

Pastors' pay rebounds in Southern Baptist churches

BRENTWOOD, Tenn. (BP) – After a difficult economic stretch for many churches and pastors, Southern Baptist pastors may feel more comfortable compared to two years ago.

Compensation for full-time Southern Baptist senior pastors, full-time staff ministers and full-time office personnel outpaced inflation over the past two years, according to a study conducted by Lifeway Research along with GuideStone Financial Resources and Baptist state conventions.

While the Consumer Price Index (CPI), the most widely used measure of inflation, grew 6 percent from June 2022 to June 2024, both the average compensation and pay package for full-time senior pastors climbed more than 13 percent, while staff ministers' grew more than 7 percent and office personnel's increased by at least 10 percent.

“The upward movement in full-time pastor salaries does not make up all the financial ground they lost between 2018 and 2022,” said Scott McConnell, executive director of Lifeway Research. “Many pastors financially ‘took one for the team’ during the pandemic, and it is encouraging to see many churches responding to begin to close this gap.”

For senior pastors, compensation, which includes salary and housing, grew 16.6 percent in the past two years, and pay package, which includes salary, housing, retirement and insurance, climbed 13.9 percent.

Many senior pastors may still be experiencing economic headaches, but on average, they are in a better financial position than in 2022. At that point, the CPI was 17.6 percent, but their compensation was flat from 2018, and the full pay package had decreased.

Other full-time staff ministers at Southern Baptist congregations saw a 7.4 percent increase in compensation and a 7.8 percent bump in their pay package. Full-time office personnel received an average increase of 10.1 percent in compensation and 11.5 percent in their pay package.

Even with those increases, the average Southern Baptist church spends a similar percentage of its budget on employee compensation and benefits compared to previous years. Currently, congregations spend an average of 45 percent on personnel. The larger the church, the larger the portion of the budget spent on employees. For congregations of fewer than 50, the median percentage is 44 percent for personnel, while churches with 250 or more have a median spend of 50 percent on employees.

“For most churches, personnel costs are the largest expense in their budget,” McConnell said. “When members and attendees are giving faithfully to their church, compensation discussions are much easier. But when churchgoers withhold giving or experience financial hardships, it makes it hard to pay church staff fairly.”



Other benefits

Most churches don't provide medical insurance for their pastors and even fewer offer other types of coverage. Six in 10 congregations (61 percent) provide no medical coverage for the senior pastor, while 17 percent pay for the pastor and his family, 14 percent pay for him and his wife and 8 percent pay for the pastor alone.

The larger the church, however, the more likely it is to provide insurance. Among churches with fewer than 50 in attendance, 67 percent don't provide medical insurance for the pastor. Similarly, 66 percent of those with 50 to 100 in attendance are not offering medical insurance to the senior

pastor. The percentage not providing any medical insurance for the pastor drops to 52 percent of churches with 100 to 249 in attendance and 30 percent of congregations with 250 or more in worship services.

Around a quarter of all Southern Baptist churches provide life and/or accident coverage for the pastor (23 percent). Fewer provide dental (20 percent), disability (18 percent) or vision insurance (10 percent). Again, the larger the church the more likely it is to offer these benefits to the senior pastor. While few of the smallest churches offer life (18 percent), dental (16 percent), disability (12 percent) or vision insurance (6 percent) to their senior pastors, far more of the largest churches provide life (52 percent), dental (39 percent), disability (46 percent) or vision (22 percent).

“Scripture reminds us that the elders who are good leaders are to be considered worthy of double honor, especially those who work hard at preaching and teaching (1 Timothy 5:17),” said Hance Dilbeck, president of GuideStone. “Churches who love and care for their pastor and his family should ensure that their pastor is paid the proper pay in the proper way. That helps demonstrate that love and commitment tangibly.”

Additionally, the average senior pastor receives around 15 days of vacation each year.

Pay factors

Analysis of the compensation data reveals several variables that contribute to the likelihood of higher pay for a senior pastor at a Southern Baptist church.

Earning an associate or bachelor’s degree has no impact on the average compensation for a pastor, but a master’s degree increases the likely annual compensation by \$17,917, and a doctorate adds an additional \$13,953.

Pastors in a large city have an average pay that is \$22,670

higher than those in other types of communities. Those in the suburbs are \$5,328 higher than average. Similarly, senior pastors of Southern Baptist churches in the Northeast earn \$7,427 more, while those in the South earn \$5,954 more.

Additionally, for every \$1,000 increase in the church's budget, the pastor's pay increases by an average of \$47.

"Even the best models of what drives full-time pastor compensation only explain about 41 percent of the variance we see across pastors. So, there are a lot of untraced factors unique to individual pastors and churches," said McConnell. "A comparative compensation study across churches provides valuable input to help a church determine what to pay or offer a new pastor while also weighing responsibilities, experience, performance and local cost of living."

Dilbeck said GuideStone encourages churches to "consider the results of this survey, along with the compensation of other comparable professionals in their community, when setting salary and benefits to help ensure the pastor's financial security and resilience as they face whatever financial, health and other challenges that may come their way."

For more information, view the complete report and analysis or visit LifewayResearch.com. To use the compensation comparison tool, visit LifewayResearch.com/compensation-data.

Methodology

The 2024 Southern Baptist Church Compensation Study was conducted by Baptist state conventions along with GuideStone Financial Resources and Lifeway Research. The study was conducted between April 1 and June 30, 2024. Data acquired by the study can be accessed at LifewayResearch.com/compensation-data.

Responses from 5,835 full-time senior pastors, staff ministers, and office personnel were used in this report.

Responses for senior pastors were weighted by average attendance to more accurately reflect the population.

Included in compensation:

- Office and custodial personnel: Salary (part-time salary is calibrated to reflect 50 weeks per year at median number of hours: 16).
- Non-ordained ministers: Salary (part-time salary is calibrated to reflect 50 weeks per year at median number of hours: 10).
- Ordained ministers: Salary, housing allowance, fair rental value of church-owned housing and utilities for church-owned housing (part-time salary is calibrated to reflect 50 weeks per year at median number of hours: 20).

Included in pay package:

- Office and custodial personnel: Salary, retirement benefits paid by the church and insurance paid by the church.
- Non-ordained ministers: Salary, retirement benefits paid by the church, insurance paid by the church.
- Ordained ministers: Salary, housing allowance, fair rental value of church-owned housing, utilities on church-owned housing, Social Security equivalent, retirement benefits paid by the church and insurance paid by the church.