**Minutes of the**

**Northeastern Ohio Synod Assembly**

**Thirtieth Regular Assembly**

**May 13-14, 2016**

**John S. Knight Center, Akron**

***We Are Church for the Sake of the World***

**Friday, May 13, 2016**

1. The Assembly began with opening Eucharist with The Rev. Kevin Strickland preaching and Bishop Abraham Allende presiding. The liturgy concluded with the order for opening of a synod assembly led by Bishop Abraham Allende. The assembly was called to order at 9:55am.
2. The Bishop welcomed the assembly members and recognized the following:
	1. The Rev. Kevin Strickland, Assistant to the Presiding Bishop and Executive for Worship for the ELCA.
	2. The Rev. Jean Hansen as the onsite Assembly Coordinator –
	3. The Rev. Darla Ann Kratzer, Kitty Burgett and Chuck Mosberger, who comprise the Reference and Counsel Committee. It was noted that timely and germane resolutions are due to the Assembly office by 11:00am today.
	4. Tim Gilroy, the Synod Treasurer. It was noted that proposed budget revisions are due to the Assembly office by 11:00am today.
	5. Bryan Penvose Synod Vice President
	6. David Lenz, Synod Secretary
	7. John Sleasman, Parliamentarian
	8. First Call Candidates: Scott Nellis and Emily Seitz are present and serving as pages, both graduates of Trinity Seminary. Erin Burns is graduating this weekend from Gettysburg Seminary and was not in attendance. Other pages: The Rev. Karl Biermann, Nancy Guthrie, Cathy Byers, Mary Ann Post, and Lucas Merritt.
	9. Marjorie Ellis, ELCA Church Council representative from our region
	10. Tim Barrage and Joanne Caton-Frank operating the Powerpoint presentations
	11. A/V and camera are being operated by Owen Blakslee and Rex Rickely
	12. The Rev. Julianne Smith, Pat Landis, and The Rev. Mike Conklin comprise the Credentials Committee.
	13. The Rev. Ann Paynter, Karloyn Miller, and Bill Dannley comprise the Elections Committee
	14. The Rev. Nathaniel Adams, Bervin Collins, and David Lenz comprise the Minutes Committee.
3. Assembly Planning Committee Chair The Rev. Dan Caruso made various introductory announcements to orient voting members to the John S. Knight Center, and also encouraged use of #NEOSA16 for social media.
4. Secretary David Lenz presented the list of excused rostered leaders, which appear online:
5. The Rev. Shari Ayers
6. The Rev. Dr. Byron Arledge
7. The Rev. James Cline
8. The Rev. Stephen M. Fisher
9. The Rev. Tom Fox
10. The Rev. David Genszler
11. The Rev. Drew Genszler
12. The Rev. H. David Hammel
13. The Rev. Jeffrey Hancock
14. The Rev. Walter Heber
15. The Rev. Robert Henderson
16. The Rev. Donald Hesterman
17. The Rev. George Hrber
18. The Rev. Pam Kelly
19. The Rev. Carol Kilgore
20. AIM Carol Lauterbach
21. The Rev. Mark Oster
22. The Rev. Terrance Parker
23. The Rev. Brian Rossow
24. The Rev. David Saylor
25. The Rev. Dennis Stylski
26. The Rev. Daniel Wenger
27. The Rev. Russel Yoak
28. The Rev. Chelsea Spencer, on behalf of the Nominating Committee, presented the slate of nominees printed on pages 17-30 of the pre-assembly materials. There are some positions vacant and several positions with only one nominee. There was one additional nomination from the floor: The Rev. Diana Thompson nominated herself for discipline committee, clergy.
29. Nominations were closed with no nominees for Synod Council, 2-year term, Southern Clergy and Discipline Committee, 6-year term, Lay.
30. The Rev. Julianne Smith presented the report of the Credentials Committee. As of 10:05am, there were 215 lay members, plus 11 official lay rostered members, for a total lay voting membership of 226, (96 male, 130 female). Rostered clergy registered were 139, for a total voting membership of 365 (62% lay, 38% clergy). There were 62 registered visitors, for a total attendance of 427.
31. Bishop Allende presented the agenda (pages 2-3 of the pre-assembly materials), as proposed and moved by the synod council, for adoption.
32. Dale Veres, St. John Highland Heights moved to amend the proposed agenda, to cancel workshop sessions scheduled from 3:30-4:15 and replace them with a committee of the whole with an open dialogue on where we are as a Synod and where we are going, to be chaired and facilitated by Dale Veres
33. Mr. Veres observed that the congregations of the synod are facing a variety of issues and there is no place in the proposed agenda for candid, open dialogue about problems we are facing. Because the workshops are repeated at other times, the voting members would be able to attend those workshops at another point in the Assembly. Discussion emphasized that prior Assemblies specifically asked for more workshop times and that the proposed change would make it difficult to attend the desired workshops and take away from the efforts of those who have prepared the workshops. It was acknowledged that opporuntities for small-group discussion was important and that many of the relevant issues may be addressed in the workshops.

**SA16.05.01 Moved (Veres, seconded, failed) To amend the proposed agenda to cancel the proposed workshop sessions scheduled Friday from 3:30 to 4:15 and replace them with a committee of the whole to discuss the topic of “An Open Dialogue – Where As A Synod Are We – And Where Are We Going.” The committee of the whole will be chaired and facilitated by Dale Veres and to consist of a PowerPoint presentation and discussion.**

1. The assembly turned to the main motion to adopt the agenda carried.

**SA16.05.02 To adopt the agenda as presented (carried)**

**Friday, May 13**

 7:40 am Registration

 Displays

 8:10 am Orientation for first time voting members

 8:40 am **Opening Eucharist**

 9:30 am REGISTRATION CLOSES

 9:55 am Opening of synod assembly & call to order

 Welcome by Planning Committee

 Announcement of excused

 Nominations

 Report of Credentials Committee

 Adoption of agenda

 Adoption of Rules of Procedure

 10:15 am Elections Committee report

 First ballot

 10:30 am REGISTRATION RE-OPENS

 10:35 am Synod Council report

 10:40 am Bishop’s report

 11:15 am Break

 11:45 am **Workshop Session I**

 12:30 pm Lunch

 Displays/Social time

 1:30pm ELCA Report

 2:15 pm Treasurer’s report

 Report of the Audit Committee

 Presentation of budget (adoption at 4:25 pm)

 Adoption of Compensation Guidelines

 2:45 pm Report of Credentials Committee

 Report of Elections Committee

 Second ballot

 2:55 pm Report of Reference and Counsel

 3:05pm ALT Year Presentation

 3:20 pm Break

 3:30pm **Workshop Session II**

 4:15 pm Break

 4:25 pm Adoption of budget

 Bylaw amendment

 Resolutions

 Other business

 4:45 pm **Evening Prayer**

 5:30 pm Dismiss assembly for the day

**Saturday, May 14**

 8:15 am Assembly reconvenes

 Announcements

 8:20 am **Morning Prayer** (anniversary recognitions)

 9:00 am Report of Credentials Committee

 Report of Minutes Committee

 Election report

 Third ballot (if needed)

 9:10 am Ecumenical Greetings

 9:40 am Story Tellers

 9:50 am Break

 10:00 am **Workshop Session III**

 10:45 am Break

 10:55 am Report of Reference and Counsel

 Election report

 Other business

 11:20 am Recognitions

 11:25am **Closing Eucharist** (Installation of newly elected)

 12:45 pm Adjournment

1. Secretary Lenz presented the rules of procedure (pages 14 to 16 of the pre-assembly materials) noting the deadlines for submitting proposed changes to the budget and presenting urgent resolutions.

**SA16.05.03 To adopt the rules of procedure as previously distributed and proposed (moved by council action; two-thirds vote required; carried)**

1. **General Rules**

A. Upon recognition by the chair, a speaker shall identify oneself by name, congregation (or agency or institution), and town (or city).

B. Chairpersons of standing committees or committees of the synod council who are not voting members of the synod assembly are accorded voice but not vote on all business relevant to the committees' work.

C. Unless otherwise determined by a two-thirds vote, speeches during debate shall be limited to two (2) minutes.

D. The chair may bring forward items as necessary or as helpful to the business of the assembly.

E. Motions shall be submitted to the secretary in writing on forms provided for that purpose.

F. To afford voting members the option of expressing “no opinion” on a question, the chair will call for yeas, nays, and abstentions.

G. In the event that the assembly must adjourn before completing its business, all remaining items shall be referred to the synod council for disposition.

**II. Nominations and Elections**

A. The consent of all nominees shall have been obtained prior to their nomination. Time constraints prevent distribution of biographical information for persons nominated from the floor.

B. Nominees for offices except for bishop shall be listed in alphabetical order on the first ballot, in two groups. Nominations made prior to the assembly shall be alphabetically listed first, followed by nominations made from the floor. This grouping is necessary for efficient handling of vote counting. On subsequent ballots, listing will be in descending order according to votes received on the previous ballot.

C. Upon completion of all elections, a printed summary of the results shall be published.

1. **Consideration of the Budget**

A. Changes to the proposed budget shall be submitted to the assembly office (behind registration tables) for the Finance & Budget Committee by 11:00 a.m., Friday, May 13, 2016. All proposals shall be in writing and shall include 1) the amount of increase for a committee total, 2) the committee total to be decreased, and 3) the rationale for such change.

