



**MORAVIAN  
CHURCH  
WESTERN  
DISTRICT**

October, 2009

TO: Joint Board Members of Congregations in the Western District

FROM: Western District Executive Board  
James T. Hicks, President

SUBJECT: **Guidelines for 2010 Pastor's Compensation**

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Dear Beloved Sisters and Brothers in Christ,

Greetings and peace to you!

It was a joy to participate in the celebration of Marquardt Village's 40<sup>th</sup> Anniversary last month. Asked to share a few words from the Western District, I prepared by listening to several Psalms which put into words that which is timeless; "I will sing to the Lord as long as I live; I will sing praise to my God while I have being" (104:33). It then occurred to me that singing praise to God takes more forms than I had previously considered. There is "Sing Hallelujah, Praise the Lord," and there is the touch of a loved one or assistance with "personal cares" by a Marquardt staff person. God is praised in such simple important acts of love. The smile on Marquardt staff members' faces revealed a wonderful understanding of praise!

The ministries at Marquardt, as well as the ministry at Moravian Care Ministries and Mt. Morris Camp & Conference Center, to name a few, are rooted in congregations that sing God's praise. I encourage you to take a few moments to give thanks for "elders" who taught you to sing and to praise God. In that gratitude we will find our way as Christ's church.

Among the list of saints entrusted with vision that resulted in our shared Western District Ministries were pastoral leaders encouraging and leading congregations. As these pastors listened to the Psalms they pointed to the Creator and Provider. The encouragement of our pastors continues to guide the church today. It is a joy to see many pastoral leaders seeking the counsel of our bishops and spiritual guides. Many are working with leadership mentors while others are meeting with peer groups seeking to strengthen their preaching. Seven of our newer Western District pastors, along with 4 from other districts, are meeting together as a BARNABAS (encourager) group several times a year. I think it is significant, that as pastors are engaged in these activities they are increasingly focused on those outside the church. I'm excited to think about what this means for the future.

As you turn your attention to the matter of your pastor's compensation package for the coming year, I want to thank you for your leadership. I hope the paragraphs that follow will assist you as you seek to be in conversation with each other and with your pastor regarding salary and other compensation issues.

**PASTORAL SALARIES**

In discussing the matter of pastoral salaries for 2010, the District Board was mindful of the difficult financial circumstances facing many, if not most of our congregations. Your District Board is charged by Synod with the responsibility of making salary recommendations for each new budget year. As a Joint Board, you have the responsibility of setting the amounts that become a part of the budget that you present to your Church Council.

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**WESTERN  
DISTRICT  
EXECUTIVE  
BOARD**

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In recent years the District Board made a recommendation for a 3-5% increase in salary. Last year we did not make a percentage increase recommendation. **Again this year, we do not make a percentage increase recommendation.** If you feel led to hold salaries at their current level, we urge you to find other ways to offer your pastor encouragement and affirmation. Please do not allow tough economic times to create a silence between pastor and leaders at the very time that each leader needs encouragement to remain committed to excellence.

### **CONTINUING EDUCATION**

Financial support for the on-going education of your pastor(s) is a very important consideration as she/he seeks to grow in his/her understanding of “call.” At the time of ordination our pastors are asked: “Do you freely accept the obligations of an ordained minister to study, pray, care for souls, preach and administer the sacraments in Christ’s church?” Their reply: “I freely accept them.”

We’re struck by how “study and prayer” lead our pastors into the work of “care for souls, preaching and administering the sacraments in Christ’s church.” Your pastor freely accepted the obligation to “study and pray.” Providing funding for your pastor’s continuing education and spiritual formation encourages her/him to honor her/his ordination vows and makes deepening faith a congregational matter! Significant educational experiences typically require travel, room, board and tuition in the range of \$1,000 to \$2,000. In addition, many of our pastoral leaders seek the guidance of other resource persons including spiritual guides who help them consider God’s claim upon their life and mentors who assist them with leadership opportunities and challenges.

### **HOUSING**

The *Book of Order* requires that housing be provided for a pastor. If a parsonage is provided, you will want to determine what repairs should be made during this year and include a line item to provide for these repairs and/or upgrades. If a housing allowance is provided in lieu of a parsonage and utilities, be mindful of the fact that there are increases in this line item that should be considered as well.

### **HOUSING EQUITY**

Since 1994, Synod has required a housing equity allowance in the amount of at least \$1,000 per year for pastors living in a church provided parsonage. The money must be invested in a tax-deferred investment under the U.S. Internal Revenue Code, as provided in Section 403(b) of the Code. If you need any assistance in this matter, please contact Tina Giesler, Provincial Comptroller, in Bethlehem, Pennsylvania, either by telephone (610-867-7566) or mail. This allowance is meant to provide the means for a pastor to purchase a home in which she/he can live in retirement years.

