



PC(USA) MINISTER SURVEY

Finance Report

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**RESEARCH
SERVICES**

Why conduct a survey of all PC(USA) ministers? Why now?

Research Services regularly receives questions from members, congregational staff, mid councils, and PC(USA) leaders about ministers that cannot be answered with the data that available to us. As data was not available, I decided that a survey should be developed to answer many of these questions and asked Perry Chang, PhD to lead this work. This report is one portion of what has been learned, yet many new questions have been formed. New surveys will follow focusing on clergy of color, retirement, bi-vocational ministry, commissioned ruling elders, and “part-time” ministers.

The success of this first ever survey of Presbyterian Church (U.S.A.) minister would have been far less if not for the support our many partners. Here are just a few of them.

- Call to Health, the Board of Pensions’ wellness program that offered points toward the minister’s wellness goal for participation
- Presbyterian Publishing Company offered a discount for a future purchase for all who completed the survey.
- Communication’s staff from the Office of the General Assembly, Mission Agency, and Presbyterian Foundation who wrote several stories that included the survey link.
- Office of the General Assembly Mid Council relations staff that regularly promoted the survey in its newsletters
- Several denomination-wide committees that shared the link with their constituencies.
- Members of the all-agency data group who regularly meet to discuss and improve data and data reporting for PC(USA) and open doors for new partnerships.

Why now? Because the church is waiting for the answers.

Susan Barnett, PhD

Director, Research Services
Administrative Services Group
Presbyterian Church (U.S.A.)

Overview

The PC(USA) Minister Survey was a massive 110-question survey which fielded from September to November of 2019. Invitations were sent by postcard to all ministers for whom we had an address. The survey was also one of the Board of Pensions' Call to Health challenges. This partnership contributed to nearly half of all responses.

23% of the denomination's 19,243 ministers (n=4,495) responded to the survey.

This report provides an overview of minister finances. It examines finances based on pastors, specialized ministers, and the Honorably Retired.

Topics include income, debt, housing, and retirement funding.

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Pastors: examining the finances of pastors

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Specialized ministers: examining the finances of specialized ministers and bi-vocational ministers who are not pastors

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Retirement: how prepared for retirement are those currently working, and what is the financial status of the honorably retired?

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Housing and Debt: examining the housing and debt situation of currently employed ministers of Word and Sacrament

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What are we learning?

Definitions

The minister of Word and Sacrament is ordained and may work in many places of work.

These positions include pastors, but ministers are also ordained into other forms of specialized ministry such as mid council leadership, national agency leadership, chaplaincy, faculty/educators, or staff at a religious non-profit. In this report, we will be using these categories to examine differences in minister wellbeing. This report examines results by the following calls and employment status:

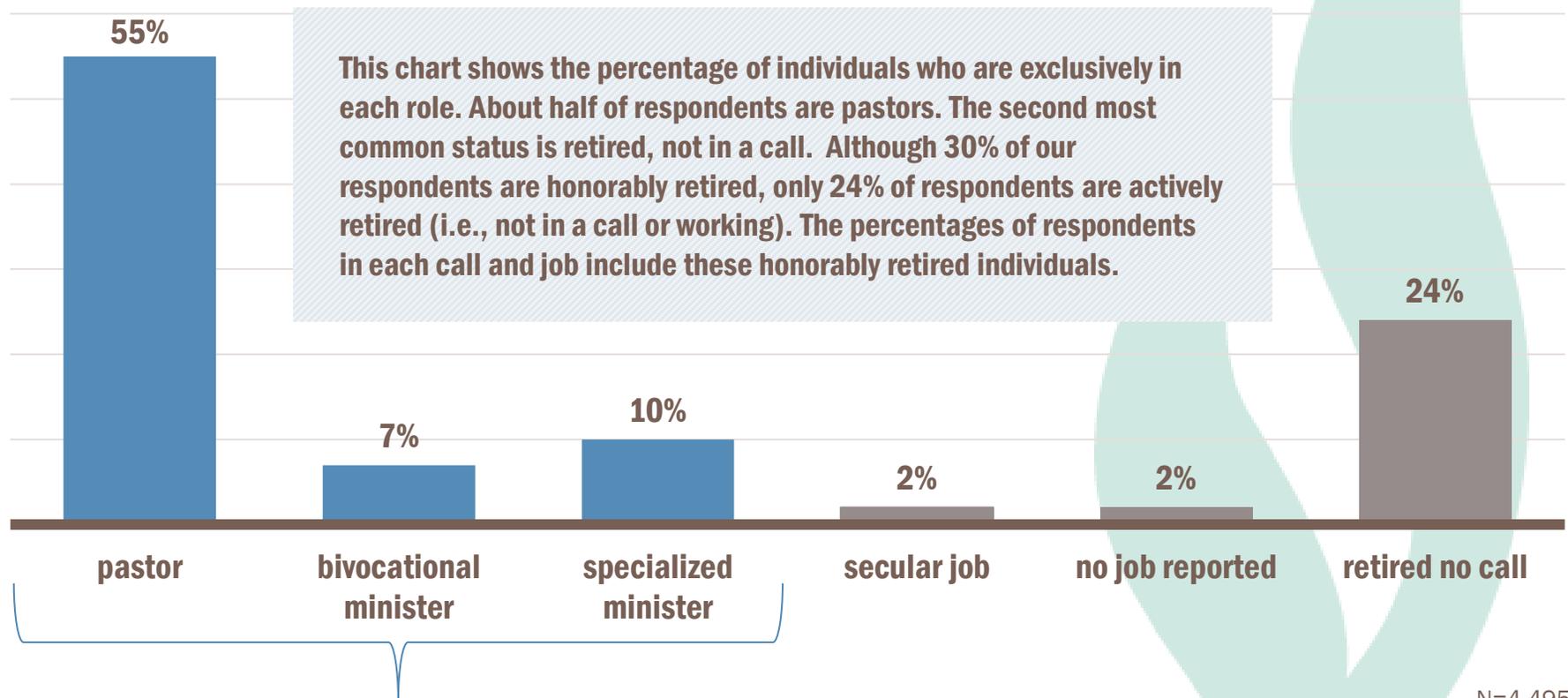
- **Ministers** – all ministers of the Word and Sacrament
- **Pastors** – installed pastors and co-pastors, as well as associate, interim, supply, and organizing pastors
- **Specialized ministers** – serving in another form of ministry other than leading a congregation, such as chaplaincy or pastoral counseling
- **Bi-vocational ministers** – those who are in a call while also holding a secular job
- **Honorably Retired** – those who report being an Honorably Retired member of their presbytery (and may or may not still be in a call)
- **Secular job** – those who are ordained to ministry but not currently in a call

The many roles of ministers

A minister of Word and Sacrament is ordained into a ministry position.

These positions include pastors, but ministers are also ordained into other forms of specialized ministry such as chaplain, faculty, or staff at a religious non-profit. In this report, we will be using these categories to examine differences in minister wellbeing. This report examines results by the following calls:

- **pastors** – installed pastors and co-pastors, as well as associate, interim, supply, and organizing pastors
- **specialized ministers** – ordained into a form of ministry other than leading a congregation, such as chaplaincy or pastoral counseling
- **bi-vocational ministers** – those who are in a call while also holding a secular job
- **Honorably Retired** – those who report being an Honorably Retired member of their presbytery (and may or may not still be in a call)



72% of respondents are in a call.

N=4,495

Pastors

2,706 (60%) of the respondents are currently serving as pastors. Of these, 2,534 (94%) have yet to reach the status of “honorably retired.”

This section examines the reported income, debt, financial concerns, housing, and retirement concerns of the 2,534 pastors who are not yet retired. It includes those who are serving exclusively as a pastor, as well as those who are bi-vocational; i.e., have another call or job.

Honorably retired respondents, regardless of their current call status, are covered in a separate section.



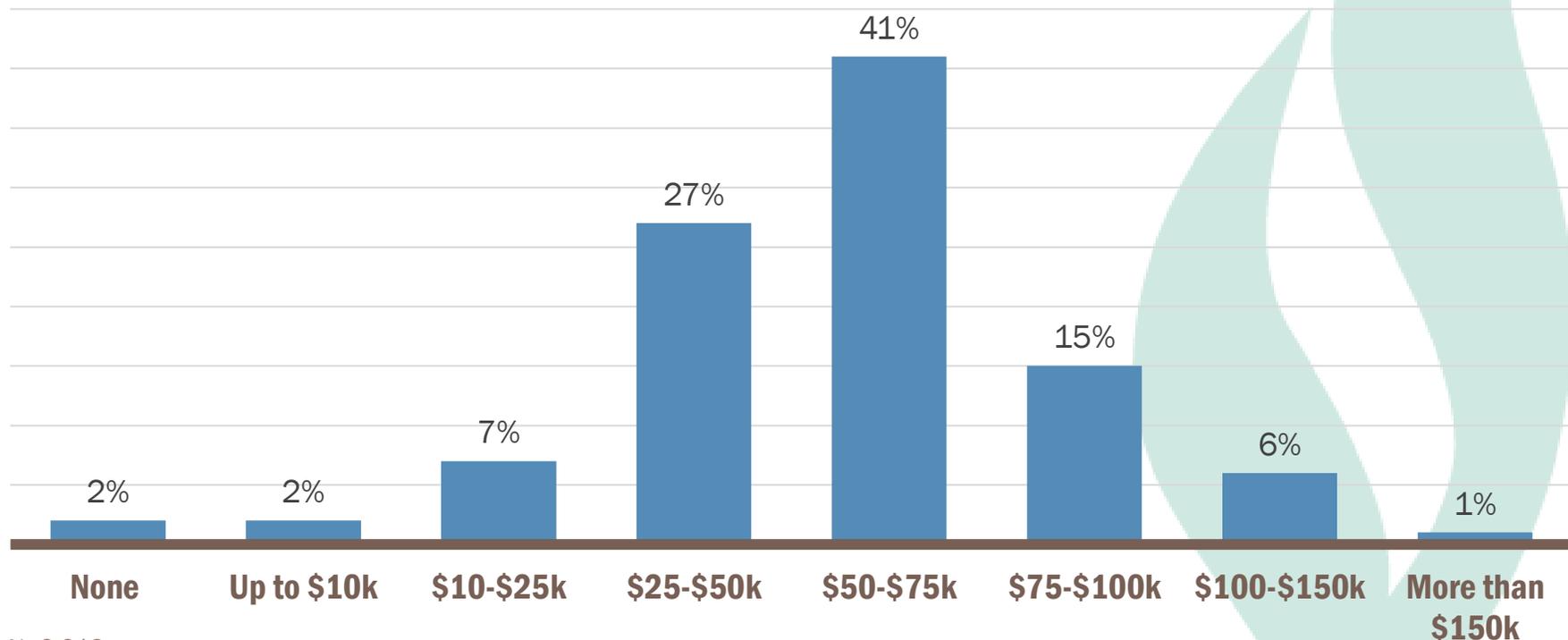
Pastor income

The majority of pastors earn between \$50,001 - \$75,000

The most common income range reported for pastors is \$50,001-\$75,000. As one would expect, bi-vocational pastors are earning less in their call serving as a pastor, parish associate, or Christian Educator. The most common income range reported for bi-vocational ministers is \$25,001-\$50,000.

