



SOUTH DAKOTA DISTRICT
THE LUTHERAN CHURCH - MISSOURI SYNOD

The Reverend Scott C. Sailer
President

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July 12, 2021

**To: Congregation Presidents
Congregation Treasurers
School/Early Childhood Center Administrators
Pastors**

From: Rev. Scott C. Sailer, President, The South Dakota District, LCMS

RE: 2022 South Dakota District Salary Guidelines for Professional Church Workers

Greetings to you in the name of our loving Lord and Savior, Jesus Christ!

"Therefore my beloved brothers, be steadfast, immovable, always abounding in the work of the Lord, knowing that in the Lord your labor is not in vain," (1 Corinthians 15:58).

The South Dakota District Board of Directors has established the 2022 District Salary Guidelines for professional, rostered ordained and commissioned ministers. These District Salary Guidelines, also posted on the District's web site <https://sddlcms.org/resources>, are intended to be a helpful resource for congregational, school, and early childhood center leadership to use in determining compensation for their professional and rostered church workers.

Salary Portion of the Guidelines:

The 2022 Salary Guidelines include a 3.5% cost of living increase for 2022 for ordained and commissioned ministers. The salary guidelines also have a built-in yearly increase for years of service.

Concordia Health Plan (CHP) Portion of the Guidelines:

Churches, schools, and other ministries will be informed by Concordia Plan Services that the employer selection window will be open from August 2, 2021 through September 3, 2021 to select the Concordia Health Plan (CHP) option for their employees for the 2022 calendar year. CHP will continue the option selected for 2021 into 2022 if employers do not make a selection by September 3, 2021. Employer Health Plan selections must be made by using the Concordia Plan Services online portal. Step-by-step guides to help you login and navigate the online portal can be found at: www.concordiaplans.org/portal. You may also call the Concordia Plan Services Customer Care Team at 888-927-7526. The Customer Care Team is available Monday through Friday, 7:00 a.m. to 5:00 p.m. (Central Time).

For the past couple of years, The South Dakota District Board of Directors has recommended Concordia Health Plan's HDHP option with a Health Savings Account (HSA) or a Health Reimbursement Account (HRA) partly funded by the employer. We continue to do so. Many employers will still find this to be an affordable option and an option that provides the most comprehensive health coverage for the worker and their family.

However, Concordia Plan Services has indicated that, out of all of their health plan options, the HDHP plan will see the greatest increase in premium cost in future years. In an effort to provide the most comprehensive health coverage while, at the same time, keeping premiums affordable for ministries, Concordia Plan Services has developed a series of other health plans: Healthy Me

Copay A-E and Health Me-HSA A-E. A unique feature of these health plans is that employers may choose to “unbundle” the dental and vision coverage from these health plans and have only health coverage. However, the Board of Directors strongly recommends that employers provide these additional benefits for their workers and workers’ families. Ministries are encouraged to study the coverages and costs of the various health plans to determine which plan is the most affordable and provides the best coverage for the ordained or commissioned worker and their family. If ministries are wanting to compare or select the Health Me A or Healthy Me B plan options using the Concordia Plans portal, you will need to contact Vince Grochow, Concordia Plan Services Account Manager, for assistance at Vincent.Grochow@ConcordiaPlans.org or by phone: 314-885-6727.

As your congregation, school, or early childhood center considers which health plan option is right for you and your rostered ordained and/or commissioned worker(s), The South Dakota District encourages employers to seriously consider:

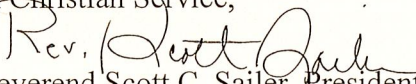
- That while this is a considerable expense to congregations, school, and early childhood centers, the provision of a quality health plan that provides for the needs of an ordained or commissioned worker is an important way of caring for servants of Christ; and
- That while The South Dakota District strongly encourages employers to provide full coverage for the ordained or commissioned worker and his or her family when possible, ministries which are especially financially stressed may ask their workers to contribute as much as 25% of the cost of the coverage for the worker’s dependents. Employers who require their ordained or commissioned workers to pay for any part of their dependent’s health coverage should compensate the worker with a salary that is in accordance with the District Salary Guidelines. The Board of Directors also understands that congregations and schools with multiple staff may have to alter the coverages for their enrolled ordained and commissioned workers for the sake of affordability.

