

July 28, 2009

To: District Superintendents

VIA E MAIL TO DISTRICT OFFICES

From: David Dommissie

Subj: Economic Factors

Historically, the Conference Treasurer was asked to provide the following information that may be beneficial to local churches as they set their pastor's salary for the following year. Some of the factors considered for 2010 are:

Consumer Price Index - The CPI is widely used as an indicator of inflation produced by the Bureau of Labor Statistics of the United States Department of Labor. The BLS has several Consumer Price Indices; however, the one most used is the "CPI for All Urban Consumers (CPI-U)". For the calendar year 2008 the CPI-U increased 0.1%. The June 2009 level was 1.4 percent lower than in June 2008. A salary raise at this level is simply staying even, but would normally not be perceived to include a raise for merit.

Denominational Average Compensation (DAC) - This is a figure compiled by the General Board of Pensions which is the average upon which pensions contributions are calculated and includes 25% for parsonage or cash housing allowance for all full-time ministers in the denomination. This figure increased by 3.6 percent on the last year available for comparison.

Conference Average Salary (CAC) - This is calculated the same as the DAC, except that just the ministers of the Virginia Conference are included in these calculations. This comparison increased by 2.0 percent.

District Superintendents' Salaries - By action of the Annual Conference Session in June, District Superintendents will not receive an increase for 2010.

Conference Minimum Compensation - The Minimum Compensation Guidelines proposed by the Equitable Compensation Commission and approved by the Annual Conference Session remained the same for the 2009 year.

Please realize that this letter is for information only. In no way should this information be taken as recommendations for clergy salary increases or decreases.