 B. Proposed changes shall be reviewed by the Finance & Budget Committee and presented to the synod assembly with its recommendations.

**IV. Consideration of Resolutions**

A. Resolutions to be considered by the assembly shall be received in writing in the synod office by Monday, April 4, 2016 for consideration by the Committee on Reference and Counsel. The Committee on Reference and Counsel shall report their action on such resolutions to the assembly, whether a recommendation for discussion and Assembly action, reference to an appropriate synod committee, no action, or postponement of further discussion to the next Assembly (with possible interim action, if appropriate). Actions of the Committee on Reference and Counsel shall be final unless the Assembly chooses to discuss such actions by a majority vote.

B. Resolutions of an urgent nature which could not be submitted prior to the above deadline because of changing situations in the church or the world shall be submitted in writing to the assembly office (behind registration tables) by 11:00 a.m., Friday, May 13, 2016 for consideration by the Committee on Reference and Counsel. The Committee on Reference and Counsel, in consultation with the bishop and Executive Committee, may decline to report such resolutions or may report such resolutions to the assembly as in (A) above.

C. A resolution of a general nature shall be referred to the Committee on Reference and Counsel, which shall give an opportunity to each voting member of the assembly who proposes such a resolution to comment on it. The committee shall report back to the assembly on any suchresolutions submitted to it together with any recommendations it may have, as well as prepare courtesy resolutions for consideration by the assembly.

D. The Committee on Reference and Counsel shall also grant or deny permission to distribute material to assembly voting members.

1. The Rev. Ann Paynter presented the ballots and explained the election procedure. Bishop Allende called attention to the nomination from the floor of Pr. Diana Thompson in addition to the pre-printed ballots. Pr. Thompson was added as name 16A. Voting opened at 10:32am, and Bishop Allende declared the ballot closed at 10:37am.
2. Vice President Bryan Penvose presented the Synod Council Report. Bryan called attention to the formal synod report on pages 26-27 of the pre-assembly materials, recognizing the Synod staff and ministerial team. Bryan acknowledged and honored the impact on his life of The Rev. Dick Williams who passed away in June of 2015. Bryan noted the Synod Council’s hope to improve the assembly this year and next through workshops, more convenient scheduling, and youth involvement. He called attention to the Council’s efforts in creating a task force for campus ministry expansion and connecting with youth from LYO to view how to conduct youth ministry collaboratively. Bryan also emphasized communication and the ministry of mission interpretation and how each Synod Council member will hopefully be trained soon to serve in that role. He encouraged voting members to pray and discern how they might offer their spiritual gifts to the Synod.
3. Mr. Penvose then assumed the chair of the assembly at 10:48am.
4. Bishop Allende presented his report. He started with a few introductions, including the Synod team—which is the term he prefers over staff: (1) The Rev. Karl Biermann, assistant to the bishop in charge of the call process; (2) The Director of Evangelical Mission, The Rev. Terrance Jacob; (3) Karen Kaufman, resource center director, also works with the nominating committee and various other roles (Bishop Allende noted we have one of only 5 or 6 freestanding resource centers in the ELCA and a great director); (4) Mary Ann Sima, LYO Liaison; (5) Joy Hacker, Synod Accountant; (6) Sony Gilroy, Office Administrator; (7) Marilyn Matevia, who will become the Administrative Assistant; (8) Kathy Lender, receptionist who is retiring after 19 years in the position.
5. Bishop Allende introduced The Rev. Jim Watson, who comes form North-West Lower Michigan Synod and serves as pastor at Zion, Valley City. Bishop Allende also introduced his wife, Linda.
6. The Opening Eucharist offering has been designated will be for ELCA World Hunger; and the Closing Eucharist will be for Lutheran Metropolitan Ministry. Next year’s assembly will be June 9-10, 2017, and it will include a youth event alongside.
7. Bishop Allende talked about his hope and excitement for the assembly this year to offer more than what was offered last year. We will gather, worship, learn, and be ready to go out into the world. We are church for the sake of the world, filled with the Spirit on this Pentecost weekend to be God’s witnesses.
8. We are striving to strengthen the mission and ministry of the Northeastern Ohio Synod. The overarching priority is relationship—relationships between congregations and the synod office and relationships among the congregations. Bishop Allende has made 81 congregation visits (though not to 81 different congregations, some have been repeats). Bishop Allende stated that he wants to be invited to the congregations and does not plan to show up unannounced. The job of bishop is more pastoral than administrative, and it is a pleasure to be among the people of the Synod as often as possible.
9. Worship is a co-equal priority. Everything we do each week flows out of worship. We are sent back into the world fed, forgiven, and renewed. Worship will be a focus of this assembly, which is why we have requested the Rev. Kevin Stickland as our ELCA representative. Renewing worship will be an emphasis throughout the year. The Synod Worship Committee will be presenting workshops in the Fall Bishop’s Gatherings. Worship and Relationship are intertwined.
10. We want for our congregations to be a place of difference from the world in how we approach difficult conversations. We want to influence our communities to change from ways that exclude others toward means of inclusion. We will be offering a workshop on conversations about race. Men’s ministry groups at New Covenant, East Cleveland and First, Strongsville have been involved in intentional conversations and fellowship for years, and Bishop Allende showed a video about those conversations.
11. Bishop Allende is amazed by the number of hunger programs going on in the Synod, and we will offer workshop opportunities for hunger ministry.
12. Stewardship and Mission Support: Pr. Jacob and Karen Kaufman have formed a stewardship think tank to gather best practices from congregations that are strong givers to the Synod and churchwide to share those practices with others. A workshop on stewardship will be available later today.
13. We are smaller by 7 congregations through mergers and closings. There is a population decline in our area; we are aging rapidly; the secular culture is impacting all churches. How does this impact our congregations? We are having intentional conversations about shared ministry. There are already 28 congregations sharing a pastor, but that is not the only thing that shared ministry means. Shared ministry isn’t about survival. It is about mission—reaching out in meaningful ways to the communities where we are located.
14. Young people are an energy-giving force in our church. We will encourage participation in the Synod Assembly; we will encourage joint youth activities; we are lifting up the Abundant Life Together ministry and LOMO at this assembly.
15. In campus ministry, we are supporting sites at Cleveland State through United Protestant Campus Ministries and at Kent State with The Rev. Doug Fidler, but we have established a task force to increase our presence on campuses throughout northeast Ohio.
16. We are continuing to develop programs for lay education and are exploring relationships with Trinity Seminary.
17. Relationship also includes work with our ecumenical partners and companion synod. In a little more than a week, Bishop Allende and Pr. Terrance Jacob will travel to South Africa: The trip will seek to re-establish relationship and look for areas of common learning (e.g., lay ministry, multi-point parishes).
18. We are also asking how Synod Council can be a key participant in the discernment process for Northeastern Ohio. We are exploring the possibility of restructuring Council to be a more effective instrument for God’s mission. The new relationship with the deans as approved last year has been working well so far. Bishop Allende recognized the deans of the conferences.
19. Bryan Penvose returned the chair to Bishop Allende at 11:29am. The workshops will begin at 11:45am. The meeting adjourned to workshops on Shared Ministry, LOMO, Racism, and Stewardship. After the workshops, the assembly proceeded to lunch.
20. The Assembly was called back to order at 1:38pm.
21. The Rev. Kevin Strickland presented the ELCA Report. He acknowledged Bishop Allende’s tireless efforts in the Conference of Bishops.
22. As three expressions, we fulfill Bishop Eaton’s 4 guiding principles. 62 new congregations have started this year in the U.S.; 80 companion churches established around the world. $715,000+ was shared with the churchwide expression from our synod. The Churchwide Assembly theme will be Freed and Renewed in Christ: 500 years of God’s Grace in Action. Assembly actions will include election of Vice President, Declaration of the Way – Conversation with Roman Catholic Community; and Consideration of the ELCA’s strategy to Accompany Migrant Minors with Protection, Advocacy, Representation and Opportunities or “AMMPARO.”
23. August 7-10, 2017 Rostered Leaders Gathering – On the Way Together. This gathering will be for all rostered persons in the church. Will include special workshops on race, diversity, and unity.
24. 500th Anniversary of the Reformation: We are not a reformed church, but an ever-reforming church. We will have workshops on how to commemorate the reformation, and the Grace Gathering will have wonderful ways of participating.
25. This year’s God’s Work, Our Hands Sunday occurs on the 15th Anniversary of the September 11th terrorist attacks. We will also have special commemoration of that anniversary at the Churchwide Assembly.
26. We can be a better church for the sake of the world if we have deeper clearer, more prayerful conversations around race and diversity. The next webcast in Bishop Eaton’s series on race and diversity will be May 25th at 7:00pm Central, entitled “A Place for All,” with an emphasis on diversity and racism in our congregations.
27. Always Being Made New Campaign: Gifts from NEOS individuals and congregations have totaled $287,000. We have raised $80,000,000 in current gifts and pledges, plus $17,000,000 in planned gifts.
28. The Churchwide expression is supporting 62 new congregations and 134 renewal efforts, including Holy Trinity Massillon, Euclid, Euclid, Trinity, Lakewood, and Calvary, East Cleveland.
29. 2015 Gifts from the ELCA included $21.9 million to Lutheran World Hunger and $6.8 million to Lutheran Disaster Response. The ELCA Malaria Campaign continues in its work in 14 different countries. The campaign has raised more than $15.5 million. The goal for 2016 for Lutheran World Hunger is $24 million.
30. “Called Forward Together in Christ” is the ELCA’s new visioning process to deal with big questions such as Who are we? What is important? Pr. Strickland led table conversations about the following questions: (1) What is distinctive about our identity as a Lutheran Church? (2) What kind of church do we believe God is calling us to become? (3) How do we become an inclusive, diverse church that is inspiring and relevant in different communities? (4) What is God calling us to do in a aworld that is facing unprecedented levels of poverty, conflict and violence, interreligious conflict and violence, interreligious tension, and massive displacement of people?
31. As Pr. Strickland concluded his report, the assembly recognized Amanda Silcox of Our Savior, Hinckley who is about to serve as a Young Adult in Global Mission departing for Cambodia.
32. Tim Gilory presented the Treasurer’s Report, which appears on pages 63 and following in the preassembly materials. Total assets of the Synod are $2,166,372. Total liabilities are $75,309. The decrease in mission support for the last five years is approximately $226,000. Last year’s mission support was $1,430,626, which was approximately $58,000 less than the previous year.
33. Kurt Lauderbach, Prince of Peace, Westlake commented that numbers showing a decrease of a specified dollar amount are meaningless to those outside of Synod Council and asked for the Treasurer to give an explanation of what the decreases were or what they actually mean. Joy Hacker of St. Paul, Newcomerstown also clarified decreases in cash and liabilities.
34. The Rev. Dan Cammarn presented the Audit Report on behalf of the Audit Committee. Once again, the Auditors have the highest possible level of opinion of our financial statements and the books are in order.
35. The Rev. Dan Cammarn presented the budget, which appears on Pages 36-38 of the pre-assembly materials. He called attention to the third column of the spreadsheet, which shows the Synod Council’s approved amendments to the 2016-2017 budget approved by Synod Assembly last year. Mission Support has dropped roughly 2-5% each year for the past several years. The Council adjusted the 2016-2017 budget to a 3% decline from the 2015-2016 actual, which meant a reduction of $45,000—which includes $22,500 of reduction for the ELCA. Changes included lines for Social Ministry Organizations, African Descent Outreach Strategy, Small Town and Rural Ministries, Candidacy Program, and Depreciation. These adjustments leave a deficit budget of $13,870.
36. Pr. Cammarn presented the 2017-2018 budget to be considered at this assembly. The Synod Council forecasted a 2% drop in mission support relative to the 2016-2017 amended. This meant a reduction of $28,000, which includes $14,000 of reduction for the ELCA. This hit lines for Trinity Seminary, Campus Ministries, LOMO, Colleges and Universities, Social Ministry Organizations, African Descent Outreach Strategy, New Mission Starts, and Global Mission Program. There are also additional costs on Synod office operation and Synod Staff relating to health insurance benefits. Again, this leaves a deficit budget of $13,590. The Council recommends maintaining our remittance to the ELCA at 50%.
37. Pr. Robert Ferro, Bethany English Lutheran Church requested that in future assemblies the approved budget be shown alongside the amended budget, so we can keep track of the changes Synod Council made. Questions were raised as to why budget cuts were necessary so early into the year. Pr. Cammarn said that it was obvious we would not make budget this year and that it is more manageable to plan for a decrease early in the year.
38. Dale Veres, St. John, Highland Heights asked how much of what we send to the ELCA flows back to what happens in our Synod? Bishop Allende reports support of approximately $180,000 for mission congregations and hunger grants. Pr. Jacob’s entire compensation and benefits also come from the ELCA.
39. Pr. David Anderson asked about Lutheran Disaster Response as a new $10,000 line item. The three synods in Ohio took on Lutheran Disaster Response in Ohio. The three synods covenanted to put in $10,000 per year each.
40. Pr. Dan Caruso asked why our Synod continues to accept as though it is OK that we are going to have lower and lower receipts—including cutting areas that appear to be Bishop Allende’s priorities.
41. The Rev. Leah Schafer presented the Compensation Guidelines, which appear on pages 45-62 of the pre-assembly materials. The recommendation is no increase to the base salary, which is a 0% cost of living adjustment in accordance with the Social Security COLA. There is still a recommended $310 increase for each additional year of experience. The 0% change is only to the base salary recommendation. It is also recommended that the benefits through Portico be at the Gold Plus level.