3% of bi-vocational pastors and 2% of pastors did not report any income from serving a congregation or other type of worshiping community as a pastor, parish associate, or Christian Educator.

However, this is only reported income from serving as a pastor, parish associate, or Christian Educator. The next page breaks down pastor income by type of pastor, and the page after that shows pastors' income from other sources.

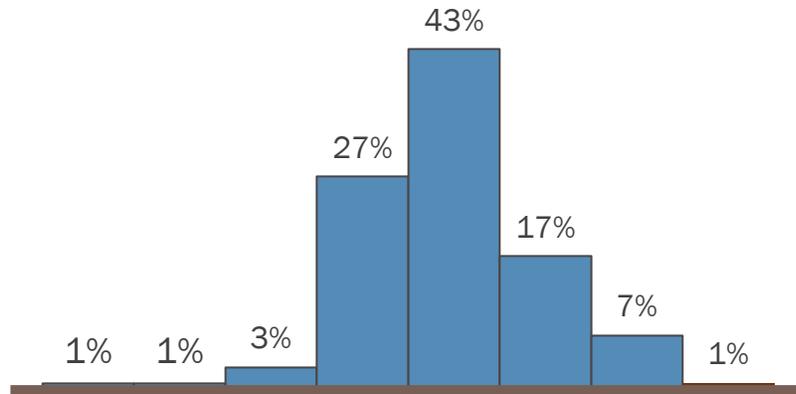


N=2,213

Pastors

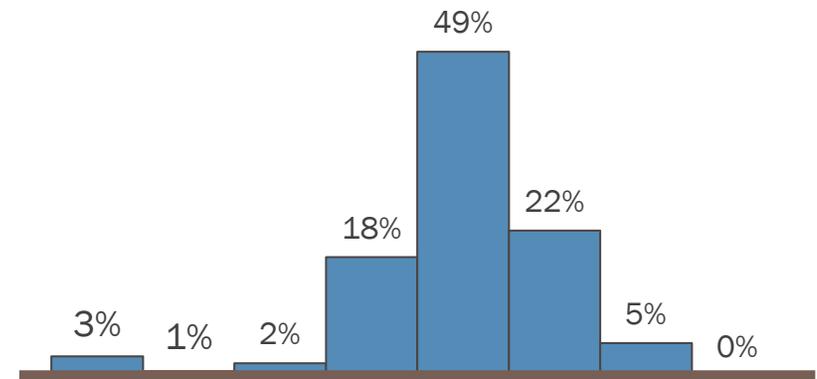
Pastor income by type of call

25% of pastors, 27% of associate pastors, 22% of interim pastors, and 18% of supply pastors report receiving more than \$75,000 for their service. (N=2,134)



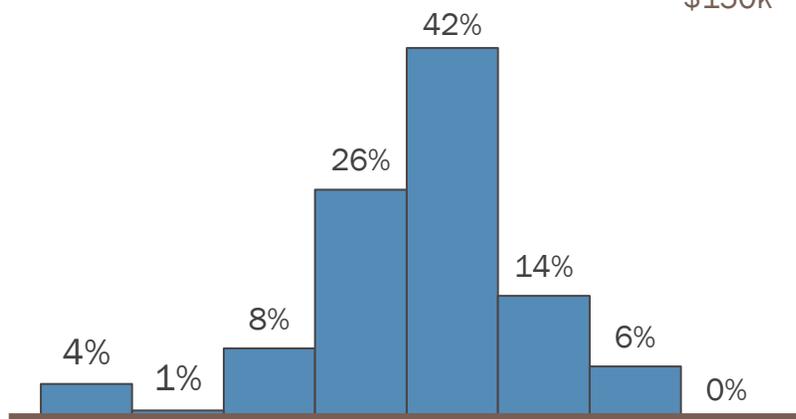
Pastor or Co-Pastor

none up to \$10k \$10-25k \$25-50k \$50-75k \$75-100k \$100-150k More than \$150k



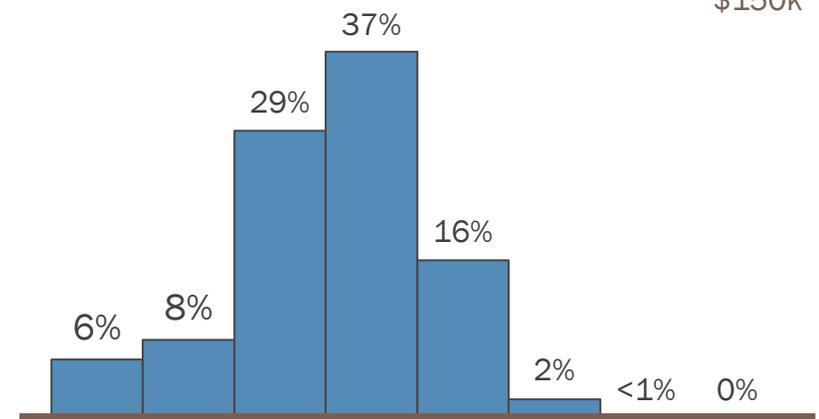
Associate Pastor

none up to \$10k \$10-25k \$25-50k \$50-75k \$75-100k \$100-150k More than \$150k



Interim Pastor

none up to \$10k \$10-25k \$25-50k \$50-75k \$75-100k \$100-150k More than \$150k



Supply Pastor

none up to \$10k \$10-25k \$25-50k \$50-75k \$75-100k \$100-150k More than \$150k

Pastor income from other sources

The largest portion of pastors' other sources of household income is their spouse's income.

Most other sources of income for pastors come in at \$10,000 or less per year, except for spouse income, in which the most common income range is \$25,001-\$50,000. Because the Minister Survey asked for income from each category in ranges (to encourage response rates on what many consider to be a delicate subject), we cannot calculate total household income from all sources. However, we can calculate the number of sources of income. Of the six possible sources (including pastor pay, displayed on the previous page), 10% report a single source, 40% two sources, 32% three sources, 13% four sources, 3% five sources, and less than 1% report all six.

	Up to \$10k	\$10-25k	\$25-50k	\$50-75k	\$75-100k	\$100-150k	More than \$150k	% reporting income
Ministry work other than pastor, parish associate, or Christian Educator	18%	3%	2%	2%	1%	<1%	–	26%
Secular job or business	8%	2%	2%	1%	1%	<1%	<1%	14%
Pension, Social Security or retirement	5%	5%	2%	1%	<1%	<1%	–	13%
Spouse income	9%	15%	21%	16%	8%	5%	3%	77%
Investment income	29%	4%	1%	1%	1%	<1%	<1%	36%

