Housing Compensation** [2a or 2b+2c+2d+ (2e, if amount is paid directly to the pastor)]

\$\_\_\_\_\_ (2)

## Part III Social Security

### Social Security Allowance

Pastors are required to pay 15.3% Self-Employment (SE) Tax (Social Security/Medicare). The 15.3% is comprised of 7.65% employee portion and 7.65% employer portion. The employer portion of this tax is a deductible item for income taxes. Your local Social Security Office should be consulted for recent changes. This allowance is taxable income to the pastor and subject to SE tax.\*

It is recommended that the congregation assume at least the employer portion of the Social Security Tax that the pastor must pay. This is done by paying at least 8.235% of the sum of lines 1 + 2.

\$\_\_\_\_\_ (3)

\*(7.65% x 7.65% = 0.585% + 7.65% = 8.235%)

## Part IV Retirement and Other Benefits

### Retirement

Under the ELCA Retirement Plan, the congregation is required to pay the minimum retirement contribution percentage. The congregation may choose to pay a retirement contribution percentage that is higher than the minimum.

#### RETIREMENT CONTRIBUTION RATES

| <u>Attained Age on 12/31/87<br/>if enrolled prior to 1988</u> | <u>Minimum Required<br/>Contribution Rate</u> |
|---|---|
| 45 through 54   | 11%   |

\*\*\*\*\*

|                            |     |
|----------------------------|-----|
| All other rostered leaders | 10% |
|----------------------------|-----|

Defined Compensation<sup>2</sup> X \_\_\_\_\_%

#### Retirement Contribution

\$ \_\_\_\_\_

#### ELCA Medical and Dental Benefits

Calculate benefit costs by using Portico calculator found at <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>.

See Appendix F, page 20, for more information.

\$ \_\_\_\_\_

#### Disability, Basic Group Life, and Retiree Support

Contribution is set by Portico Benefit Services at 3.4% of Defined Compensation in 2019. See Appendix F, page 21.

\$ \_\_\_\_\_

#### Additional Benefits

The congregation may also provide Supplemental Medical Insurance.

\$ \_\_\_\_\_

#### Tax-Sheltered Annuity

The congregation may also provide a tax-sheltered annuity.

\$ \_\_\_\_\_

### Total Retirement and Other Benefits

\$ \_\_\_\_\_(4)

<sup>2</sup> Defined Compensation: *Defined Compensation* is the sum of Total Cash (line 1), Housing (line 2a OR 2b+2c+2d), and Social Security (line 3).

## **Part V Reimbursable Expenses**

### **Automobile Allowance**

There are three ways to handle auto expenses (choose one):

- a. Congregation purchases or leases an auto \$ \_\_\_\_\_
- b. Reimburse miles driven at 58 cents per mile<sup>3</sup> \$ \_\_\_\_\_
- c. Pay monthly allowance (taxable as income) \$ \_\_\_\_\_

### **Continuing Education**

It is recommended that \$1,200 per year be spent for the continuing education of a rostered leader.

A minimum of 50 hours per year of intentional continuing education is strongly encouraged. To meet this requirement, it is recommended that 2 weeks (14 days, including two Sundays) be given annually. \$ \_\_\_\_\_

### **First Call Theological Education**

First Call Theological Education (FCTE) is a requirement of the ELCA for a pastor in the first three years of ministry. This program helps pastors transition from seminary to congregational ministry. The FCTE requirement is in addition to the above recommended continuing education for the first three years of the pastor's ministry. Currently FCTE is four to six days per year.

### **Publications and Other Resource Expenses**

Congregations are encouraged to reimburse for books, periodicals, resource materials, and appropriate dues up to \$500 annually. \$ \_\_\_\_\_

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<sup>3</sup> The reimbursement amount is the Standard Mileage Rate for business set by the Internal Revenue Service (IRS) and announced annually. Anytime the IRS revises this rate, the revised rate will become the current rate to use for reimbursements. This information is available at [www.irs.gov](http://www.irs.gov), search phrase – *standard mileage rates*.