**SA16.05.04 To approve the proposed 2017 compensation guidelines as presented (moved by council action; carried)**

**NORTHEASTERN OHIO SYNOD 2017 COMPENSATION**

**GUIDELINES AND WORKSHEET**

**CLERGY**

**INTRODUCTION:**

A pastor assumes many responsibilities. We expect our pastors to be preachers, evangelists, administrators, teachers, counselors and leaders. We require eight years of study (including a bachelor’s and master of divinity degrees) as a part of preparation for ordained ministry. Compensation for pastors should be comparable to professional positions of equal responsibility, education, and time commitment.

Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our synod have an obligation to review compensation plans annually. We also expect pastors to take initiatives in seeking annual reviews of compensation.

Inadequate compensation may result in discouragement and dissatisfaction. This sometimes occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the congregation and church begin, as an inability to participate in continuing education programs, or as “moonlighting” becomes a necessity. Inadequate compensation means low contributions to retirement plans, which leads to inadequate retirement income. All of these realities increase the occurrence of resignations from ordained ministry, make it more challenging to recruit able candidates for ordained ministry, and create a poor image of the church in the community.

Our synod recognizes there are pastors and congregations who, for a variety of reasons, choose to be content with salaries that are below the synod minimum. We caution these pastors and congregations, however, that they may be doing disservice to the congregation, other pastors, and pastoral successors by allowing the compensation package to remain below recommended guidelines. In such situations, the congregation, pastor, and bishop’s office should work together to implement other support strategies.

Congregations should develop procedures whereby they review their pastor’s salary and discuss their pastor’s personal financial concerns. This may be best accomplished by a small and understanding committee of three to six individuals appointed by the congregation council. The committee should bring to the council or appropriate committee its recommendations for annual compensation adjustments. The ELCA has published a guide to use in organizing a mutual Ministry/Staff Support Committee and for compensation planning: *Pastor and People: Making Mutual Ministry Work (ISBN 0-8066-4651-9)* which is available from Augsburg Fortress (1-800-328-4648). .

 It should be noted that these are suggested base salaries. The total compensation package should also reflect any special concerns of the pastor and his/her family, and other factors as discussed in this document.

1. **SALARY**
	1. BASE CASH SALARY
		1. The minimum base salary recommendation for 2017 is $37,590. This represents a 0% living adjustment to the 2016 minimum base cash salary recommendation, which was in turn based on the 2016 Social Security Administration cost-of-living adjustment. It is still strongly recommended that $310 for each year of ordained service be added to this minimum base; or,
		2. A congregation with experienced clergy may use a 0% cost of living adjustment to the current base salary plus a $310 increase for the additional year of experience in ordained ministry.
	2. ADJUSTMENTS

 Adjustments to the base cash salary may consist of, but are not limited to:

* + 1. Merit
		2. Local COLA (to reflect significant differences in local cost of living)
		3. Responsibilities
		4. Education (either advanced or specialized)
		5. Other concerns identified by the congregation/pastor.
1. **HOUSING**
	1. WITHOUT PARSONAGE
		1. This is for pastors who own their own house. A fair approach to determining the housing and utilities allowance is:
			1. One percent per month of the reasonable market value of a house within the general community in which the congregation resides, plus
			2. The cost of utilities for such a home, plus
			3. The difference in cost for the rental value of such a home furnished as compared to rental value of such a home unfurnished.

A realtor can help determine this figure. This allowance is to cover the mortgage payments, taxes, insurance, utilities, furnishings, and maintenance of the house.

* + 1. *Housing allowance must be officially designated in advance by the congregation. This can be done by a separate line in the budget or by official action of the congregation council.*
		2. A pastor may elect to use this allowance to rent a home, in which case the allowance should cover rent, utilities, furnishings, and insurance.
		3. The congregation council may also consider the establishment of a loan policy to assist the pastor in the down payment on a home if a parsonage is not provided.
	1. WITH PARSONAGE
		1. HOUSEHOLD FURNISHINGS/UTILITIES ALLOWANCE

If a parsonage is provided, it should be comparable to at least the average home in the congregation or community. For pastors who are in parsonages, it is appropriate for the congregation to provide a household furnishings/utilities allowance. This allowance will cover the expenses of the parsonage: utilities, maintenance, and furnishings needed to keep up the parsonage. This may be done in several ways:

* + - 1. The congregation may provide a fixed monthly parsonage allowance, based on the needs of the pastor and parsonage. This amount needs to be designated by the congregation council at its first meeting each year, or separately stated in the budget.
			2. The congregation may choose to pay the utilities (gas, electric, sewage, water, trash collection, telephone (except personal long-distance) directly.
			3. The congregation should generally pay for the costs of maintaining the parsonage. If not, an allowance would be provided to cover expenses to maintain the parsonage.
		1. HOUSING EQUITY ALLOWANCE

An equity allowance should be provided if the pastor lives in a congregation-owned home. The equity allowance provides the financial resources for a pastor to provide housing upon retirement, or to provide a down payment for the purchase of a house during active ministry. It is suggested that the equity allowance be:

* + - 1. An amount equal to 3% of the annual pension defined compensation.
			2. The congregation pays the total amount in monthly installments to a depository agreed to by the church and the pastor.
			3. Each congregation would stipulate at the beginning of each pastor’s ministry (or when the plan begins) that the funds become available to the pastor only:
				1. at the pastor’s retirement, or
				2. at the time the pastor is granted a housing allowance and purchases a home, or
				3. at the time of total and presumably permanent disability, or
				4. at the time the pastor leaves the clergy roster of the ELCA, or
				5. at the time of death, at which time the funds would be disbursed as stipulated by the agreement.