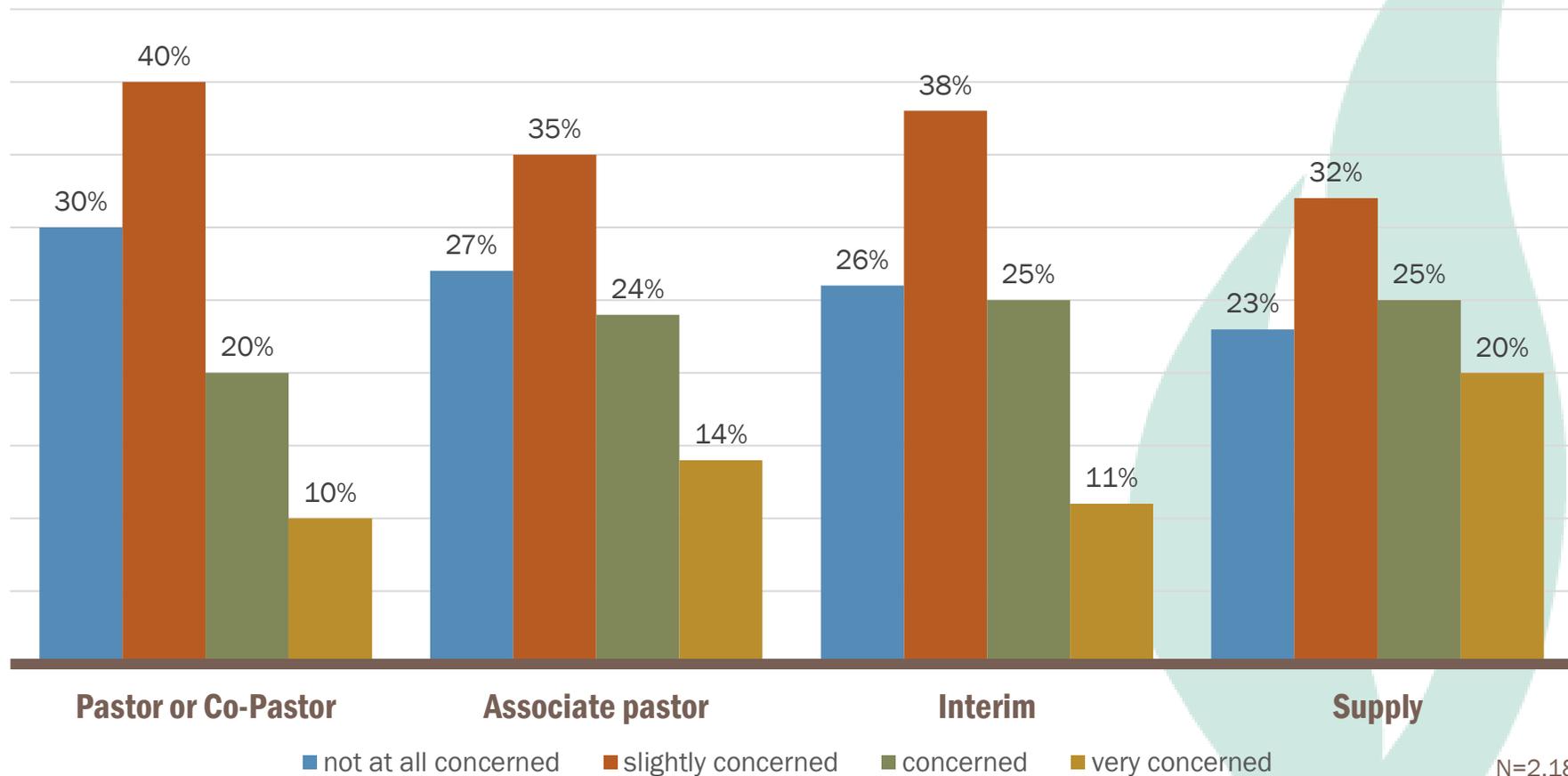
N=2,155

Pastors

33% of pastors are concerned about their income

Supply pastors are the most likely to be very concerned about their income.

Those in less permanent positions are more concerned with their income. Only 30% of pastors and copastors are concerned or very concerned about their income, compared to 38% of associate pastors, 39% of interim pastors, and 45% of supply pastors. (Results exclude respondents who selected “not applicable.”)

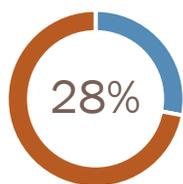


N=2,188

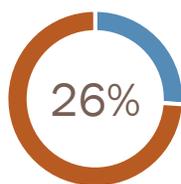
Pastors

52% of pastors say their household income is sufficient for all their needs

Vacations and replacing big ticket items are luxuries that 1 in 4 pastors cannot afford.



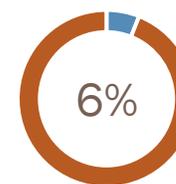
Going on vacation



Replacing vehicles or major appliances



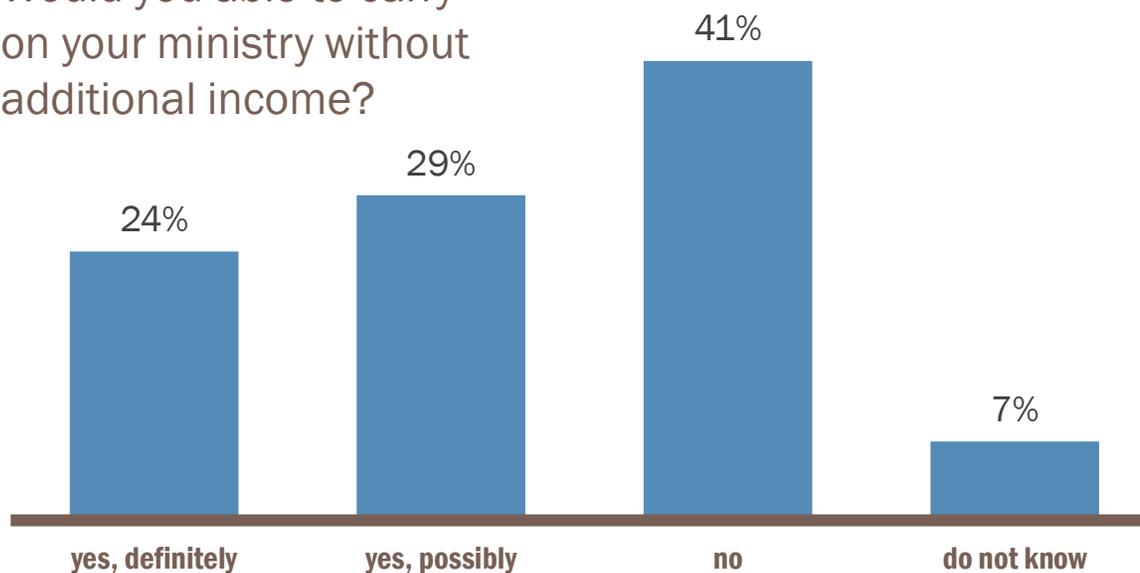
Making charitable contributions



Securing needed healthcare or medication

Pastors who also earned money from a secular job, received retirement or social security payments, or received investment income were asked whether they would be able to carry on their ministry without additional household income beyond what they receive as a pastor. Of the 90% (1,887) who qualified to answer this question, 41% stated that no, they would not be able to carry on their ministry without this additional income.

Would you be able to carry on your ministry without additional income?

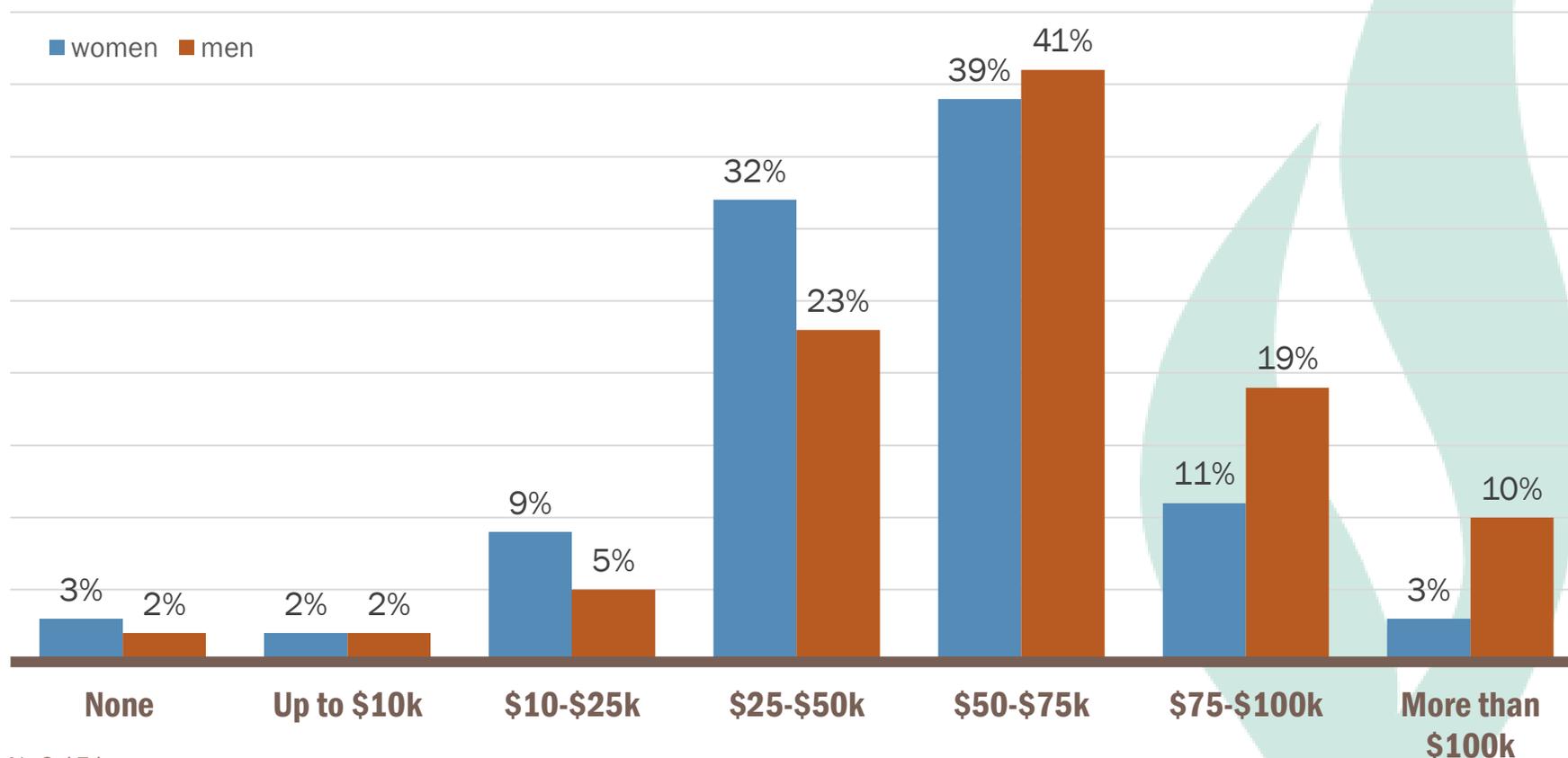


Pastor income by gender

Male pastors earn more than female pastors

70% of male pastors report earning over \$50,000, compared to only 53% of female pastors. The gender difference in pastor pay remains when comparing type of pastor call; men earn more than women at the pastor or co-pastor, associate pastor, interim pastor, and supply pastor levels.

However, there is no gender difference in whether men and women think their total household income is adequate, or in their likelihood of engaging in bi-vocational ministry or having multiple jobs.



N=2,151

Specialized Ministers

685 (15%) of the respondents are currently serving in specialized ministry. Of these, 587 (86%) have yet to reach the status of “honorably retired.” Of these, 447 (76%) are not also serving as pastors.

This section examines the reported income, debt, financial concerns, housing, and retirement concerns of the 447 specialized ministers who are not also pastors and are not yet retired.

Honorably retired respondents, regardless of their current call status, are covered in a separate section.