**Official Meetings**

All rostered leaders under call are expected to attend the synod assembly and other meetings called by the bishop, including the synod Professional Leaders Conference. It is recommended that the expenses for these meetings be budgeted and paid for by the congregation. In situations where the congregation does not pay these meeting expenses, the pastor should be reimbursed.

\$ \_\_\_\_\_

**Other Expenses**

Congregations are encouraged to reimburse other expenses incurred by the pastor that are related to the ministry of the congregation.

\$ \_\_\_\_\_

***Total Reimbursable Expenses***

\$ \_\_\_\_\_(5)

|                             |          |
|-----------------------------|----------|
| <b>Total Salary Package</b> | \$ _____ |
|-----------------------------|----------|

## **Part VI     Other Considerations**

### **Salary Guidelines**

The 2019 Salary Guidelines for Rostered Leaders in the Metropolitan Chicago Synod are provided to assist in establishing appropriate salary packages, both for the initial call and in subsequent years. For 2019, a 3.0% cost of living increase is recommended for rostered leaders. This is based on the current Consumer Price Index of 2.9%, with inflationary increases projected throughout 2019.

Appendix A contains salary guidelines for rostered pastors on page 13. The combined recommendation is comprised of the cost of living increase discussed above, along with an experience factor that begins at 2% and declines over the term of the call. Appendix B (pp. 14-15) contains similar guidelines for rostered deacons based on their education level.

### **Workweek**

Because of the “on-call” nature of ministry, consideration needs to be given to the minister’s self-care. A minimum of one day off per week is a necessity. It is suggested that the minister should have two consecutive days off whenever possible. Separate salary guidelines are available for part-time calls.

### **Vacation**

The need for annual vacation is self-evident. Four weeks of paid vacation time per year, encompassing four Sundays, is considered the minimum. The congregation should consider granting additional vacation time based on the length of service in ministry. The length of vacation time, including the number of Sundays off and when vacation time is to be taken, are all matters which need to be discussed openly with your pastor and are an important part of compensation.

A written agreement regarding vacation time and days off should be approved by the pastor and the church council.

### **Holidays**

Appropriate time off for general holidays should be provided. If the actual day cannot be taken, another day should be designated as the holiday.

### **Parenting Leave**

The number of weeks leave before and after the birth or adoption of a child should be negotiated and specified in advance. A specific parenting leave plan should be carefully drawn up in open consultation with your pastor. Parental leave should include eight (8) weeks full salary, housing, and benefits. Any other specific conditions should be clearly defined in a written document. The congregation is responsible for compensating a supply pastor.

Parental leave may be granted by the congregation at other times, such as during times of severe illness, trauma, or death of a child. The length of the leave and the salary and benefits that the congregation will provide should be mutually negotiated. It is recommended that at a minimum the congregation provide full benefits for the pastor during the leave granted.

## **Sick Leave**

Recommendation is one day per month, cumulative to 30 days. Full compensation should be paid during the illness. The congregation is responsible for compensating a supply pastor during the illness.

## **Compassion Leave**

Compassion leave for a death in the rostered leader's immediate family (spouse, children, parents, grandparents, brother, sister, grandchildren, parent-in-laws, or legal guardian) should be offered. While circumstances vary, three to seven days of paid leave, potentially including a Sunday, is recommended as a compassionate first step.

## **Temporary Disability**

In the event of temporary disability of a full-time rostered leader, full compensation should be paid for the first 60 days of disability.

After the first 60 days of disability, the ELCA disability plan becomes effective and will pay 2/3 or 66.67% of the monthly defined compensation. Congregations should consider paying the remaining 1/3 or 33.33% of the monthly defined compensation. Contact Portico Benefit Services for more information.

The congregation is responsible for compensating a supply pastor during the disability.

If a full-time rostered leader, because of the disability, receives compensation from some source other than the ELCA disability plan, such as Workers Compensation, then compensation should be mutually negotiated so that the total does not exceed the usual monthly compensation.

## **Military Leave**

It is expected that any rostered leader interviewing for a call who has commitments to the National Guard or a reserve component of the military will disclose this information. Time off for these commitments should be mutually negotiated prior to extension and acceptance of call.

