



Northwest Synod of Wisconsin
Evangelical Lutheran Church in America

2027 MINIMUM GUIDELINES FOR COMPENSATION AND BENEFITS

These guidelines are intended to assist congregations in providing fair, consistent, and faithful compensation and benefits for rostered leaders and lay program and support staff. The figures provided are minimum guidelines and are not intended to restrict a congregation from fairly compensating its leaders.

*Ministers of Word
and Sacrament*

*Ministers of Word
and Service*

Ministers of Word and Sacrament and Ministers of Word and Service

Ordained ministers, pastors or deacons, serve with hearts filled with love and courage, to offer hope and to lead the proclamation of the Gospel.

Recommend changes from the Salary guidelines Committee:

This year, a number of substantial changes have been made to make this resource more user friendly. Rather than having one document with every component, we have moved many components to the synod website as its own individual link, i.e.

Former Appendices

- Sabbatical Leave Policy Sample
- Family Leave Sample
- Council Action on Housing
- Pastor's Estimate of Housing Expense form
- Housing Expense Designation by Council
- Pulpit Supply Guidelines
- Ministry Review Resources

We have also condensed the narrative within this revised version by removing several redundancies found throughout the former salary standards document. We hope that you will find this resource much more accessible and easy to find!

In addition to these revisions, we have also invested a great deal of time discerning our salary levels for our rostered leaders (pastors/deacons). The Synod Council has agreed to address the salary gap that currently exists between pastors and deacons, totalling 14%. We have realized that the deacons in our synod who serve congregations are providing the same leadership and care as pastors. Therefore, they should have a similar salary package as their pastoral peers (which may or may not include housing allowance - an important tax benefit for pastors - depending on their tax advisor). It is our plan to decrease the gap in salary over a three year process (5% in 2027, 5% in 2028, 4% in 2029).

Finally, we also realized that many of our congregations are unable to afford pastors with several years of experience. If we continue to offer flat percentage increases to all pastors regardless of experience, those with higher salaries increase at a faster rate of growth. In order to help congregations afford pastors with several years of experience, we have lowered the rate of increase every ten years. (i.e. 0-9 years of experience have the highest percentage increase, 30+ years of experience have the lowest percentage increase).

In summary, we have worked diligently to offer fair guidelines for our rostered leaders while providing flexibility for congregations. We want to equip congregations and rostered leaders with resources to help establish or maintain healthy relationships so that you can focus on what's most important - sharing the love of God in Christ Jesus - as a partnership. We have added a new Ministry Review resource that can help facilitate a meaningful conversation with the rostered leader or any other staff member. This will keep the focus forward pointing, benefiting both the congregation and leader!

Thanks for helping us strive for a just system as we model our core values. Thanks for your commitment to love our neighbors as ourselves. Thanks for your partnership as we live into our collective future together as the Northwest Synod of WI!

If you have any further questions about anything in this resource, please reach out to the synod office at (715) 859-6810. We are ready to help and support!

— *Evangelical Leadership Commission: Grace Lenhart, Travis Rogers, Barb Krug, -Rev. Sarah Gunderson, Rev. Bethany Walker Synod Liaison: Rev. Diane House*

Ministers of Word and Sacrament

Base Salary Guidelines

A pastor's salary is based on several considerations: the number of years of experience, housing costs, and additional factors related to the context of the ministry, cost of living and job responsibilities. Pastors serving in part-time positions should receive pro-rated salary and benefits. The information that follows will assist you in determining a starting point for salary. You will note that there is a range for each five years of service in the church. Care needs to be exercised as a pastor moves from one level of experience to the next to not lower the overall compensation unless that is negotiated in the context of a new call. These figures are guidelines and are not intended to restrict a congregation in fairly compensating a pastor. The minimum base salary guidelines assume full-time ministry and are to be pro-rated for calls other than full-time.. Congregations that are not presently at the salary standard range should attempt to reach the appropriate level within three years.

