

**Book Review**  
**By Rev. Elder Don Eastman**

**Compensation of Pastors in the USA**  
**From Christianity Today International**  
*2010-2011 Compensation Handbook for Church Staff*  
**By Richard R. Hammar, J.D., LL.M., CPA**

One of the best resources for informing the compensation levels of local church workers is the annual *Compensation Handbook for Church Staff* published by Your Church Resources at Christianity Today International. The 2010-2011 edition reflects a study of 4,998 churches in the USA for the year 2009. While this helpful study covers church workers in thirteen categories, here I will focus on some key points for senior and solo pastors serving full-time. Solo pastors in this study are the “only ministerial staff serving their congregation”. Data is included for pastors who serve full-time and those who serve part-time.

Whatever the size of your congregation, this handbook has relevant information that will be useful to the Board of Directors in its role of determining annual compensation for church workers. You can order this handbook at 1-800-222-1840 or at the website <http://www.churchlawtoday.com/>

Annual compensation includes base salary and housing or parsonage allowance; benefits include health, life and disability insurance as well as church contributions for retirement and continuing education. Auto allowance is not included as a benefit although most churches in this study cover some level of auto expenses.

This study looks at the compensation of pastors from the perspectives eight variables, including church size measured by average weekend worship attendance, annual budget of the church, size of the larger community in which the church is located, multi-state geographical region in which the church is located, level of pastor’s education, years pastor has been employed in current position, denominational affiliation (six are noted), and gender of the pastor.

The two most influential variables in levels of pastors’ compensation are the sizes of average worship attendance and the total annual church budget. Keep in mind that the annual budget includes not only contributions but other revenue such as rental income, sales of merchandise, ticketed events, and interest from investments. For instance, it is not uncommon for some churches in older mainline denominations to have significant endowment funds. The average income measured by total budget versus average weekly church attendance in this study for 2009 was \$30.69 per capita (per person, per week).

The tables presenting data on compensation of senior pastors and solo pastors by church income (budget) include quartiles – highest 25% and lowest 25% – as well as the median and average levels of compensation and benefits. The lower quartiles reflect the smaller churches and budget within the size category and higher quartiles reflect the larger churches. With the information on these tables I found it easy to use the specific attendance and budget information of a given congregation to determine a reasonable range of compensation and benefits for the pastor or senior pastor.

What I found least helpful in this study is the comparison data based upon churches in various geographic regions of the USA. This is true because of the great disparity in the economic status of states grouped within a given region. For example, the South Atlantic Region includes the District of Columbia with a 2008 median household income average of \$58,553; Florida with \$47,802 and West Virginia with \$37,528. The USA national average was \$52,029.

Speaking of disparity, the most striking in this study is seen in the comparison of gender as a variable in the compensation of senior pastors. For starters, this study involved very few women serving as senior or solo pastors. For full-time senior pastors there were 1863 males and 41 females. For full-time solo pastors there were 1204 males and 98 females. The greatest disparity was in the compensation of senior pastors: Males had an average annual compensation of \$68,333 versus an average of \$50,667 for females. One factor in this difference was the size of congregations served; the average worship attendance of congregations served by males was 415, for females it was 173. For solo pastors the compensation was more similar; \$46,648 for males and \$43,962 for females. Not surprisingly, again church size was a factor; 114 average attendance for males and 95 average attendance for females.

There is a definite difference in average annual compensation based on level of a pastor's education. Senior pastors with a Bachelor degree earn approximately 21% more in average annual compensation than those with no degree. Senior pastors with a Master degree earn approximately 16% more than those with a Bachelor degree. And, senior pastors with a Doctorate earn approximately 15% more than those with a Master degree. Pastors with advanced degrees tend to earn more mostly because they are more likely to be serving in larger churches with bigger budgets.

Despite its limitations noted above I find this study to offer some useful information when determining a reasonable level of compensation for your pastor or senior pastor, as well as other church workers.

I have also developed a model with a rationale and method for applying the above data in the determination of a reasonable compensation and benefits pastor in your church. For a copy please send me an email request.

If you have comments or questions I would be happy to hear from you. You can contact me at [revdoneastman@mccchurch.net](mailto:revdoneastman@mccchurch.net)