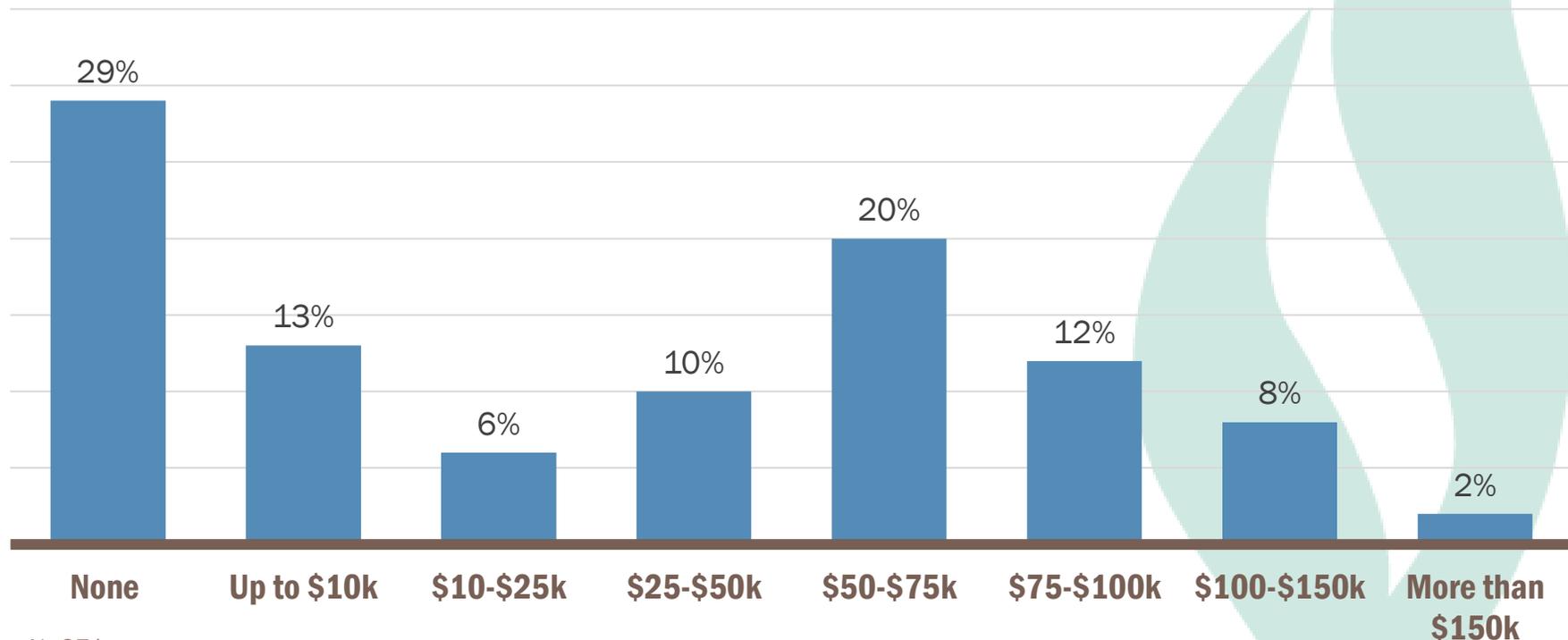
Specialized minister income

29% of specialized ministers report not receiving income for their ministry.

This analysis includes specialized ministers who also have a secular job. Neither of these statistics include retired individuals who are still in a call. There is no gender difference in pay for specialized ministers; however, women are more likely than men to serve in specialized ministry. 17% of female and 12% of male respondents are specialized ministers.

In addition, specialized ministers who do earn money tend to make less than pastors. Only 45% of specialized ministers earn more than \$50,000, compared to 64% of pastors.

The next page breaks down specialized minister income from other sources.



N=371

Specialized Ministers

Specialized minister income from other sources

The largest portion of specialized ministers' other sources of household income is their spouse's income.

Although this analysis is limited to specialized ministers who do not report having a call as a pastor, some report income from serving as a pastor, parish associate, or Christian Educator. Some of these are parish associates or Christian educators, and others may have served as a pastor in the past year but are not any longer.

Of the six possible sources (including specialized minister pay, displayed on the previous page), 11% report a single source, 35% two sources, 38% three sources, 10% four sources, 3% five sources, and less than 1% report all six.

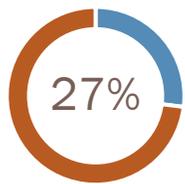
	Up to \$10k	\$10-25k	\$25-50k	\$50-75k	\$75-100k	\$100-150k	More than \$150k	% reporting income
Pastor, parish associate, or Christian Educator	9%	4%	6%	11%	8%	4%	1%	43%
Secular job or business	9%	2%	5%	5%	3%	1%	--	25%
Pension, Social Security or retirement	5%	3%	2%	1%	1%	--	--	12%
Spouse income	4%	9%	19%	21%	11%	6%	6%	76%
Investment income	31%	4%	1%	2%	2%	1%	1%	40%

N=330

Specialized Ministers

54% of specialized ministers say their household income is sufficient for all their needs

Vacations and replacing big ticket items are luxuries that some specialized ministers cannot afford.



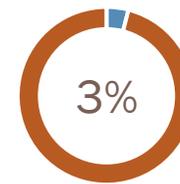
Going on vacation



Replacing vehicles or major appliances



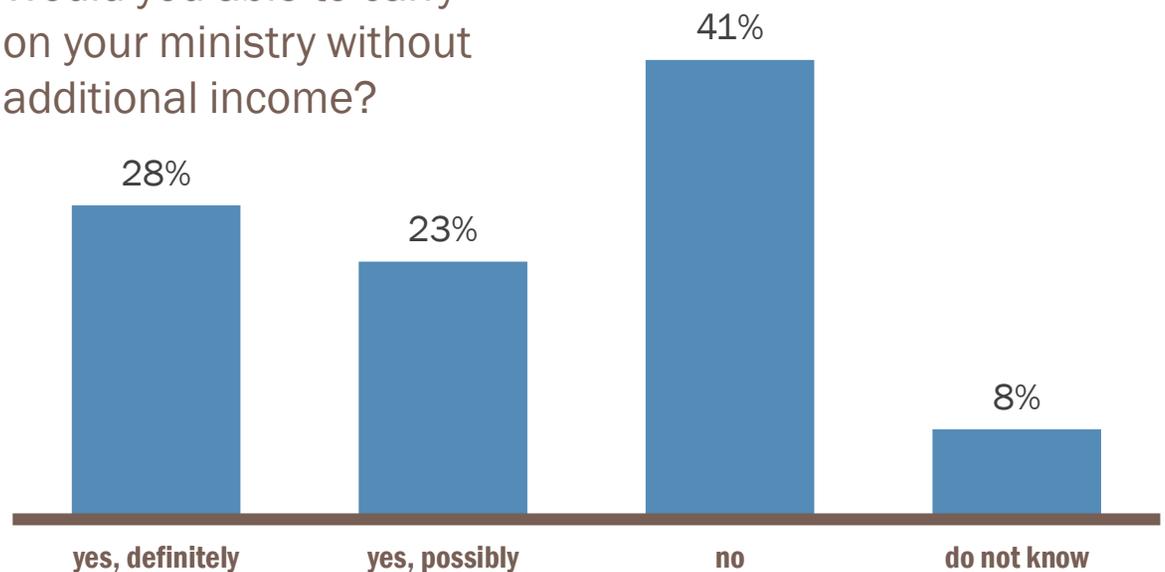
Making charitable contributions



Securing needed healthcare or medication

Specialized ministers who also earned money from a secular job, received retirement or social security payments, or received investment income were asked whether they would be able to carry on their ministry without additional household income beyond what they receive as a pastor. Of the 74% (329) who qualified to answer this question, 41% stated that no, they would not be able to carry on their ministry without this additional income.

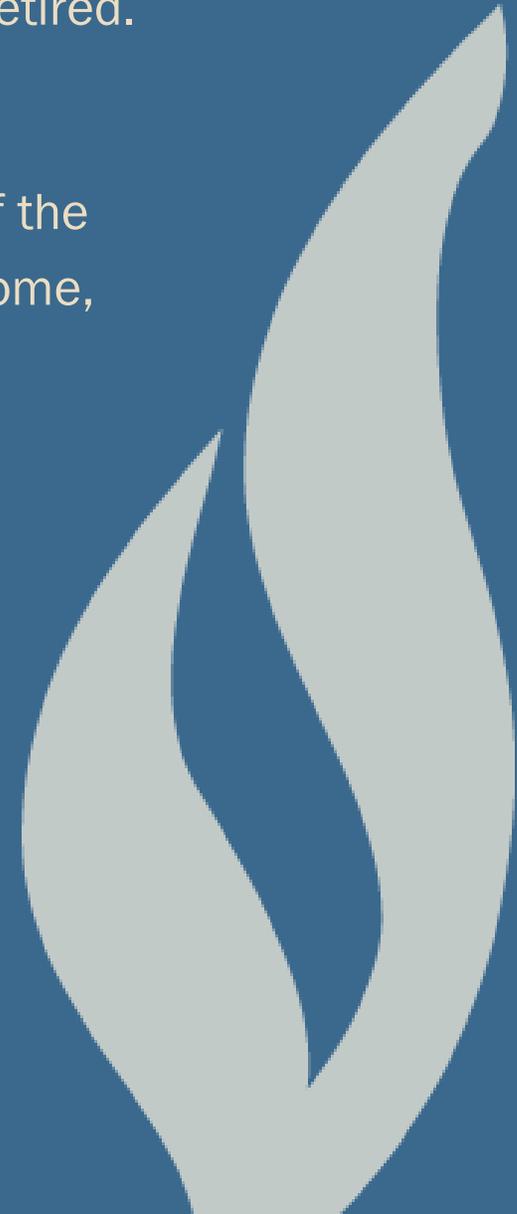
Would you be able to carry on your ministry without additional income?



Retirement

1,352 (30%) of the respondents are Honorably Retired. Of these, 1,066 (79%) are indeed not working.

