

December 2009

Dear Brothers and Sisters in Christ,

Greetings to you in the name of our Lord and Savior, Jesus Christ. In 2007, the Salary Task Force for the California-Nevada-Hawaii (CNH) District of the LCMS suggested that you visit www.homefair.com to determine the salary base for your church workers. This method provides the salary range in your neighborhood whereas the District Salary Scale Guidelines base salary is divided only over four basic zones. Recently, many churches have requested us to update the District Salary Scale guidelines. We have updated the salary guideline and posted them on our website as requested.

Both methods, either using the Homefair website or District Salary Scale Guidelines, are helpful tools for you in developing a fair compensation package for your staff. You may make appropriate adjustments that are caused by your unique circumstances.

If you have any questions or suggestions about the salary scale, please call Denise Lo at the district office or email her at denise@cnh-lcms.org

God's Peace,
Denise Lo
Business Administrator
CNH District-LCMS

DISTRICT SALARY SCALE GUIDELINES

CNH DISTRICT – LCMS

(This is a SUGGESTED SCHEDULE)

EFFECTIVE – JANUARY 1, 2010

Highlights of the salary scale:

- The scale includes a computation guide and sample for each tier.
- There are now three scales for Pastors: Sole/Associate; with Staff; and with School.
- Education is rewarded as in previous years. *We urge congregations to assist their workers with continuing education costs.*
- Length of service is rewarded, but is frontloaded, rewarding the early years more highly.
- Salary Scales for principals and teachers are now built on a different salary model. Please contact Shelly Alba, Administrator Assistant-Education for details. Her email address is shelly@cnh-lcms.org or phone number 925-245-4000, ext 4010.
- The base continues to be established for four cost-of-living levels. The suggested cost of living adjustment for 2010 is **0.50%**. An updated Cost of Living Comparison (COL) for communities within the District is provided to help identify the level into which your congregation falls. *(However, the scale does not fully compensate those workers living in areas with higher costs. If you feel that the COL is not accurate for your community, feel free to select the one that is most appropriate.)*

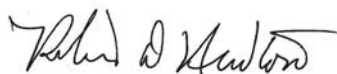
Do not be confused—it might first appear as if every category of church worker within a cost-of-living level will begin with the same salary. It will become clear as you follow the computation guide that some categories will ultimately be given greater weight, commensurate with their responsibilities. Base figures should be considered as a *minimum* salary figure. *The base identified for each classification for each COL level is the total remuneration figure—salary plus housing.* In cases where the congregation provides housing, the base figure would be reduced as appropriate.

It is assumed that each congregation maintains a local policy document, which would contain additional guidance in setting salaries. Benefits such as health care, retirement and disability plan, auto allowances, etc., are separate from the schedule. To be noted though, is if an employer is participating in the Concordia Retirement Plan and Concordia Disability and Survivor Plan, **all full-time workers must be enrolled.** Enrollment is mandatory; the worker cannot opt out. A full-time worker is any worker regularly employed more than 20 hours per week and more than five months per year.

Should financial circumstances in each congregation make it necessary to set salaries below the recommended scale — say 95% — then all workers in that congregation should receive 95% of scale. If on the other hand, one worker's salary is above the scale then all workers should receive the same percentage above scale.

If you have any questions, please email Denise Lo at denise@cnh-lcms.org or call (925) 245-4000

Cordially in Christ, the Minister to all,



Rev. Robert Newton

President, California-Nevada-Hawaii District, LCMS

CNH District Salary Scale Pastor (Sole/Associate)

This is a new salary scale in many ways, We value our professional church workers and do not want anyone to lose salary in this change. We also recognize that each congregation faces unique budget considerations. We encourage congregations to bring all workers up to the salary scale or higher. Variance from these levels should be uniform for all workers. Staff is defined as a professional church worker supervised by the Pastor.