## **Flexible Spending Account (FSA)**

In a flexible spending account, an employee elects to "reduce" their salary by a set amount. That amount is then available either as a reimbursement for medical expenses or for dependent care, based on which plan the employee selects. That reimbursement is non-taxable, saving the employee the tax dollars on this amount. There is a minimal cost to the congregation, but substantial savings to the employees. It is an inexpensive way to add some significant benefits for employees. There are restrictions that should be explored, but the advantages make that exploration well worth the time and effort. More information can be obtained from Portico Benefit Services website [www.porticobenefits.org](http://www.porticobenefits.org)

## **Tax Sheltered Annuity (TSA)**

The use of TSA allowance is a way that an additional savings plan may be established for a rostered leader. ELCA defined compensation and IRS rules affect TSA annual limits and should be researched. When a TSA is provided by the congregation as a supplement to the retirement plan, it is a benefit and is not included in the defined compensation. When a rostered leader requests that a portion of their base salary be redirected into a TSA, it is not considered a benefit and is included in the defined compensation for Portico Benefit Services purposes.

**Spiritual Renewal**

It is recommended that all rostered leaders under call be given three days to one week or more per year for spiritual renewal which is not classified as vacation or educational leave. It is suggested that the rostered leader spend this time at a retreat center or facility where they are able to fully focus on “renewal.” Therefore, the pastor should have a colleague cover emergencies during this time away.

**Spiritual Guidance**

It is recommended that all rostered leaders under call have a spiritual director or guide during their time of call.

**First Call Pastors**

Congregations are asked to give serious consideration to making a gift of up to \$5,000 to help pay off any first call pastor’s educational loans. The money should be repaid directly to the loaning organization.

**Moving Expenses**

The congregation is responsible for relocating a rostered leader to the community. All reasonable expenses should be covered by the congregation and negotiated with the incoming pastor. Moving services need to be performed by a professional moving company. If other arrangements are made, they must be mutually agreeable.

**Sabbatical Leave**

It is recommended that the congregation consider Sabbatical Leave for their pastor. See Appendix E for Guidelines for Sabbatical Leaves.

**Appendix A**

**Minimum Guidelines for Pastors**

| Years of Service under call | Base Salary from 2018 | Experience Factor for 2019 | Inflation Factor (3%) for 2019 | Combined Base Salary for 2019 |
|-----------------------------|-----------------------|----------------------------|--------------------------------|-------------------------------|
| 1                           | \$40,744              |                            |                                | \$41,966                      |
| 2                           | \$41,559              | \$41,559                   | \$41,966                       | \$42,806                      |
| 3                           | \$42,374              | \$42,374                   | \$42,806                       | \$43,646                      |
| 4                           | \$43,189              | \$43,189                   | \$43,645                       | \$44,485                      |
| 5                           | \$44,004              | \$44,004                   | \$44,485                       | \$45,324                      |
| 6                           | \$44,819              | \$44,817                   | \$45,324                       | \$46,162                      |
| 7                           | \$45,634              | \$45,630                   | \$46,164                       | \$46,999                      |
| 8                           | \$46,449              | \$46,443                   | \$47,003                       | \$47,836                      |
| 9                           | \$47,264              | \$47,254                   | \$47,842                       | \$48,672                      |
| 10                          | \$48,079              | \$48,066                   | \$48,682                       | \$49,508                      |