For more information on any of the Concordia Health Plan options, to determine the rates for a specific health plan in your area, or if you have any other questions, you may contact Concordia Plan Services Account Representative, Erica Villmer, by phone at: (314) 885-6817 or by e-mail: Erica.Villmer@concordiaplans.org. Concordia Plans also has many resources for employers and employees, including explanation of benefits for all of their health plan options and answers to Frequently Asked Questions (FAQs) on their website: www.concordiaplans.org.

Again, employers will have between August 2 and September 3, 2021 to select their Concordia Health Plan option for 2022. Otherwise, your 2021 option will continue on for the 2022 calendar year.

Thank you for your time and attention to these issues. Should you have any questions regarding these District Salary Guidelines or their changes, please contact The South Dakota District Office at (605) 361-1514 and ask to speak to Business Manager, Mr. Chad Zinnel.

In Christian Service,


Reverend Scott C. Sailer, President
The South Dakota District, LCMS

Encl. South Dakota District Salary Guidelines for Ordained and Commissioned Ministers
Health Plan Option Comparison Sheet

SOUTH DAKOTA DISTRICT LCMS
Salary Guidelines for Commissioned Ministers
For 2022

I. CASH SALARY DETERMINATION

Year In Ministry	Time in Grade Factor	Suggested Range		Year In Ministry	Time in Grade Factor	Suggested Range	
		From:	To:			From:	To:
1	1.00	27,635	34,025	21	1.60	44,216	54,440
2	1.03	28,464	35,046	22	1.63	45,045	55,461
3	1.06	29,293	36,067	23	1.66	45,874	56,482
4	1.09	30,122	37,087	24	1.68	46,427	57,162
5	1.12	30,951	38,108	25	1.70	46,980	57,843
6	1.15	31,780	39,129	26	1.72	47,532	58,523
7	1.18	32,609	40,150	27	1.74	48,085	59,204
8	1.21	33,438	41,170	28	1.76	48,638	59,884
9	1.24	34,267	42,191	29	1.78	49,190	60,565
10	1.27	35,096	43,212	30	1.80	49,743	61,245
11	1.30	35,926	44,233	31	1.82	50,296	61,926
12	1.33	36,755	45,253	32	1.84	50,848	62,606
13	1.36	37,584	46,274	33	1.86	51,401	63,287
14	1.39	38,413	47,295	34	1.88	51,954	63,967
15	1.42	39,242	48,316	35	1.90	52,507	64,648
16	1.45	40,071	49,336	36	1.92	53,059	65,328
17	1.48	40,900	50,357	37	1.94	53,612	66,009
18	1.51	41,729	51,378	38	1.96	54,165	66,689
19	1.54	42,558	52,399	39	1.98	54,717	67,370
20	1.57	43,387	53,419	40	2.00	55,270	68,050

B. ADJUSTMENT FACTORS: (Select one adjustment factor)

1. For Principal or DCE, add 15% to base salary figure.
2. For DCO or Deaconess, add 10% to 15% to base salary figure.
3. For Youth Director, add 5% to base salary figure.
4. For Master's Degree, add 5% to base figure.
5. For Rostered Teachers (synodically trained or colloquy), add 2% to base figure.

II. OTHER CONSIDERATIONS

1. Congregation pays its share of Social Security Taxes for Teachers and Principal.
2. Congregation pays FULL Concordia Plans for each Worker. **(or equivalent)**
3. Congregation pays for conference expenses.
4. Congregations are encouraged to help with continuing education expenses.
5. For rostered teachers and Ministers of Religion, Commissioned
many of the considerations regarding housing allowances,
Social Security, etc., are similar to pastors (see Guidelines for Pastors).
6. Please be encouraged to compare these guidelines with your local public school
district's guidelines, and consider adjustments accordingly.

