

Delaware Raritan Classis  
Finance Committee  
**Ministerial Compensation Guide for 2024**

This Guide, approved by the Classis in October 2023 for 2024, shall be used to set the salary and benefits packages for all ministers of the Classis.

The Guide is comprised of the requirements of the Book of Church Order (BCO, 2018 edition) as found in the *Appendix: Formularies of the Reformed Church in America, page 134, Number 5: Call to a Minister of Word and Sacrament* as well as other general requirements as set by the Classis from time to time.

**I Salary Requirements for Full-time, Ordained and Installed Ministers and Contract Ministers.**

**A. For 2024, the required minimum cash salary for full-time ministers \$61,029.21 This includes a cost of living adjustment (COLA) of 2.8% of 2023.**

The cost-of-living adjustment is based on the July 2022 and 2023 Consumer Price Indices prepared by the government for the NY, NJ, CT, PA. area.

The mid-range and high-range salary levels are general guides which can be used when considering years of pastoral experience, merit, pastoral need and other factors when salary is being negotiated or renegotiated.

**If an installed minister is employed part-time, the minimum salary will be prorated accordingly, using the full-time requirements of salary and benefits as the benchmark.**

Percentages may be used to compute minimum salaries for less than full-time. Generally, full-time employment is considered to be 45 – 60 hours per week.

**B. An Optional Standard for the Salary Requirements for Full-time, Ordained and Installed Ministers and Contract Ministers and Church Size and Ministerial Experience**

For several years, the Guide has presented an optional method of establishing the salary level of a minister that takes into consideration the size of the church the minister serves and his/her professional experience.

**It is strongly urged that each church seriously consider and use this optional standard.**

*The following chart is a guide based on the recommended minimum salary.*

\* Congregation Size is the average Sunday worship attendance.

		# of Years Experience												
		0	1	2	3	4	5	6	7	8	9	10	11	
Congregation Size*	Salary Range													
	Low	61,029	61,548	62,067	62,585	63,104	63,623	64,142	64,660	65,179	65,698	66,217	66,735	
	Middle	70,184	70,780	71,377	71,973	72,570	73,166	73,763	74,360	74,956	75,553	76,149	76,746	
	High	79,338	80,012	80,687	81,361	82,035	82,710	83,384	84,059	84,733	85,407	86,082	86,756	
50	Low	62,250	62,769	63,287	63,806	64,325	64,844	65,362	65,881	66,400	66,919	67,437	67,956	
	Middle	71,587	72,184	72,780	73,377	73,974	74,570	75,167	75,763	76,360	76,956	77,553	78,149	
	High	80,925	81,599	82,273	82,948	83,622	84,297	84,971	85,645	86,320	86,994	87,668	88,343	
100	Low	64,691	65,210	65,728	66,247	66,766	67,285	67,803	68,322	68,841	69,360	69,878	70,397	
	Middle	74,395	74,991	75,588	76,184	76,781	77,377	77,974	78,571	79,167	79,764	80,360	80,957	
	High	84,098	84,773	85,447	86,121	86,796	87,470	88,144	88,819	89,493	90,168	90,842	91,516	
200	Low	69,573	70,092	70,611	71,130	71,648	72,167	72,686	73,205	73,723	74,242	74,761	75,280	
	Middle	80,009	80,606	81,202	81,799	82,396	82,992	83,589	84,185	84,782	85,378	85,975	86,571	
	High	90,445	91,120	91,794	92,468	93,143	93,817	94,492	95,166	95,840	96,515	97,189	97,863	
400	Low	69,573	70,092	70,611	71,130	71,648	72,167	72,686	73,205	73,723	74,242	74,761	75,280	
	Middle	80,009	80,606	81,202	81,799	82,396	82,992	83,589	84,185	84,782	85,378	85,975	86,571	
	High	90,445	91,120	91,794	92,468	93,143	93,817	94,492	95,166	95,840	96,515	97,189	97,863	

**C. Housing Requirements for Full time, Ordained and Installed Ministers and Contract Ministers**

The consistory will provide free use of an adequately maintained parsonage, including heat and utilities (such as water, gas, oil, electricity, trash removal) and will pay telephone charges at the parsonage when used for church business.

**OR**

The consistory will provide an adequate housing allowance comparable to the above parsonage allowance to cover rent or mortgage, heat and utilities and telephone charges as mutually agreed by the minister and the consistory.

A minister may use a larger housing/parsonage allowance than budgeted by the church for tax purposes under IRS rules. If requested by the minister, the consistory shall, by resolution recorded in the minutes of the consistory and as early as possible in each new year, designate part of the cash salary as a tax exclusion to the extent spent for furnishings of the parsonage, drapes, equipment, insurance on contents, cleaning supplies, renovation and other items. This exclusion is not retroactive. The minister should consult the IRS and read IRS Publication 517 as well as consult an accountant experienced in doing ministerial tax returns for full details and rules to follow when excluding an amount for tax purposes. The only obligation of consistory is to designate the amount requested as per the above. Each minister shall report to the Classis the full salary unreduced by any amounts designated for housing or exclusion under the above paragraphs.

