

Definition of Compensation, Benefits and Responsibilities of the Pastor at Lutheran Church of the Resurrection (LCR)

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for the Reverend [REDACTED]

for the period: start date: **September 5, 2024** through on-going review annually (calendar year).
First review will be January 2025 and each calendar year thereafter.

	The annual amounts below will be paid <u>Semimonthly</u>
A. COMPENSATION (base compensation/housing represents 10 years of experience per ELCA guidelines) Resurrection will provide the following annual compensation	
1. Base compensation	\$53,310
2. Housing Allowance ¹	\$20,000
3. Self-Employed Social Security payment allowance (church portion)	\$ 5,608
4. If a parsonage or other housing is provided:	
a. Utilities allowance	None
b. Furnishings allowance	None
c. Housing equity allowance	None
5. Incremental Healthcare Premium ²	<u>\$ 3,000</u>
Sub-total: Defined Compensation ³	\$81,918
B. PENSION AND OTHER BENEFITS (paid to the plan(s) not the pastor)	
1. ELCA Pension at 10% of total defined compensation	\$ 8,192
2. ELCA Medical and Dental Insurance	
☐ a. Pastor only	☐ d. Pastor, Spouse/partner & children
☐ b. Pastor and spouse/partner	☒ e. Coverage waived
☐ c. Pastor and children	
3. Other insurance or benefits:	
a. Disability at 0.9% of total defined compensation	\$ 737
b. Group life at 0.8% of total defined compensation	\$ 655
C. EXPENSES⁴	
The congregation will provide <u>up to the following annual amounts</u> for expenses related to this pastor's ministry: ⁵ The exception is the moving expenses are a one-time amount	
1. Automobile and travel reimbursement ⁶	\$ 1,500
2. Other professional expenses ⁷	\$ 600
3. Expenses for official meetings of the synod as reimbursed	None
4. Continuing education ⁸	\$ 1,300
5. Other (Synod Assembly) ⁹	\$ 200
6. Pay for one round trip flight for pastor, spouse and family to come to Racine for meet/greet with congregation and house/apartment hunting ¹⁰ . (One-time payment)	\$ 900
7. Pay for expenses to move to this congregation ¹¹ (One-time payment)	\$ 5,000

D. AGREEMENT

1. Vacation time of 20 days per year, including 4 Sundays¹²
2. Continuing education time of two weeks per year¹³
3. Ongoing care through a Mutual Ministry Committee
4. Up to two months of continued salary and contributions to the ELCA pension and other benefits program in a 12-month period in the event that the pastor is physically or mentally disabled¹⁴
5. Maternity/paternity or adoptive leave of six weeks with full salary, housing allowance and benefits
6. Technology equipment and support will be provided¹⁵
7. Office decorating allowance is provided¹⁶
8. Decision to end this contract (from either party) requires a minimum of a 30 day notice and will follow ELCA Policy and Procedure Manual.

E. OTHER PROVISIONS

1. During the potential period where the pastor may work from their current home for part of the month and work at Resurrection for the other portion of the month (maximum of one trip per month through January 2025 if needed), a few key dates and priorities to accommodate this period are listed below. All other trip will be agreed to with Resurrection's current Pastor John.

Key dates:

- a) First Sunday in worship (in person): September 8th
- b) First Youth night (in person): September 8th
- c) First Confirmation night (in person): September 11th

Priorities to accommodate during transition phase:

- 1) Visioning with Pastor John, website redesign, social media plan developed, and 2024/25 youth plan developed.
- 2) Content creation, training of volunteers in ProPresenter and Planning Center
- 3) Immersing themselves in the rhythm and flow of the Worshipping Community.

2. During the remainder of this contract (after transitioning period of no longer than end of January 2025), **the pastor will** give special attention to the following:
 - a. Digital Marketing Manager (innovation across various platforms): Develop and implement digital marketing strategies, promotion campaigns, Monitor social media channels, analyze digital marketing metrics and optimize content, performance and impact, collaborate with Resurrection committees and Council for consistent messaging, and stay updated on emerging trends.
 - b. Digital content creation, videos and web design: including engaging digital content, maintain/update website, track content success and redesign as needed, coordinate with staff and committees to ensure coverage of events/activities, edit for compelling photos/videos and manage multimedia assets/library for future use and historical reference.

