

2024 Recommended Compensation Guidelines Charts—Approved

TABLE OF CONTENTS

Preface	Page 2
Explanation of Compensation Charts	Page 2
Lump Sum	Page 2
Congregation Location Adjustment	Page 2
Worksheets	Page 2
Word and Sacrament Salary Chart	Page 3
Word and Service Salary Chart	Page 4
Example of Word and Sacrament with Housing Allowance	Page 5
Example of Word and Sacrament with a Parsonage	Page 5

SUMMARY OF 2024 GUIDELINES

The 2024 Recommended Compensation Guidelines has taken on some changes from past years. The salary charts did change in these guidelines—keep in mind that the rostered minister should receive an increase for years of service and the cost of insurance goes up annually and those costs are covered by the organization. The compensation task force looked at previous guidelines and other synods' guidelines in the preparation of these guidelines. It was decided that our guidelines should set a standard for what is expected. When considering increases, the determination was made that the guidelines should be increased based on current inflation statistics and trends. We are moving back to a percentage increase since all the other Region 9 synods use a percentage. Our percentage increase is 1.75% per year.

PREFACE TO COMPENSATION CHARTS

The charts outlined below show what is recommended for compensation of your rostered minister. Keep in mind that these charts only show the defined compensation. Defined compensation is the total of housing, social security allowance (SECA), and salary. These are considered minimum standards and should not be viewed as maximum standards.

EXPLANATION OF THE COMPENSATION CHARTS

The endeavor to arrive at an amount of compensation which is both fair and appropriate for the rostered minister of a congregation involves the consideration of many factors, not the least of which is the rostered minister's years of service to the Church. Salary compensation amounts for the rostered minister vary as widely as the personalities of congregations. The needs and expectations could differ based upon the setting and type of ministry.

Some items to consider:

- 1) years of service in the ministry
- 2) relevant non-parish experience or degrees which can enhance a person's skills
- 3) the size of the congregation/average attendance
- 4) the effectiveness in meeting the challenges of ministry and achieving goals set by the mutual ministry or staff support committee
- 5) supervisory responsibilities for other program staff
- 6) the responsibilities of a senior minister
- 7) the challenges of a solo minister/working alone in a parish
- 8) advanced degrees that enhance a rostered minister's skills
- 9) additional certifications that can strengthen a ministry
- 10) completion of a residential year of clinical pastoral education
- 11) the cost of living in the local community that exceeds the average in the synod.
- 12) lack of support staff/increased workload
- 13) the challenges of a minister serving a multi-point parish

Lump Sum Guidance: In some cases, congregations choose to pay their minister with a set amount of monies and require the rostered minister to split out those funds accordingly. If that is the case, you will want to refer to the calculator on the Portico Benefits website to calculate how to split the compensation among salary, housing, and social security allowance portions.

Congregation Location Adjustment: In some cases, congregations are in parts of the state that have a higher cost of living than other parts of the state. It is recommended that congregations consider an increase of \$1,000 to \$2,000 annually if your congregation is in Asheville, Cary, Chapel Hill, Charlotte, Durham, Greenville, Jacksonville, Raleigh, Rocky Mount, Wilmington, Winston-Salem, Southport, Ocean Isle, and Kure Beach.

Worksheets: Worksheets to help determine costs for your rostered minister are now in Excel format and on the website: www.nclutheran.org. Use those worksheets to determine the total costs for employing your rostered minister.

NORTH CAROLINA SYNOD ELCA

2024 Ministers of Word and Sacrament Compensation Guidelines

Note: The guidelines offered here are based upon DEFINED COMPENSATION which consists of base salary, housing, and Self-Employment Tax compensation.

In addition to the numbers below, retirement, medical, dental, disability, and administration must be added to salary to reach total compensation. These items will normally range from 24% to 58% of base salary. The Portico website has easy to use calculator tools for this computation.