III. EXPENSE REIMBURSEMENTS

- A. **Worker's Automobile and Business Expenses:** Changes in IRS regulations make it advisable to reimburse workers on a cents-per-mile basis according to a specific mileage record kept and submitted along with other business expense receipts by the worker, paid separately from salary.

Alternative: If a congregation or school provides a worker with an automobile, it pays other business expenses from receipts submitted by the worker.

- B. **Housing**

Subject to IRS Requirements: It is suggested that in a separate official action, the congregation or school designate 50% of the salary and community cost of housing total as a "housing allowance," giving opportunity to the worker to include other housing expenses up to that amount to benefit him/her in his/her federal income tax considerations.

IV. OTHER CONSIDERATIONS

- A. **Vacation Time**

Refer to Call Documents or Contract.

- B. **Conference Expenses** Attendance at official conferences and conventions is mandatory for all rostered workers. Congregations or schools should reimburse for all ordinary conference expenses for the worker.

- C. **Continuing Education** Congregations or schools are encouraged to provide a fixed annual sum to be set aside for the worker's use in continuing his/her education. However, a teacher's continuing education classes should not conflict with his/her regular class time or other school responsibilities.

NOTE: The District will provide 75% of the tuition for Lutheran teacher colloquy students. The worker and the congregation or school are expected to bear the other expenses. (Cf. Board of Directors' Resolution, June 2-3, 1996)

- D. **Health and Retirement** For the past few years, The South Dakota District Board of Directors has recommended the "Church's Plan" benefit package through Concordia Plan Services. We continue to do so. Regarding the health care portion, we continue to recommend Concordia Health Plan's HDHP Plan with a Health Savings Account (HSA) or a Health Reimbursement Account (HRA) partly funded by the employer. Many employers will still find this to be an affordable option and an option that provides the most comprehensive health coverage for the worker and their family.

However, Concordia Plan Services offers a wide array of other health plan options for congregations, schools, and early childhood centers, including Healthy Me A, Healthy Me B, and Healthy Me C. A unique feature of these health plans is that employers may choose to "unbundle" the dental and vision portions of these health plans and have only health coverage. However, the Board of Directors strongly recommends that employers provide these additional benefits for their workers and workers' families.

As your congregation, school, or early childhood center considers which health plan option is right for you and your worker(s), The South Dakota District encourages employers to seriously consider:

That while this is a considerable expense to congregations, school, and early childhood centers, the provision of a high-quality health plan is an important way of caring for servants of Christ; and

That while The South Dakota District strongly encourages employers to provide full coverage for the worker and his or her family when possible, ministries which are especially financially stressed may ask their workers to contribute as much as 25% of the cost of the coverage for the worker's dependents. Employers who require their workers to pay for any part of their dependent's health coverage should compensate the worker with a salary that is in accordance with the District Salary Guidelines. The Board of Directors also understands that congregations and schools with multiple staff may have to alter the coverages for their enrolled workers for the sake of affordability.

For more information on any of the Concordia Health Plan options, to determine the rates for a specific health plan in your area, or if you have any other questions, you may contact Concordia Plan Services Account Representative, Sally Malinee, by phone at: (314) 885-6829 or by e-mail: Sally.Malinee@concordiaplans.org. Concordia Plans also has many resources, including the "2019

Employer Guide to the Concordia Health Plan,” explanation of benefits for all of their health plan options, and answers to Frequently Asked Questions (FAQs) on their website: www.concordiaplans.org.

- E. **Social Security** Categorized as “self-employed” by the IRS, all Ministers of Religion, Ordained (pastors) or Commissioned (teachers, DCE, etc.) bear a significant tax load due to Social Security obligations alone. Congregations or schools are encouraged to compensate rostered workers to offset increased expense due to self-employed status. It is suggested that congregations contribute these monies to the Concordia Retirement Saving Plan (CRSP) of Concordia Plan Services in the worker’s name.