| 11                          | \$48,792              | \$48,876                   | \$49,521                       | \$50,342                      |
| 12                          | \$49,505              | \$49,582                   | \$50,256                       | \$51,070                      |
| 13                          | \$50,218              | \$50,288                   | \$50,990                       | \$51,797                      |
| 14                          | \$50,931              | \$50,993                   | \$51,725                       | \$52,523                      |
| 15                          | \$51,644              | \$51,698                   | \$52,459                       | \$53,249                      |
| 16                          | \$52,357              | \$52,402                   | \$53,193                       | \$53,974                      |
| 17                          | \$53,070              | \$53,106                   | \$53,928                       | \$54,699                      |
| 18                          | \$53,783              | \$53,809                   | \$54,662                       | \$55,423                      |
| 19                          | \$54,496              | \$54,511                   | \$55,396                       | \$56,147                      |
| 20                          | \$55,209              | \$55,213                   | \$56,131                       | \$56,870                      |
| 21                          | \$55,820              | \$55,915                   | \$56,865                       | \$57,592                      |
| 22                          | \$56,430              | \$56,512                   | \$57,495                       | \$58,208                      |
| 23                          | \$57,042              | \$57,108                   | \$58,123                       | \$58,822                      |
| 24                          | \$57,653              | \$57,706                   | \$58,753                       | \$59,437                      |
| 25                          | \$58,264              | \$58,302                   | \$59,383                       | \$60,051                      |
| 26                          | \$58,875              | \$58,898                   | \$60,012                       | \$60,665                      |
| 27                          | \$59,486              | \$59,493                   | \$60,641                       | \$61,278                      |
| 28                          | \$60,097              | \$60,088                   | \$61,271                       | \$61,891                      |
| 29                          | \$60,709              | \$60,682                   | \$61,900                       | \$62,503                      |
| 30                          | \$61,320              | \$61,277                   | \$62,530                       | \$63,116                      |
| 31                          | \$61,829              | \$61,871                   | \$63,160                       | \$63,727                      |
| 32                          | \$62,338              | \$62,361                   | \$63,684                       | \$64,232                      |
| 33                          | \$62,848              | \$62,850                   | \$64,208                       | \$64,736                      |
| 34                          | \$63,357              | \$63,341                   | \$64,733                       | \$65,241                      |
| 35                          | \$63,866              | \$63,830                   | \$65,258                       | \$65,745                      |
| 36                          | \$64,376              | \$64,318                   | \$65,782                       | \$66,248                      |
| 37                          | \$64,885              | \$64,807                   | \$66,307                       | \$66,752                      |
| 38                          | \$65,394              | \$65,295                   | \$66,832                       | \$67,254                      |
| 39                          | \$65,904              | \$65,782                   | \$67,356                       | \$67,756                      |
| 40                          | \$66,413              | \$66,270                   | \$67,881                       | \$68,259                      |