- c. Technology Relations: Serve as point of contact for technology, communicate and guide with volunteer technology team, stay informed on emerging technologies, and provide support to staff and volunteers on tools and platforms.
- d. Shared Roles with Pastor John:
 - a. Pastoral Leadership:
 - a. Preach/teach the Word of God, conduct worship, administer sacraments, and provide pastoral care. Preaching recommendations is 75% Pastor John and 25% this role (to be discussed between Pastors).
 - b. Identify opportunities for innovation, collaborating with Pastor John and the worship committee to generate creative worship.
 - c. Focused support in driving our priorities and mission.
 - b. Youth and Family:
 - a. Design/lead youth activities, mission trips, education, etc. working with the Youth committee that supports the Pastors.
 - b. Develop new and innovative ways to engage the youth and their families to learn about Jesus and continue in their faith journey.
 - c. Ensure that Resurrection is a safe and innovative community for young people to experience God's Love.
 - d. Active support of the Reconciling in Christ team and welcome all into our church community.
- 3. **Resurrection will** encourage and support this pastor's ministry in the following ways:
 - a. Provide support and resources for the pastor's assimilation to Resurrection. This support will be led by the council and supported by the congregation.
 - b. Encourage and support spiritual education and fellowship activities (for all ages) that will strengthen families and make connections within our church family as well as within our community.
 - c. Support the outreach/service programs that are selected by council and pastor(s).
 - d. Support worship, music and church services.

FOOTNOTES

Footnotes on **Compensation section**:

- ¹ Housing allowance is the pastor's responsibility (working with their personal tax person) to determine the appropriate amount each year. This is to be communicated to the Treasurer by Nov 1st each year to allow for Council approval and correct payroll statements. This first partial year housing allowance is an estimate given the pastor's living arrangements has not yet been determined. The pastor is completely responsible for reporting correctly for their Federal and State taxes. This estimate, or the estimate in future years, is NOT necessarily the specific amount to be reported for tax purposes. The pastor should secure tax advice from a tax accountant.
- ² This amount is only an estimate at this time given insurance selections have not yet been determined. Should the pastor elect to waive insurance, the amount included as compensation is calculated as the incremental premium cost for the pastor to be covered under his/her spouse/partner's benefits or another external healthcare insurance plan. The church will cover this incremental cost of the pastor only and will be considered as extra compensation within defined

compensation. The final amount will be determined upon documented annual incremental cost of health and dental coverage. This documentation is to be provided to Treasurer by the pastor each year prior to benefits being finalized (Nov 1 if possible but not later than December 31st). The documented incremental annual cost will be grossed up at a rate of 15% (to cover appropriate taxes). Given this incremental premium is included in Defined Compensation, 10% of this is included in the pension calculation and therefore we are grossing up at 15% vs. a typical 25% gross up percentage. This additional compensation is specifically a result of Reverend [REDACTED] choosing to waive health care and dental coverage and is intended only to cover the additional premium cost of coverage under their spouse/partner's plan. At such time that Reverend [REDACTED] and/or his spouse experiences a qualifying event (or elects coverage during this transition period per ELCA's health care program rules) and therefore elects to be covered under the ELCA health care program, this additional compensation will cease. Resurrection will pay for the pastor's coverage only and spouse/family will need to be covered by the pastor. This coverage is at the Gold level coverage plan. Because some benefits are calculated based on percentage of Defined Compensation, these benefits amounts would change appropriately because defined compensation has change.

- ³ Total defined compensation is equal to the sum of base cash salary, housing allowance, self-employed Social Security payment allowance (church's portion) and incremental healthcare premium (if insurance coverage is waived).

Footnotes on Expenses section:

- ⁴ Reimbursement for all allowable expenses is made contingent upon the Resurrection financial admin. receiving complete and proper documentation of all expense receipts.
- ⁵ Allowance amounts are established annually, at the start of each calendar year in conjunction of the approved Resurrection budget. All amounts provided in this contract apply only to the calendar year 2024.
- ⁶ Typically used for mileage of personal automobile directly related to the performance of pastoral responsibilities (excluded is commuting miles - to and from home to work, per IRS). Prevailing IRS mileage reimbursement rates are applied. Pastor is solely responsible for demonstrating to the IRS that reimbursed mileage was driven for professional purposes only. A daily log is highly recommended. In addition to mileage receipts for airfare, lodging or meals associated for approved theological conferences can be submitted. Council approval must be gained prior to the registration for the conference. Resurrection's financial reports identify this expense item as "Travel Allowance".
- ⁷ Expenses typically incurred in the day-to-day performance of pastoral responsibilities, for example: meals with ministry peers, Resurrection staff or congregation members. Resurrection's financial reports identify this expense items as "Business Expenses".
- ⁸ Reimbursable expenses may include those associated with attending the Synod Fall Theological conference and other professional/peer conferences/meetings, books or study, specifically related to continuing education. Annual budget continuing education dollars that are unused at the end of the calendar year may be accumulated up to three years on a perpetual, rolling year basis. No more than three budget years (dollars) may be accumulated. Any unused accumulate continuing education time and unused budget dollars will be forfeited and will not be paid out at the end of this call. Resurrection's financial reports identify this expense item as "Continuing Education".