### **TRAVEL REIMBURSEMENT**

Your congregation is required to reimburse your pastor for the use of his or her auto for all church work upon the submittal of vouchers. We recommend you stay current with the IRS rate for mileage reimbursement, which is currently at \$.55/mile.

### **PENSION ASSESSMENT**

In preparation for your budget, please note that the Pension Assessment for 2010 will be based on your pastors’ compensation for 2010. In accordance with the information you will receive from the Provincial Elders’ Conference, your assessment will be based on the total paid for pastors’ salary in 2010, the actual allowance for housing/utilities if the pastor rents or owns his or her own home, or 30% of cash salary for those who live in a church provided parsonage, and any housing equity allowance, Social Security allowance, annuities, and unreimbursed medical expenses which are provided (all of this based on your 2010 figures). Billing information concerning pension assessment for 2010 will be sent from the Provincial Elders’ Conference later this year. The rate will remain at 11% for 2010.

**HEALTH CARE INSURANCE, LONG TERM DISABILITY,  
DECLINING TERM LIFE INSURANCE ASSESSMENT**

The rate for Medical/Long Term Disability/Life Insurance for 2010 will remain unchanged from 2009 (\$18,829). Please remember that this assessment funds not only major medical coverage and general health care, but also long term disability insurance and declining term life insurance for your pastor and family, as well as helping our retirees with their Medical premiums. Further information regarding this item will be mailed from the Northern Province office in the coming weeks. This assessment is per congregation and covers the large geographic spread that is the Northern Province – from New York to California, and from North Dakota to Washington, DC. Canadian congregations are not assessed this amount but, in turn, are expected to cover the cost for insurance that supplements the basic Canadian plan. The Canadian congregations are, however, assessed the amount for LTD and Life insurances.

**MINIMUM SALARY GUIDELINES**

We continue to bring to your attention the following minimum cash salary guidelines, recently revised and approved by the Provincial Elders’ Conference, effective January 1, 2004:

<b>Years of Service</b>	<b>Minimum Salary</b>
0 - 5. ....	\$28,000
6 - 10.....	\$33,000
11- 15.....	\$40,000
16 plus. ....	\$45,000

**We ask that the TRUSTEES PRESIDENT be responsible for completing and returning the enclosed pink report form to the Western District Office by no later than Thursday, January 28, 2010.** This will give us your proposed budget figures which you have or will be presenting to your Church Council.

Please mail this form to:

**Western District Executive Board — PO Box 386 — Sun Prairie, WI 53590**

If you prefer, you may FAX the *white copy* of the form to the District Office: **608.825.6610**.

***If you received a PINK report form with this letter and you are NOT the Trustees President, please give this form to the current President of the Board of Trustees or to your pastor.***

**2010 SALARY REPORT TO THE WESTERN DISTRICT EXECUTIVE BOARD**

Congregation: \_\_\_\_\_

Pastor's Name: \_\_\_\_\_

**SALARY**

2009 Pastor's Salary is at the rate of \$ \_\_\_\_\_ per year.

For 2010 we have set the salary at the rate of \$ \_\_\_\_\_ per year.

**HOUSING**

We will provide free use of the parsonage.

We will pay all parsonage utilities (approximate value of \$ \_\_\_\_\_) **or**

We will pay a utility allowance of \_\_\_\_\_ per year.

We will provide an Equity Allowance of \$ \_\_\_\_\_.

Our judgment is that the parsonage we provide is \_\_\_\_\_ / is not \_\_\_\_\_ adequate.

We will pay a housing allowance in lieu of church-owned parsonage of \$ \_\_\_\_\_.

**CONTINUING EDUCATION**

We will provide up to \$ \_\_\_\_\_ during 2010 for continuing education for our pastor.

**AUTO/TRAVEL ALLOWANCE**

For 2010 we will include in our budget \$ \_\_\_\_\_ for travel allowance.

We will reimburse the pastor for actual miles at the current IRS rate of \$ \_\_\_\_\_ per mile.

*(The current IRS rate is 55¢ per mile; it may change on 1/1/10)*

**OTHER**

We provide the following additional or special compensation for our pastor:

\$ \_\_\_\_\_ for \_\_\_\_\_.

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The above was approved by the official boards on \_\_\_\_\_ (date).

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**President, Board of Trustees:** Please return this form as soon as possible, but **not later than Thursday, January 28, 2010** to:

Western District Executive Board ☆ PO Box 386 ☆ Sun Prairie, WI 53590

**or FAX to**

608.825.6610