**Appendix B**

**Minimum Guidelines for Deacons  
Bachelor's Degree**

| Years of<br>Service under<br>call | Base Salary from<br>2018 | Experience Factor<br>for 2019 | Inflation Factor (3%)<br>for 2019 | Combined Base<br>Salary for 2019 |
|-----------------------------------|--------------------------|-------------------------------|-----------------------------------|----------------------------------|
| 1                                 | \$40,364                 |                               |                                   | \$41,575                         |
| 2                                 | \$41,811                 | \$41,171                      | \$41,575                          | \$42,406                         |
| 3                                 | \$42,648                 | \$42,631                      | \$43,065                          | \$43,910                         |
| 4                                 | \$43,484                 | \$43,469                      | \$43,927                          | \$44,773                         |
| 5                                 | \$44,320                 | \$44,304                      | \$44,789                          | \$45,633                         |
| 6                                 | \$45,156                 | \$45,139                      | \$45,650                          | \$46,493                         |
| 7                                 | \$45,993                 | \$45,973                      | \$46,511                          | \$47,353                         |
| 8                                 | \$46,829                 | \$46,808                      | \$47,373                          | \$48,212                         |
| 9                                 | \$47,665                 | \$47,641                      | \$48,234                          | \$49,070                         |
| 10                                | \$48,501                 | \$48,473                      | \$49,095                          | \$49,928                         |
| 11                                | \$49,233                 | \$49,305                      | \$49,956                          | \$50,784                         |
| 12                                | \$49,965                 | \$50,031                      | \$50,710                          | \$51,531                         |
| 13                                | \$50,696                 | \$50,755                      | \$51,464                          | \$52,278                         |
| 14                                | \$51,428                 | \$51,479                      | \$52,217                          | \$53,023                         |
| 15                                | \$52,160                 | \$52,203                      | \$52,971                          | \$53,769                         |
| 16                                | \$52,891                 | \$52,926                      | \$53,725                          | \$54,513                         |
| 17                                | \$53,623                 | \$54,390                      | \$55,232                          | \$56,022                         |
| 18                                | \$54,355                 | \$55,112                      | \$55,986                          | \$56,765                         |
| 19                                | \$55,087                 | \$55,833                      | \$56,740                          | \$57,508                         |
| 20                                | \$55,818                 | \$56,553                      | \$57,493                          | \$58,249                         |
| 21                                | \$56,445                 | \$57,166                      | \$58,138                          | \$58,881                         |
| 22                                | \$57,073                 | \$57,781                      | \$58,785                          | \$59,514                         |
| 23                                | \$57,700                 | \$58,394                      | \$59,431                          | \$60,145                         |
| 24                                | \$58,327                 | \$59,006                      | \$60,077                          | \$60,776                         |
| 25                                | \$58,954                 | \$59,618                      | \$60,723                          | \$61,406                         |
| 26                                | \$59,581                 | \$60,229                      | \$61,368                          | \$62,036                         |
| 27                                | \$60,208                 | \$60,840                      | \$62,014                          | \$62,665                         |
| 28                                | \$60,836                 | \$61,452                      | \$62,661                          | \$63,295                         |
| 29                                | \$61,463                 | \$62,062                      | \$63,307                          | \$63,923                         |
| 30                                | \$62,090                 | \$62,671                      | \$63,953                          | \$64,551                         |
| 31                                | \$62,827                 | \$63,391                      | \$64,712                          | \$65,293                         |
| 32                                | \$63,564                 | \$64,111                      | \$65,471                          | \$66,034                         |
| 33                                | \$64,301                 | \$64,830                      | \$66,230                          | \$66,774                         |
| 34                                | \$65,038                 | \$65,548                      | \$66,989                          | \$67,514                         |
| 35                                | \$65,775                 | \$66,266                      | \$67,748                          | \$68,254                         |
| 36                                | \$66,512                 | \$66,983                      | \$68,507                          | \$68,992                         |
| 37                                | \$67,248                 | \$67,699                      | \$69,265                          | \$69,730                         |
| 38                                | \$67,985                 | \$68,415                      | \$70,025                          | \$70,467                         |
| 39                                | \$68,722                 | \$69,130                      | \$70,784                          | \$71,204                         |
| 40                                | \$69,459                 | \$69,845                      | \$71,543                          | \$71,941                         |