- ⁹ Reimbursable expenses include Synod Assembly fee, lodging, meals, and mileage expenses specifically related to the Synod Assembly. It should be noted that this line item is not included in the Pastor compensation section on the Resurrection financial reports but instead resides under “Misc. Programs: Synod Assembly” and includes a budget for all those, including the pastor, that attend the assembly.
- ¹⁰ It is our mutual understanding that hotel and car will not be required during this trip. Resurrection will cover the cost of one round trip airfare (coach seating) for the pastor, spouse and family to attend a meet/greet with Resurrection congregation as well as to meet with a relator (of the pastor’s choice) to search for house/apartment. The maximum expense is to be \$900. All receipts must be submitted to Resurrection’s Financial Admin for reimbursement. Receipts should be turned in within 2 weeks of expense being incurred. No reimbursement will happen without receipt.
- ¹¹ Moving expenses are specific to the pastor/family home move that is advantageous to the call at Resurrection. These expenses should be completed prior to 2 full years from start date of this contract. The pastor is expected to remain in this call for 2 additional years (from date of move). If less than 2 additional years are completed, the Pastor will need to reimburse Resurrection for the full amount of the \$5,000 used. In addition, should the pastor’s family require to stay at their current location longer (due to spouses job, family being in school, selling of the current home, etc.), this allotted \$5,000 could also be used for the round trip airfare (coach seating) of the pastor only (one trip per month as agreed to with other co-pastor). The airfare would be one trip per month with January 2025 being the last month a trip would be paid by Resurrection. This exception of the use of moving expense money is to allow the pastor to be on site as much as possible but also work from home to accommodate their family during this transition time. It is important to note that all receipts must be submitted to Resurrection’s Financial Admin for reimbursement. Receipts should be turned in within 2 weeks of expense being incurred. No reimbursement will happen without receipt. Again, it is our mutual understanding that hotel and car will not be required during these trips.

Footnotes on **Agreement section:**

- ¹² Vacation election may be taken in increments of up to two continuous weeks or less. Unused vacation may not be carried over to subsequent year(s). Any unused vacation, in the year the call ends, will be prorated based on end date and paid out in cash at the end of this call if not taken before end date. All vacation of a week or more (or any Sunday’s) must be approved by the Executive Council and should be approved at one month prior to the start of the intended vacation. All vacation must be reported on the vacation tracker schedule (see church admin.) and the pastor is expected to not take vacation if other co-pastor has vacation already scheduled and approved. In 2024, the vacation will be prorated with no Sundays included. This equates to 5 vacation days in 2024.
- ¹³ There is no annual carry over for education time. Only dollars maybe carried over (as stated above in footnote #8).
- ¹⁴ Provision may be made for further unpaid time for disability recovery as agreed by the Council and Congregation. Any agreement would have the stipulation that unused time/unneeded time will not be compensated at the end of this call. General sick days throughout the year are expected and should be used as appropriate.
- ¹⁵ At the request of the pastor, a laptop computer will be provided, if needed, for his/her professional related use only (reasonable personal usage is acceptable). The computer provided could be an existing asset of the church (if usable) or a new computer if the available computers do not meet the reasonable needs of the pastor to perform his/her duties. Periodic updates and maintenance

will be included as necessary for the church's computer. This equipment is considered an asset of Resurrection and must be returned at the end of this call. All assets purchased by the church

remain church assets. Cell phones and associated phone costs are not reimbursed.

- ¹⁶ A one-time decorating allowance of up to \$1,000 will be provided to update and refresh the pastor's office space. The discretionary purchase of furniture, fixtures, drapes, blinds, area rugs or wall hangings, compatible with existing interior building décor may be selected by the pastor. Associated tax, delivery and installation cost are included in this allowance. Flooring, walls, doors and permanent bookcases, etc. are excluded from this provision and must remain as currently installed. All purchases made under this allowance are considered assets of the congregation and must remain with the church at the end of this call.

SIGNATURE SECTION:

Pastor _____ Date: _____

Tony Baumgardt (Council President) _____ Date: _____

Neil Honsberger (Council Secretary) _____ Date: _____