

Calculating Minimum and Total Salary – Pastoral Staff

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

Step 1 Recommended Minimum Salary for 2026 (including Housing) **\$61,575.00**

Step 2 Calculate adjustment based on Church's Annual Budget.
Use the current year's total budget (2025) to determine the figure to be used. (See Note on page 2.)

Calculation based on Church Budget

If the Church's Budget is . . .	% of Minimum Salary to be added:	Our Percentage is:
\$0 and \$80,000	0%	
\$81,000 and \$130,000	add 3%	
\$131,000 and \$200,000	add 7.5%	
\$201,000 and \$260,000	add 10%	
\$261,000 and \$360,000	add 15%	
\$361,000 and \$460,000	add 20%	
\$461,000 and \$560,000	add 25%	
\$561,000 and above	add 30%	

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

Step 4 **Calculate adjustment for length of service (below)**

Total number of years of accumulated service _____

Calculation for Length of Service

Number of Years of Accumulated Service (Total of previous / current years)	% 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%	

*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** **\$**

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

Step 8: **Pension Contribution** **\$**

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

Cost of Benefits and Ministry Expenses

*The 2026 IRS allowable reimbursement rate is 68¢/mile.

Medical Insurance	
Professional Development	
Hospitality Allowance	
Book Allowance	
Car Allowance @ 68¢/mile	
Other	
Other	
Other	
Other	

Benefits and Expenses Sub-Total \$

Step 10: Total Salary plus Benefits and Expenses \$