**Appendix B (Cont'd)**

**Minimum Guidelines for Deacons**

**Master's Degree**

| Years of Service under call | Base Salary from 2018 | Experience Factor for 2019 | Inflation Factor (3%) for 2019 | Combined Base Salary for 2019 |
|-----------------------------|-----------------------|----------------------------|--------------------------------|-------------------------------|
| 1                           | \$46,458              |                            |                                | \$47,852                      |
| 2                           | \$47,905              | \$47,387                   | \$47,852                       | \$48,809                      |
| 3                           | \$48,863              | \$48,845                   | \$49,342                       | \$50,310                      |
| 4                           | \$49,821              | \$49,803                   | \$50,329                       | \$51,297                      |
| 5                           | \$50,779              | \$50,761                   | \$51,316                       | \$52,283                      |
| 6                           | \$51,737              | \$51,717                   | \$52,302                       | \$53,269                      |
| 7                           | \$52,695              | \$52,673                   | \$53,289                       | \$54,254                      |
| 8                           | \$53,653              | \$53,629                   | \$54,276                       | \$55,238                      |
| 9                           | \$54,611              | \$54,583                   | \$55,263                       | \$56,221                      |
| 10                          | \$55,570              | \$55,537                   | \$56,249                       | \$57,203                      |
| 11                          | \$56,408              | \$56,491                   | \$57,237                       | \$58,186                      |
| 12                          | \$57,246              | \$57,322                   | \$58,100                       | \$59,041                      |
| 13                          | \$58,085              | \$58,152                   | \$58,963                       | \$59,896                      |
| 14                          | \$58,923              | \$58,982                   | \$59,828                       | \$60,751                      |
| 15                          | \$59,761              | \$59,810                   | \$60,691                       | \$61,605                      |
| 16                          | \$60,600              | \$60,638                   | \$61,554                       | \$62,457                      |
| 17                          | \$61,438              | \$61,467                   | \$62,418                       | \$63,311                      |
| 18                          | \$62,276              | \$62,293                   | \$63,281                       | \$64,162                      |
| 19                          | \$63,115              | \$63,119                   | \$64,144                       | \$65,013                      |
| 20                          | \$63,953              | \$63,946                   | \$65,008                       | \$65,864                      |
| 21                          | \$64,791              | \$64,770                   | \$65,872                       | \$66,713                      |
| 22                          | \$65,630              | \$65,613                   | \$66,736                       | \$67,564                      |
| 23                          | \$66,469              | \$66,456                   | \$67,600                       | \$68,415                      |
| 24                          | \$67,308              | \$67,293                   | \$68,464                       | \$69,266                      |
| 25                          | \$68,147              | \$68,131                   | \$69,328                       | \$70,117                      |
| 26                          | \$68,986              | \$68,969                   | \$70,192                       | \$70,968                      |
| 27                          | \$69,825              | \$69,807                   | \$71,056                       | \$71,819                      |
| 28                          | \$70,664              | \$70,645                   | \$71,920                       | \$72,670                      |
| 29                          | \$71,503              | \$71,483                   | \$72,784                       | \$73,521                      |
| 30                          | \$72,342              | \$72,321                   | \$73,648                       | \$74,372                      |
| 31                          | \$73,181              | \$73,159                   | \$74,512                       | \$75,223                      |
| 32                          | \$74,020              | \$74,000                   | \$75,376                       | \$76,074                      |
| 33                          | \$74,859              | \$74,837                   | \$76,240                       | \$76,925                      |
| 34                          | \$75,698              | \$75,675                   | \$77,104                       | \$77,776                      |
| 35                          | \$76,537              | \$76,514                   | \$77,968                       | \$78,627                      |
| 36                          | \$77,376              | \$77,352                   | \$78,832                       | \$79,478                      |
| 37                          | \$78,215              | \$78,191                   | \$79,696                       | \$80,329                      |
| 38                          | \$79,054              | \$79,029                   | \$80,560                       | \$81,180                      |
| 39                          | \$79,893              | \$79,868                   | \$81,424                       | \$82,031                      |
| 40                          | \$80,732              | \$80,706                   | \$82,288                       | \$82,882                      |

## APPENDIX C

### Resolutions Regarding Housing

The Internal Revenue Service requires congregations and agencies to pass a resolution annually designating a specific amount of compensation to be used toward housing. The amount to be designated should be decided with the ordained minister based on his or her anticipated housing costs. This amount is one of three factors affecting the amount of housing a minister can claim on their taxes.

### Draft Language for Church Council Action on Housing Allowance

(This wording may be used to officially describe the Council's action on a housing allowance.)

The \_\_\_\_\_ Committee advises the church council that under the U.S. income tax laws outlined in the Internal Revenue Code (IRC), enacted by Congress in Title 26 of the United States Code (26 U.S.C.) an ordained minister of the Gospel is not subject to Federal Income Tax on the amount of his or her compensation that the employing church designates in advance as a housing allowance, to the extent that the allowance represents compensation for ministerial services, is used to pay housing expenses, and does not exceed the fair rental value of the home including furnishings and appurtenances such as a garage, plus cost of utilities.

The council, after considering the request of the Rev. \_\_\_\_\_ to designate an amount of compensation as a housing allowance for the amount expected to be spent to rent or otherwise provide a home during the period \_\_\_\_\_, 20\_\_ to \_\_\_\_\_, 20\_\_, and in light of the Federal Income Tax law and of the established salary level, on motion duly made and seconded, voted to adopt the following resolution:

Resolved that the Rev. \_\_\_\_\_ is to receive a total cash salary of \$\_\_\_\_\_ for the year 20\_\_, of which \$\_\_\_\_\_ is hereby designated as *housing allowance* in response to their request and acknowledgement. While Rev. \_\_\_\_\_ is called to serve this congregation (\_\_\_\_\_ ) in their current position, the above amount of designated housing allowance shall apply to all future years until modified.

Secretary's Signature \_\_\_\_\_ Date \_\_\_\_\_

### Draft Language for Notification of Housing Allowance by Congregation

(This may be used to officially notify a pastor of the approved housing allowance.)