This section examines the retirement concerns of the non-retired ministers, as well as the reported income, debt, and financial concerns of the 1,352 retired ministers.

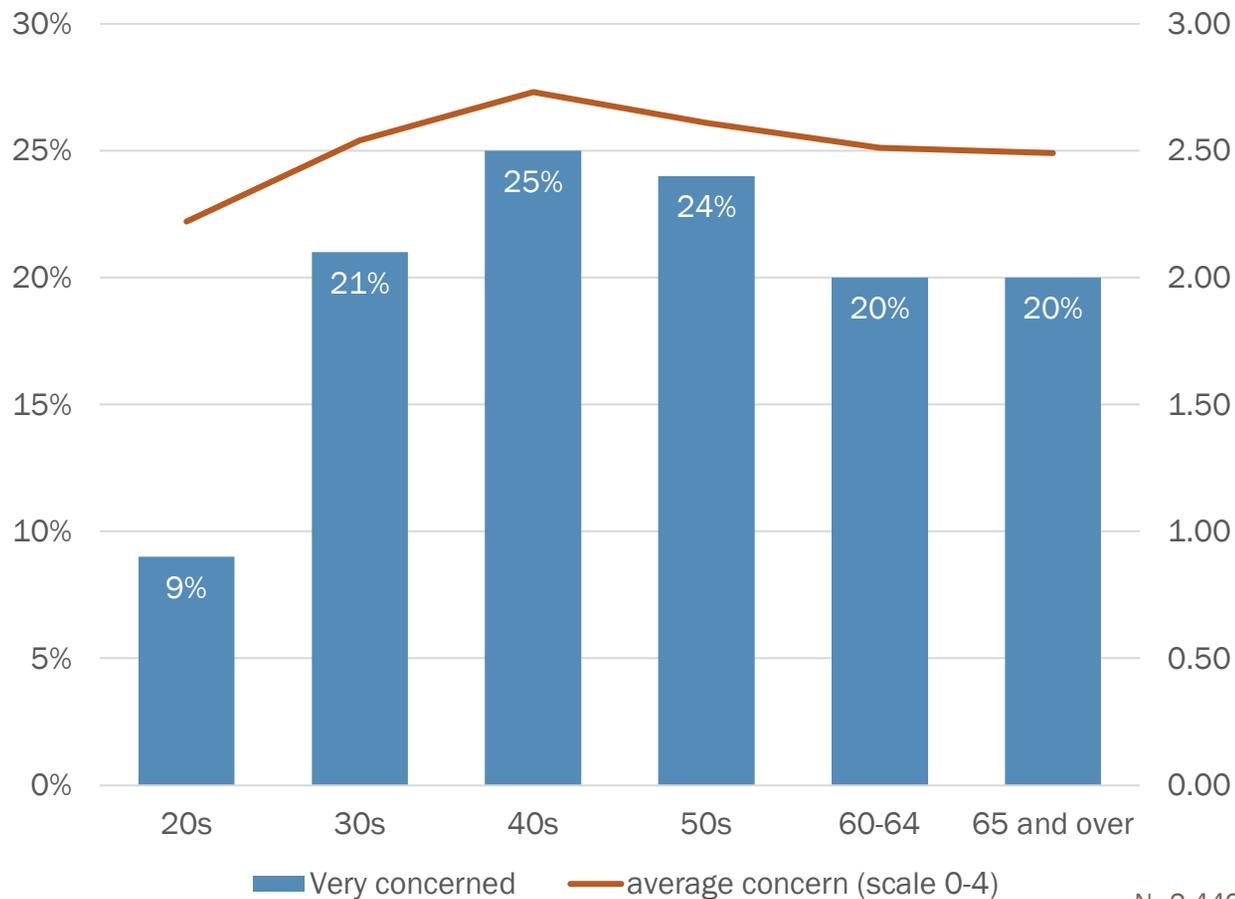


Retirement

48% of respondents are concerned about retirement planning

The greatest concern is expressed among those in their 40s.

How concerned are you about retirement planning?



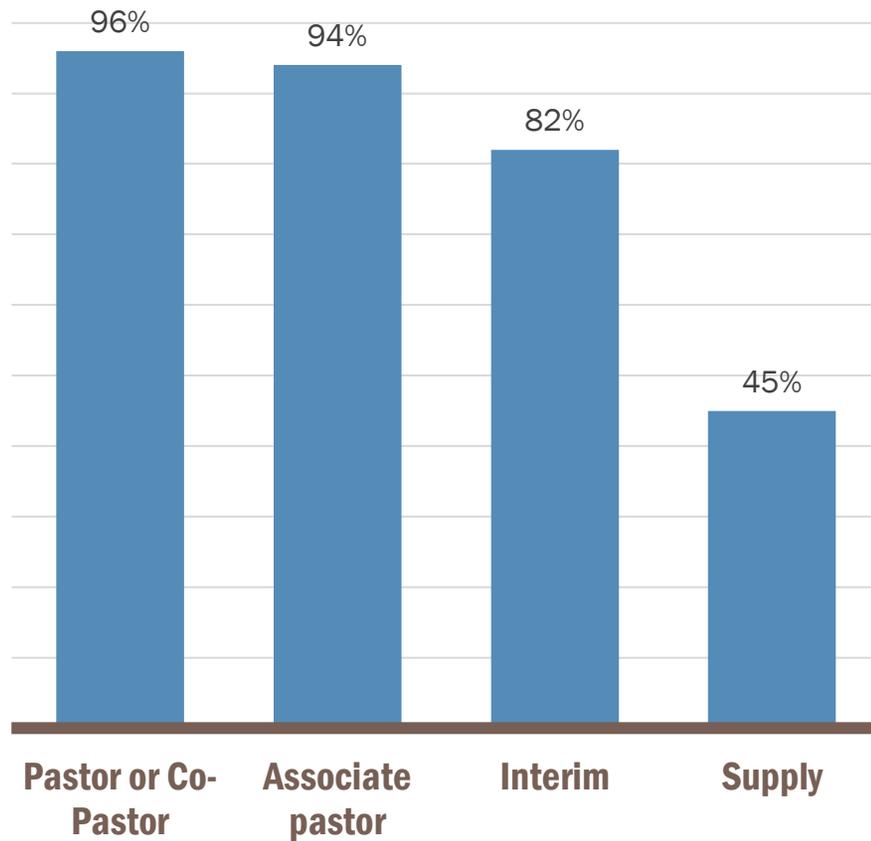
The chart has a bar graph and a line graph. The bar graph shows the percentage in each age group who responded “very concerned” about retirement planning. The line graph indicates the average response to the question, which had four options ranging from 1 (not at all concerned) to 4 (very concerned). On both measures, the greatest concern is among those in their 40s; however, concern does not significantly drop until individuals reach age 60, at which point 1 in 5 are still very concerned about retirement planning. This analysis is limited to respondents who are not already retired.

N=2,449

Retirement

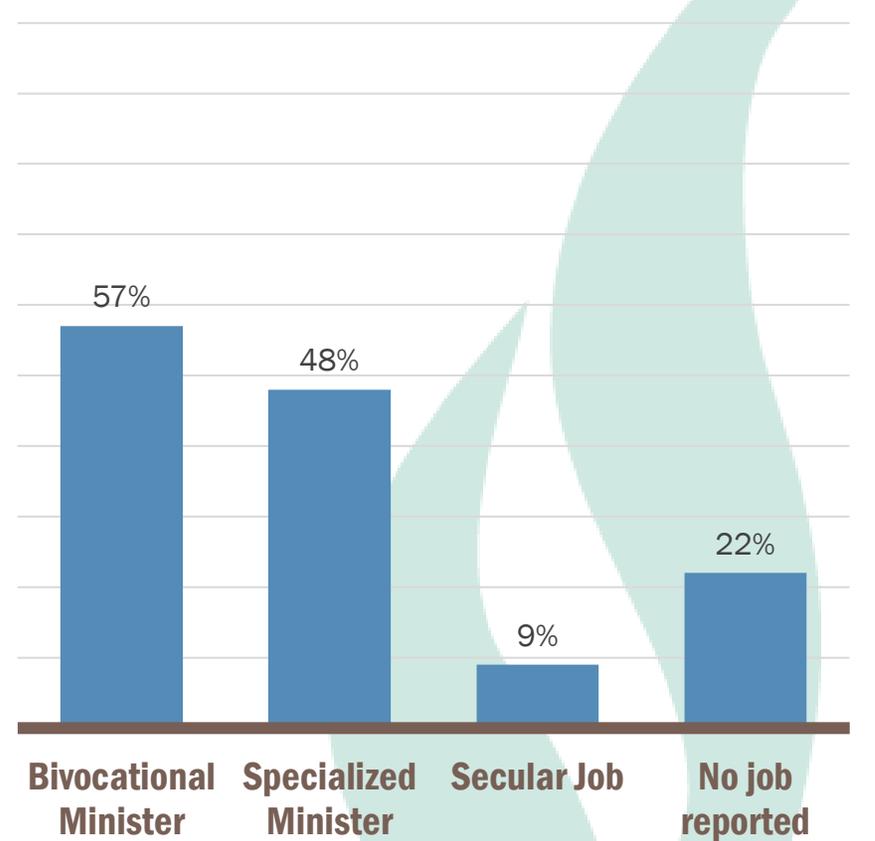
87% of pastors report being enrolled in Board of Pensions

Supply pastors are the least likely to be enrolled.