#### **D. Home Equity Allowance (optional)**

When a minister must live in the parsonage provided by the church, it is strongly recommended that the church budget and set aside yearly an amount of \$2,000 to \$5,000 to be placed in a tax-deferred equity account for the minister. This account is portable which means that upon leaving or retirement, the minister retains the home equity account. It is presumed that a minister, upon buying a home, would no longer receive any contributions into a special home equity account, since he/she would have equity in the purchased home.

While many churches own parsonages and supply them to ministers as above, a “free” parsonage may not serve the needs of a minister with a large family or special needs. Also, when ministers live in a parsonage, they do not accrue equity as if they owned their own home. Home equity is an important piece of the overall retirement plan for any person and many ministers have nothing to show for in home equity after a lifetime of service. More and more churches are selling their parsonages and applying the money from the sale to establish a housing allowance fund for the minister. This may permit the minister to purchase a home and gain equity. Some churches allow the pastor to purchase a home while the church rents their existing parsonage to underwrite the expense of providing a home equity allowance (be careful of non-profit tax laws and codes). Alternately, a church may decide to use the vacant parsonage for other purposes such as Sunday school rooms or offices.

#### **E. Required Vacation for Full-time, Ordained and Installed Ministers and Contract Ministers**

The consistory will provide the minister with a minimum of four weeks (30 days) paid vacation per year. This shall include four (4) Sundays. The minister, with the agreement of the consistory, may choose to carry over a portion of the vacation to the next year, but this is not recommended under normal circumstances.

It should be noted that ministers who are *less than full-time* or *ministers under contract* still need refreshment through a serious commitment to vacation by the minister and church. The church is encouraged to ensure the taking of vacation and consider the personal needs of the minister who might, on a pro-rated basis be eligible for less than 30 days yet may need the full vacation time as applied to a full-time minister.

#### **F. Required Insurance**

The consistory shall pay the stipulated contributions for enrolling the minister in a comprehensive Medical Insurance plan. The minister may be enrolled in the Reformed Benefits Association (RBA) or in the Federal or State Insurance Exchange in the Marketplace. The consistory shall also provide the same Medical Insurance for the minister’s immediate family

except where it has medical coverage through a spouse's employer sponsored group plan. Consistories that choose to send RCA ministers to the Marketplace will need to stipulate that the purchased policy shall meet or exceed the minimum standards stipulated by the Board of Benefits Services.

Group Life and Long-Term Disability Insurance are constitutionally required benefits for RCA ordained ministers actively serving RCA or Formula of Agreement entities. For participants in RBA's group medical insurance, Group Life insurance is provided and invoiced through RBA. Long-Term Disability Insurance will be invoiced through RCA's retirement office of the Board of Benefits Services. For all others, Group Life Insurance and Long-Term Disability insurance is required and provided and invoiced through the RCA's Board of Benefit Services retirement office.

### **G. Optional Insurance**

The consistory is strongly urged to enroll the minister (and family, if necessary) in the RBA group dental and basic life insurance.

### **H. Required Retirement Payments**

The consistory shall pay the stipulated yearly dues (on a monthly or quarterly basis) to the Reformed Church Retirement Plan (now handled by Fidelity) to provide for the minister's retirement. Check with the Board of Benefits Services Office for the correct address for sending payments.

(If the IRS audits a minister's retirement account and finds it is underfunded, the minister would be taxed on the entire amount of their retirement fund as if it was income for that year, and the church will be required to pay the full underfunded amount owed plus interest and penalties).

The formula currently used requires the following: if a parsonage is provided: add 40% of base salary to the base salary and multiply by 11%. This is paid monthly or quarterly and is due the first day of the month or quarter. This payment is increased each year as the minister's salary changes.

If a church is paying a housing allowance, then the formula used is the housing allowance plus the base and multiply by 11%

### **I. Required Continuing Professional Education**

The consistory, as approved by General Synod, shall provide the minister with an annual, one-week paid leave for continuing ministerial professional education. The consistory shall also provide a minimum cash stipend of 1/52 for the minister's base salary for this purpose. The minister and consistory, upon mutual agreement, may accumulate the educational leave over four years.

#### **J. Required Travel Expenses**

The consistory shall provide travel expenses, accountable or non-accountable, mutually agreed to by the consistory and the minister.

#### **K. Other Optional Benefits**

The consistory may elect, upon negotiation with the minister, to provide yearly for professional book purchases and association membership dues, for social security assistance (since a minister normally pays 100% of the social security taxes while secular employers must pay 50% of the social security tax for their employees), or other benefits or special considerations based on the needs and unique situation of the minister or the church. Church and minister are encouraged to be highly creative in shaping other optional benefits which benefit both.

#### **L. Required Sabbatical**

A provision for sabbatical shall in included in terms of a call.

#### **M. Required Annual Review**

Each consistory is required to review annually the minister's salary and other benefits with the minister for adequacy. Every attempt should be made to align the total compensation package with the current requirements of the RCA and the Classis.