Years of Experience

Graduate	\$64,583
1-5 years	\$65,961-\$71,790
6-10 years	\$73,147-\$78,380
11-15 years	\$79,344-\$85,563
16-20 years	\$86,761-\$91,196
21-25 years	\$91,957-\$97,256
26-30 years	\$98,471-\$102,877
31-35 years	\$104,163-\$109,469
36-40 years	\$110,838-\$116,484

Housing Costs and Housing Allowance

The above guideline figures include an amount to be designated as housing allowance. In determining your pastor's salary and housing package, the cost of housing in your area should be considered. For further reference see the chart on page 4.

yrs of exp	Year Graduated	2027 proposed	with 30 % housing
0	2027	\$49,679	\$64,583
1	2026	\$50,740	\$65,961
2	2025	\$51,826	\$67,374
3	2024	\$52,935	\$68,815
4	2023	\$54,066	\$70,285
5	2022	\$55,223	\$71,790
6	2021	\$56,267	\$73,147
7	2020	\$57,329	\$74,528
8	2019	\$58,417	\$75,942
9	2018	\$59,521	\$77,377
10	2017	\$60,292	\$78,380
11	2016	\$61,034	\$79,344
12	2015	\$62,195	\$80,853
13	2014	\$63,380	\$82,394
14	2013	\$64,586	\$83,962
15	2012	\$65,818	\$85,563
16	2011	\$66,739	\$86,761
17	2010	\$67,674	\$87,977
18	2009	\$68,626	\$89,214
19	2008	\$69,587	\$90,464
20	2007	\$70,151	\$91,196
21	2006	\$70,736	\$91,957
22	2005	\$71,734	\$93,254
23	2004	\$72,745	\$94,569
24	2003	\$73,770	\$95,901
25	2002	\$74,812	\$97,256
26	2001	\$75,747	\$98,471
27	2000	\$76,694	\$99,702
28	1999	\$77,653	\$100,948
29	1998	\$78,623	\$102,210
30	1997	\$79,136	\$102,877
31	1996	\$80,125	\$104,163
32	1995	\$81,127	\$105,465
33	1994	\$82,141	\$106,783
34	1993	\$83,168	\$108,118
35	1992	\$84,207	\$109,469
36	1991	\$85,260	\$110,838
37	1990	\$86,326	\$112,223
38	1989	\$87,405	\$113,626
39	1988	\$88,497	\$115,046
40	1987	\$89,603	\$116,484

Ministers of Word and Service (Deacons) Base Salary guidelines

These guidelines reflect minimum base salaries for full-time Ministers of Word and Service.

Experience	Year Ordained	2027 5% increase
0	2027	\$59,901
1	2026	\$61,179
2	2025	\$62,489
3	2024	\$63,826
4	2023	\$65,190
5	2022	\$66,585
6	2021	\$67,844
7	2020	\$69,125
8	2019	\$70,436
9	2018	\$71,767
10	2017	\$73,124
11	2016	\$74,023
12	2015	\$75,432
13	2014	\$76,870
14	2013	\$78,332
15	2012	\$79,826
16	2011	\$80,943
17	2010	\$82,077
18	2009	\$83,232
19	2008	\$84,398
20	2007	\$85,583
21	2006	\$86,297
22	2005	\$87,515
23	2004	\$88,749
24	2003	\$89,999
25	2002	\$91,270
26	2001	\$92,411
27	2000	\$93,566
28	1999	\$94,736
29	1998	\$95,920
30	1997	\$97,119
31	1996	\$98,333
32	1995	\$99,562
33	1994	\$100,807
34	1993	\$102,067
35	1992	\$103,342
36	1991	\$104,634
37	1990	\$105,942
38	1989	\$107,266
39	1988	\$108,607
40	1987	\$109,965

Housing Allowance or Parsonage

A unique feature of the compensation of pastors is the distinctive tax law regarding housing allowance for ordained ministers. This originated for pastors (and the military) because it was at one time standard for housing to be the “parsonage.” In the Northwest Synod of Wisconsin, there are fewer than 10% of congregations which include a parsonage. Therefore, these guidelines now reflect the more-standard practice of designating a portion of the pastor’s salary as housing allowance.

Pastors:

- o The compensation tables provided in these guidelines include both salary and housing allowance in total.
- o The housing allowance is determined by the pastor and submitted to the church council annually. [This is based on the IRS Tax Guide for Church and Religious Organizations.](#)
- o The church council must include the amount designated for housing in the council minutes prior to the beginning of each new tax year (January 1).
- o The pastor assumes full responsibility for complying with IRS definitions and “cost to provide a house.”