2024 APPROVED

Yrs. Of Service	Minister with Housing Allowance	Minister with Parsonage
Entry	60000	46700
1	61050	47750
2	62118	48818
3	63205	49905
4	64312	51012
5	65437	52137
6	66582	53282
7	67747	54447
8	68933	55633
9	70139	56839
10	71367	58067
11	72616	59316
12	73886	60586
13	75179	61879
14	76495	63195
15	77834	64534
16	79196	65896
17	80582	67282
18	81992	68692
19	83427	70127
20	84887	71587

For Word and Sacrament ministers beyond 20 years. Organizations should consider a 1.75% increase on each year of service beyond 20 years.

NORTH CAROLINA SYNOD ELCA

2024 Ministers of Word and Service Compensation Guidelines

Note: The guidelines offered here are based upon DEFINED COMPENSATION which consists of base salary, housing, and Self-Employment Tax compensation.

In addition to the numbers below, retirement, medical, dental, disability, and administration must be added to salary to reach total compensation. These items will normally range from 24% to 58% of base salary. The Portico website has easy to use calculator tools for this computation.

2024 APPROVED

Yrs. Of Service	Minister with a Masters Degree	Minister without a Masters Degree
Entry	46700	42,401
1	47,401	43,112
2	48,112	43,833
3	48,833	44,566
4	49,566	45,309
5	50,309	46,064
6	51,064	46,830
7	51,830	47,607
8	52,607	48,396
9	53,396	49,197
10	54,197	50,010
11	55,010	50,835
12	55,835	51,673
13	56,673	52,523
14	57,523	53,386
15	58,386	54,262
16	59,262	54,262
17	59,262	55,151
18	60,151	56,053
19	61,053	56,969
20	61,969	57,898

For Word and Service ministers beyond 20 years. Organizations should consider a 1.75% increase on each year of service beyond 20 years.

EXAMPLE OF WORD & SACRAMENT MINISTER WITH A HOUSING ALLOWANCE

1) Minimum Cash Compensation for a minister with 12 years' experience:	\$ 73,886
2) \$73,886 x .9235. This is taxable wages	68,234
3) \$66,030 x .0765. This is the SECA	5,220
4) Determine Housing Allowance which is between 30% and 50% of Line 1	29,500
5) Whatever is left is the base salary	39,166

The totals of lines 3, 4, and 5 should be equal to that of line 1.

Remember that these figures should be shaped to your situation so that the housing component, the base salary, or the self-employment tax allowance may be larger or smaller than the figures we have used.

EXAMPLE OF WORD & SACRAMENT MINISTER WITH A PARSONAGE PROVIDED

Begin with the same Minimum Cash Compensation figure as a Minister with Housing Allowance (as above) and follow steps 1 through 4.

1) Minimum Cash Compensation for a minister with 12 years' experience:	\$ 73,886
2) \$71,500 x .9235. This is taxable wages	68,234
3) \$66,030 x .0765. This is the SECA	<u>5,220</u>
4) Determine Housing Allowance which is between 30% and 50% of Line 1 \$71,500 X .30	21,450

Now go back to the table above and use the Minister with Parsonage value and subtract Lines 3 and 4 to determine the base salary.

5) Minimum Cash Compensation for a minister with 12 years' experience:	\$ 60,586
SECA	5,520
6) Whatever is left is the base salary	55,066

The minister's income tax is figured on the base salary plus the cash allowance for self-employment tax. The minister's self-employment tax (SECA) is figured on the base salary, plus the housing allowance or the fair rental value of the parsonage, plus the cash allowance for the self-employment tax.

Housing Equity Allowance Fund should be calculated using the appropriate experience level and using the Minister with Housing Allowance guideline times a rate of 5%.

e.g., Minimum Cash Compensation for a minister with 12 years of experience is \$73,886

$\$73,886 \times .05 = \text{Housing Equity Allowance Fund of } \$3,694$