



Dakota Network
604 E Maple St
Harrisburg SD 57032

Dear Clerks and Consistories:

The Dakota Network Admin Team is providing the following guide to assist your team to make appropriate adjustments to compensation. There are several factors to consider:

1. **Performance** - We strongly encourage a conversation between the Pastor(s) and selected leaders to discuss performance based on a clearly defined job description and mission. If you need assistance with this, please contact us.
2. **Cost of Living (COL)** - A cost-of-living increase is intended to maintain or increase the buying power of the base salary. (See explanation below)
3. **Generosity** - Performance and COL are related to “fairness.” As Christians we must also ask if we’re being generous. Does your Pastor feel fairly treated or blessed? (2 Corinthians 9:6-8)
4. **Other** - It is also appropriate to consider increased or decreased responsibilities, church growth or special circumstances.

Our process for evaluation of compensation includes study of the Consumer Price Index (CPI) using figures from the Bureau of Labor Statistics for July 2022, and discussion with compensation specialists in our area. We then collectively make our **best evaluation on the probable values** at the end of the year. The overall rate recognizes all factors, including housing and utilities. Based on the data analyzed, we recommend a cost-of-living increase of 6-8.5% for 2023.

Year	July 12-month CPI	Dec 12-month CPI	Proposed Increase
2022	8.5%	?	6-8.5%
2021	5.4%	7%	3%
2020	1.0%	1.4%	1.5-2%
2019	1.8%	2.3%	2.5%
2018	2.9%	1.9%	2.5%
2017	1.7%	2.1%	2%
2016	0.8%	2.1%	1%
2015	0.2%	0.7%	2%

This proposed increase is below the current CPI and rate of inflation. Last year’s proposed increase was also well below the year-end CPI. In short, this means our Pastors may experience a decrease in buying power over 2 years. Our churches are also feeling the impact of this economic recession and this impacts giving. As we look ahead, we’re hopeful that inflation has flattened and the CPI will decrease.

We believe our only true hope is in Jesus and our real treasure is in His Kingdom. We encourage you to engage in a prayer-filled conversation with your pastor concerning compensation. We will continue to study and refine our system by checking comparison data available as it becomes available from the Alliance and from other survey data.

In Him,

Dakota Network Admin Team: Dennis Olsen, Brenda Van Beek, Seth Sundstrom, Cody Raak, Jacob Van Der Linden, Jared Lee, Gary Hegstad, Jeff Patzlaff, Rick Van Ravenswaay, Jeremy Wiersema, Keith Sietstra, Tim Vink