Monthly Base for levels-includes the 0.5% cost of living adjustment in 2010

Extra-Low	3,338
Low	3,629
Medium	4,039
High	4,450

Additioanl Compensation for Education

Masters Degree (STM, MFCC) \$1,000

Doctorate (PhD, D. Min, etc.) \$2,000

Note: Any compensation for additional education should only be added if the additional education is needed for he job performed

Computation

Base Multiplier	1.30
Add 0.025 for each year of the first five years church work experience	_____
Add 0.020 for each year of the second next five years church work experience	_____
Add 0.015 for each additional year (after 10) church work experience	_____
Add 0.010 for each year of non-church work experience	_____
Total	_____
Multiply times base salary	_____
Product	_____
Multiply times Months worked for Annual Compensation	_____
Add Compensation for Additional Education	_____
Total	_____

Example: A Sole Paster working in Sacramento with 25 years of church experiences, a Master degree(STM) and regular basis/married on WBP-CRP

Base Multiplier	1.300
Add 0.025 for each year of the first five years church work experience	0.125
Add 0.020 for each year of the second next five years church work experience	0.100
Add 0.015 for each additional year (after 10) church work experience	0.225
Add 0.010 for each year of non-church work experience	0.000
Total Multiplier	1.750
Multiply times base salary	3,629
Product	6,351
Multiply times Months worked for Annual Compensation (12 Months)	\$ 76,210
Add Compensation for Additional Education	1,000
Total annual salary for the Pastor-Sole	\$ 77,210

CNH District Salary Scale Pastor (with staff)

This is a new salary scale in many ways, We value our professional church workers and do not want anyone to lose salary in this change. We also recognize that each congregation faces unique budget considerations. We encourage congregations to bring all workers up to the salary scale or higher. Variance from these levels should be uniform for all workers. Staff is defined as a professional church worker supervised by the Pastor

Monthly Base for levels-includes the 0.5% cost of living adjustment in 2010

Extra-Low	3,338
Low	3,629
Medium	4,039
High	4,450

Additional Compensation for Education

Masters Degree (STM, MFCC) \$1,000

Doctorate (PhD, D. Min, etc.) \$2,000

Note: Any compensation for additional education should only be added if the additional education is needed for the job performed

Computation

Base Multiplier	1.40
Add 0.025 for each year of the first five years church work experience	_____
Add 0.020 for each year of the second next five years church work experience	_____
Add 0.015 for each additional year (after 10) church work experience	_____
Add 0.010 for each year of non-church work experience	_____
Total	_____
Multiply times base salary	_____
Product	_____
Multiply times Months worked for Annual Compensation	_____
Add Compensation for Additional Education	_____
Total	=====

Example: A Sole Pastor with staff working in Sacramento with 25 years of church experiences, a Master degree(STM) and regular basis/married on WBP-CRP

Base Multiplier	1.400
Add 0.025 for each year of the first five years church work experience	0.125
Add 0.020 for each year of the second next five years church work experience	0.100
Add 0.015 for each additional year (after 10) church work experience	0.225
Add 0.010 for each year of non-church work experience	0.000
Total Multiplier	1.850
Multiply times base salary	3,629
Product	6,714
Multiply times Months worked for Annual Compensation (12 Months)	\$ 80,565
Add Compensation for Additional Education	1,000
Total annual salary for the Pastor with Staff	\$ 81,565

CNH District Salary Scale Pastor (with School)

This is a new salary scale in many ways, We value our professional church workers and do not want anyone to lose salary in this change. We also recognize that each congregation faces unique budget considerations. We encourage congregations to bring all workers up to the salary scale or higher. Variance from these levels should be uniform for all workers. Staff is defined as a professional church worker supervised by the Pastor

Monthly Base for levels-includes the 0.5% cost of living adjustment in 2010

Extra-Low	3,338
Low	3,629
Medium	4,039
High	4,450

Additional Compensation for Education

Masters Degree (STM, MFCC) \$1,000

Doctorate (PhD, D. Min, etc.) \$2,000

Note: Any compensation for additional education should only be added if the additional education is needed for the job performed

Computation

Base Multiplier	1.60
Add 0.025 for each year of the first five years church work experience	_____
Add 0.020 for each year of the second next five years church work experience	_____
Add 0.015 for each additional year (after 10) church work experience	_____
Add 0.010 for each year of non-church work experience	_____
Total	_____
Multiply times base salary	_____
Product	_____
Multiply times Months worked for Annual Compensation	_____
Add Compensation for Additional Education	_____
Total	=====