Deacons:

- o We are aware that some congregations are providing a housing allowance, and some deacons are claiming one. As a reminder, this needs to be done in consultation with your personal tax preparer. Congregations providing this allowance need to follow the requirements noted under “Housing Allowance” for pastors.

Parsonage:

- o The fair rental value of the parsonage should be deducted from the salary ranges noted in the above table.
- o When a parsonage is provided for the pastor, all utility costs and repairs are paid by the congregation.
- o A furnishing allowance should also be provided. This allowance is non-taxable income to the pastor and is to be used for household expenses. This allowance should be designated annually by the church council.
- o A recommendation is also made for the congregation to provide a housing equity allowance to the pastor.

Additional Compensation Factors

Salary often is driven by other factors in addition to years of experience. While these are more difficult to objectively quantify, they should nevertheless enter the conversation about salary. Some of these factors are:

a) Ratio of Staff to Size of Congregation (Based on Worship Attendance)

The size of the congregation and the ratio of staff to worship attendance should be considered. For example, a solo pastor with no program staff serving a congregation with average worship attendance of 250+ should receive an additional \$1,000 compensation to reflect the added demands placed upon them.

b) Supervisory Responsibilities for Program Staff

- (1) \$1,000 for supervision of 2–3 program staff
- (2) \$1,500 for supervision of 4+ program staff

c) Additional Education

Consideration of \$500 to \$1,500 for additional earned degrees beyond the master degree is appropriate.

d) Previous Work Experience Prior to Ordination

Experience may also include non-ordained ministry in the church and/or secular work which enhances a person's skills for ministry. Experience prior to ordination is calculated at the rate of $\frac{1}{3}$ to $\frac{1}{2}$ year for each year up to ten years of prior experience (up to 5 years credit).

e) Multi-point parish

A solo pastor with no program staff serving more than one congregation should receive an additional \$1,000 compensation to reflect the added demands placed upon them.

Ongoing Considerations

- a) Cost of living** is not an adequate adjustment when used alone. Each year also brings with it an additional year of experience. Using only cost of living adjustments year after year ignores the accumulating experience level and results in the rostered leader gradually slipping below guidelines.
- b) Review of performance** and changes in levels of responsibility should also be considered annually and may warrant additional salary consideration.

[Part Time Service\(link\)](#)

To remain on the rosters of this Church, a rostered leader must maintain at least a $\frac{1}{3}$ time call (15 hours per week). If a congregation calls a rostered leader part time, it should be understood that part time status pertains to all of the following: salary, responsibilities, and hours, including the proportional number of Sundays (e.g. $\frac{3}{4}$ time means three out of four Sundays, etc). The minimum contributions levels still apply for Portico Benefit Services health benefits (i.e. the minimum contribution is NOT proportional). Congregations may need to develop lay leadership in the areas of visitation to homebound and hospitalized, teaching confirmation and Bible studies, administration, pulpit supply, and more. An ongoing conversation with synod staff may be helpful.

Social Security, IRS Reporting, and Worker's Compensation

Pastors are considered self-employed for social security purposes and therefore will pay a self-employment tax of 15.3% of their taxable income.

It is recommended the congregation provide a social security allowance to the pastor of 7.65% of their salary. This will be included in taxable income. The 7.65% represents the employer's share of social security and Medicare (FICA) tax paid by congregations for all other employees. This social security allowance is over and above the salary ranges provided in the tables in these guidelines.

IRS Reporting

Congregations are to file federal tax W2 forms for rostered leaders.

Worker's Compensation

All congregations should provide worker's compensation coverage since definite liability accrues to the congregation in case of accidental death or disability in conjunction with one's employment.

Benefits

Health

Portico Benefit Services (Portico) provides the benefit program for ELCA rostered and lay employees and their families, providing health, dental, prescription drug, retirement, disability, and group life insurance benefits in one bundled program. Congregations and plan members share the cost of benefits. Check the Portico Benefit Services website at www.porticobenefits.org for more information.

