

**Below is the Commission on Equitable Compensation report as presented to Legislative Section 5 at the 2011 Annual Conference. It was passed 161-For, 1-Against, with one change that has been incorporated below.**

## **COMMISSION ON EQUITABLE COMPENSATION**

**Raymond F. Lange, Chair**

101. "It is the purpose of the commission on equitable compensation to support full-time clergy serving as pastors in the charges of the Annual Conference by: (a) recommending Conference standards for pastoral support; (b) administering funds to be used in base compensation supplementation; and (c) providing counsel and advisory material on pastoral support to district superintendents and committees on pastor-parish relations." *The Book of Discipline, 2008* ¶625.
102. Information on the compensation plans of Annual Conferences provided by the General Council on Finance and Administration Office of Analysis and Research was reviewed by the commission. The compensation plan of the New York Conference ranked 7<sup>th</sup> among the 13 Conferences in the Northeastern Jurisdiction in 2010 and 5<sup>th</sup> among the 10 Conferences in the Jurisdiction in 2011.\*  
  
\*Note: a merger of upper New York Conferences reduced the number of Conferences in the Jurisdiction to 10.
103. A survey of New York Conference clergy serving under minimum compensation guidelines was distributed by the Commission through District offices. The survey revealed that the financial needs of clergy are as diverse as the clergy are themselves.
104. The compensation survey did reveal the following common factors among pastors serving minimum compensation churches: (a) 30% of pastors surveyed are still in debt from educational costs; (b) 40% of pastors surveyed reported that the Conference minimum for professional reimbursement accounts did not cover annual expenses; and (c) most minimum-salary churches have been faithful in regularly paying pastor's salaries, medical insurance, pension benefits and professional reimbursement accounts.
105. The compensation survey also revealed a general concern about the long-range financial security of minimum-salaried pastors. Compensation for many minimum-salaried pastors barely meets their annual expenses. These pastors have not been able to contribute to the pension PIP fund or to save for the future. Many of these surveyed pastors worry about how they will pay for their children's education, how they will be able to afford a home upon retirement, and if they will have sufficient pension funds to support them in their retirement years. Those on minimum salary are also receiving minimum pension contributions by their churches.
106. The commission on equitable compensation is working under a mandate of the 2010 Annual Conference to extend the salary schedule in appropriate categories by one (1) year in each succeeding year until 30 years of service is reached. Minimum-salary churches served by pastors with 20+ years of service are finding it difficult to fund this mandate.
107. The Minimum Salary Schedule of the New York Conference has not changed in three years. Pastors serving under the minimum schedule with twenty-two (22) or less years of service have realized annual salary increases of .75% to 1.75% depending on the category. This, along with a rise in the cost of living index and increases in pastor's medical premiums, effectively means that the income of minimum-salaried pastors has remained stagnant at best.
108. This Commission recognizes the delicate balance between the financial needs of pastors and the ability of churches to pay.
109. Despite budget constraints in the Conference as a whole, this commission is seeking funds to be set aside to assist local churches that are facing difficulties in meeting standards for pastoral compensation. These budget items (the Equitable Salary Fund and the Salary Adjustment Fund) are not long-term solutions for churches, but short-term assistance as a church reviews its situation and puts plans in place to ensure an adequate pastoral presence for the future.
110. This Commission reminds local churches that the salary schedule of the Conference is the minimum expectation. We urge churches to prayerfully consider compensating their pastors above the minimum levels.

**Recommendations:**

- 111. That acting upon the mandate in paragraph 106 of this report, the commission on equitable compensation add the category of 23 plus years of service to the Minimum Salary Schedule as follows:
  - Full-time Local Pastors: \$38,400
  - Full-time Associate Pastors: \$42,925
  - Full-time Elders and Permanent Deacons: \$43,550.
- 112. That the Equitable Salary Fund be set at \$170,000.
- 113. That the Salary Adjustment Fund be set at \$75,000.
- 114. That the Professional Reimbursement Account for a pastor under full-time appointment be a minimum of \$5,500 for 2012. Pastors serving in part-time appointments are to receive a minimum of \$1,375 for each ¼ time increment. These are the same levels as 2011.
- 115. That clergy under part-time appointment be entitled to a prorated minimum salary schedule.
- 116. That pastors serving multi-church charges are to receive an additional \$250 professional reimbursement OR an additional \$250 salary for each church after the first church on their circuit, whether serving in a part-time or full-time appointment.
- 117. That the Minimum Salary Schedule be increased by 2% in every category. The range of increase would be from \$650 for full-time local pastors with 0 years service, to \$875 for full-time elders and permanent deacons with 23 plus years service. This increase reflects some catch up from the past three years.
- 118. That the categories in the Minimum Salary Schedule be capped at 23 years for full-time local pastors, associate members, elders and permanent deacons.
- 119. That the 2012 Equitable Compensation Commission’s Minimum Salary Schedule for all pastors serving under full-time appointment is as follows:
- 120. **2012 Minimum Salary Schedule**

<b>Years. Service</b>	<b>Local Pastor</b>	<b>Probationer</b>	<b>Associate Member</b>	<b>Elder/ Perm. Deacon</b>
0	\$33,500	\$35,525	\$35,900	\$36,500
1	34,000	36,050	37,025	37,050
2	34,225	36,300	37,300	37,350
3	34,475	36,625	37,650	37,675
4	34,750	36,950	37,925	38,050
5	34,950	37,250	38,250	38,400
6	35,225	37,450	38,550	38,675
7	35,425	37,765	38,850	39,025
8	35,625	38,050	39,125	39,400
9	35,900		39,450	39,700
10	36,150		39,750	40,025
11	36,375		40,050	40,400
12	36,650		40,400	40,725
13	36,850		40,700	41,025
14	37,075		41,000	41,350
15	37,300		41,275	41,725

16	37,550	41,600	42,050
17	37,800	41,900	42,375
18	38,000	42,200	42,750
19	38,250	42,500	43,025
20	38,475	42,850	43,400
21	38,700	43,175	43,750
22	38,950	43,475	44,100
23+	39,175	43,775	44,425