Example: A Sole Pastor with school working in Sacramento with 25 years of church experiences, a Masters degree(STM) and regular basis/married on WBP-CRP

Base Multiplier	1.600
Add 0.025 for each year of the first five years church work experience	0.125
Add 0.020 for each year of the second next five years church work experience	0.100
Add 0.015 for each additional year (after 10) church work experience	0.225
Add 0.010 for each year of non-church work experience	0.000
Total Multiplier	2.050
Multiply times base salary	3,629
Product	7,440
Multiply times Months worked for Annual Compensation (12 Months)	\$ 89,275
Add Compensation for Additional Education	1,000
Total annual salary for the Pastor with School	\$ 90,275

CNH District Salary Scale DCE/DCO

This is a new salary scale in many ways, We value our professional church workers and do not want anyone to lose salary in this change. We also recognize that each congregation faces unique budget considerations. We encourage congregations to bring all workers up to the salary scale or higher. Variance from these levels should be uniform for all workers. Any additional duties (i.e. Sport coach, Choir Director) should be added to the salary in accordance with congregational policies.

Monthly Base for levels-includes the 0.5% cost of living adjustment in 2010

Extra-Low	3,338
Low	3,629
Medium	4,039
High	4,450

Additional Compensation for Education

LCMS DCE Certification \$600

Masters Degree \$1,000

Doctorate \$2,000

Note: Any compensation for additional education should only be added if the additional education is needed for the job performed

Computation

Base Multiplier	1.00
Add 0.025 for each year of the first five years church work experience	_____
Add 0.020 for each year of the second next five years church work experience	_____
Add 0.015 for each additional year (after 10) church work experience	_____
Add 0.010 for each year of non-church work experience	_____
Total	_____
Multiply times base salary	_____
Product	_____
Multiply times Months worked for Annual Compensation	_____
Add Compensation for Additional Education	_____
Total	_____

Example: A DCE working in Sacramento with 25 years of church experiences, with a DCE Certificate; self-employed; serves as a minister of religion and only earned regular basis/married on WBP-CRP.

Base Multiplier	1.000
Add 0.025 for each year of the first five years church work experience	0.125
Add 0.020 for each year of the second next five years church work experience	0.100
Add 0.015 for each additional year (after 10) church work experience	0.225
Add 0.010 for each year of non-church work experience	0.000
Total Multiplier	1.450
Multiply times base salary	3,629
Product	5,262
Multiply times Months worked for Annual Compensation (12 Months)	\$ 63,146
Add Compensation for Additional Education	600
Total annual salary for the DCE	\$ 63,746

HOUSING COST COMPARISONS CNH DISTRICT

Updated August 2002

All data is taken from the Homefair webpage (www.homefair.com). This website provides a calculator to compare the cost of living in various areas of the state or country. We used the calculator that assumes the person owns a home. We cannot verify the accuracy of all data on this site, although this scale is widely employed. We do not have data on all areas where we have congregations. In those cases you may have to look for comparable communities. You may find more comparisons by going to the web page and employing the calculator. For our purposes, we used Sacramento as our “baseline.” The percentage given after each community suggests that for every dollar an employee earns while living (and presumably working) in Sacramento they would need to earn that percent more (or less) to maintain a comparable standard of living in the area being compared.

No scale is perfect, and no scale can address the wide range of housing costs even within a particular community. You know your community best. These are only guidelines to assist, and not the “law of the Medes and Persians.” You are free to adapt the information provided here to best fit your circumstances.

Updated: August 2002

EXTRA LOW COST OF LIVING

[Less than 100% of Sacramento]