Date \_\_\_\_\_

Dear Rev. \_\_\_\_\_,

This is to advise you that at a meeting of the church council held on \_\_\_\_\_, your housing allowance for the year \_\_\_\_\_ was officially designated and fixed in the amount of \$\_\_\_\_\_. Accordingly, \$\_\_\_\_\_ of the total compensation payable to you during the year \_\_\_\_\_ will constitute housing allowance and the balance will constitute "salary" (as interpreted by the U.S. income tax laws outlined in the Internal Revenue Code (IRC), enacted by Congress in Title 26 of the United States Code (26 U.S.C.)).

Secretary's Signature \_\_\_\_\_

APPENDIX C (continued)

**Pastor's Estimate of Housing Expense**

(This form may be used to help the pastor determine an estimate of expenses qualifying under the pastor's housing allowance. The form may be given to the congregation council in requesting housing allowance amount, but does not have to be.)

To: (Name of Congregation)

From: (Name of Pastor)

Date:

Re: Housing allowance for year extending from \_\_\_\_\_, 20\_\_ to \_\_\_\_\_, 20\_\_.

The amounts set forth below are the amounts I expect to spend during the period \_\_\_\_\_ (as above) to rent or otherwise provide a home for my family and me.

Item

- 1. Rent on leased property.....\$ \_\_\_\_\_
- 2. Payments on purchase of a home (including down payment, acquisition costs, mortgage payments [principal and interest]) .....\$ \_\_\_\_\_
- 3. Garage rental (if not included above) ..... \$ \_\_\_\_\_
- 4. Real estate taxes.....\$ \_\_\_\_\_
- 5. Utilities (gas, electricity, water, sewer, oil, trash pickup, telephone, TV Cable/Satellite, Internet) .....\$ \_\_\_\_\_
- 6. Insurance (rental, homeowner's, fire, extended coverage, liability, contents, flood) .....\$ \_\_\_\_\_
- 7. Repairs and maintenance .....\$ \_\_\_\_\_
- 8. Improvements and remodeling .....\$ \_\_\_\_\_
- 9. Furnishings and appliances.....\$ \_\_\_\_\_
- 10. Maintenance items (household cleaners, light bulbs, pest control, etc.) ... \$ \_\_\_\_\_
- 11. Yard maintenance and snow removal. ....\$ \_\_\_\_\_
- 12. Other housing expense .....\$ \_\_\_\_\_

TOTAL.....\$ \_\_\_\_\_

Signed \_\_\_\_\_

Date \_\_\_\_\_

## APPENDIX D

### Basic Housing Allowance by County

In the event that the standard housing allowance on page 6 is not able to be used, the following minimums by county are suggested:

- Cook \$22,200
- DuPage \$24,500
- Kane \$22,300
- Lake \$25,500

## APPENDIX E

### Guidelines for Sabbatical Leave

It is important for both ordained pastors and the congregation/organization to realize the importance of the pastor's continuing education through workshops, seminary courses, and personal study. Lutheran congregations have long been encouraged to provide time and financial assistance to enable pastors to maintain and improve their knowledge and skills. However, a pastor may periodically benefit from an extended period of time for study, personal growth, and reflection without the responsibilities of regular service—in other words, a sabbatical leave. The Synod Council recommends that congregations and organizations consider sabbatical leave as a “privilege to be granted.”

The following guidelines should assist pastors and congregations/organizations in the contemplation of a sabbatical leave.