- The guidelines suggest that the health and dental benefit monthly premium be fully covered for full-time employees of congregations. Congregations are encouraged to provide health insurance for all members of family not covered by other insurance. Each congregation can determine whether they will pay the full monthly premium for spouse and/or family coverage.
- Health and dental benefits through Portico are available to rostered leaders averaging 15 hours per week for six or more months each year and lay staff who average 20 hours per week for six or more months each year.
- Congregations are encouraged to use Portico Benefit Services for rostered leaders and lay staff.
- Congregations can choose the amount or percentage they will cover for lay staff health and dental benefits. Some congregations will cover the full monthly premium for the employee but require employee contributions for spouse and/or family coverage, for example.
- Employees who are eligible for health benefits through the congregation can decline health and dental coverage if they can demonstrate coverage through another employer-provided group plan (generally through a spouse). These employees are still eligible for retirement, survivor, and disability benefits.
- As part of the medical coverage, sponsored members can participate in tax-advantaged accounts (FSA and/or HSA).
- Information related to health and dental benefits can be obtained directly from Portico.
- You can find contact information for Portico on their website (www.porticobenefits.org) or 1-800-352-2876

Retirement

- Portico offers a 403(b)(9) retirement plan with multiple investment fund options.
- Portico's retirement plan requires participating congregations to make a mandatory retirement

contribution for all eligible employees. Please contact Portico for plan details.

- In addition, employees can make additional salary reduction contributions to their ELCA retirement plan.

Survivor and Disability Coverage

- The Portico plans also include survivor and long-term disability coverage.
- Employees can purchase additional life coverage for themselves, a spouse, and dependents.

Paid Leaves

Sick Leave

- In the event of an accident or illness, a congregation's written policy should include one day of paid sick leave per calendar month, cumulative to 30 days.

Disability Leave

- In event of disability of the congregation's called rostered leader, congregations are asked to cover the first two months, full salary and housing, after which the disability benefits of the ELCA take effect. Please check for details in the ELCA benefit information.

Family Leave

Family leave is intended for birth, adoption, placement, call to guardianship of a child; or caring for a sick child, spouse, or parent. When a rostered minister is welcoming a child into their family, congregations should plan for family leave that includes twelve weeks for both women and men for the purpose of integrating the child into the family. When a rostered minister is dealing with a seriously ill child, congregations should plan for family leave that includes up to six weeks. If there are special needs related to caring for a seriously ill child, additional time may be negotiated. Family leave consists of full salary, housing and benefits. Vacation time or sick time may be used in addition to the family leave time. If the sick time used exceeds the one day of paid sick leave per calendar month, cumulative to 30 days, then the sick time used for family leave becomes unpaid. Unused family leave is forfeited.

- Another option for extending family leave would be for the rostered minister to work part-time in the last few weeks of their leave, engaging in some of their responsibilities while making provisional arrangements for others. Also, family leave may be split between two different time periods to accommodate childcare in situations where finding newborn care is difficult.
- Family Leave is equally applicable to rostered ministers serving in part-time calls on a prorated basis.
- Should a rostered minister experience a miscarriage or still birth, or the death of an older child, she/he shall be given appropriate medical and compassion leave.
- Congregations are encouraged to establish a fund to pay for supply coverage and other costs when Family Leave, Medical Leave, and Compassion Leave need to be used.

Compassion Leave

- Congregations should be prepared to offer compassion leave for a death in the rostered leader's immediate family (spouse, children, parents, brother, sister, grandchildren,

mother-in-law, father-in-law or legal guardian). While this will vary widely upon circumstances, three to five days (potentially including a Sunday) of paid leave for funeral planning and family time would be a compassionate first step in a difficult time.

Reimbursed Professional Expenses

Automobile Allowance (Recommended: lease/purchase or IRS mileage rate)

Lease/Purchase Vehicle: It is recommended that a parish consider a purchase or lease arrangement of an automobile provided for the rostered leader for congregational business. An arrangement may also be made for private use by the rostered leader with reimbursement of mileage to the congregation.

IRS Mileage Rate: The most equitable way of reimbursement for congregational business travel when the car is owned by the individual, not the congregation, is to use the mileage rate established by the Internal Revenue Service. For the current rate, type "mileage" into the search bar at www.irs.gov. Under present tax structure, if the congregation does not provide a vehicle, this is the fairest and best way for the individual to be reimbursed.

