Northwest Washington Synod

2027 Ministries Compensation Guidelines

For Rostered Leaders of Word and Sacrament and Ministers of Word and Service

Proposed: Synod Personnel Committee: 08.17.2026
Approved: Northwest Washington Synod Council: 09.19.2026

Purpose and Guiding Principles

The Northwest Washington (NWWA) Synod of the Evangelical Lutheran Church in America (ELCA) is committed to fair, dignified, and transparent compensation for called ministers serving ministries within its geographic boundaries.

The following are ***recommendations*** intended for the 2027 congregational budget-planning cycle. The Synod Personnel Committee developed these guidelines in consultation with synod leadership and the Synod Finance Committee.

Because compensation is a major part of a congregation budget, each ministry site must balance staff pay with ministry programs, benevolence, partnerships, and facility needs.

Each ministry site makes final compensation decisions after prayerfully considering its vitality in ministry expressed in its mission, financial resources, and the needs of its professional leaders. It is important that decisions be based on trust, transparency, and open discussions. All salary, benefits, allowances, and reimbursed expenses should be consistent with the leader's letter of call.

Who These Guidelines Cover

These ***recommended*** guidelines apply to lead pastors, co-pastors, associate/assistant pastors, and deacons under call. These guidelines may also help determine part-time compensation either hourly or prorated. The ministry remains responsible for required pension and health benefits. Other benefits are negotiable and should be fair and equitable.

Key Compensation Factors

- what the ministry site can reasonably afford, expected income and budget priorities
- pay for comparable work requiring similar education, experience, and responsibility
- ministry-site size, staffing, housing costs, and local cost of living
- continuing effects of the pandemic on some ministry sites
- the full ordained status of deacons
- relevant prior experience, advanced education, and language skills

If an agreement cannot be reached, either party may consider inviting a professional mediator.

Base Salary Recommendation for 2027

The Personnel Committee, in consultation with the Finance Committee this year, utilized the median salary of elementary vice principal positions across 17 school districts. A base salary was calculated by taking 38.5% of that median salary, representing a 4.25% increase to the base (an increase in line with past methods utilized by the Committee to determine the "base salary"). Establishing this benchmark allows a set rate of increase each year based on the school districts. We expect that this will make compensation guidelines available earlier to ministries in the year for budget planning.

More details on our process may be found in the Appendix.

Our Grounding

Calls to ministry are both divine and wonderfully carried through the community of faith. Rostered leaders serve more than in an organizational role; they serve in a vocation with broad spiritual, relational, and administrative responsibilities.

"The Lord commanded that those who proclaim the gospel should get their living by the gospel" (1 Corinthians 9:14).

Financial insecurity, unaffordable housing, and inadequate pay weaken ministry and congregational vitality. Adequate compensation supports a rostered minister's ability to serve well.

Changes and Documentation

Any change in compensation requires mutual agreement between the ministry site and the rostered leader. Report the change to the Synod Office using the appropriate Definition of Compensation, Benefits, and Responsibilities form for a Minister of Word and Sacrament (guide) or a Minister of Word and Service (guide).

Use the worksheet below to support an open, transparent discussion and identify a fair salary. Save or download a copy before entering information:

- **Worksheet 2027 Compensation Guidelines**
- **Video Tutorial**

Salary and Tax Components

Total Base Salary (Box D)

For Ministers of Word and Sacrament, the total base salary may be divided between cash wages and a designated housing allowance. The housing allowance may be excluded from federal income tax, but the full salary, less allowable unreimbursed professional expenses, is generally subject to self-employment tax under SECA.

The pastor requests a housing amount to be approved by the ministry council and recorded in the meeting minutes before payments begin or change.

Housing Allowance Rules

Federal law limits the excludable housing allowance to the lowest of these three amounts:

1. the home's fair rental value, including furnishings and utilities;
2. the leader's actual eligible housing costs, including mortgage or rent, utilities, taxes, insurance, furnishings, repairs, remodeling, and yard work;
3. the amount the ministry site officially designates in advance.

If a parsonage is provided, 30% of the base salary is presumed to be housing. The ministry site should also consider a housing-equity allowance, preferably through a tax-sheltered annuity, to help the leader build retirement assets. <u>Budget this contribution separately from defined compensation.</u>

Rostered leaders should keep complete housing-expense records and consult a qualified tax professional. Ministers of Word and Service generally may not exclude a housing allowance from federal taxable income; their full salary is normally subject to federal withholding and FICA. Whether a deacon qualifies for clergy tax treatment depends on the role and applicable IRS criteria. The Synod does not make that determination.