### **II. Salary Requirements for Part-time, Ordained and Installed Ministers and Contract Ministers**

Classis recognizes that ministers may be called and installed or hired under a contract, on a part-time basis. Clergy called and installed or under contract on a part-time basis shall be compensated in accordance with the current Ministerial Compensation Guide for full-time installed clergy, on a pro-rated basis commensurate with agreed upon time commitments."

### **III. Salary Guidelines for Specially trained Interim Ministers**

#### **Full-time Specially trained Interim Ministers:**

Specially trained interim ministers are not installed by classis but serve with the approval of classis under agreements subject to annual review and renewal by classis and/or its committee. Specially trained interim ministers serving full-time (normally considered 45-60 hours per week) are free to negotiate compensation with the consistory and according to special needs or considerations, using the classis guidelines as the benchmark. It is customary for full-time special trained interim ministers to receive the same salary as the previous minister.

However, freedom is given to negotiate for an equitable and satisfying covenant that enables both parties to engage in good ministry together.

#### **Part-time Specially trained Interim Ministers:**

Part-time specially trained interim ministers are not installed by classis but serve with the approval of classis under agreements subject to annual review and renewal by classis and/or its committee. Because of the many different situations and needs for both ministers and churches in a part-time relationship, freedom is given to negotiate for an equitable and satisfying covenant which enables both parties to engage in good ministry together. The salary for ministers who are employed part-time should be pro-rated to be in line with the expectations and requirements for full-time ordained ministers.

It should be noted that for ministers who work 30 hours or less, there may be insurance issues regarding which medical coverage the minister can be enrolled in. Contact the RCA Insurance Office for more information.

#### **IV. Severance Payments**

There are occasions when severance payments become part of the pastoral dissolution process between the Classis, an installed pastor and/or **contract pastor** and the consistory of the congregation. If severance is approved by Classis, it shall be paid in monthly installments for the duration of the agreed upon period. If the minister accepts a new position within the wider church and/or starts employment within the designated period of severance, the payments shall be discontinued in the month in which the new employment begins, on a pro-rated basis.

Voluntary resignation, retirement, receiving a new call, health or other similar reason is excluded from this severance pay provision.

#### **V. Salary Guideline for the Stated Clerk of Classis**

The annual salary of the Stated Clerk for 2024 is \$15,257.38 which is 25% of the required minimum minister's salary. The salary is paid by the Classis.

#### **VI. Salary Guideline for the Treasurer of Classis**

The annual salary of the Treasurer for 2024 is \$4,577.19 which is 7.5% of the required minimum minister's salary. The salary is paid by the Classis.

#### **VII. Salary Guideline for the Classis Minister**

The annual salary of the Classis Minister for 2024 is \$45771.90 which is **75%** the required minimum minister's salary, plus a 11% contribution to the minister's annuity. The salary is paid by the Classis.

### VIII... **Guidelines for Supervisors**

Supervisors, who are not under contract, shall be paid \$200 a month by the church they are supervising. Recognizing that not all supervisions are equal, and some long-term supervision may be less. Non-Transitional supervisions can be determined on a case-by-case basis with approval of Congregation Care, Supervisor and church based on monthly hours worked.

**If you need more information or advice, please call one or more of the following persons:**

Stated Clerk of Classis: Rev. Chris Heitkamp                      908-359-3556/908-892-5418(c)

Treasurer of Classis: Joyce Murphy                                      908-963-3346

President of Classis: Rev Jeff Knol                                        732-630-7355

Classis Minister: Dawn Alpaugh    908-310-0698

Classis Consultant: Beth Scibienski                                      732-735-2112

Reformed Benefits Association                      Reformed Benefits Association  
1700 28<sup>th</sup> Street SE, Grand Rapids, MI 49508  
Fax: (616) 224-5896

RCA Retirement Office                                      Claude Bussieres, [cbussieres@rca.org](mailto:cbussieres@rca.org)  
212-870-2892 or 866-221-5480

Address to mail retirement fund payments: Call Claude Bussieres for instructions.

## **List of Sections**

Page	Section Title
1	I. Salary Requirements for Full-time Ordained and Installed Ministers and Contract Pastors
1	A. For 2023, Required Minimum Salary
1	B. Optional Salary Standard
2	C. Housing Requirements
3	D. Home Equity Allowance (optional)
3	E. Required Vacation
3	F. Required Insurance
4	G. Optional Insurance
4	H. Required Retirement Payments
4	I. Required Continuing Professional Education
5	J. Required Travel Expenses
5	K. Other Optional Benefits
5	L. Required Sabbatical
5	M. Required Annual Review
5	II. Salary Requirements for Part-time Ordained and Installed Ministers and Contract Pastors
5	III. Salary Guidelines for Specially trained Interim Ministers
6	IV. Severance Payments
6	V. Salary Guideline for the Stated Clerk of Classis
6	VI. Salary Guideline for the Treasurer
6	VII. Salary Guideline for Classis Minister
7	Guideline for Supervision
7	Information Sources