

TO: PASTORS & TREASURERS OF CBAC CHURCHES

Greetings in Christ Jesus our Lord!

I am writing to inform you of the recommendations for salary increases for 2017 and the cost of benefits.

For 2017 we are recommending a cost of living adjustment of 2%. Attached you will a worksheet which can be used to determine your pastor's salary, taking into account the financial status of the church, the experience of the pastor and the value of housing in your area. If you are unable to open the Excel spreadsheet you should be able to open the pdf file, also attached.

The following are the rate changes for benefits:

	2016 Rates	2017 Rates
Basic Life Insurance	14.40	14.40
Spousal & Dependents Life Insurance	2.44	2.44
Accidental Death & Dismemberment Insurance	1.10	1.25
Employee & Family Assistance Program	4.12	4.37
Medical/Dental Coverage - Individual	121.00	127.00
Medical/Dental Coverage - Family	290.00	296.00
Long-Term Disability	\$2.10 per \$100	\$1.87 per \$100
Administration Fee	5.00	5.00

The following is an example of how to determine what the Long-Term Disability would be:

Pastor's total salary, including housing = \$60,000
LTD benefit would be 67% of total salary = \$40,200
Annual premium = \$1.87 x 402 = \$751.74
Monthly premium = \$751.74/12 = \$62.65

Car Allowance – We recommend the church reimburse their pastor for travel 42 cents per kilometre

Claim for Clergy Residence Deduction

The Minister is required to complete the CRA Form T1223 on a yearly basis. A copy of this form must be sent with the Minister's income tax return. If the Minister files his\her return electronically the form does not have to be sent in but must be kept on file for audit purposes. Form T1223 - <http://www.cra-arc.gc.ca/E/pbg/tf/t1223/README.html>

Anyone claiming the clergy residence deduction is required to complete and send in CRA Form T1213 - Request to Reduce Tax Deductions at Source. This form must be filled out and submitted to the local tax office as soon as possible for approval. Ministers will be required to include a copy of Form T1223, along with their job description as supporting documents. The job description should indicate the percentage of time per week for each duty. **Form T1213 will have to be filled out annually in the Fall in order to receive permission for the following year.** If the Minister decides not to do this, the treasurer is required to deduct income tax and

CPP on the Minister's total salary and the Minister can make a claim to receive the income tax back by way of the Form T1223 when completing their Income Tax Return.
Form T1213 - <http://www.cra-arc.gc.ca/E/pbg/tf/t1213/>

We will be issuing the 2017 Handbook for Church Treasurers early next month.

God Bless!



Daryl MacKenzie
Director of Finance and Facilities



CANADIAN BAPTISTS
OF ATLANTIC CANADA
Joining God in Our Neighbourhoods

1655 Manawagonish Road,
Saint John, New Brunswick E2M 3Y2

Ph: (506) 635-1922 ext.107 Fax: (506) 635-0366

daryl.mackenzie@baptist-atlantic.ca

baptist-atlantic.ca



MINISTER'S SALARY RECOMMENDATIONS

January 1, 2017

Base Salary 35,000

Annual Church Budget	% Added to Base Salary	\$	
\$0 - \$59,999	0.00%	-	
60,000 - 99,999	5.00%	1,750	
100,000 - 149,999	7.50%	2,625	
150,000 - 249,999	10.00%	3,500	
250,000 - 299,999	15.00%	5,250	
300,000 - 349,999	20.00%	7,000	
350,000 and above	25.00%	8,750	<u> </u>

# of Years Ordained	% Added to Base Salary	\$	
0 - 4	0.00%	-	
5 - 9	10.00%	3,500	
10 - 14	15.00%	5,250	
15 - 19	20.00%	7,000	
20 - 24	25.00%	8,750	
25+	30.00%	10,500	<u> </u>

Sub-total
 Add value of housing & utilities
 Total Minimum Salary Package

In addition to the above a minimum of 2.5% should be added to the Minister's total salary package upon the completion of a major educational program, such as a Doctor of Ministry Degree.

Associate Ministers, Youth Ministers, etc. should be compensated appropriately, taking into consideration the salary package of the Senior Minister.

Churches may be paying less than the amount indicated by the table. Attempts should be made to increase the Minister's compensation package as the church is able to do so.

In some cases, churches may be paying a salary package which exceeds the minimum recommended by the table. In each situation there can be a number of circumstances which will justify paying the Minister a higher figure.

When a pulpit committee is prayerfully considering the calling of a new Minister, its task must be to first determine if a candidate possesses the gifts needed to do the ministry. The negotiation of a salary package should always be secondary.

**Please support the goals of the CBAC to plant new churches
 and help existing churches become more missional
 by giving to our Denominational Fund. Thank you!**