Our synod recommends that congregations and pastors consult with ***Portico Benefits Services*** (the ELCA Retirement Plan provider) and the IRS regulations and examine the pastor’s individual financial situation prior to implementation of this program.

* + 1. It is important that parsonages be sufficiently maintained. An annual walk-through of the parsonage by the council is advised. The purpose of the walk-through is to note the general condition of the home and plan regular maintenance.
1. **BENEFITS**
	1. PENSION/HEALTH CARE
		1. The congregation shall provide full pension, health, and death benefits for the pastor and family in accordance with ***Portico*** provisions. The “Gold+ level of health benefits has been recommended by the ELCA Church Council and the NEO Synod Council.
		2. A “Medical Expense Reimbursement Plan”, established in accordance with specific IRS requirements, could provide tax advantages for the pastor by reimbursing deductibles, co-payments, and other medical expenses not covered by insurance. For more information, please contact the synod accountant (jhacker@neos-elca.org)
		3. The pastor may elect to waive the health care benefit under the coordination of the benefits clause in the ***Portico*** Handbook. The congregation should consult with ***Portico*** (612-333-7651 or 800-352-2876) or the synod office for assistance in determining the effects of these guidelines.
	2. FICA ALLOWANCE (SOCIAL SECURITY)
		1. A congregation cannot pay the social security tax for a pastor. By law, the pastor must personally pay both the employer and the employee portions of social security taxes. However, a congregation can pay a pastor a special allowance which the pastor may then use to put toward whatever self-employment social security tax he or she owes. This allowance is taxable when computing income tax and social security taxes, and must also be considered income in computing pension plan contributions.
		2. The congregation should provide a minimum allowance that corresponds to the employer portion of social security taxes (currently 7.65%). In order to assist the pastor, the congregation may further choose to provide for some or all of the remaining social security taxes (currently 7.65%). Whatever is provided, the pastor reports it as salary.
		3. The allowance can be calculated as follows:
			1. Minimum social security allowance for pastor receiving a housing allowance (non-parsonage):

Salary

 + Housing Allowance

 = Social Security Base

 x 7.65 % (employer rate)

 = Social Security Allowance

* + - 1. Minimum social security allowance for pastor living in parsonage:

Salary

 x 1.3 (housing equivalency factor)

 = Subtotal

 + Furnishings/Utilities Allowance

 = Social Security Base

 x 7.65% (employer rate)

 = Social Security Allowance

* + 1. The synod recommends the pastor periodically check records to be certain accounts have been properly credited. A pastor may do this by obtaining Form SSA 7050 from the Social Security Administration office or online at [www.ssa.gov](http://www.ssa.gov/). from the local Social Security Administration office or post office. It is important that pastors do this periodically because one can only go back 39 ½ months to correct errors. This is critical in assuring the receipt of the maximum benefits available.
1. **PART-TIME CALLS**

 Compensation for part-time calls should be made in consultation with the synod staff.

1. **PROFESSIONAL EXPENSES**

These items are considered congregational administrative expenses and are not items to be considered as compensation.

* 1. AUTOMOBILE EXPENSES: Congregations should adequately provide for the pastor’s business mileage expenses in one of the following ways. In determining the method, usage should be considered including factors such as geographical limits of the congregation, distance to commonly used hospitals, etc.
		1. Use an accountable reimbursement plan to reimburse the pastor for miles driven in service of the congregation. Such reimbursement must be based on documentation as required by the IRS, should be reimbursed at the maximum IRS rate for use of a personal car for business purposes (54 cents per mile in 2016) and is not taxable to the pastor; or
		2. Provide the pastor with a fixed automobile allowance of at least $4,000 per year in addition to salary. This allowance must be included as taxable income on the pastor’s Form W-2. The pastor is accountable to the IRS for use of this allowance and may be eligible to deduct a portion of the expenses based on accurate records of church mileage. Contact your accountant or the synod office for further guidance; or
		3. A congregation may, in accordance with IRS guidelines, buy or lease a car and assume the total cost of operating the vehicle.
	2. OTHER PROFESSIONAL EXPENSES

Other ministry related expenses incurred by the pastor should be paid by the congregation in one of the following ways:

* + 1. Paying these amounts directly as they occur; or
		2. Setting up a line item in the budget for reimbursement of these expenses, preferably combined with the automobile reimbursement into a single line item; or
		3. Paying a monthly professional expense allowance to the pastor.

*Note*: Congregations are strongly encouraged to set up an “Accountable Professional Expense Reimbursement” for all rostered leaders in the congregation. Reimbursable professional expenses include, but are not limited to: automobile (mileage, parking tolls), overnight travel (including lodging and meals), professional and liability insurance, vestments and vestment cleaning, long distance business phone calls, books, magazines/journals, professional dues, continuing education, media resources, supplies, meals associated with official meetings and appointments, business gifts (maximum of $25.00 per person per year), and equipment purchases. Such professional expenses, when reimbursed by the congregation with adequate accounting as specified in the Internal Revenue Code, are not taxable for either income tax or social security/self-employment tax and are excluded from Form W-2. When the congregation provides an expense allowance without accountable reimbursement, the allowance is taxable income included in Form W-2. Professional expenses not reimbursed under an accountable plan, including expenses in excess of the budget for reimbursement, are deductible for self-employment tax, but only a portion of the expenses is deductible for federal income tax (and only if the rostered leader is eligible to itemize deductions), and none are deductible for state, city or school district income tax. For more information, please contact the synod accountant.

* 1. COMPUTERS AND CELL PHONES

It is recommended that the congregation provide the pastor with a computer and cell phone to facilitate ministry. Note the following in this regard:

* + 1. Computer
			1. A computer owned by the church and provided for the pastor’s use is a business expense that is not taxable to the pastor.
			2. A computer purchased by the pastor is NOT a deductible business expense, even when used for business purposes.
		2. Cell Phone
			1. A cell phone provided to the pastor is a nontaxable business expense if the council minutes state it is primarily provided for noncompensatory business reasons (such as the need to be accessible at all time for work-related emergencies).
			2. The pastor may be provided with a nontaxable cell phone reimbursement if council minutes state that the pastor is required to maintain a personal cell phone for noncompensatory business reasons and the reimbursement amount does not exceed reasonable business needs (i.e. reimburse the basic monthly plan, not family plan for extra minutes).
1. **OTHER PROVISIONS**
	1. VACATION

The minimum vacation should be four weeks (including four Sundays). Attendance at official functions is not to be construed as vacation time.

*Note:* If financial constraints of a congregation make difficult monetary raises for clergy, a congregation might consider providing an extra week of vacation (including Sunday) as compensation.

* 1. SICK LEAVE

Sick leave should be provided for up to eight weeks per year (including Sundays) with full salary, housing, and benefits. An agreement may be made for partial disability beyond that time in coordination with ***Portico***.

* 1. MATERNITY LEAVE

Maternity leave should be provided for up to six weeks (including Sundays) with full salary, housing, and benefits. Because of special concerns or needs, actual time may be negotiated between the pastor and congregation.

* 1. PATERNITY LEAVE/ADOPTIVE PARENTAL LEAVE

Paternity leave and adoptive parental leave may be negotiated between the pastor and congregation. It is recommended that up to six consecutive weeks (including Sundays) with full salary, housing, and benefits be provided. Because of special concerns or needs actual time may be more or less than six weeks.

* 1. CONTINUING EDUCATION

The ELCA expects of its ordained clergy a minimum of 50 contact hours annually in organized continuing education.

* + 1. Congregations are encouraged to make available to their pastors at least two weeks (including Sundays) per year for continuing education.
		2. The scheduling of continuing education should be determined by the pastor in consultation with the council.
		3. $1,000 is recommended; a minimum of $700 per year should be provided for this education.
		4. A pastor should have the privilege of accumulating educational leave and funds over a two-year period.
	1. SABBATICAL LEAVE

Sabbatical leave offer an extended block of time for study, personal growth, and reflection apart from usual congregational responsibilities.

* + 1. Normally, an extended study and renewal period of one to three months after five years in the current call should be provided with full salary, housing, and benefits.
		2. The leave plan is to be developed in cooperation with the council. The parties shall seek the counsel of the bishop before finalizing an agreement.
		3. The congregation shall be responsible for arranging for pastoral coverage, including pulpit supply, during the leave.
		4. Within six weeks of the completion of the sabbatical leave the pastor shall present the congregation a written reflection on the experience and the implications for the ministry of the congregation and ministry in the parish. This written reflection shall be added to the pastor’s file in the bishop’s office.
	1. WORK WEEK

Because of the nature of ministry, it is recognized that pastors are expected to fulfill many evening and weekend responsibilities in addition to Sunday morning worship. Therefore, adequate time off (one day per week minimum) should be granted that would be free from ministry-related responsibilities.

