

#### **4. Report of the Pastoral Compensation and Benefits Advisory Committee**

The Pastoral Compensation and Benefits Advisory Committee is a continuing committee of the Church of the Brethren Annual Conference which serves to advise the denomination on matters related to the compensation, benefits, and general working conditions for pastors. While it is the standard practice of this committee to report to the Annual Conference each year, we are charged with “at least every five years” conducting “an in-depth review of pastoral compensation and benefits,” and “when it is necessary” bringing “a specific item to the attention of [Annual] Conference.”<sup>1</sup> While the committee has reported each year to the Annual Conference delegate body since it was created in 1986, we have not conducted and presented an in-depth review of pastors’ salaries and benefits in many years. In searching the minutes of both the Annual Conference and the Pastoral Compensation and Benefits Advisory Committee, it became clear to us that an in-depth review of pastors’ salaries and benefits was desperately needed. The remainder of this report will outline the findings of this review. As an outcome of this review, the committee is presenting three recommendations as items of new business to the Annual Conference to address concerns that have emerged in this five year review.

##### Biblical and Historical Foundations

For most of our history, Brethren have called ministers from among our congregations to be set-apart, performing the functions of leading and equipping the congregation for the task of ministry, while expecting them to support themselves financially through other occupations. Many of the most well-known Brethren leaders of previous generations, including Alexander Mack, Peter Becker, John Kline, and Mattie Cunningham Dolby, supported themselves and their ministry in this way. As industrialization led more Brethren to move to cities, more urban congregations began to provide financial support for their ministers. As late as the 1890s, the Annual Meeting taught that it was wrong for congregations to give—and for ministers to accept—a stipulated salary for preaching.<sup>2</sup> By the 1950s the transition to a salaried pastoral ministry was well under way, with accompanying educational expectations for persons entering the set-apart ministry. In 1959, the Annual Conference received a query calling for a committee of laymen to be called to make recommendations regarding appropriate salaries for pastors.<sup>3</sup>

In addition to an historical ambiguity among the Brethren regarding the payment of pastors, we also inherit ambiguity within the Biblical witness. On the one hand, there is no record of Jesus or the apostles receiving anything resembling a salary. The New Testament does mention several women: “Mary, called Magdalene, from whom seven demons had gone out, and Joanna, the wife of Herod’s steward Chuza, and Susanna, and many others, who provided for them out of their resources.”<sup>4</sup> Paul names in several of his letters that he has refused to receive financial support

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<sup>1</sup> *Manual of Organization and Polity*, chapter 1, section II.6. (page 19 of ch. 1 at [www.brethren.org/ac/ppg/](http://www.brethren.org/ac/ppg/)).

<sup>2</sup> Church of the Brethren Ministerial Leadership Polity, 2014, [www.brethren.org/ac/statements/](http://www.brethren.org/ac/statements/), page 6.

<sup>3</sup> 1960 Annual Conference Minutes (1955-1964), “Review of Pastoral Salaries,” page 147.

<sup>4</sup> Luke 8:2-4 NRSV

from the churches to whom he was preaching.<sup>5</sup> On the other hand, Paul appeals to the example of the priests in the Old Testament who “share in what is sacrificed on the altar,”<sup>6</sup> as a defense for paying those who proclaim the gospel.

We are the inheritors of this ambiguous history regarding the compensation of pastors. And while we continue to wrestle with what this means for us, we unequivocally hear the scripture speaking to us in First Timothy when it says “Let elders who rule well be considered worthy of a double honor, 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.’”<sup>7</sup> While scripture and our history are somewhat ambiguous about whether we should enter into compensated agreements with pastors, scripture teaches us that if we choose to do so, our pastors deserve fair, equitable wages in keeping with the responsibilities that the church has called them to undertake.

### The Findings from our Review

The Pastoral Compensation and Benefits Advisory Committee has conducted this review over the course of the last three years. In that time the committee has consulted with several other bodies who have expertise and experience in pastoral ministry and particularly in relationships between pastors and congregations. The Pastoral Compensation and Benefits Advisory Committee is especially indebted to the collaborative work that we have been able to accomplish with the Council of District Executives and the Circuit Riders of the *Part-Time Pastor, Full-Time Church* Program of the Office of Ministry. From these and other conversations, several key themes have emerged regarding present issues in pastoral compensation within the Church of the Brethren. These issues include the following:

- **The majority of our pastoral ministers serve in less than full-time and/or less than fully-compensated roles.** Survey data from *Part-Time Pastor, Full-Time Church* revealed that as of 2018, approximately 77 percent of our pastors served in pastoral roles that were either less than full-time in their hours or they were paid less than the *Recommended Minimum Cash Salary Table* said that they should be for their level of education and pastoral experience. The survey did not explore the reasons for this, but it did make it abundantly clear that we can no longer assume that full-time fully-compensated ministry is the norm in the Church of the Brethren. Previous editions of the *Guidelines for Pastors’ Salaries and Benefits* have assumed full-time ministry while stating that those who are working less than full-time should have their salaries prorated according to time served. This has created significant problems, especially in the area of expected benefits for pastors serving in less than full-time pastoral positions.
- **The majority of our congregations are finding it difficult to financially afford to compensate their pastors for full-time pastoral roles according to the *Recommended Minimum Cash Salary Table for Pastors*.** In conversations with lay leaders from around

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<sup>5</sup> 2 Thessalonians 3:8; 1 Corinthians 9:15 NRSV

<sup>6</sup> 1 Corinthians 9:13 NRSV

<sup>7</sup> 1 Timothy 5:17-18 NRSV

our denomination, we continually hear grief and anguish about their inability to pay pastors according to the salary table. Like other organizations, our congregations struggle with rising costs across the board. At the same time, most of our congregations are getting smaller, not larger, leaving the burden of financial stewardship and giving in the hands of fewer families. This issue for most of our congregations is one of basic economics. They are doing their best to fairly compensate their pastors, but cannot afford to provide greater compensation than they are at present.

- **There is a lack of standardization of interpretation and practice across the denomination.** A survey of the Council of District Executives that the Pastoral Compensation and Benefits Advisory Committee conducted by email following the 2019 Annual Conference revealed that there was not universal agreement among the district executives either about how many average weekly pastoral hours *should* constitute full-time ministry or how many hours actually *did* constitute full-time ministry. Interpretation and practice were even more varied when determining how years of part-time service accrued as service time, and how parsonage adjustment amounts should be calculated for congregations that did not provide a parsonage. These are but a few examples of the lack of standardization across the denomination, a problem that is particularly frustrating for pastors as they transition between pastoral calls.
- **Many of our pastors continue to minister without reasonable and/or helpful job descriptions.** While we understand that pastoral ministry does not often fit into neat little boxes, the first communication that too many of our pastors receive regarding the expectations for their ministry comes in the form of complaints when they fail to meet the unspoken expectations of a congregation. The lack of helpful job descriptions was felt most acutely among part-time pastors, many of whom shared feeling pressured to render full-time service on part-time pay. We also heard from lay leaders that many of our congregations felt ill equipped to develop helpful job descriptions that could give focus and life to their pastor's work.
- **Many of our congregations and pastors continue to have great difficulties with the administrative tasks surrounding pastoral compensation and benefits, particularly as it relates to pastoral taxation.** Our congregations and pastors continue to have difficulties understanding and translating budgeting decisions regarding pastors' salaries and benefits. In conversations with pastors, district executives, and clergy tax professionals, we heard numerous stories about pastoral renewal agreements that did not make sense, pastoral W-2 forms that are repeatedly filled out incorrectly and the countless hours that district executives spend attempting to assist congregations and pastors with these necessary administrative tasks. We have also heard from Brethren Benefit Trust (BBT) about the tremendous financial consequences that have occurred for some of our pastors from errors on pension and insurance forms. Each of these administrative difficulties can help to create an environment of mistrust between pastor and congregation.

In exploring previous Annual Conference minutes, we saw on several occasions where previous Pastoral Compensation and Benefits Advisory Committees had noted some of these problems,

but could not discern solutions to them. The Pastoral Compensation and Benefits Advisory Committee believes that these problems are too significant to simply name without proposing solutions, and therefore devotes the next section of our report to the values and beliefs that undergird the recommendations that will be presented to address these issues.

### A Framework for Re-imagining Pastoral Compensation

In naming the recurring issues in the area of pastoral compensation and benefits, the Pastoral Compensation and Benefits Advisory Committee has also discerned several longstanding values that it believes need to be given new life as pastors, congregations, and the denomination seek to overcome these struggles.

- **We believe that every pastor should be compensated fairly for their time.** We have created the Pastoral Compensation Calculator hosted by BBT that starts with what a congregation can afford to spend in pastoral salary and benefits, and calculates how many hours (based on the *Minimum Cash Salary Table for Pastors*) of average weekly pastoral time the congregation should expect to be able to hire. It is our goal that every pastor in the Church of the Brethren should be compensated according to this calculation and that congregational expectations need to be adjusted accordingly.
- **We believe in the priesthood of all believers.** No matter what amount of average pastoral time a congregation and pastor agree to, there both will and should be important tasks of ministry performed by the members of the church. The letter to the Ephesians teaches that “The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry, for the building up of the body of Christ, until all of us come to the unity of the faith and of the knowledge of the Son of God, to maturity, to the measure of the full stature of Christ.”<sup>8</sup> The task of the pastor is to build up the body of Christ and to equip every member for the work of ministry, not to do the work of ministry so that the church does not have to. All of our congregations will be strengthened by a renewed focus on the mutuality in the ministry of the church. Therefore, we have recommended within the Integrated Annual Ministry Agreement, New Business Item 5, an “Annual Shared Ministry Priorities Agreement” that helps the pastor and the congregation name the specific work each of them will be doing in their ministry together.
- **We believe that there should be universal expectations regarding policy, practice, and interpretation across the denomination.** We have recommended within the Integrated Annual Ministry Agreement, New Business Item 5, a standard definition for full-time ministry (44 hours of average pastoral time per week), a standard practice for establishing a parsonage adjustment (indexed to the rental value of a three bedroom home in the zip code where the church is located) and a standardization of paid holidays for pastors (ten per year).