Lump Sum Allowance: If the congregation and rostered leader choose to have a lump sum travel allowance, then the rostered leader must, by tax law, keep careful record of church business miles driven and report these to a congregation officer. This should be done also to keep the congregation informed of the pastor's need as to the amount of this allowance, as well as for reporting to the Internal Revenue Service.

Continuing Education (Minimum: \$1200)

It is of prime importance both for the congregation and the rostered leader that continuing education be encouraged and supported by the congregation. Congregation councils and rostered leaders should mutually strategize about future educational opportunities and complete a Continuing Education Covenant.

General Expectations: *Two weeks* for continuing education including two Sundays. A minimum of 50 contact hours per year of intentional continuing education, or 150 contact hours each three-year period, is encouraged. Beyond structured classroom settings, this time may also include guided independent study.

First Call Theological Education

- First Call Theological Education helps to develop and support leaders to grow in their ministry and benefits the congregation with healthy leaders and longevity. This is a structured program intended to provide development in three areas: ministerial identity, ministerial skills, and context of ministry. Congregations with First Call Rostered Leaders will need to plan additional funds and time for the individual to participate in the required First Call Theological Education required by the ELCA.

Long Term Planning

- A provision allowing the rostered leader to accumulate continuing education time and money up to a maximum of three years provides for more structured study opportunities. If the rostered leader is to be gone for as much as six weeks for this purpose it may be well to require that she/he agree to serve for at least one more year with the particular congregation. Accumulated funds for continuing education and sabbatical for the rostered leader should be reserved in the congregation treasury as funds restricted for that purpose. Monies for leadership training of other people of the congregation

should be in another budget category.

Professional Ministry Expenses (Minimum: \$300)

Books, Periodicals, Dues, Etc.: An amount of \$300 is recommended for this reimbursable budget item for the purpose of books, periodicals, and appropriate dues. This should be a reimbursement allowance based upon actual expenditures only. Books, etc. purchased become the rostered leader's property.

Other Expenses: Expenses incurred in performance of the duties of the office shall be paid by the parish.

Official Meetings (Recommended: \$600)

- Rostered leaders under regular congregational call are expected to attend meetings of the synod each year:
 - Winter Theological Event
 - Synod Assembly
 - Fall Ministry Retreat Conference Assembly
 - Annual Boundaries Training
- These meetings include the business of the synod, theological reflection, and best practices in ministry training, conference involvement, healthy collegial interaction, and worship. An amount of \$600 is recommended to cover the registration fees of these meetings. Congregations are encouraged to reimburse their rostered leader's spouse for the Fall Ministry Retreat and the Synod Spouse's Retreat.

Moving Expenses

- The beginning of a new ministry partnership between a candidate and a congregation is a crucial time for ministry. Good conversation provides for a healthy beginning of ministry together. Call committees and candidates need to dialogue in the call process about both parties' expectations around residency and moving expenses. Congregations in self-study should budget for and begin to set aside funds for the interview process and moving expenses. Moving expenses vary greatly. Congregations will positively begin a relationship with a new rostered leader when adequate funds are readily available for the transition of the rostered leader. Congregations will provide for moving expenses of arriving rostered leaders. The rostered leaders should obtain multiple bids from professional movers to submit to the Congregation Council. Alternatives may be mutually negotiated.

Weekly, Annual and Sabbatical Time Compensation

Sabbath Day (Recommended: 40 to 45 hours per week; at least one full day off)

Weekly Rhythm of Work and Rest

- Full-time called rostered leaders of our congregations must strive for a healthy balance in their lives between their time for God, time for their families and personal life, and their calling to the church. Clearly defined expectations of work and time off are important for both the rostered leader and the congregation. Knowing that some weeks will be more demanding and some less, 40 to 45 hours per week is a fair expectation for both congregation and rostered leader. A Sabbath day each week is God's command and, even more importantly, God's gift. Since church work requires a great deal of evening and weekend involvement, one way to reasonably set expectations with the rostered leader is to think in terms of blocks of time. Each day can be considered to have three blocks of

time—morning, afternoon, and evening. A seven day week consists of 21 time blocks. A reasonable expectation of full-time service might be 13-14 time blocks. Weekly time off to provide a normal opportunity for renewal, refreshment, and personal business would usually involve 7-8 time blocks per week. Arrangements should be flexible for both the rostered leader and the congregation, but should also provide for emergency pastoral care when the rostered leader is unavailable.