* 1. SPECIAL CONCERNS

Where there are special needs within a pastor’s family, these should be considered separately.

1. **ASSOCIATE/ASSISTANT/SPOUSE TEAM COMPENSATION**
	1. The synod recommends that the above guidelines be applied to associate/assistant pastors taking into consideration their relationship with the senior pastor, e.g., duties, responsibilities, etc.
	2. For clergy spouse teams the synod staff should be consulted.
2. **INTERIM / TEMPORARY / SUPPLY MINISTRIES**
	1. INTERIM

At the time of a pastoral vacancy in a congregation, the bishop, working with the congregation council, recommends an interim pastor to provide basic leadership and pastoral care until another pastor is secured and, if needed, to address any special concerns of the congregation. No pastor is to be considered as a candidate for call to a congregation while serving it as an interim.

Depending on congregational need and pastoral availability, an interim pastor may serve on a part-time or full-time basis during a pastoral vacancy. An active pastor serving in an interim ministry, whether full or part-time, should be compensated according to the current guidelines based on the time negotiated with the church council. For example, if the pastor is serving half-time (50%), compensation should be 50% of a regular compensation package. A retired pastor who serves as an interim minister shall negotiate with a church council in consultation with the synod staff.

* 1. TEMPORARY PASTORAL SUPPORT

Temporary pastoral support will be compensated at $200 per month for a congregation council meeting and emergency pastoral care. Mileage will be paid at the current IRS mileage reimbursement rate (see V.A. above). Compensation beyond this is to be determined in negotiations between the congregation council and the temporary pastor with guidance provided by the synod staff.

* 1. SUPPLY PASTOR

During a pastoral absence, it may be necessary for a congregation to secure a supply pastor. A current list of clergy available for that purpose may be obtained from the synod office. Those asked to serve as pulpit supply should be contacted well in advance of the date needed and, upon acceptance, be provided with a copy of the worship bulletin and pertinent information about the service. A member familiar with congregational worship practices should be on hand to welcome the pastor prior to the service. The recommended honorarium for one worship service is $150 plus mileage at the current IRS mileage reimbursement rate (see V.A. above). For additional services, scheduled within three hours of the conclusion of the initial worship service, whether at the same congregation or at another, as in two-point parishes, an additional $50 per service should be paid plus any additional mileage. If additional services are scheduled during the week that are similar in nature e.g., Sunday evening, Wednesday, Saturday, etc., an additional honorarium of $85 for each additional service plus mileage at the current IRS mileage reimbursement rate (see V.A. above) should be paid. For additional responsibilities, appropriate compensation should be provided. Expenses for lodging and meals, if necessary, are to be paid by the congregation.

**COMPENSATION WORKSHEET**

**CLERGY**

* 1. **COMPENSATION**
		1. Cash Salary
			1. Annual base salary (before salary-reduction contributions) (I.A.,B.)\* $
			2. Clergy Social Security tax allowance (if paid directly to pastor) (III.B.) $
		2. Total of (1a.) plus (1b.) $
		3. Housing (only one housing option may be included) $

 a. Cash housing allowance without parsonage (including any household

furnishings and utility allowances) (II.A.)

 or

1. 30 percent of line 2 (if parsonage or other housing is provided)

 4. Pastor’s household furnishings and utilities allowances (only if parsonage $

 is provided and the allowance is paid directly to the pastor) (II.B.1.)

1. **TOTAL ANNUAL DEFINED COMPENSATION (Add lines 2, 3, 4).** $

**B. PENSION AND OTHER BENEFITS**

1. ELCA pension and benefits (***Portico***) (III.A.1.) $

2. Medical reimbursement (III.A.2.) $

3. Housing equity allowance (II.B.2.) $

 **TOTAL PENSION AND BENEFITS** $

**C. PROFESSIONAL EXPENSES**

1. Automobile reimbursement or allowance (V.A.) $

2. Other professional expenses (V.B.) $

3. Cell Phone (V.C.) $

4. Continuing Education (VI.E.) $

**D. SPECIAL CONCERNS (VI.H.)**

* + 1.
		2.

\*Roman numerals, letters and numbers refer to sections within the guidelines.

*Helpful calculators for defined compensation and ELCA benefits contributions are located on the Portico website at* [*www.porticobenefits.org*](http://www.porticobenefits.org)*. Please note, however, that you should insert your own calculations for the social security allowance with guidelines III.B. For more information, a workbook entitled, “Nuts and Bolts of Clergy Tax” is available from the synod accountant.*

**NORTHEASTERN OHIO SYNOD 2016 COMPENSATION**

**GUIDELINES AND WORKSHEET**

**NON-ROSTERED**

Due to the wide range of non-rostered duties that may be performed at a congregation, this guideline will only reflect general guidance and not specific recommendations.

**INTRODUCTION:**

A congregation employs many non-rostered people in various positions such as musicians, custodians and administrative assistants. Compensation for these positions should be comparable to professional positions of equal responsibility and training. Adequate livable compensation for the non-rostered employee, as for anyone else, is necessary to fulfill responsibilities, obligations and maintain satisfaction in ministry. The congregation and the synod have an obligation to review compensation plans annually using the guidelines as adopted by the synod assembly. Non-rostered personnel are also urged to take initiatives in seeking an annual review of compensation.

The congregation should develop procedures whereby it may review the employees’ salary and discuss those personal financial concerns that may apply. This may be best accomplished by a small and understanding committee consisting of the pastor(s), one or more representatives of the congregation council, and other persons as deemed necessary. The committee should bring to the congregation council its recommendations for annual compensation adjustments.

Written job descriptions should be developed for each position. The job description should include, but is not limited to:

1. duties
2. days of work
3. hours
4. whether salaried or hourly
5. benefits
6. rate of pay and overtime policy
7. other

A special effort should be extended in determining actual hours worked, (e.g., for musicians, detailed listing of time requirements is available from Association of Lutheran Church Musicians). Local considerations could include:

1. regular services (number per week)
2. choir practice(s)
3. additional services, e.g. Lenten
4. practice time
5. educational level
6. **SALARY**
	1. BASE CASH SALARY: An effort should be made to determine adequate local compensation levels. There are several ways to accomplish this including but not limited to:
		1. Consult with local school districts, especially for custodians, secretaries, and Christian educators.
		2. U.S. Department of Labor
		3. other local congregations
		4. classified ads
		5. local Chamber of Commerce
		6. negotiation with the employee (e.g., an employee who is also a member of the congregation may volunteer a portion of their compensation to the congregation)
		7. professional organizations, (e.g., Association for Lutheran Church Musicians (ALCM), International Association for Office Professionals).
	2. ADJUSTMENTS: Adjustments to the base cash salary may consist of, but are not limited to:
		1. merit
		2. local COLA (to reflect significant differences in local cost of living)
		3. responsibilities
		4. education (either advanced or specialized)
		5. other concerns identified by the congregation/employee
7. **HOUSING**

 Not applicable

1. **BENEFITS**
	1. PENSION / HEALTH CARE
		1. The congregation shall provide full pension, health, and death benefits for the employee and family in accordance with ***Portico Benefit Services*** (ELCA Benefits provider) provisions. Health care issues may be addressed through other agencies (e.g. a local Chamber of Commerce).
		2. A “Medical Expense Reimbursement Plan”, established in accordance with specific IRS requirements, could provide tax advantages for employees by reimbursing deductibles, co-payments, and other medical expenses not covered by insurance. For more information, please contact the synod accountant (jhacker@neos-elca.org)
		3. The employee may elect to waive the spouse and dependent health care benefit under the coordination of benefits clause in the ***Portico Benefit Services*** Handbook. The congregation should consult with ***Portico*** (612-333-7651 or 800-352-2876) or the synod office for assistance in determining the effects of these guidelines.
		4. For part-time employees refer to Section IV.
	2. FICA ALLOWANCE (SOCIAL SECURITY)
		1. A congregation shall provide FICA payments in accordance with current Federal regulations.
		2. The synod recommends the employee periodically check records to be certain accounts have been properly credited. An employee may do this by obtaining Form SSA 7050 from the local Social Security Administration office or online at www.ssa.gov. It is important that employees do this periodically because one can only go back 39 ½ months to correct errors. This is critical in assuring the receipt of the maximum benefits available.
2. **PART-TIME EMPLOYEES**
	1. For part-time employees (less than 40 hours), salary and benefits should be calculated then reduced to reflect the percent of employment, e.g., an employee at half-time (20 hours) would receive 50%.
	2. When employed less than 20 hours, ***Portico Benefit Services*** is not available.
3. **PROFESSIONAL EXPENSES:** These items are considered congregational administrative expenses and are not items to be considered compensation.
	1. AUTOMOBILE EXPENSES: If congregations require the employee to use his/her own vehicle, congregations should provide an adequate automobile allowance. Such reimbursement should be consistent with the maximum IRS deduction for use of a personal car for business purposes (54 cents per mile in 2016).
	2. OTHER PROFESSIONAL EXPENSES: These expenses include, but are not limited to books, subscriptions to magazines or journals, media resources, and official meetings. They may be covered by:
		1. paying these amounts directly as they occur; or
		2. setting up as a line item in the budget; or
		3. setting up as a monthly allowance.
4. **OTHER PROVISIONS**
	1. VACATION: A graduated schedule for vacations should be used. The minimum vacation should be two weeks. The maximum is four weeks. Attendance at official functions is not construed as vacation time.
	2. SICK LEAVE: Sick leave should be provided for up to eight weeks per year with full salary and benefits. An agreement may be made for partial disability beyond that time in coordination with the ELCA Board of Pensions.
	3. MATERNITY LEAVE: Maternity leave should be provided for up to six weeks with full salary and benefits. Because of special concerns or needs, additional time may be negotiated between the employee and congregation.
	4. PATERNITY LEAVE / ADOPTIVE PARENTAL LEAVE: Paternity leave and adoptive parental leave may be negotiated between the employee and congregation. It is recommended that up to six consecutive weeks (including Sundays) with full salary, housing, and benefits be provided. Because of special concerns or needs actual time may be more or less than six weeks.
	5. CONTINUING EDUCATION:
		1. If applicable, provision should be made for assisting with continuing education with paid time off and tuition reimbursement. The scheduling of continuing education should be determined by the employee in consultation with the council.
		2. SABBATICAL LEAVE: Sabbatical leave offers an extended block of time for study, personal growth, and reflection apart from usual congregational responsibilities. If a sabbatical is appropriate, refer to the sabbatical guidelines in the rostered person’s guidelines.
	6. WORK WEEK: Because of the nature of church employment, it is recognized that employees may be expected to fulfill evening and weekend responsibilities. Therefore, adequate time off (one day per week minimum) should be granted that would be free from church-related responsibilities.
	7. SPECIAL CONCERNS: Where there are special needs within an employee’s family, these should be considered separately.