Pastors

N=2,129

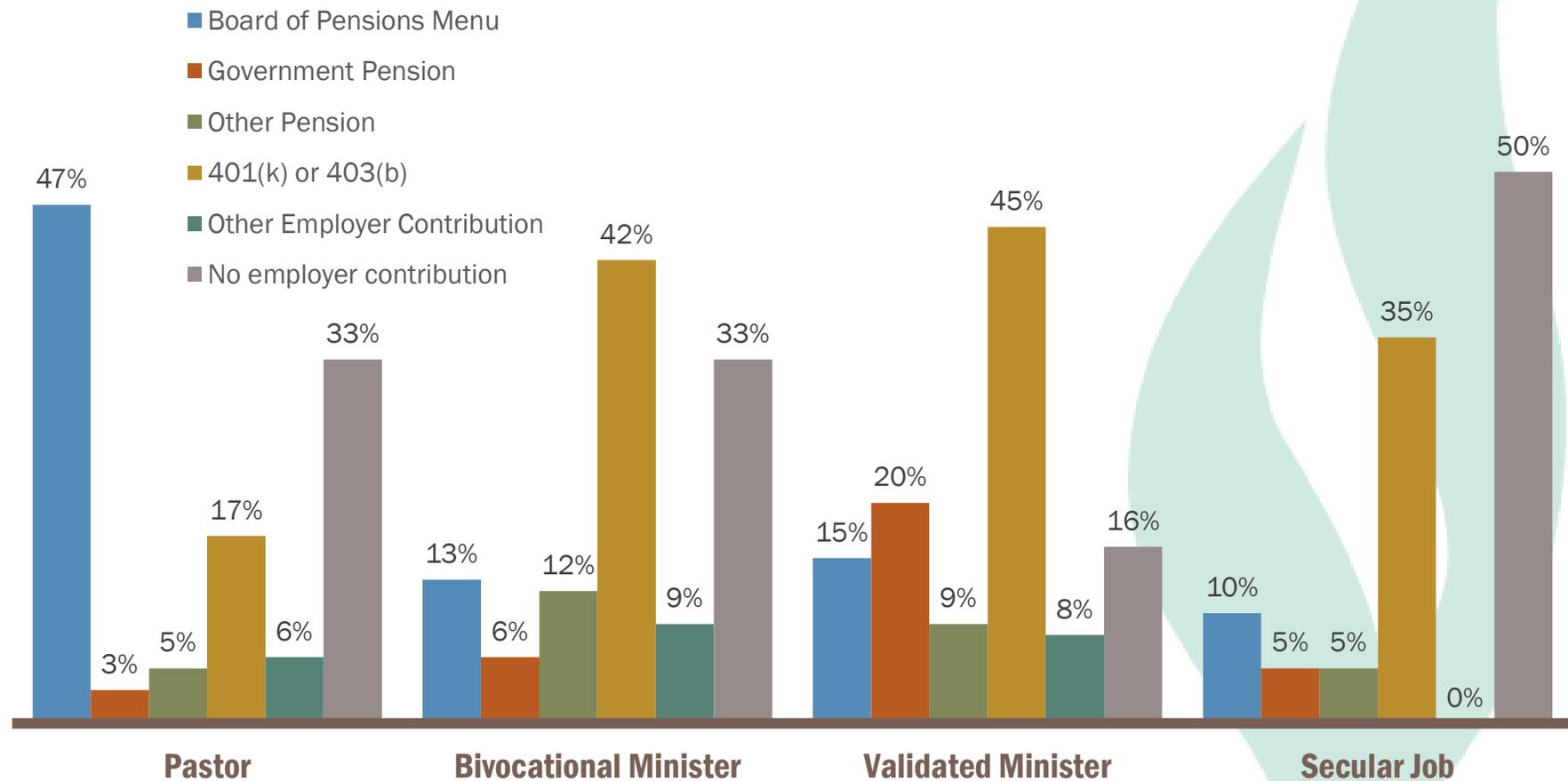


Other Calls and Jobs

N=648

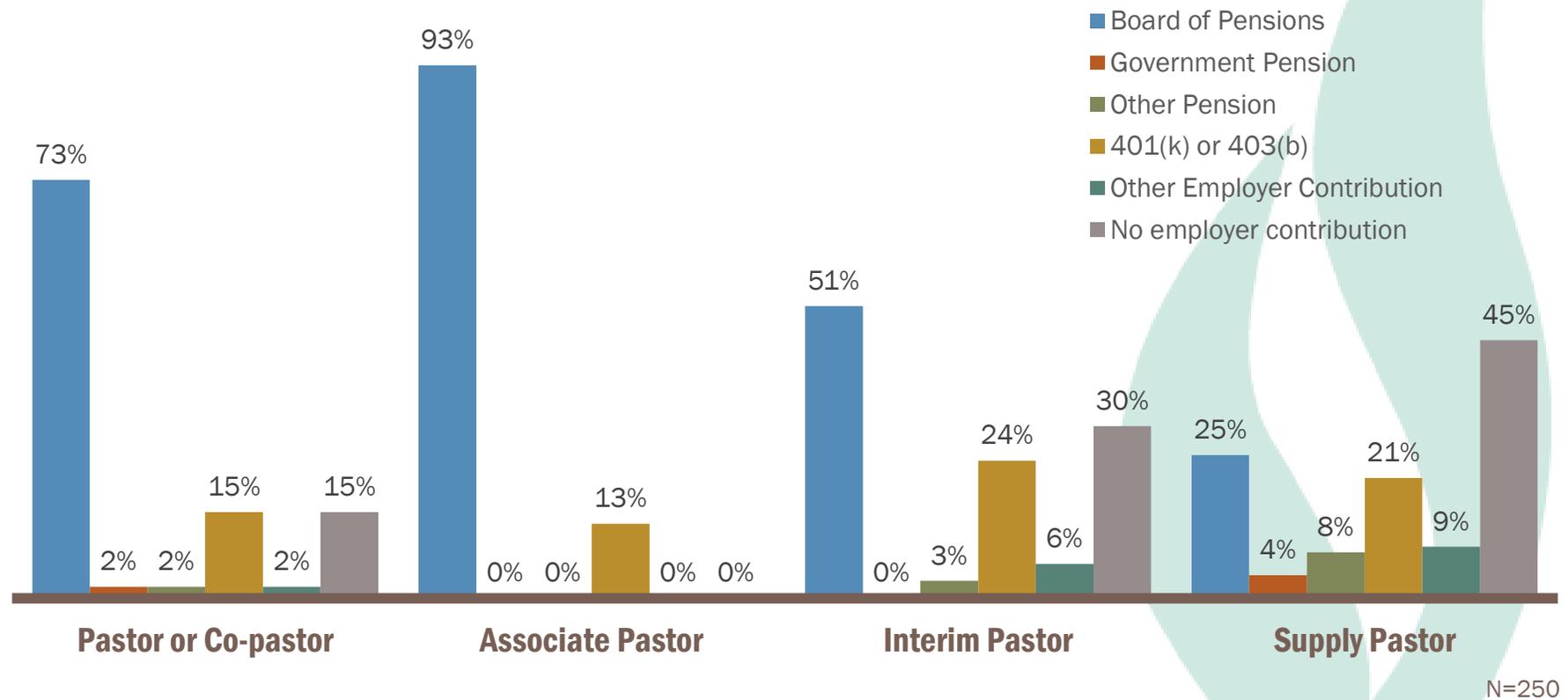
Specialized ministers are more likely to report employer contributions to retirement than others.

This analysis compares retirement enrollment among individuals who are *exclusively* in the following positions or calls. This way we can compare the unique effect of being in a particular role on retirement benefit enrollment. The next slide examines pastors by type in order to dig deeper into these results and finds that the low percentage reported for pastors is because 25% of the 220 pastors responding to this question are supply pastors.



Associate pastors in this study are most likely to report employer contributions to retirement.

It is important to note that this analysis is based on only 250 respondents, including 55 pastors or co-pastors, 15 associate pastors, 33 interim pastors, and 147 supply pastors. Unfortunately, since the sample size is so small, we cannot examine this question in any greater detail, and any inferences taken from this must be taken with a grain of salt. However, we wanted to include this analysis anyway because it does begin to provide some potential information.

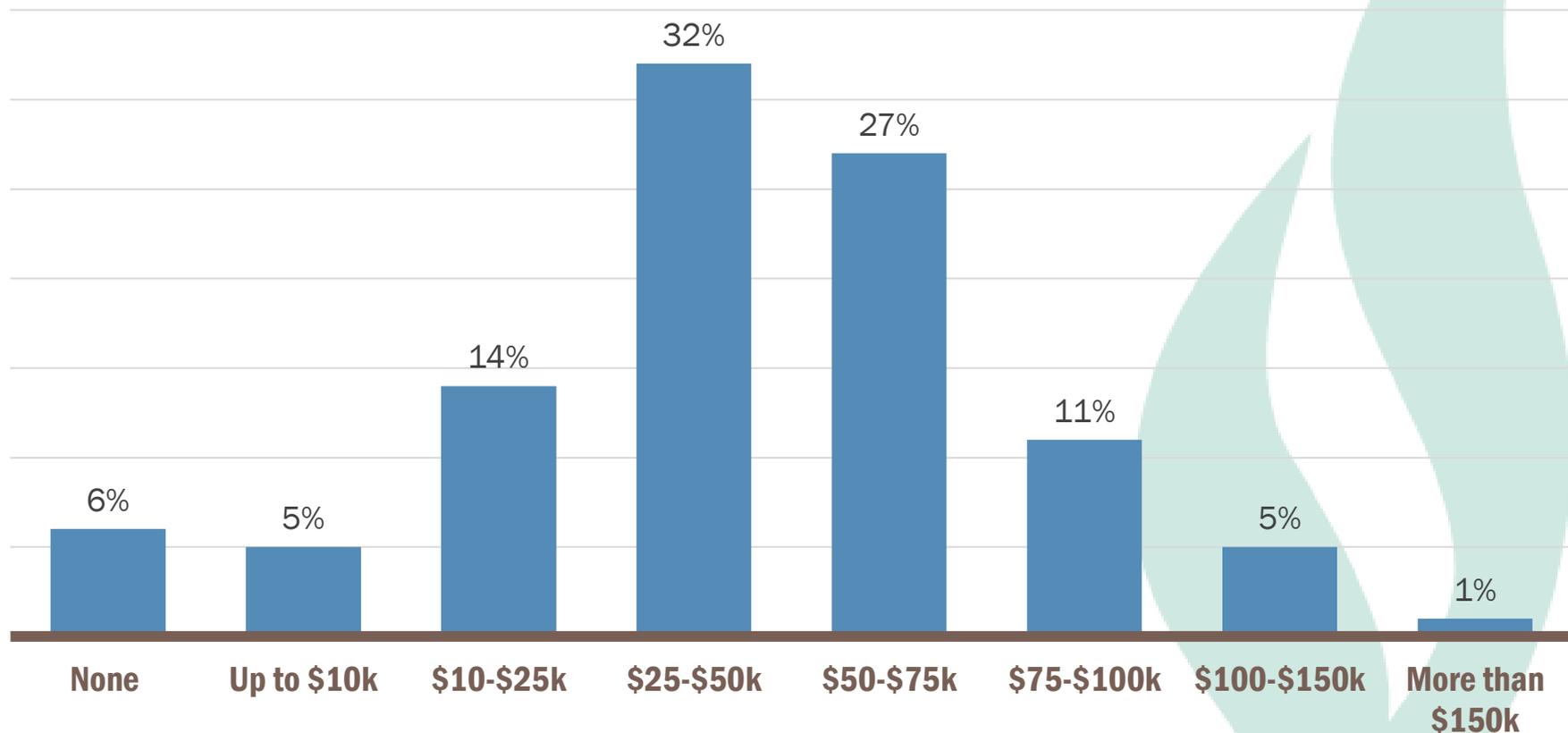


Retirement income

99% of the Honorably Retired receive pension, Social Security, or retirement income

