

Straight Salary Calculation

Example: 13th year pastor with 2 children in church-owned parsonage.

	For Year	
	<u>Current</u>	<u>Straight Salary</u>
Basic cash salary for year (\$419.50 x 52weeks)	\$21,814	
Child supplement (\$300 x 2)	600	
Social security supplement (Church and Conference)	5,098	
Vacation bonus	500	
Christmas bonus	300	
Book allowance	600	
Entertainment allowance	<u>300</u>	
	\$29,212	
Housing		
Estimate of fair rental value of parsonage (unfurnished except for refrigerator, range, hot water heater)	12,000	
Furnishings (assume 10 yr.depr.)	600	
Utilities (gas, electricity, water, trash removal, tel.)	<u>3,000</u>	
	<u>15,600</u>	
Total cash payments + housing	\$44,812	
(Compare \$44,812 with minimum straight salary of \$40,469)		<u>\$44,812</u>

Note: As can be seen, the straight salary is simply a repackaging of what is already being given to the pastor. Suppose for some reason the \$44,812 is an amount the church cannot afford. The Financial Guidelines allow the housing to be recalculated to an amount the church can afford. Suppose the recalculation brings the figure down to \$42,000. Then the \$42,000 is the straight salary to be paid the pastor. If the \$42,000 is still not affordable, then the housing can be recalculated again. Whatever the recalculation, it must not be below the minimum specified by the Financial Guidelines. If the church cannot afford the minimum specified by the Financial Guidelines, then it should seek aid from the Conference. Submit application.

Other payments church will make:

To pastor:

Reimbursable auto expenses

To Conference:

Health benefit premium for pastor – 39% of cost

Pension fund - \$100 a month

To government:

Workmen's compensation