**COMPENSATION WORKSHEET**

**NON-ROSTERED EMPLOYEE**

**(POSITION)**

**JOB DESCRIPTION:** Duties and expectations should be provided for each position. These duties will normally be performed on (days of the week) from (list regular hours). This position is classified as hourly/salaried.

1. **COMPENSATION**
	1. Base Salary (I.A., B.)

TOTAL COMPENSATION

1. **PENSION AND OTHER BENEFITS**
	1. ***Portico*** or other Pension and health (III.A.1.)
	2. Medical Reimbursement (III.A.2., 3.)
	3. Other Benefits

 TOTAL PENSION AND BENEFITS

1. **PROFESSIONAL EXPENSES**
	1. Automobile Reimbursement or allowance (V.A.)
	2. Other Professional expenses (V.B.)
	3. Continuing Education (VI.E.)
2. **OTHER PROVISIONS (VI)**
	1. Vacation
	2. Sick leave
	3. Maternity leave
	4. Paternity/adoptive parental leave
3. **SPECIAL CONCERNS (VI.G.)**
	1.

\*Roman numerals, letters, and numbers refer to sections within the guidelines.

**NORTHEASTERN OHIO SYNOD 2016 COMPENSATION**

**GUIDELINES AND WORKSHEET**

**ASSOCIATES IN MINISTRY,**

**DIACONAL MINISTERS & DEACONESSES**

**INTRODUCTION:**

Associates in ministry, diaconal ministers, and deaconesses assume many different responsibilities. Job descriptions vary and are developed by the congregation. We require specialized training for certification as an associate in ministry, diaconal minister or deaconess (hereafter referred to as rostered lay leader). Compensation for these rostered lay leaders should be comparable to professional positions of equal responsibility and training. Adequate compensation enables these rostered lay leaders to fulfill responsibilities and obligations, encourages vocational satisfaction, and encourages a rostered lay leader’s best efforts and gifts. Congregations and our synod have an obligation to review compensation plans annually. We also expect rostered lay leaders to take initiatives in seeking an annual review of compensation.

Inadequate compensation may result in discouragement and dissatisfaction. This sometimes occurs as a rostered lay leader’s family cannot maintain financial stability, as negative attitudes toward the congregation and church begin, as an inability to participate in continuing education programs, or as “moonlighting” becomes a necessity. Inadequate compensation means low contributions to retirement plans, which leads to inadequate retirement income. All of these realities increase the occurrence of resignations from rostered lay ministry, make it more challenging to recruit able candidates for rostered lay ministry, and create a poor image of the church in the community.

Our synod recognizes there are rostered lay leaders and congregations who, for a variety of reasons, choose to be content with salaries that are below the synod minimum. We caution these rostered lay leaders and congregations, however, that they may be doing disservice to the congregation, other rostered lay leaders, and rostered lay successors by allowing the compensation package to remain below recommended guidelines. In such situations, the congregation, rostered lay leader, and bishop’s office should work together to implement other support strategies.

Congregations should develop procedures to review their rostered lay leader’s salary and discuss those personal financial concerns that may apply. This may be best accomplished by a small and understanding committee of three to six individuals appointed by the congregation council. The committee should bring to the congregation council or appropriate committee its recommendations for annual compensation adjustments.

It should be noted that these are suggested base salaries.The total compensation package should also reflect any special concerns of the rostered lay leader and his/her family, and other factors as discussed in this document.

1. **SALARY**
	1. BASE CASH SALARY
		1. The minimum base salary recommendation for 2017 is based on their level of education within the area of expertise as follows:

 NO DEGREE BACHELORS MASTERS

 $33,945 $39,315 $40,730

This represents no increase to the 2016 minimum base cash salary recommendation, as the Social Security Administration has set the cost of living allowance at 0%. It is recommended that $310 for each year of rostered service be added to this minimum base, or

* + 1. A congregation with an experienced rostered lay leader should offer a $310 increase for the additional year of experience in rostered ministry.
		2. It should also be noted that these are suggested base salaries which include money for housing.
	1. ADJUSTMENTS: Adjustments to the base cash salary may consist of, but are not limited to:
		1. merit
		2. local COLA (to reflect significant differences in local cost of living)
		3. responsibilities
		4. education (either advanced or specialized)
		5. other concerns identified by the congregation / pastor.
1. **HOUSING**

In compliance with federal tax law, the congregation council may consider providing housing or a housing allowance for the rostered lay leader similar to that for clergy (see clergy guidelines). The council may also consider the establishment of a loan policy to assist the rostered lay leader in the down payment on a home. Synod staff is available for counsel.

1. **BENEFITS**
	1. PENSION / HEALTH CARE
		1. The congregation shall provide full pension, health, and death benefits for the rostered lay leader and family in accordance with ***Portico Benefit Service*** (the ELCA Retirement Plan provider). The “Gold+ level of health benefits has been recommended by the ELCA Church Council and the NEO Synod Council.
		2. A “Medical Expense Reimbursement Plan”, established in accordance with specific IRS requirements, could provide tax advantages for rostered lay leaders by reimbursing deductibles, co-payments, and other medical expenses not covered by insurance. For more information, please contact the synod accountant (jhacker@neos-elca.org)
		3. The rostered lay leader may elect to waive the care benefit under the coordination of the benefits clause in the ***Portico*** Handbook. The congregation should consult with the ***Portico*** (612-333-7651 or 800-352-2876) or the synod office for assistance in determining the effects of these guidelines.
	2. FICA ALLOWANCE (SOCIAL SECURITY)
		1. Normally a congregation will pay Social Security tax for rostered lay leaders. Social Security law regulates the amount to be paid.
		2. Rostered lay leaders who are considered self-employed as defined in current Social Security guidelines, by virtue of a “teaching call,” please refer to Section III.B. of the clergy guidelines.
		3. The synod recommends the rostered lay leader periodically check records to be certain accounts have been properly credited. A rostered lay leader may do this by obtaining Form SSA 7050 from the Social Security Administration office or online at www.ssa.gov. It is important that rostered leaders do this periodically because one can only go back 39 ½ months to correct errors. This is critical in assuring the receipt of the maximum benefits available.
2. **PART-TIME CALLS**

For part-time calls, salary, housing, and benefits should be calculated then reduced to reflect the percent of call, e.g., a call at half-time would receive 50%. All part-time calls should be made in consultation with the synod staff.

**V. PROFESSIONAL EXPENSES**

These items are considered congregational administrative expenses and are not items to be considered as compensation.

* 1. AUTOMOBILE EXPENSES: Congregations should adequately provide for business mileage expenses in one of the following ways. In determining the method, usage should be considered including factors such as geographical limits of the congregation, distance to commonly used hospitals, etc.
		1. Use an accountable reimbursement plan to reimburse for miles driven in service of the congregation. Such reimbursement must be based on documentation as required by the IRS, should be reimbursed at the maximum IRS rate for use of a personal car for business purposes (54 cents per mile in 2016) and is not taxable; or
		2. Provide the rostered leader a fixed automobile allowance of at least $4,000 per year in addition to salary. This allowance must be included as taxable income on Form

W-2. The rostered leader is accountable to the IRS for use of this allowance and may

 be eligible to deduct a portion of the expenses based on accurate records of church

 mileage. Contact your accountant or the synod office for further guidance; or

* + 1. A congregation may, in accordance with IRS guidelines, buy or lease a car and assume the total cost of operating the vehicle.
	1. OTHER PROFESSIONAL EXPENSES

Other ministry related expenses incurred by the rostered leader should be paid by the congregation in one of the following ways:

* + 1. Paying these amounts directly as they occur; or
		2. Setting up a line item in the budget for reimbursement of these expenses, preferably combined with the automobile reimbursement into a single line item; or
		3. Paying a monthly professional expense allowance.

