

SBC pastor compensation falls behind inflation rate

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NASHVILLE, Tenn. (BP)—Compensation for full-time Southern Baptist pastors and church staff has lagged behind growth in the cost-of-living the past two years, and health insurance coverage remains low, according to the 2018 SBC Church Compensation Study.

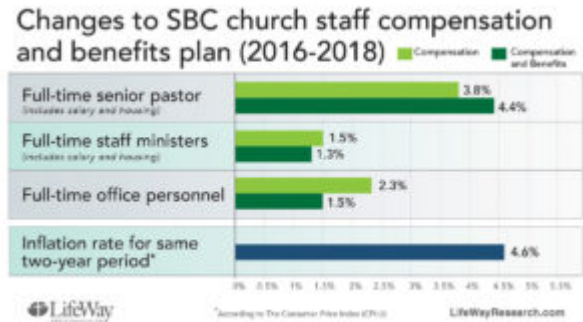
The biannual study is a joint project of state Baptist conventions, GuideStone Financial Resources and LifeWay Christian Resources. Compensation and congregational data is collected anonymously from ministers and office/custodial personnel of Southern Baptist churches and church-type missions. The 2018 online survey was open from Feb. 1 to July 6.

According to the 2018 report, Southern Baptist churches spend an average of 51 percent of their budget on personnel expenses. This is the first year this spending was analyzed.

Below Consumer Price Index

Compensation—salary plus housing—increased 3.8 percent for full-time, Southern Baptist senior pastors over the last two years, 1.5 percent for full-time staff ministers and 2.3 percent for full-time office personnel. The U.S. Department of Labor's Consumer Price Index for the same two-year period increased 4.6 percent.

“After a period of very low inflation, the cost of living has moved closer to typical growth in consumer prices,” said Scott McConnell, executive director of [LifeWay Research](#). “Churches that are unable to reflect this in their wages will hurt their staff.”



Factors correlating with compensation for senior pastors include weekly church attendance, education level, and total years of experience. Larger churches tend to pay their pastors more, the study shows. For every additional 100 attendees, an otherwise similar pastor’s compensation is on average \$3,641 higher.

Higher compensation also is linked to education level. Ministers with a bachelor’s degree earn an average of \$5,681 more than similarly qualified pastors with no college education or an associate degree. Master’s and doctorate degrees correspond with compensation increases of \$5,754 and \$10,868, respectively, when compared to college graduates.

Years of experience also netted increased compensation. Pastors earned \$358 more for each additional year of experience in ministry. In contrast, each additional year of a pastor’s age compared to an otherwise similar individual is predictive of slightly less compensation by about \$500.

“It’s true that you can’t gain another year of experience without also getting one year older. But age and experience have opposite relationships with pastor compensation,” McConnell said.

“When age and other factors are similar, more experience is related to higher pay. When experience and other factors are similar, higher age is related to lower pay. Those who become pastors later in life receive lower

pay.”

Compensation plans below pace of inflation

Overall, the value of the entire pay package—salary, retirement, housing and other benefits including insurance—for senior pastors (4.4 percent) was slightly under the pace of inflation. However, the growth in pay packages for full-time staff ministers (1.3 percent) and office personnel (1.5 percent) fell well below the pace of inflation.

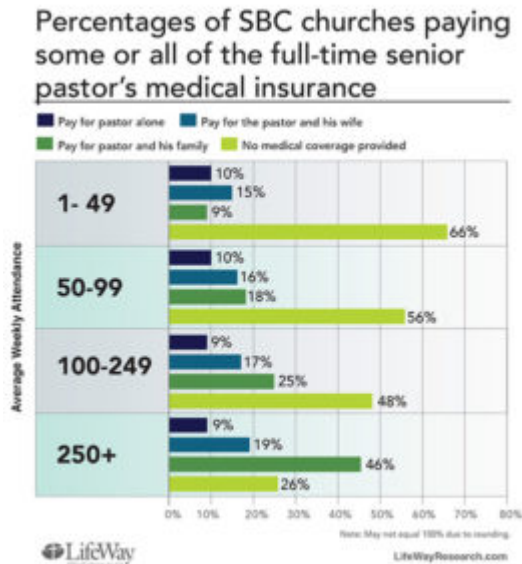
“We have always endeavored to ensure churches take proper care of their staff,” said Greg Love, who provides leadership for the church retirement relationship team at [GuideStone](#).

“A church can maximize its limited resources by implementing a sound, structured compensation plan and not a lump-sum payment. This enables the church to provide salaries and suitable benefits for workers and their families, including life and health coverage,” Love said.

“Additionally, it empowers the church to provide highly important retirement contributions to ministry workers. These significant tasks can be accomplished as the church navigates smart financial stewardship, equips believers for ministry and strives for kingdom impact.”

Only half of churches provide medical insurance

The 2018 study found half (50 percent) of churches participating in the survey provide some amount of medical coverage for full-time senior pastors, the same as two years ago and down from 60 percent in 2014.

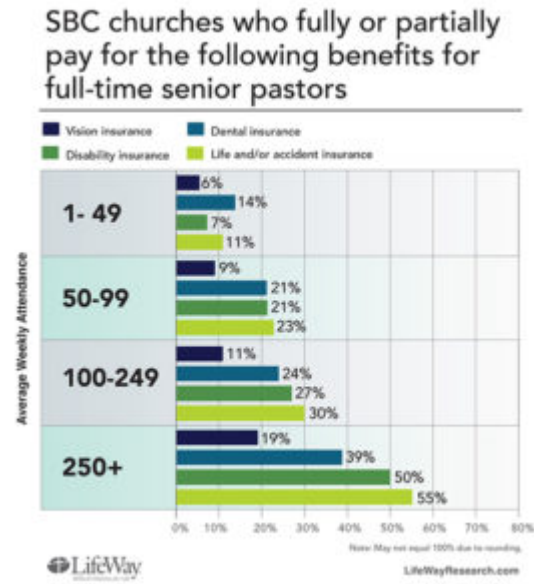


The study showed 23 percent of churches pay for medical insurance for the senior pastor and his family, 17 percent provide for the pastor and his wife, and 9 percent provide only for the pastor. Half of churches provide no medical coverage.

Churches with higher weekly average attendance are more likely to provide some amount of medical coverage for the senior pastor. Almost three-quarters (74 percent) of churches with 250 or more in weekly attendance provide at least some medical insurance.

Half (52 percent) of churches with 100 to 249 in weekly attendance provide some medical insurance, a larger percentage than in churches with 50 to 99 (44 percent) and churches with fewer than 50 in attendance (34 percent).

Some churches also provide additional insurance benefits to senior pastors including life and/or accidental insurance (29 percent), disability (25 percent), dental (24 percent) and vision (11 percent).



Multiple factors affect the amount of vacation senior pastors receive. Larger churches tend to give pastors more vacation, with otherwise similarly qualified pastors averaging one additional day for every 271 attendees.

Vacation also varies slightly by region. Pastors in the South tend to receive less vacation with 1.8 fewer days on average than otherwise comparable pastors in the Northeast, 0.8 fewer days than those in the Midwest, and 1.1 fewer days than those in the West.

Pastors with a bachelor's, master's or doctorate degree add an average of three, 3.8 or 4.8 vacation days, respectively, compared to those with no college education.

Download the full 2018 SBC Compensation and Insurance study report [here](#).

GuideStone provides free resources for churches seeking to establish, restructure or evaluate pay and benefit packages for ministers and other staff. Click [here](#).