This analysis includes both the working and the non-working retired, which represent 21% of the Honorably Retired. The working retired earn less retirement income than the non-working retired: 45% of the non-working retired, and 36% of the working retired, report earning more than \$50,000 from their retirement income. Additionally, almost 1/3 of the working retired earn \$25,000 or less from their retirement income.

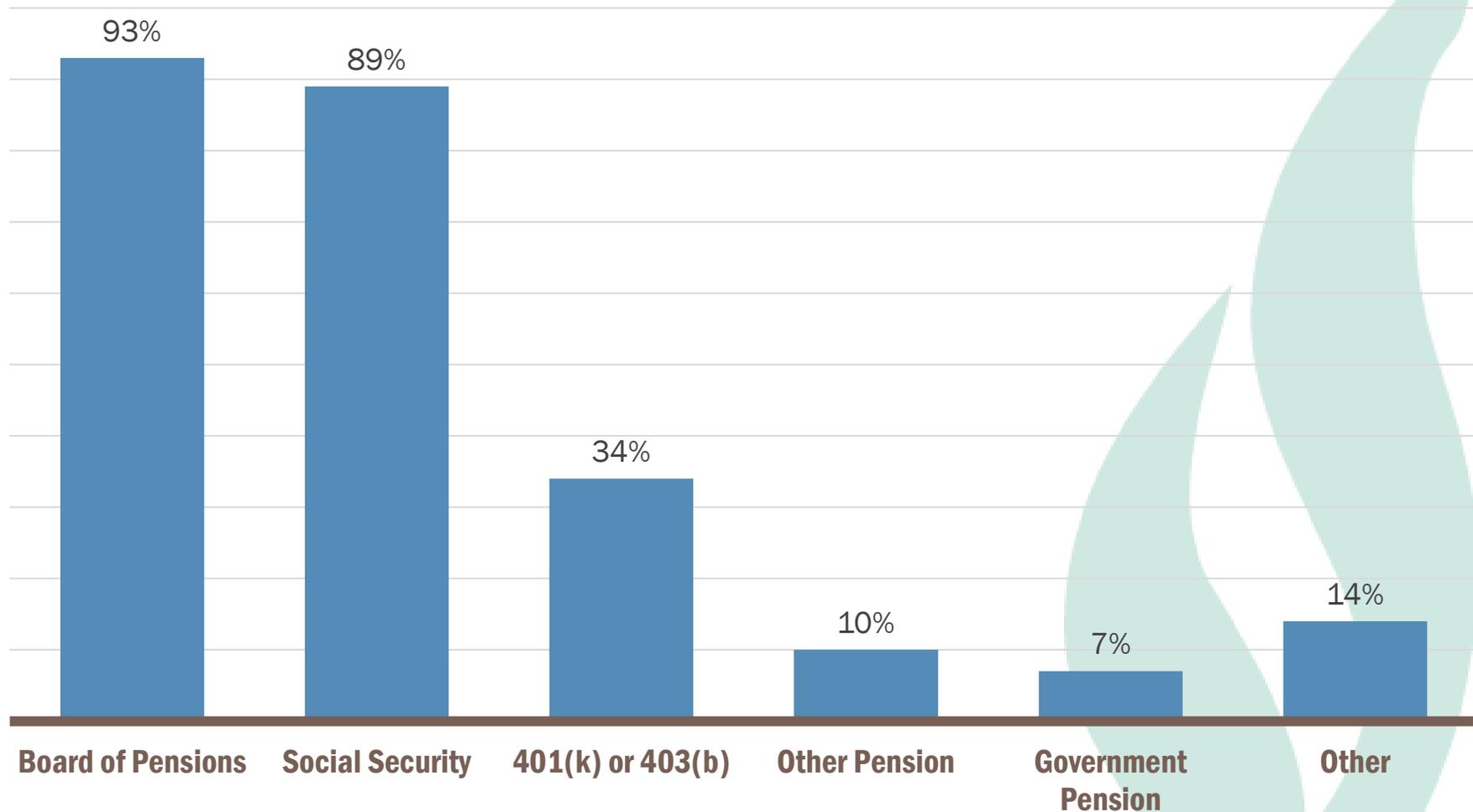
The next page breaks down the types of retirement income.



Retirement income sources

99% of the Honorably Retired receive pension, Social Security, or retirement income

The next page breaks down the income of the Honorably Retired from other sources.



Retirement income from other sources

The largest portion of Honorably Retired ministers' other sources of household income is their spouse's income.

Since the survey asked about income from the previous year, it is possible that some of the income reported here is from people who retired within the last year and is based on their previously held positions or calls.

Of the six possible sources (including retirement income, displayed on the previous page), 7% report a single source, 22% two sources, 35% three sources, 23% four sources, 10% five sources, and 2% report all six.

	Up to \$10k	\$10-25k	\$25-50k	\$50-75k	\$75-100k	\$100-150k	More than \$150k	% reporting income
Pastor, parish associate, or Christian Educator	11%	7%	12%	9%	5%	2%	1%	47%
Ministry work other than pastor, parish associate, or Christian Educator	16%	5%	3%	2%	2%	1%	<1%	29%
Secular job or business	7%	2%	2%	3%	2%	<1%	1%	17%
Spouse income	11%	17%	19%	10%	4%	2%	2%	61%
Investment income	39%	16%	7%	3%	2%	1%	1%	69%

N=1,018

Retirement

73% of the Honorably Retired say their household income is sufficient for all their needs

Vacations are a luxury that some retired individuals cannot afford.



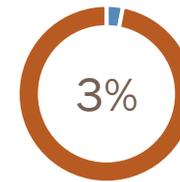
Going on vacation



Replacing vehicles or major appliances



Making charitable contributions

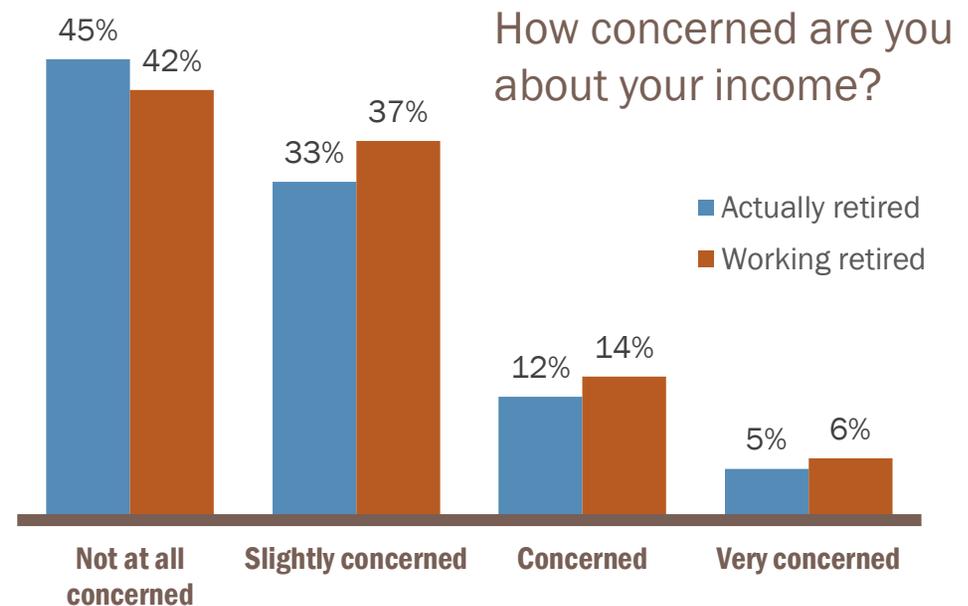


Securing needed healthcare or medication

Although only 6% of the working retired say that income limits keep them from staying out of the paid workforce, they are also slightly more likely to report being concerned about their income than the Honorably Retired who are not working.

Although on one level, this makes sense, on another level, one might expect that this secondary income of the working retired would alleviate these concerns. However, they may be concerned about the stability of their work, or about what will happen when they can no longer work to supplement their retirement.