Recommended Compensation Adjustments

- **Single minister setting:** Consider an additional $1000 when one pastor/deacon, with no program staff, serves a congregation with an average worship attendance of 200+.
- **Staff supervision:** Add $500 for supervising one staff member; $1,500 for two or three staff members; or $2,500 for four or more staff members.

Employee and SECA Treatment

- For federal income-tax purposes, rostered leaders are employees and should receive Form W-2.
- For Social Security purposes, clergy generally have dual-tax status and pay self-employment tax under SECA.
- The ministry site is encouraged to provide an allowance equal to at least 50% of the prior year's actual self-employment tax.
- A ministry site may withhold a pastor's taxes only under a voluntary withholding agreement.
- Because tax reporting varies by situation, both parties should obtain professional tax advice.

Benefits, Allowances, and Expenses

ELCA Benefits

Portico Benefit Services provides benefit programs for rostered ministers, lay employees, and their families. Portico provides health benefits (including dental and prescription drugs), as well as retirement, disability, and survivor benefits in one bundled program to provide seamless benefits during change of call, on leave, and other events unique to ministry.

ELCA Churchwide Council endorses a balance of cost-sharing between congregations and plan members reflected in all Portico health benefit options (eff. 1/1/2026): Select Copay, Select HDHP,[1] 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 annual enrollment. Current contribution rates are available at EmployerLink.PorticoBenefits.org (800.352.2876).

NOTE: Health coverage may be waived if access to valid medical insurance coverage through their spouse, another employer, or if covered through the exchange.

- Minimum pension contribution for rostered leaders: 10% of defined compensation.
- Minimum contribution for enrolled non-rostered lay employees: 6%.
- Offer all ELCA benefits even when an individual waives medical or dental coverage.
- Provide spouse and child coverage when other coverage is unavailable.
- Use the parsonage's fair-market value when calculating defined compensation.

The ELCA provides broad compensation and benefit guidance. These Synods guidelines translate that guidance into practical regional standards.

Insurance

Ministry sites should provide workers' compensation, unemployment insurance for eligible staff, and professional liability coverage for rostered leaders. If unemployment insurance is not provided, involuntarily separated staff should receive appropriate severance unless the separation is for cause.

Professional Expenses

- **Travel:** Reimburse documented ministry travel at the current IRS mileage rate or provide a ministry-owned/leased vehicle. Personal use of such a vehicle is taxable.
- **Continuing education:** Provide $1,000 and two weeks, including two Sundays, each year. Time and funds may be banked for up to three years by agreement.
- **First Call Theological Education:** Provide required time and funding during the three-year program, even if the leader moves to a second call.
- **Resources:** Consider a separate allowance for books and periodicals.
- **Required events:** Pay expenses for Synod Assembly, Bishop Convocations, Conference meetings, and other required or strongly encouraged events.
- **Other ministry costs:** Reimburse reasonable, documented out-of-pocket expenses.

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[1] *HDHP is most like Gold+ in that prescriptions are covered with a co-payment or co-insurance and deductible does not have to be met to be covered. There are other differences but that's the main similarity.*

Alternative compensation recommendations:

When a ministry site cannot provide the recommended salary, the parties should work together openly on alternatives. Any arrangement must be mutually agreed upon and should support both the ministry and the leader's household.

- Additional vacation may be valued by dividing guideline compensation by 52.
- Additional retirement or tax-deferred annuity contributions may increase after-tax value.
- Consult with a legal or tax adviser before creating deferred compensation.
- Noncash strategies may reduce Portico contributions and future retirement or disability benefits. The Synod strongly urges ministry sites to restore retirement contributions to the amount that would have been paid on guideline compensation.

Part-Time Ministry

Part-time, shared-time, or bi-vocational ministry may help a ministry site meet guidelines. Reduce pay and workload by the same proportions. ELCA calls must be at least 10-hours a week; consult the Synod Office before considering less.

Before finalizing a part-time call, create a written plan covering emergency care, Sunday coverage, scheduling, workload limits, administrative duties, pastoral care, busy seasons, compensatory time, and the ministry site's long-term mission. Submit the updated Definition of Compensation, Benefits, and Responsibilities form to the Synod Office. If the parties cannot agree, use a mediator.

