

ATLANTIC DISTRICT



THE LUTHERAN CHURCH MISSOURI SYNOD

171 White Plains Road
Bronxville NY, 10708
914.337.5700
Fax: 914.337.7471
www.ad-lcms.org

November 2010

To: Atlantic District Congregation Presidents and Treasurers
From: Rev. Dr. David H. Benke, President of the Atlantic District
Re: Atlantic District Pastoral Salary Guidelines

Dear Brothers and Sisters in Christ,

Enclosed/attached please find the 2011 Pastoral Salary Guidelines table which is being proposed for adoption Atlantic District Board of Directors. These guidelines are applicable for next calendar year, beginning in January 2011. Since most congregations prepare their budgets on an annual basis, we provide these salary guidelines in the Fall to provide appropriate planning time for all congregations and other ministries.

The following paragraphs are to assist you in formulating a practical compensation package for your pastor. The figure in the salary guidelines table is a starting point to reach this goal. Items addressing housing and other adjustments are explained below.

- **Annual Increases:** The table indicates annual increases that include two points: Cost of Living Increase and the Pastor's years of experience. Even if a congregation cannot meet the appropriate salary level for their pastor as outlined by the guidelines, the congregation is encouraged to provide yearly increases in accord with these two points. To reflect the rising cost of living, the guidelines were increased this year by 1.10 % based upon the rate of inflation in the Consumer Price Index.
- **Congregational Discretionary Adjustments:** In addition to the annual changes, congregations will want to make adjustments in conjunction with specific ministries unique to their congregation. For example, does the pastor supervise a large staff? Serve a congregation with a school? Etc... The salary should be adjusted to compensate his service in these areas. Housing, Health and Retirement are provided by the congregation in addition to, but not part of the salary. The congregation is encouraged to financially support items such as Continuing Education, Professional Memberships, and Conferences.
- **Housing Allowance:** Each congregation is expected to provide a means of housing for their pastor. This can be in the form of a parsonage or monetary compensation to rent or to purchase a home in accord with the fair market value of the community.

In addition, it is almost always advantageous to declare a portion of a pastor's salary as "housing allowance." Current IRS regulations allow pastors to deduct expenditures that are used to provide a home. Deductible expenditures can include rent or a house payment, utilities, furnishings, repairs, and other home-related expenses. The housing allowance designation is a way of categorizing a portion of a pastor's salary specifically for housing needs, and does not affect the level of a pastor's compensation recommended by the salary guidelines. The pastor determines the portion of his salary declared as housing allowance. This amount is approved by the congregation and recorded appropriately.

- **Starting Year:** The salary guidelines reflect the years of pastoral experience. Year one is the figure used for the candidate newly ordained into the pastoral office. It is important that the congregation is well aware of the number of years a pastor is ordained to make an appropriate compensation package.

Evaluating pastoral compensation is a vital method by which congregations and the district attract, compensate, and support our pastors who are essential to our mission and ministry. Task Force 3 and the Atlantic District leadership appreciate the dedication of so many individuals and committees in congregations throughout the district in addressing this important issue.

If you have questions or concerns about the guidelines, please contact the district office or any member of Task Force 3.

Sincerely yours in Christ,



Rev. Dr. David H. Benke
President of the Atlantic District

cc: Congregational Pastors

Enclosed/attached:
Atlantic District 2010 Pastoral Salary Guidelines Table and Worksheet