Concordia Plan Services
Concordia Health Plan Options - 2022

Healthy Me HSA Plans Bundled with Dental and Vision Premium NonContributory Plans

Zip Code 57106 Sioux Falls	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$824	\$9,891	\$795	\$9,543	\$760	\$9,120	\$867	\$10,398	\$855
Self & Spouse	\$1,662	\$19,942	\$1,604	\$19,243	\$1,533	\$18,392	\$1,742	\$20,900	\$1,657
Self & Children	\$1,402	\$16,819	\$1,353	\$16,239	\$1,294	\$15,532	\$1,447	\$17,365	\$1,126
Family	\$2,246	\$26,948	\$2,168	\$26,016	\$2,074	\$24,882	\$2,322	\$27,867	\$1,851

Zip Code 57078 Yankton	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$824	\$9,891	\$795	\$9,543	\$760	\$9,120	\$867	\$10,398	\$855
Self & Spouse	\$1,662	\$19,942	\$1,604	\$19,243	\$1,533	\$18,392	\$1,742	\$20,900	\$1,657
Self & Children	\$1,402	\$16,819	\$1,353	\$16,239	\$1,294	\$15,532	\$1,447	\$17,365	\$1,126
Family	\$2,246	\$26,948	\$2,168	\$26,016	\$2,074	\$24,882	\$2,322	\$27,867	\$1,851

Zip Code 57301 Mitchell	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$856	\$10,267	\$825	\$9,905	\$789	\$9,465	\$902	\$10,820	\$915
Self & Spouse	\$1,725	\$20,698	\$1,664	\$19,971	\$1,590	\$19,086	\$1,812	\$21,749	\$1,778
Self & Children	\$1,454	\$17,448	\$1,404	\$16,843	\$1,342	\$16,108	\$1,506	\$18,070	\$1,226
Family	\$2,330	\$27,957	\$2,249	\$26,987	\$2,151	\$25,807	\$2,417	\$28,998	\$2,012

Zip Code 57401 Aberdeen	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$888	\$10,659	\$857	\$10,282	\$819	\$9,824	\$938	\$11,260	\$977
Self & Spouse	\$1,790	\$21,485	\$1,727	\$20,729	\$1,651	\$19,807	\$1,886	\$22,632	\$1,903
Self & Children	\$1,508	\$18,102	\$1,456	\$17,473	\$1,392	\$16,708	\$1,567	\$18,804	\$1,331
Family	\$2,417	\$29,006	\$2,333	\$27,997	\$2,231	\$26,769	\$2,515	\$30,176	\$2,179

Zip Code 57501 Pierre	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$888	\$10,659	\$857	\$10,282	\$819	\$9,824	\$938	\$11,260	\$977
Self & Spouse	\$1,790	\$21,485	\$1,727	\$20,729	\$1,651	\$19,807	\$1,886	\$22,632	\$1,903
Self & Children	\$1,508	\$18,102	\$1,456	\$17,473	\$1,392	\$16,708	\$1,567	\$18,804	\$1,331
Family	\$2,417	\$29,006	\$2,333	\$27,997	\$2,231	\$26,769	\$2,515	\$30,176	\$2,179

Zip Code 57701 Rapid City	Healthy Me A		Healthy Me B		Healthy Me C		Option "HDHP"		Difference B to HDHP
	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	
Self	\$856	\$10,267	\$825	\$9,905	\$789	\$9,465	\$902	\$10,820	\$915
Self & Spouse	\$1,725	\$20,698	\$1,664	\$19,971	\$1,590	\$19,086	\$1,812	\$21,749	\$1,778
Self & Children	\$1,454	\$17,448	\$1,404	\$16,843	\$1,342	\$16,108	\$1,506	\$18,070	\$1,226
Family	\$2,330	\$27,957	\$2,249	\$26,987	\$2,151	\$25,807	\$2,417	\$28,998	\$2,012