Time Away and Wellness

- **Vacation:** At least four weeks for pastors/deacons, including four Sundays. Other professional leaders should receive at least two weeks. Additional time may reflect tenure, service, and responsibilities.
- **Weekly time off:** Two regular days each week. Avoid meetings and events on those days except for emergencies.
- **Sick leave:** Adopt a written policy that complies with state law and explains accrual, carryover, payout, and family-care use.
- **Childbirth or adoption:** The Synod recommends six weeks with full salary, housing, and benefits, clearly defined in a family-leave policy.
- **Bereavement:** After three months of service, provide up to five paid days for the death of an immediate or corresponding step/in-law family member. Additional paid leave may be approved.
- **Sabbatical:** Develop a policy for periodic extended study, personal growth, and reflection. Synod staff's sabbatical leave policy may be referenced here.
- **Jury duty:** Provide full pay for up to two weeks per call to service. If the leader keeps full pay, jury fees should be returned to the ministry site.
- **Wellness:** Consider supporting a regular exercise program or athletic-club or YMCA membership.

Supply and Visitation Ministers

When the called minister is unavailable because of vacation, illness, church or military duty, sabbatical, or a similar reason, the ministry site should pay reasonable fees and reimburse travel at the current IRS mileage rate.

- Preach and preside at one service: **$275**
- Preach and preside at two services: **$400**
- Preach only: **$225**
- Preside only: **$125**
- Teach a class: **$125**
- Visitation ministry: **$50** per hour, with preparation, travel time, and taxes considered

Why the Synod Uses a Worksheet

A single worksheet supports transparent conversation and can help:

- account for major differences across ministry contexts (i.e. varying housing costs)
- recognize relevant prior experience, advanced education, language skills, student debt, position scope, and differing responsibilities or expectations;
- reduce the inequity that can develop from using a salary chart with no room for nuances.

Tax and Financial Disclaimer

Tax rules for clergy compensation, benefits, allowances, and expenses are complex. These guidelines do not provide legal, tax, or financial-planning advice. Rostered leaders and ministry sites should consult qualified professionals about their specific circumstances.

Appendix

Approach to our Recommendations

The main revision to these guidelines is the use of a regional professional salary benchmarks to set current recommended increases and can be used over each year.

Why Benchmarks Matter

1. more consistent way of establishing annual increases
2. keep in range of similar professions
3. take advantage of the expertise of those who determine reason yearly increases

Benchmark Method

- Local public-school salary data was used to set a benchmark utilizing the median salaries of elementary school vice-principals in 17 school districts within the synod's region (based on 2025–26 salary schedules). The Committee also reviewed state-reported school administrator salaries.
- Vice-principals were chosen, rather than previously compared teacher salaries, because their education, leadership duties, public responsibilities, and accountability are like those of rostered leaders.
- The recommended base salary was determined using a benchmark percentage of a comparable professional roles with the belief that it provides:
    1. A stable, external reference point
    2. Annual updates based on comparable salary trends
    3. A fair comparison to roles requiring advanced education, leadership, and high relational responsibility

	School District	County	2025-26 Median VP Salary	
1.	Shoreline	King / Snohomish	$183,045	
2.	Northshore	King / Snohomish	$180,151	
3.	Sedro Wooley	Skagit	$174,756	
4.	Seattle	King	$170,914	
5.	Mt. Vernon	Skagit	$169,645	
6.	Edmonds	Snohomish	$169,185	
7.	Lake Washington	King	$168,399	
8.	Ferndale	Whatcom	$167,751	
9.	Anacortes	Skagit	**$165,419**	< Median Salary
10.	Renton	King	$161,251	
11.	Marysville	Snohomish	$159,559	
12.	Bellevue	King	$155,176	
13.	Bellingham	Whatcom	$153,640	
14.	Bethel	Kitsap	$150,185	
15.	Blaine	Whatcom	$149,255	
16.	Darrington	Snohomish	$132,622	
17.	San Juan Island	San Juan	$123,403	

Why the Recommendations Matters

- **Justice and Fairness**: Compensation reflects the dignity of minister's work and the church's commitment to supporting those who serve.
- **Retention:** Competitive compensation helps congregations retain experienced pastors/deacons and avoid the disruption and cost of vacancies.
- **Candidate availability:** Reasonable compensation makes calls more viable for candidates, including seminary graduates carrying educational debt.
- **Minister's wellbeing:** Financial stability can reduce stress and support longer, healthier ministry.
- **Congregational culture:** Fair and transparent compensation demonstrates integrity and commitment to mission.
- **Stewardship:** Sustainable compensation protects one of the congregation's most important ministry resources.

Benchmark Standard

Going forward is where these benchmarks will really benefit us by allowing us to hit the same benchmark each year:

- finding the median elementary vice-principal salaries each year;
- using the same modifier should help keep pace with the rate of increase of schools