



# 2021 CLERGY SALARY RANGE DEVELOPMENT WORKSHEET

(Revised November 2020)

## The Pacifica Synod of the Evangelical Lutheran Church in America

*(Please note that the purpose of this worksheet is to assist congregations in clarifying an appropriate salary range for those called to rostered ministry in their community. Actual salary levels – as well as other aspects of the total compensation package – can only be determined through mutual conversation.)*

SECTION 1	DETERMINING <u>MINIMUM</u> SALARY	FORMULA	YOUR BASELINE
<p>BASELINE SALARY</p>	<p>The Pacifica Synod Council and Assembly annually set a "Baseline Salary" for clergy guided by the admonition from Scripture: <i>"Let the elders who rule well be considered worthy of compensation, especially those who labor in preaching and teaching; for the scripture says, 'You shall not muzzle an ox while it is treading out the grain,' and, 'The laborer deserves to be paid'."</i> (1 TIMOTHY 5:17ff.) The phrase, "who rule well", points to the need for <u>a process of appraising performance</u> in addition to this <u>process of determining appropriate salary ranges</u> as steps toward negotiating actual salary amounts.</p>	<p>Baseline Salary includes what has been previously called "salary, housing allowance, and social security offset" and assumes up to \$200,000 as the median price of a home in the service area of the congregation. <i>(It is important to note that the amount of salary actually designated as "Housing Allowance" must be recorded as a vote of the congregation's Council/Board prior to the beginning of the year.)</i></p> <p><b>For the year 2021 that amount is \$68,246</b> (If the terms of call are less than full time, or if use of a parsonage is included as a portion of compensation, this figure should be adjusted accordingly in consultation with synodical staff.)</p> <p>Write the 2021 baseline salary amount of \$68,246 in Box A.</p>	<p>Box A</p>
<p>COMMUNITY HOUSING COST ADJUSTMENT</p>	<p>The Pacifica Synod covers a large, economically diverse area with housing costs varying widely within and between the Inland Empire, Orange County, San Diego County, and Hawaii. A cost of housing adjustment to the base salary acknowledges the diversity.</p> <p><b>*To use the Internet to determine this figure:</b></p> <ol style="list-style-type: none"> <li>1. Log onto <i>www.zillow.com</i></li> <li>2. Enter Zip Code in the search bar (Buy)</li> <li>3. Scroll to bottom of page (below "Real Estate &amp; Homes for sale in XXXXX")</li> <li>4. Find median sales price listed under "XXXXX Real Estate Facts"</li> </ol>	<p>Determine the median single-family home prices with your community (the primary zip code(s) served by your congregation) by contacting a local realtor or using the Internet and following the steps listed in the box to the left (as indicated with an asterisk).</p> <p>Write that figure here: \$ _____</p> <p>If this number exceeds \$200,000 (cost of housing considered within Base Salary), multiply the amount that exceeds \$200,000 by .03 (3%) and write the result in the right-hand column. <i>(Example: A median single-family home in area served by congregation is \$300,000. \$100,000 x .03 = \$3,000 is recorded in Box B.)</i> Please note that this is NOT "housing allowance" as defined by IRS regulations but rather a way to acknowledge higher costs of housing in many of our congregational service areas.</p>	<p>Box B</p>
<p>ADJUSTED BASELINE SALARY</p>	<p>In this step, the Community Housing Cost Adjustment is added to the synodical Baseline Salary, determining the Adjusted Baseline Salary for clergy serving in your congregation. Such factors as position, experience and additional degree work will be considered in Section 2 below.</p>	<p><b>Add Box A and Box B to get the "Adjusted Baseline Salary" for your congregation.</b> (Note: for some congregations, current clergy salaries may be below this number. If such is the case, the Synod recommends developing a specific and mutually-agreeable written plan to bring salary up to this minimum baseline. If Council, Congregation, or Clergy need assistance in this matter, both synodical staff and the synod's "Compensation Consultants" are able to assist.)</p>	<p>Box C</p>

