

Recommended Salary Guidelines and Group Benefits

Note: Base salary is that of the public teachers collective bargaining agreement of Alberta.

Alberta Baptist Association

These worksheets have been provided to assist ABA churches in arriving at a fair and equitable salary for their pastor(s) in their budgeting process.

Simply tab through the fields, filling in those that apply to your church and your pastor(s). Each worksheet will complete all the appropriate calculations and provide you with a **Recommended Salary**.

Each church must determine the percentages to be added to the Base Salary in two categories: church's budget (or total giving in the previous year), and cumulative years of experience of the pastor. Recommended percentages for each category are listed for your consideration.

EI and CPP figures are provided for budgeting purposes only. For more accurate figures, Revenue Canada Agency tables should be referenced.

The **Total** in the lower righthand corner includes the Recommended Salary, EI & CPP Calculations, and Benefits & Ministry Expenses section. This number represents the amount to be budgeted by the church.

Once completed, the worksheet(s) can be printed and distributed for further discussion.

Calculating Minimum and Total Salary • Senior Pastor

The minimum represents employment earnings. It is the pastor's responsibility to identify how much is to be allocated for housing (Clergy Residence Deduction based on CRA rules).

If the church provides a parsonage, then the recommended salary (Step 8) is reduced by the fair rental value of the parsonage or 30% of the recommended minimum (Step 1), whichever is less.

Step 1 **Recommended Minimum Salary for 2020 (including housing) \$ 59,357.00**

Step 2 **Calculate adjustment based on Church's Annual Budget. Use the current year's total budget (2020) to determine the figure to be used.**

Calculation based on Church Budget

If the Church's Budget is:	% of Minimum Salary to be added:	Our Percentage is:
\$0 and \$60,000	0%	
\$61,000 and \$100,000	Add 3%	
\$101,000 and \$150,000	Add 7.5%	
\$151,000 and \$200,000	Add 10%	
\$201,000 and \$275,000	Add 15%	
\$276,000 and \$350,000	Add 20%	
\$351,000 and \$425,000	Add 25%	
\$426,000 and above	Add 30%	

Step 3 **Adjustment to Minimum Salary \$ -**

Step 4 **Calculate adjustment for length of service**

Total number of years of accumulated service

Calculation for Length of Service

Number of Years of Accumulated Service	% of Minimum Salary to be added:	Our Percentage is:
1 to 2 years	Add 5%	
3 to 4 years	Add 7.5%	
5 to 7 years	Add 10%	
8 to 10 years	Add 12.5%	
11 to 14 years	Add 15%	
15 to 19 years	Add 20%	
20 to 24 years	Add 25%	
25+ years	Add 30%	

* Additional compensation should be considered in a multi-staff Church.

Step 5 **Adjustment to Minimum Salary \$ -**

Step 6 **Total Adjusted Minimum Salary: ADD Steps 1+3+5 \$ 59,357.00**

Step 7 **% Increase for Merit \$ -**

Step 8 **Pension Contribution up to 5%**

Step 9 **Recommended Salary*: ADD Steps 6+7+8 \$ 59,357.00**

Cost of Benefits and Ministry Expenses**

EI Max. Contribution	1,008	ABA Group Insurance	\$3,600.00
CPP Max. Contrib.	2,057	Professional Development	\$1,500.00
EI & CPP Sub-Total	3,065	Hospitality Allowance	\$3,600.00
		Book Allowance	\$600.00
		Car Allowance ϕ ___/km (Gov. rate)	\$3,600.00

Benefits & Expenses Sub-Total \$12,900.00 TOTAL \$ 76,329.72

*This number is based on four years of related education. If the pastor has completed a MDiv, add \$10,000.00 to this base.

**EI and CPP should be calculated according to current rates. Aside from EI, CPP, Group Insurance and Mileage, the following are adjustable.

Calculating Minimum and Total Salary • Pastoral Staff

Step 1 **Recommended Minimum Salary for 2020 (including Housing)*** **\$ 59,357.00**

The minimum represents employment earnings. It is the pastor's responsibility to identify how much is to be allocated for housing (Clergy Residence Deduction based on CRA rules).

Step 2 **Calculate adjustment based on Church's Annual Budget**
Use the current year's current budget (2020) to determine the figure to be used.

Calculation based on Church Budget

If the Church's Budget is:	% of Minimum Salary to be added:	Our Percentage is:
\$0 and \$150,000	0%	
\$151,000 and \$200,000	Add 2.5%	
\$201,000 and \$275,000	Add 5%	
\$276,000 and \$350,000	Add 7.5%	
\$351,000 and \$425,000	Add 10%	
\$426,000 and above	Add 12.5%	

If the church provides a parsonage, then the recommended salary (Step 8) is reduced by the fair rental value of the parsonage or 30% of the recommended minimum (Step 1), whichever is less.

Step 3 **Adjustment to Minimum Salary** **\$ -**

Step 4 **Calculate adjustment for length of service**

Total number of years of accumulated service

Calculation for Length of Service

Number of Years of Accumulated Service	% of Minimum Salary to be added:	Our Percentage is:
1 to 2 years	Add 2.5%	
3 to 4 years	Add 5%	
5 to 7 years	Add 7.5%	
8 to 10 years	Add 10%	
11 to 14 years	Add 12.5%	
15 to 19 years	Add 15%	
20 to 24 years	Add 17.5%	
25+ years	Add 20%	

Step 5 **Adjustment to Minimum Salary** **\$ -**

Step 6 **Total Adjusted Minimum Salary: ADD Steps 1+3+5** **\$ 59,357.00**

Step 7 **% Increase for Merit** **\$ -**

Step 8 **Pension Contribution up to 5%** **\$ -**

Step 9 **Recommended Salary: ADD Steps 6+7+8** **\$ 59,357.00**

Cost of Benefits & Ministry Expenses

EI Max. Contributi	1,008	ABA Group Insurance	\$3,600.00
CPP Max. Contrib.	2,057	Professional Dev.	\$1,200.00
EI & CPP Sub-Total	3,065	Hospitality Allowance	\$2,400.00
		Book Allowance	\$600.00
		Car Allowance @ c____/km (Gov. Rate)	\$3,600.00

Benefits & Expenses Sub-Total **\$11,400.00** **TOTAL** **\$73,821.72**

*This number is based on four years of related education. If the pastor has completed a MDiv, add \$10,000.00 to this base.

**EI and CPP should be calculated according to current rates. Aside from EI, CPP, Group Insurance and Mileage, the following are adjustable.