*Note*: Congregations are strongly encouraged to set up an “Accountable Professional Expense Reimbursement” for all rostered leaders in the congregation. Reimbursable professional expenses include, but are not limited to: automobile (mileage, parking tolls), overnight travel (including lodging and meals), professional and liability insurance, vestments and vestment cleaning, long distance business phone calls, books, magazines/journals, professional dues, continuing education, media resources, supplies, meals associated with official meetings and appointments, business gifts (maximum of $25.00 per person per year), and equipment purchases. Such professional expenses, when reimbursed by the congregation with adequate accounting as specified in the Internal Revenue Code, are not taxable for either income tax or social security/self-employment tax and are excluded from Form W-2. When the congregation provides an expense allowance without accountable reimbursement, the allowance is taxable income included in Form W-2. Professional expenses not reimbursed under an accountable plan, including expenses in excess of the budget for reimbursement, are deductible for self-employment tax, but only a portion of the expenses is deductible for federal income tax (and only if the rostered leader is eligible to itemize deductions), and none are deductible for state, city or school district income tax. For more information, please contact the synod accountant (jhacker@neos-elca.org).

* 1. COMPUTERS AND CELL PHONES

It is recommended that the congregation provide rostered leaders with a computer and cell phone to facilitate ministry. Note the following in this regard:

* + 1. Computer
			1. A computer owned by the church and provided for the rostered leader’s use is a business expense that is not taxable.
			2. A computer purchased by the rostered leader is NOT a deductible business expense, even when used for business purposes.
		2. Cell Phone
			1. A cell phone provided to the rostered leader is a nontaxable business expense if the council minutes state it is primarily provided for noncompensatory business reasons (such as the need to be accessible at all time for work-related emergencies).
			2. The rostered leader may be provided with a nontaxable cell phone reimbursement if council minutes state that the leader is required to maintain a personal cell phone for noncompensatory business reasons and the reimbursement amount does not exceed reasonable business needs (i.e. reimburse the basic monthly plan, not family plan for extra minutes).

**VI. OTHER PROVISIONS**

* 1. VACATION

The minimum vacation should be four weeks (including four Sundays). Attendance at official functions is not to be construed as vacation time.

Note: If financial constraints of a congregation make difficult monetary raises for a rostered person, a congregation might consider providing an extra week of vacation (including Sunday) as compensation.

* 1. SICK LEAVE

Sick Leave should be provided for up to eight weeks per year (including Sundays) with full salary, housing, and benefits. An agreement may be made for partial disability beyond that time in coordination with ***Portico.***

* 1. MATERNITY LEAVE

Maternity Leave should be provided for up to six weeks (including Sundays) with full salary, housing, and benefits. Because of special concerns or needs, additional time may be negotiated between the rostered lay leader and congregation.

* 1. PATERNITY LEAVE / ADOPTIVE PARENTAL LEAVE

Paternity leave and adoptive parental leave may be negotiated between the rostered lay leader and congregation. It is recommended that up to six consecutive weeks (including Sundays) with full salary, housing, and benefits be provided. Because of special concerns or needs actual time may be more or less than six weeks.

* 1. CONTINUNG EDUCATION: The ELCA expects of its rostered personnel a minimum of 50 contact hours annually in organized continuing education.
		1. Congregations are encouraged to make available to their rostered lay leader at least two weeks (including Sundays) per year for continuing education.
		2. The scheduling of continuing education should be determined by the rostered lay leader in consultation with the council.
		3. $1,000 is recommended; a minimum of $700 per year should be provided for this education.
		4. A rostered lay leader should have the privilege of accumulating educational leave and funds over a two year period.
	2. SABBATICAL LEAVE

Sabbatical Leave offers an extended block of time for study, personal growth, and reflection apart from usual congregational responsibilities.

* + 1. Normally, an extended study and renewal period of one to three months after five years in the current call should be provided with full salary, housing, and benefits.
		2. The leave plan is to be developed in cooperation with the council. The parties shall seek the counsel of the bishop before finalizing an agreement.
		3. The congregation shall be responsible for arranging for required coverage during the leave.
		4. Within six weeks of the completion of the sabbatical leave the rostered lay leader shall present the congregation a written reflection on the experience and the implications for the ministry of the congregation and ministry in the parish. This written reflection shall be added to the rostered lay leader’s file.
	1. WORK WEEK

Because of the nature of ministry, it is recognized that rostered lay leaders are expected to fulfill many evening and weekend responsibilities in addition to Sunday morning worship. Therefore, adequate time off (one day per week minimum) should be granted that would be free from ministry-related responsibilities.

* 1. SPECIAL CONCERNS

Where there are special needs within a rostered lay leader’s family, these should be considered separately.

**COMPENSATION WORKSHEET**

**ROSTERED LAY LEADER**

* 1. **COMPENSATION**
		1. Base Salary (I.A.)
		2. Housing (II.) (if applicable)
		3. Other (I.B.)

TOTAL DEFINED COMPENSATION

* 1. **PENSION AND OTHER BENEFITS**
		1. ELCA pension and benefits (***Portico***) (III.A.1.)
		2. Medical Reimbursement (III.A.2)

TOTAL PENSION AND BENEFITS

* 1. **PROFESSIONAL EXPENSES**
		1. Automobile reimbursement or allowance (V.A.)
		2. Other Professional expenses (V.B.)
		3. Cell phone (V.C.)
		4. Continuing Education (VI.E.)
	2. **SPECIAL CONCERNS (VI.H.)**
		1.
		2.
		3.

\*Roman numerals, letters, and numbers refer to sections within the guidelines.

1. Pr. Julianne Smith presented the report on behalf of the credentials committee. As of 1:36pm there were 219 lay voting members, with 12 official lay rostered, for a total of 231 lay ( 97 male, 134 female). Clergy is 147, total of 378. 61% lay, 39% clergy. 64 visitors. 442 registered.
2. The Rev. Ann Paynter presented the report of the Elections Committee. , Bishop Allende declared candidates elected as indicated below:
	1. Synod Council, 3-year term, Akron-Wooser Lay: Josephine Wright 326 votes (elected).
	2. Synod Council, 3-year term, Canton Massillon Clergy: The Rev. Darla Ann Kratzer 330 votes (elected).
	3. Synod Council, 3-year term, Cleveland West Clergy: The Rev. Mark Rollenhagen 331 votes (elected).
	4. Synod Council, 3-year term, Cleveland West Lay: Chuck Mosberger 326 votes (elected).
	5. Synod Council, 3-year term, Eastern Lay: Richard E. Thompson, Jr. 134 votes, Kate Venable 216 votes (elected).
	6. Synod Council, 3-year term, Richland-Ashland Clergy: The Rev. Blanche Tyree 323 votes (elected).
	7. Synod Council, 3-year term, At-Large Clergy: The Rev. L. Scott Bacon 320 votes (elected)
	8. Synod Council, 2-year term, At-Large Lay: Bobby Barnes 134 votes, James Heaney 209 votes (elected).
	9. Synod Council, 2-year term, Southern Clergy: No candidates, no election.
	10. Synod Council, 2-year term, At Large Youth: Christine Jenkinson 134 votes, Rachel Zinram 209 votes (elected).
	11. Synod Council, 3-year term, Treasurer: John Sleasman 325 votes (elected).
	12. Consultation Committee, 6-year term, Clergy: The Rev. Leah Schafer 324 votes (elected).
	13. Consultation Committee, 6-year term, Lay: JoAnne Pinkerton 323 votes (elected).
	14. Discipline Committee, 6-year term, Clergy: The Rev. Bonnie Peltomaa 319 votes (elected).
	15. Discipline Committee, 6-year term, Lay: Dawn Princehorn 315 votes (elected).
	16. Discipline Committee, 6-year term, Clergy: The Rev. Diana Thompson 305 votes (elected).
	17. Discipline Committee, 6-year term, Lay: No candidates, no election.
3. The Rev. Darla Ann Kratzer presented the report of the Reference and Counsel Committee: Two resolutions were submitted this morning, one on the decline of congregations and one on a proposed disbursement of Synod funds. The first had a timeframe that was untenable and is properly referred to Synod Council. The second is also best referred to Synod Council.
4. The Rev. Melissa Micham made a presentation on behalf of Abundant Life Together. She began by thanking Pr. Terrance Jacob, Bryan Penvose, and Lisa Burke of St. Matthew, Medina. Abundant Life Together or “ALT” is a gap year ministry for 18-25 year olds to take nine months to live together in intentional community. The Toledo cohort for 2015-2016 was present. Elizabeth of Minneapolis emphasized community service and urban ministry. Each person has a specific mission service site 1-3 times per week. Jari of Boston emphasized the aspect of community. The six residents live together in two apartments in downtown Toledo. There have been opportunities for mentorship, as well as “Life and Leadership Sessions” where anyone can teach from a variety of walks of life. Amber of Minnesota emphasized faith, study, and attending worship in a variety of Christian contexts, including a Greek Orthodox congregation, an Episcopal congregation, and inter-faith contexts, particularly Muslim. ALT year is going to establish a second site in Minnesota in the coming year. Melissa encouraged prayer for young adults, engagement with them, and funding for young-adult ministry.
5. The assembly adjourned to workshops at 3:24pm. Workshops included Worship, Stewardship, Hunger, and LOMO.
6. The Assembly was called back to order at 4:32pm.
7. The Assembly considered the adoption of the 2017-2018 Budget, which appears on pages 36-38 of the pre-assembly materials.
8. Joy Hacker, Synod Accounant spoke in opposition to adopting a negative budget and using reserves for operating costs. She noted the Synod has approximately $420,000 of unrestricted reserves, and the auditors recommend we maintain a reserve of three months of expenses, which is $340,000. This leaves $80,000 for use for emergencies. The proposed budgets will result in reductions of likely almost half of our excess reserves.
9. The Rev. Laura Barbins, Celebration, Chardon, spoke in favor of the negative budget, seeing it as a challenge for the Synod. We don’t have to keep in a negative trend. We can live in God’s world of abundance.