1. Ordained pastors and congregations/organizations should consult with the bishop early in the planning.
2. Sabbatical leave is intended for in-depth study on one or two topics directly related to the regular call of the pastor and should include time for personal and familial reflection.
3. Sabbatical leave will normally be for a period of not less than three months, nor more than 12.
4. Pastors with a minimum of seven years in the active ordained ministry and who have served in their current call for five or more years may present proposals for sabbaticals. The proposal should include:
  - a) A rationale for the sabbatical, including personal goals, and potential value for the congregation or organization
  - b) A detailed outline of the intended courses of study and the use of the time
  - c) An outline of the financial implications of the sabbatical
  - d) An indication of the use of vacation time during the sabbatical. In sabbaticals of three to six months, at least half of the period normally granted as annual vacation leave shall be so designated. In proposals for sabbaticals of seven to 12 months, the entire annual vacation shall be included.
5. Proposals for sabbatical leave will be presented to the governing body of the congregation or organization not less than six months prior to the beginning of the leave.
6. Careful consideration will be given to all aspects of the proposal and implications for the congregation or organization and the ordained minister.
7. Congregations or organizations may give sabbatical leave as a “merit” benefit.
8. Normally, the financial considerations for the sabbatical shall be negotiated by the pastor and the congregation/organization. It is suggested, however, that base salary, housing allowance, and ELCA Pension and Other Benefits Program be maintained at the current budget level, with the pastor assuming responsibilities for all other personal and family expenses.
9. When a sabbatical is granted, a pastor shall normally agree to serve that congregation or organization for a minimum of two years following the return from leave.
10. Realizing the congregation or organization will be without the services of its regularly called pastor during the sabbatical, the pastor and the congregation/organization will seek the consent of the bishop before finalizing the agreement.
11. Within six weeks of the completion of the sabbatical leave, the pastor will present to the congregation/organization and to the bishop a detailed reflection on the experiences of the leave.

# APPENDIX F

## Portico Benefit Services

In 2019, Portico continues to offer four ELCA primary health benefit options—platinum+, gold+, silver+, or bronze+—and sponsoring employers continue to pay different health contribution rates based on defined compensation, a member’s age, and geographical location. The ELCA Council currently endorses the proposed plan options and encourages congregations and synods to offer the Gold+ option. The Metropolitan Chicago Synod strongly concurs with that endorsement.

## 2019 Contribution Rates

### For ELCA Employers Sponsoring Members in the ELCA Traditional Benefits Program

The following contribution rate changes will be effective Jan. 1, 2019. Note: Because they are applied as a percentage of a member’s defined compensation, contributions will also change when a member’s compensation changes.

**The baseline health contribution increase will be 4.5% in 2019 for all four benefit options.**

This is Portico’s lowest increase since 2013. (Reminder: Health contributions also increase 2%, on average, each year due to the increased age of a sponsored member.)

**In addition, the relative cost for each coverage level is changing: member; member and children; member and spouse; member, spouse, and children.**

Based on analysis of health claims incurred by each category over time, trustees approved the following changes to better align contribution rates with health claim realities.

- The cost of member (single coverage) will go down by about 6%.
- The cost of member plus family coverage will go up: by about 2.1% for member and spouse, or member and children by about 1.5% for member, spouse, and children

#### ELCA-Primary Health Benefits

**The contribution rate will go down for sponsoring employers by about 16%.**

About 20% of employers provide ELCA Medicare-Primary health benefits to employees age 65+. This contribution rate will decrease by about 16% in 2019, thanks to the decision to change to hospital and medical benefits insured by Humana as a group Medicare Advantage.

#### ELCA Medicare-Primary Health Benefits

|                             |   |
|-----------------------------|---|
| <b>ELCA Disability Plan</b> | <b>The contribution rate will go down to 2.5%.</b><br>Due to effective vendor selection and management of the disability plan, this rate will decrease from 3.0% of defined compensation to 2.5%. |
| <b>ELCA Survivor Plan</b>   | <b>The contribution rate will go down to 0.2%.</b><br>Due to effective management of plan assets, this rate will decrease from 0.3% of defined compensation to 0.2%.                              |
| <b>ELCA Retirement Plan</b> | <b>No change to required minimum contributions.</b>   |
| <b>ELCA Retiree Support</b> | <b>Continues at 0.7%.</b>   |

### Sponsoring couples

When you and your spouse are both sponsored in the ELCA Pension and Other Benefits Program (by the same or different congregation or organization), each sponsoring employer will make contributions for health, retirement, disability and basic group life, and retiree support. Sponsoring employers will pay for a portion of the health contribution each organization would pay if their plan member were not part of a sponsored couple. The Health contribution will be calculated independently for each member of the sponsored couple based on their age, total defined compensation, and coverage type. The resulting health contribution for each member is divided by two. These amounts will then be included on the respective sponsoring employer's monthly bill. Your sponsoring employers are billed monthly for coverage.

To calculate benefits, go to:

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

To download a detailed information guide to sponsoring couples go to:

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