



North Carolina Synod
ELCA

2025 Recommended Compensation Guidelines Charts—Approved

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SUMMARY OF 2025 GUIDELINES

The 2025 charts are unchanged from 2024. Do keep in mind that each year a person should be moved to the line on the chart corresponding to their years of service.

We have added guidelines related to paying supply pastors, interims, Synod Authorized Ministers, and lay preachers.

Items that are different from the 2024 Guidelines document have been highlighted in yellow.

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.

Supply Pastors/Deacons: Supply pastors are paid on a weekly basis at a rate of \$200 for the first service and \$75 for each additional service that day if set up by the synod office. The congregation pays mileage at the current IRS rate. At years end if the person received \$600 or

more there should be a 1099 issued. Mileage should not be reflected on the 1099 or count towards the \$600. Only the supply fees are reported on the 1099.

Synod Authorized Minister Candidates (those awaiting assignment) and Lay Preachers: Synod Authorized Ministers who are waiting to be assigned and lay preachers are to be paid at a rate of \$150 per service and \$75 for each additional service that day. The congregation pays mileage at the current IRS rate. At year's end if the person received \$600 or more there should be a 1099 issued. Mileage should not be reflected on the 1099 or count towards the \$600. Only the supply fees are reported on the 1099.

Interim Pastors: Interim pastors are contracted with the congregation. These persons serve in the time between when a pastor leaves and a new pastor is called by the congregations. The congregation should pay an interim \$30 per hour for pastoral care and office hours plus the supply fee. The congregation pays mileage at the current IRS rate. At years end if the person received \$600 or more there should be a 1099 issued. Mileage should not be reflected on the 1099 or count towards the \$600. Only the supply fees and contracted time are reported on the 1099.

Synod Authorized Minister: Synod Authorized Ministers are contracted with the congregation. These persons serve congregations who most likely could not afford an interim. The congregation should pay a SAM \$25 per hour for pastoral care and office hours plus the supply fee. The congregation pays mileage at the current IRS rate. At year's end if the person received \$600 or more there should be a 1099 issued. Mileage should not be reflected on the 1099 or count towards the \$600. Only the supply fees and contracted time are reported on the 1099.

NORTH CAROLINA SYNOD ELCA

2025 Ministers of Word & 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.

2025 Ministers of Word & Sacrament

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

NORTH CAROLINA SYNOD ELCA

2025 Ministers of Word & 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.

2025 Ministers of Word & Service

Years of Service	Minister with a masters	Minister without a masters
Entry	\$50,000	\$45,000
1	\$50,875	\$45,788
2	\$51,765	\$46,589
3	\$52,671	\$47,404
4	\$53,593	\$48,234
5	\$54,531	\$49,078
6	\$55,485	\$49,937
7	\$56,456	\$50,810
8	\$57,444	\$51,700
9	\$58,449	\$52,604
10	\$59,472	\$53,525
11	\$60,513	\$54,462
12	\$61,572	\$55,415
13	\$62,649	\$56,385
14	\$63,746	\$57,371
15	\$64,861	\$58,375
16	\$65,996	\$59,397
17	\$67,151	\$60,436
18	\$68,327	\$61,494
19	\$69,522	\$62,570
20	\$70,739	\$63,665

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

The following calculations also apply to compensation for Ministers of Word & Service.

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) \$68,234 x .0765. This is the SECA	5,220
4) Determine Housing Allowance which is often between 30% and 50% of Line 1	22,166

Rationale: The IRS does not give percentage limitations. It simply says a "reasonable compensation." The IRS does not set a percentage or amount—there are three categories: actual spent, fair market value, or officially designated amount if the amount is more than reasonable pay for your services. The lesser of the three is the max, which could be up to 100% of the rostered minister's salary. The understanding is then that this is not a rule but just a norm.

5) Whatever is left is the base salary	46,500
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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

(Note: This is confusing at best. We suggest a conversation with someone at the synod office.)

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) \$73,886 x .9235. This is taxable wages	68,234
3) \$68,234 x .0765. This is the SECA	<u>5,220</u>
4) Determine Housing Allowance which is often between 30% and 50% of Line 1	22,166

Now go back to the table above and use the Minister with Parsonage value and subtract Line 3 from the base salary.

5) Minimum Cash Compensation for a minister with 12 years' experience:	\$ 60,586
Subtract SECA	5,220
6) Whatever is left is the base salary	55,366

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

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