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<sup>8</sup> Ephesians 4:11-13 NRSV

- **We believe that ministry is enhanced when congregations and pastors effectively navigate budget and salary conversations in ways that are life-giving and affirming for both pastor and congregation.** Much of our work with the Pastoral Compensation Calculator, the W-2 preparation section of the Integrated Annual Ministry Agreement, New Business Item 5, and the formatting of the Integrated Annual Ministry Agreement itself is designed to provide and share information in a way that will help every person serving in congregational leadership to understand how their decisions fit together. The Pastoral Compensation and Benefits Advisory Committee believes that this transparent sharing of information has the power to create a culture of open dialogue and broadly understood expectations.
- **While we believe that education and experience remain important factors in pastoral excellence, we believe that as a pastor grows in experience, the differences in initial preparatory education narrow.** The Pastoral Compensation and Benefits Advisory Committee has proposed some adjustments in the formula that produces the Minimum Cash Salary Table for Pastors, New Business Item 6, to appreciate the value of pastoral experience, particularly for our pastors who do not have a Master of Divinity degree.

Each of these recommendations will be covered in greater detail in the new business items that are before you for your approval. The Pastoral Compensation and Benefits Advisory Committee believes that these policy changes, along with living into the values that undergird them, have the potential to improve relationships between pastors and congregations – leading to stronger disciples and healthy churches.

As the Pastoral Compensation and Benefits Advisory Committee concludes our report, we want to acknowledge the specific gifts brought by the members of this committee during this review, both by those still serving and those who have left the committee. They have made important contributions to the shape and scope of the recommendations the committee is bringing before you. We are very grateful for the expertise, the giftedness, and the dedication that the members of the committee have brought to this work over these three years. It has been, in the very best sense, an ideal constellation of gifts and intellects for such a time as this. In the order in which they joined the committee:

- Beth Cage, who served as chair from 2018-2021 and oversaw the bulk of this work, managed several strong personalities with a light touch, a ready smile, and a willingness to veer from the agenda, while still keeping track of its many moving parts.
- Ray Flagg, a retired mathematician and computer scientist, developed the Pastoral Compensation Calculator, and continues to work with BBT to transfer the calculator from its initial spreadsheet format to BBT's website. He was perfectly placed on this committee to do this work.
- Dan Rudy has served as our researcher since 2017 and our secretary since 2019. It was his work delving into the history of the committee that unearthed the fact that we were called to do a deep 5-year review in the first place! This research has led to a comprehensive listing of all documents and working relationships that the committee shares within the Church of the Brethren.

- Deb Oskin has been chair since 2021, and was the principal drafter of the Integrated Annual Ministry Agreement. As a clergy tax specialist, she was able to use her expertise to write glossary entries and add a section about completing pastor's W-2 forms.
- Terry Grove was our representative from the Council of District Executives (CODE) from 2019 until his untimely death in December 2020. In the 18 months he served on the committee, he was instrumental in helping the committee develop a strategic working relationship with CODE. Beginning to work collaboratively with CODE was the turning point in our work.
- Gene Hagenberger is filling Terry Grove's unexpired term, and has brought his wholehearted approval to our work. He has continued and built on Terry's work by adding written reports of our activities before CODE meetings.
- Art Fourman was elected at last year's Annual Conference, and is on our training subcommittee. Art brings expertise from his experiences as an educator and in a variety of roles in the church.
- Bob McMinn was also elected at last year's Annual Conference, and is on our video advertising subcommittee. Bob's background in law and finance have been helpful to the committee.
- Nancy Sollenberger Heishman, as the Director of the Office of Ministry, is our non-voting staff liaison. She will tell you that this committee is one of her favorites! It's true that we have a lot of fun, despite the fact that you could be forgiven for thinking that our work is dry and dull.

Respectfully Submitted,

Deb Oskin, chair

Dan Rudy, secretary

Gene Hagenberger

Art Fourman

Bob McMinn

Nancy Sollenberger Heishman, non-voting staff liaison