Encourage Rest as Well as Work

Congregations should be sure to support their rostered leader taking at least one full day off each week. The specific regular day off each week should be announced and communicated so all understand this. Flexibility is necessary, but a definite pattern makes for better health and attitude for all concerned.

Vacation Time (Recommended: 4 weeks; 11+ years of experience: 5 weeks)

- **Vacation**

Rostered leaders will receive four weeks including Sundays until the eleventh year of experience when vacation time will be increased to five weeks including five Sundays. Vacation time may not be carried over from one year to another, unless so stated in the Letter of Call or by specific agreement with the congregation. Rostered leaders in part-time calls should receive the same weeks of paid vacation, but at their usual part-time salary.

- **Additional Personal Sundays**

Some congregations choose to grant one or more Sundays or weekends to their rostered leader as personal time beyond the vacation agreement.

- **Encourage Annual Rest**

The congregation's strong support of the vacation time of the rostered leader is very helpful. Remember that most rostered leaders do not get weekends off like many others in our society. Therefore, vacation time becomes more important due to of the "on-call" nature of the rostered leader's work as well as the limited, and often disrupted, day-off pattern, and the constant weekend duty. Congregations are encouraged to make sure their rostered staff takes full advantage of vacation.

- **Holidays**

Congregations should provide appropriate time off for general holidays. If the actual day cannot be taken another day off should be granted.

Sabbaticals/Renewal Leave (Recommended)

1. Rationale

To encourage the congregational health that comes with longer tenured leaders, congregations should grant a sabbatical leave for rostered leaders after at least every seven years of service, with a minimum length of three months in the seventh year.

2. Funding Sabbaticals

Accumulated funds for a sabbatical for the rostered leader should be reserved in the congregational treasury as funds restricted for that purpose.

FORMS

The following forms may be found on our website under Administrative Resources
[Northwest Synod of Wisconsin - For Congregations](#)

Sabbatical Leave Policy Sample

Family Leave Sample

Council Action on Housing

Pastor's Estimate of Housing Expense form

Housing Expense Designation by Council

Pulpit Supply Guidelines

Ministry Review Resources

Guidance for 2027 Synod Compensation Guidelines

Health Benefits Coverage

Portico Benefit Services, the nonprofit benefit ministry of the ELCA, provides the benefit program for rostered ministers, lay employees, and their families. Portico provides health benefits that also include dental and prescription drugs, as well as retirement, disability, and survivor benefits in one bundled program.* This program is designed to address the needs of rostered ministers and provide seamless benefits during change of call, being on leave, and other events unique to ministry. Portico's bundled approach is designed to help ensure rostered ministers and lay employees are protected against significant financial loss from a variety of risks. Through Portico, congregations** in this synod and across the country pool their collective purchasing power to provide benefits in a cost-effective, consistent, and sustainable manner.

Congregations and plan members share the cost of benefits. Congregations are expected to support the well-being of their covered plan members by paying all or a significant portion of the contributions for benefits (i.e., monthly premiums for the health plan). Plan members are expected to participate in the cost of utilizing their health benefits through out-of-pocket costs when they receive care (e.g., deductibles, copays, and coinsurance).

The ELCA Church Council endorses a balance of cost-sharing between congregations and plan members; the cost-sharing is reflected in all the ELCA-Primary health benefit options offered by Portico, effective Jan. 1, 2026: Select Copay, Select HDHP, Value Copay, and Value HDHP. Each fall, congregations should engage in conversation with their sponsored plan member(s) to determine the option that best fits their needs and then make their election online during Portico's annual enrollment. Current contribution rates are available at EmployerLink.PorticoBenefits.org or by calling Portico at 800.352.2876.

*A plan member may waive health coverage if they have access to valid medical insurance coverage through their spouse or another employer, or if they qualify for a subsidy due to income level when purchasing health coverage through the exchange.

**"Congregations" may also refer to multi-point parishes or other non-parish ministry agencies such as Bible camps, long-term care facilities, hospitals, campus ministries, etc.