Community	%	+/-			
Arroyo Grande	89.3		Rancho Cordova	97.4	
Artois			Redding	94.0	0
Atascadero			Rocklin	99.7	0
Atwater			Santa Maria	98.4	0
Bakersfield	94.9	0	Sonora		
Bodega Bay			Susanville		
Brownsville			Taft		
Burney			Terra Bella		0
Chester			Turlock		
Clearlake			Valley Home		
Cloverdale			Visalia	93.3	0
Coarsegold			Wasco		
Colusa			Willits		
Corning			Willows		
Crescent City		0	Woodland		
Delano			Yuba City	96.4	0
Dinuba			<u>Nevada</u>		
Eureka	99.9	0	Battle Mountain		
Exeter			Carson City	95.0	0
Ferndale			Elko	85.0	0
Fresno	93.6	0	Ely		
Georgetown			Fallon	82.4	
Greenville			Fernley		
Gridley			Gardnerville		--
Hanford			Hawthorne		
Lake Isabella			Lake Tahoe	99.5	--
Laytonville			Round Mountain		
Lindsay			Sparks	91.1	0
Lompoc			Wells		
Lucerne			Winnemucca	85.7	
Merced	89.5	0	Yerington		
Modesto	98.5	0			
Mt. Shasta					
Newman					
Oakdale					
Orangevale	94.3				
Oroville		0			
Paradise	97.9				
Placerville					
Portola					
Red Bluff					

LOW COST OF LIVING

[100% to 134% of Sacramento]

Community	%	+/0/-			
Antioch	107.0		Truckee	116.3	+
Arcata	103.3		Ukiah	101.4	
Auburn	105.5		Vacaville	100.3	0
Benicia	116.0		Vallejo	113.5	0
Brentwood		0	Watsonville	132.0	+
Cameron Park					
Chico	100.7	+	<u>Nevada</u>		
Citrus Heights	101.6		Reno	106.6	+
Concord	132.9	0			
Daly City	118.9	0	<u>Hawaii</u>		
Discovery Bay	127.9		Kailua Kona	133.7	+
Elk Grove					
El Cerrito	127.5	--			
Emeryville	118.5				
Fair Oaks	101.3				
Fairfield	105.0	+			
Folsom	102.0	0			
Gilroy					
Grass Valley					
Livermore	127.3	0			
Lodi		0			
Martinez					
Marysville	102.0				
Napa	123.7	0			
Paso Robles	107.7	+			
Petaluma	122.9	0			
Pinole					
Pittsburg					
Richmond	114.0				
Roseville	108.3	+			
Sacramento	100.0	0			
Salinas	117.5	+			
San Luis Obispo	114.4	0			
San Pablo	120.9				
Santa Rosa	118.1	0			
Seaside	113.6	0			
Sonoma	131.1	0			
Sonora					
So. Lake Tahoe	110.1	+			
Stockton	103.1	+			
Tracy	124.3	0			

Updated: Aug, 2002

MEDIUM COST OF LIVING
[135% TO 175% of Sacramento]

HIGH COST OF LIVING
[175% of Sacramento or above]

<u>Community</u>	<u>%</u>	<u>+/0/-</u>
Alameda	141.6	
Albany	139.2	
Berkeley	164.5	0
Castro Valley	139.7	
Danville	161.0	0
Davis		
Dublin	142.9	+
Fremont	140.6	0
Hayward	139.6	+
Healdsburg	145.0	
Milpitas	138.4	
Monterey	134.5	0
Moraga	158.7	
Newark	141.2	
Novato	163.6	0
Oakland	135.6	+
Pacifica		
Piedmont	169.9	--
Pleasant Hill		
Pleasanton	141.0	0
Rohnert Park	136.6	
San Bruno	141.9	
San Leandro	147.9	+
San Lorenzo		
San Ramon	167.7	0
Santa Cruz	139.8	0
Sebastopol		
Soquel		
So. San Francisco	160.7	+
Union City	152.9	
Walnut Creek	135.0	0

<u>Community</u>	<u>%</u>	<u>+/0/-</u>
Atherton	281.0	
Burlingame	250.0	0
Cupertino	187.7	
Lafayette	175.4	
Los Gatos	186.5	+
Menlo Park	221.9	0
Mill Valley	195.6	0
Mountain View	202.8	0
Orinda	192.6	0
Palo Alto	236.9	0
Redwood City	185.8	+
San Carlos	214.8	
San Francisco	218.3	+
San Jose	183.3	+
San Mateo	197.6	0
San Rafael	175.2	+
Santa Clara	178.0	
Sunnyvale	193.3	+

Hawaii

Honolulu	150.8	0
Kaneohe		0