**SA16.05.05 To approve the budget as presented (moved by council action; carried).**

1. Dale Veres, St. John Highland Heights, requested that the resolutions referred to the Synod Council be emailed to the voting members.

1. The Assembly proceeded to evening prayer at 4:44pm and dismissed for the day.

**Saturday, May 14, 2016**

1. The Rev. Lynn Williamson led Saturday Morning Word and Prayer as the assembly resumed on Saturday, May 16th. During Morning Word and Prayer, the Synod Recognized significant anniversaries:

**Rostered Leaders’ Ordination Anniversaries:**

The Rev. Donald Rice – 65 years

The Rev. Frederick Holck – 60 years

The Rev. David Craig – 55 years

The Rev. Donavan Doerfer – 55 years

The Rev. Paul Burgeson – 50 years

The Rev. Paul Camp – 50 years

The Rev. James Childs, Jr. – 50 years

The Rev. Harry Fox – 50 years

The Rev. Luther Lautenschlager – 50 years

The Rev. Elizabeth Fox – 25 years

**Congregation Anniversaries:**

St. James, Tuscarawas – 175 years

St. Paul, Berea – 150 years

Bethany, Ashtabula – 125 years

Advent, Solon – 50 years

All Saints, Olmsted Falls – 50 years

1. Bishop Allende called the assembly to order at 8:59am
2. The Rev. Julianne Smith presented the report of the Credentials Committee. As of 8:50am, there were 222 lay members, plus 12 official lay rostered members, for a total lay voting membership of 234, (98 male, 136 female). Rostered clergy registered were 149, for a total voting membership of 383 (61% lay, 39% clergy). There were 71 registered visitors, for a total attendance of 454.
3. The Rev. Nathaniel Adams, chair of the Minutes Committee, reported that the minutes of May 13 had been reviewed and were in order.
4. The assembly received several ecumenical greetings. The Rev. Ed Peterson, Canal District Superintendent, United Methodist Church, asked for prayers for their general convention in Portland, Oregon even as they are praying for us.
5. The Rev. Rita Root, Associations General Minister, United Church of Christ, invited us to partner in a new coaching program that they initiated 18 months ago to work with churches in transition or who are considering closing. She highlighted new forms of church such as a new digital church coming out of a church in Hudson, broadcast at 11:59am with follow-up discussion throughout the week, a dinner church in Green, and a Hispanic church start in Cleveland.
6. Eric Muller-Girard, Moderator of the Presbytery of the Western Reserve expressed Gratefulness for our full communion relationship while acknowledging uncertain times for mainline denominations. However, our challenges call us to more adventurous partnerships. For example, North Presbyterian church and Lutheran Metropolitan Ministry. There is a profound need for spiritual renewal in mainline churches. We cannot give life to the church—God can. This is the work of God: That you believe in Him whom He has sent.
7. The Rev. Jay Carroll, Reformed Church in America noted that the Church in America is plagued by consumerism. Their church body is focusing on transformation for church, community, and the world. Change can only come through the Holy Spirit.
8. Father Joseph Whitmer, Ecumenical Officer for the Catholic Diocese of Youngstown, noted Pope Francis will be in Sweden with leaders of the Lutheran World Federation to mark the start of the year leading into the 500th anniversary of the reformation. We are in the 16th year of the covenant between NEOS and Diocese of Youngstown. Father Whitmer encouraged our congregations to go find Catholic parishes and to work together if we have not already been approached by parishes..
9. The Right Reverend Mark Hollingsworth, Jr., Eleventh Bishop of the Episcopal Diocese of Ohio expressed gratitude for the active work of ELCA rostered pastors in Episcopal congregations. He remembered his father serving as Senior Warden of his congregation when their pastor was arrested in Alabama marching with Dr. King. We are called to live together with differences. The world is starved for models of how to do this. We don’t have to agree with each other. It’s better if we don’t. We don’t have to like each other. It’s better if we do. We do have to love each other.
10. The Rev. Darrell Johnson, Moravian Church of North America noted that we don’t know each other, but we are brothers and sisters. It is good for us to pray, celebrate, rejoice, weep, and worship together.
11. Reviving the communications committee: Story Tellers. The Rev. Dan Caruso and The Rev. Dirk van der Duim introduced the Grace in Action video contest. Members are encouraged to make a 1-2 minute video about Grace in Action that will be added to the Synod YouTube channel. The winner will be announced and shown at the next Synod Assembly. They thanked Miguel Acosta for his video from last year’s video booth. We will continue to learn new technologies and ways of communicating together, but God is with us as we tell our story and tell God’s story.
12. Denise Sager of Trinity Lutheran Seminary. The first group of two-year interns are ready to go. They will immerse themselves in experiences only available in congregations. Trinity is developing a range of Master of Arts programs. They are seeking certification as a green seminary. They have launched a five-year appeal for $12.9 million entitled “For the Sake of the World” not for buildings but for student support. The Board has approved a proposal to become a reconciling in Christ seminary that welcomes, embraces, and celebrates people of all gender and sexual identities. President Bargar has agreed to a one-year contract extension through August 31, 2017, and the Board will soon begin its search for its next president.
13. The Assembly broke for workshops at 9:48am: Worship, Shared Ministry, Hunger, and Racism.
14. The assembly was called back to order at 11:04am.
15. The Rev. Darla Ann Kratzer of Reference and Counsel Committee presented the Courtesy Resolution.

**SA16.05.06 To adopt the Courtesy Resolution. CARRIED by consensus.**

**2016 Courtesy Resolution**

**WHEREAS** the Northeastern Ohio Synod, gathered in assembly, celebrates and is committed to the being church for the sake of the world; and

**WHEREAS** the 2016 Northeastern Ohio Synod Assembly has sought discernment for its work through Word, Sacrament, and prayer; and

**WHEREAS** Christ has made us his in Holy Baptism; and

**WHEREAS** we are the body of Christ, nurtured in faith and propelled out into the world to love and serve our neighbor:

**THEREFORE BE IT RESOLVED** that the Northeastern Ohio Synod in assembly extends its appreciation and thanks for the dedicated work and commitment of time to onsite assembly coordinator Jean Hansen, coordinator Sony Gilroy, committee chair Dan Caruso, the planning committee members, worship leaders and musicians, and all others who helped to organize this assembly; and

**BE IT FURTHER RESOLVED** that we express our gratitude to Timothy Gilroy for his many years of expert and meticulous management as Treasurer; and

**BE IT FURTHER RESOLVED** that we give thanks for the Reverend Kevin Strickland, Assistant to the Presiding Bishop and Executive for Worship for the ELCA for his presentations, insights, and encouragement in our role to be witnesses to the living Lord; and

**BE IT FURTHER RESOLVED** that we will, as congregations of the Northeastern Ohio Synod, pray for the Spirit-filled leadership and guidance in the many and various ministries of our Presiding Bishop Elizabeth Eaton, Bishop Abraham Allende, Synod officers, council, and staff; and

**BE IT FURTHER RESOLVED** the Northeastern Ohio Synod, gathered in assembly, celebrates a holy yearning to overcome barriers and welcome and affirm diverse races and cultures; and

**BE IT FURTHER RESOLVED** that we recognize and must embrace the need to generously assist our brothers and sisters throughout the world who still go hungry; and

**BE IT FURTHER RESOLVED** that we affirm responsibility to be stewards of our local parishes, synod and churchwide. Surely we all are church together; and

**BE IT FURTHER RESOLVED** that we recognize the significant anniversaries and appreciate the loyal and faithful ministries of those congregations and rostered leaders who have used their God-given gifts to share the Good News of God, in Jesus Christ; and

**BE IT FINALLY RESOLVED** that we give thanks that “We are church for the sake of the world”, called forward together in Christ, to extend God’s grace and mercy to all.

1. Bishop Allende announced the morning eucharist offering for ELCA World Hunger raised $2,521.92.
2. Karen Kaufman distributed prizes for various drawings of Augsburg Fortress materials on behalf of the Synod Resource Center. Barbara White on behalf of NEOSWO announced winner of the gift basket noting that there are only 68 active units in the Synod. Bishop Allende acknowledged Karen Kaufman’s 20th anniversary as resource center director.
3. Bishop Allende recognized Ken Reinoehl as a Men’s Ministry Specialist. He also recognized departing Synod Council members Tim Gilroy, The Rev. Bonnie Peltomaa, Mary Ann Post, and Rick Thompson.
4. The assembly dismissed to closing Eucharist at 11:20am at which the newly elected Synod Council, Consultation Committee, and Discipline Committee members were installed.

Additional content of the pre-assembly mailing and distributed material is explicitly incorporated into these minutes by reference, including those items relating to the roster report and statistics, and budget and finance material (including audited financial statements). These items are part of the *acta* of the assembly. Other ancillary material available through official channels does not constitute *acta*, but may provide expansive context for the assembly record.