SECTION 2	DETERMINING SALARY RANGE ADJUSTMENTS	FORMULA	YOUR POINTS
YEARS OF EXPERIENCE	As per most professional salary systems, we seek to reflect the value of acquired skills, wisdom, and experiences which can only come from actual pastoral experience.	Credit one point for or each year of service as an ordained pastor (up to a maximum of 40) in Box D.	Box D
LONGEVITY IN CURRENT CALL (Not figured in Call Process)	Research has established that vibrant long-term pastorates are often associated with congregational growth. We seek to reflect our shared valuing of healthy, longer-tenured pastorates with this adjustment.	Credit one point for each year of service in one's current call in Box E.	Box E
YEARS OF RELATED NON-PASTORAL EXPERIENCE	Increasingly, persons with prior experience in related fields are entering rostered ministry in our church. We seek to acknowledge the value of prior experience <u>in related fields</u> (i.e. teaching, administration, financial, counseling, social work, etc.) with this adjustment.	Credit is given for each year of prior experience in a related field <u>up to ten years</u> .  <b>Multiply the pastor's years of significant prior experience by .5 (# years x .5) and write <u>either that figure or the number 5</u> (whichever is lesser) in the right-hand column.</b> (Box F)	Box F
STAFF LEADERSHIP	Pastoral leaders of large churches often bear increased responsibilities and expectations. We seek to acknowledge such with this adjustment. <i>(Note: This adjustment is intended solely for pastors serving as head-of-staff in larger congregations.)</i>	Credit is given for primary leadership in congregations where the average weekly worship attendance exceeds <u>200 persons</u> , at a rate of 1 point for each 20 persons over that 200 worshipers threshold.  <b>Determine the congregation's average weekly worship attendance</b> (as reported on the congregation's annual parochial report) <b>and subtract 200 from that number. Divide that difference by 20 and enter the number in the right-hand column.</b> (Box G)	Box G
FURTHERED EDUCATION	Lutherans have long expected that their pastoral leaders be well-educated. This credit seeks to account for and encourage life-long learning for leadership.	Credit is given (5 points) to those who have taken the time and made the commitment to earn a degree beyond the Master of Divinity level. (i.e. M.A., M.Th., D.Min., P.H.D., S.T.M.) If such is the case, enter 5 points for each degree earned in Box H	Box H
POSSIBLE SALARY ADJUSTMENT	Boxes D-H seek to quantify the value of experience and education a pastoral leader may possess. These factors will become a basis for possible adjustment to salary.	<b>Add together the credits in Boxes D, E, F, G and H to create a "point total" and write that number in Box I.</b>	Box I

SECTION 3	NEGOTIATING ACTUAL SALARY	FORMULA	YOUR FIGURE
ADJUSTED BASELINE SALARY	Section 1 (Boxes A, B and C) allowed you to determine the appropriate minimum level of salary for your pastor.	<b>Transfer the amount recorded in Box C on page one of this form to the right-hand column.</b> (Box J)	Box J
SALARY ADJUSTMENT RANGE	Section 2 (Boxes D, E, F, G, H and I) allowed you to compile a point total which will assist you in quantifying a range for appropriate salary. <u>For the year 2021, the range modifier is set at \$775 per point.</u>	<b>The number recorded in Box I, multiplied by the pre-determined range modifier, generates the spread of your appropriate salary range. Transfer that dollar figure to the right-hand column.</b> (Box K)  [Box I] _____ x \$775 = Box K _____	Box K
APPROPRIATE SALARY RANGE	By adding the “Adjusted Baseline Salary” and the “Salary Adjustment Range” figures together, you will be able to determine the upper reaches of an appropriate range of salary for your pastoral leader.	<b>Add Box J and Box K together and write that figure in the right-hand column</b> (Box L.)  [Box J + Box K = Box L]	Box L
NEGOTIATED PASTORAL SALARY FOR 2021	<p>Although the Synod may produce helpful guidelines and minimum baselines for appropriate salary, congregations need to annually review and revise salary for their rostered leaders. <b>Using the figure in Box J as a “low” and Box L as a “high”, it is the responsibility of the congregation to determine actual annual salary.</b> During the course of the conversation between the Pastor and those responsible for the annual review &amp; salary recommendations, consider using the following questions as guides for allowing one to move up or down in the range presented:</p> <ul style="list-style-type: none"> <li>• <i>Does our pastor bring any additional or special skills to the position that ought to be rewarded?</i></li> <li>• <i>Has our pastor met her/his mutually-predetermined ministry goals during the past twelve months?</i></li> <li>• <i>Do we expect our pastor to take on any significant additional responsibilities as a leader of our congregation?</i></li> <li>• <i>Is our pastor competent in her/his fulfillment of the ministry position to which she/he has been called?</i></li> <li>• <i>Are there any unique financial stresses which the congregation ought to seek to accommodate so as to allow our pastor to better serve our community?</i></li> <li>• <i>Are there any unique financial stresses which the congregation faces which need to be accommodated?</i></li> <li>• <i>Are we in an area where housing costs are unusually high and special consideration may need to be made?</i></li> </ul> <p><b>The figure entered in Box M represents our mutually-negotiated pastoral salary for the year 2021.</b> (Adjusted accordingly if the terms of call are less than full time, or if use of a parsonage is included as a portion of compensation.)</p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="border: 1px solid black; padding: 5px; width: 25%;">Salary Range Low (Box J)</div> <div style="border: 1px solid black; padding: 5px; width: 25%;">Actual Negotiated Salary (Box M)</div> <div style="border: 1px solid black; padding: 5px; width: 25%;">Salary Range High (Box L)</div> </div>		Box M