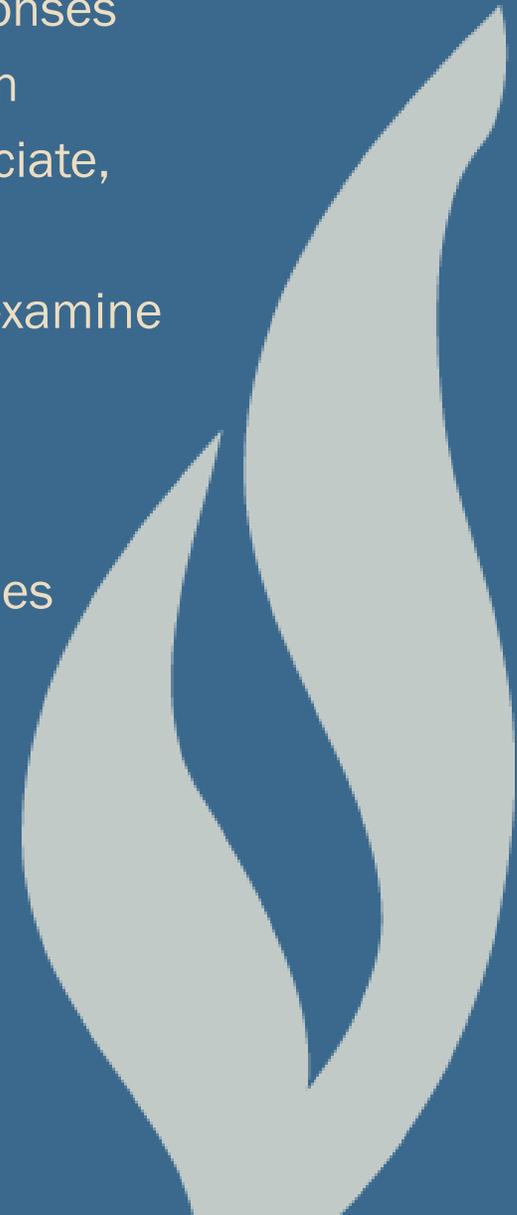
We examined the role that age plays in this; among the working retired, age does not correlate with concern about income. However, among the nonworking retired, those between ages 65 and 69 are more concerned than those older than them.



Housing and Debt

There are very few significant differences in responses to housing, debt, and financial concerns based on minister role, be it type of pastor (co-pastor, associate, interim, or supply) or type of minister (pastor, bi-vocational, or specialized ministry). As such, we examine these subjects in a single section, and where appropriate, mention any significant differences.

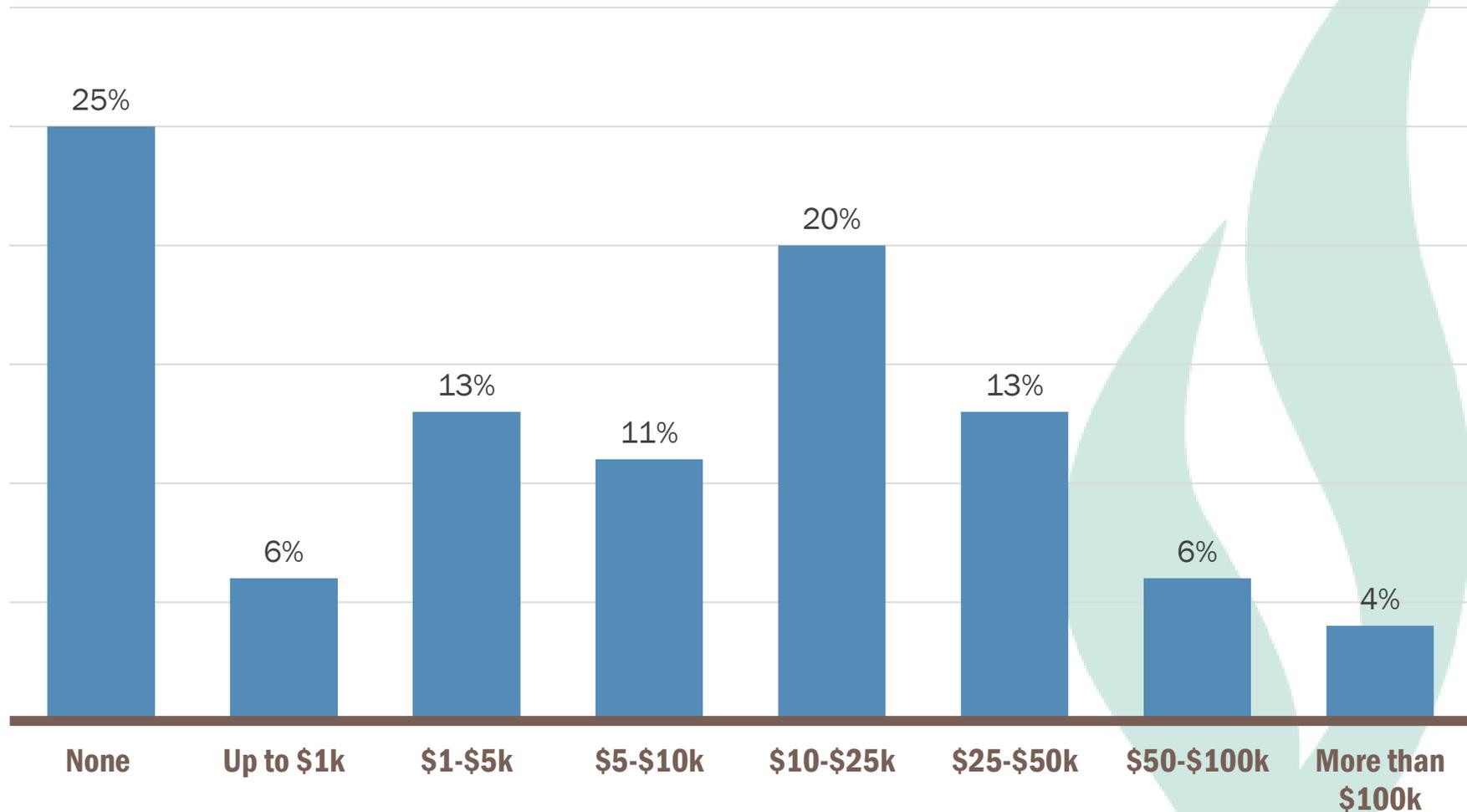
Unless otherwise specified, this data only examines those ministers who are not Honorably Retired.



Consumer Debt

75% of non-retired ministers of Word and Sacrament currently carry consumer debt.

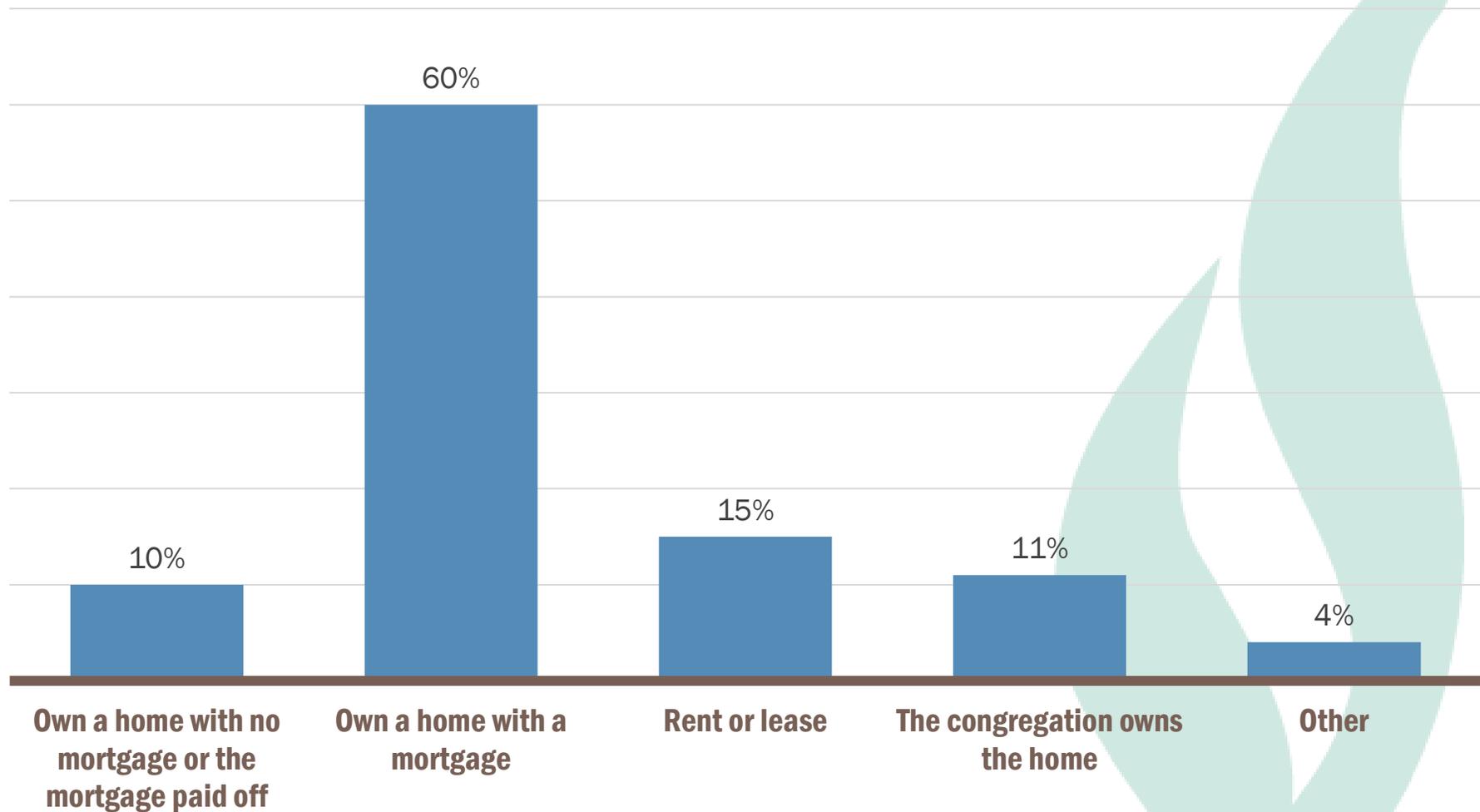
Respondents were asked what is their total household debt, including credit cards, car loans, and personal loans (*but not including any mortgage or student loans*). In all, 3 out of 4 responded with some level of debt, with 10% stating that they have over \$50,000 in household debt, minus mortgage and student loans.



Housing

70% of ministers of Word and Sacrament own a home.

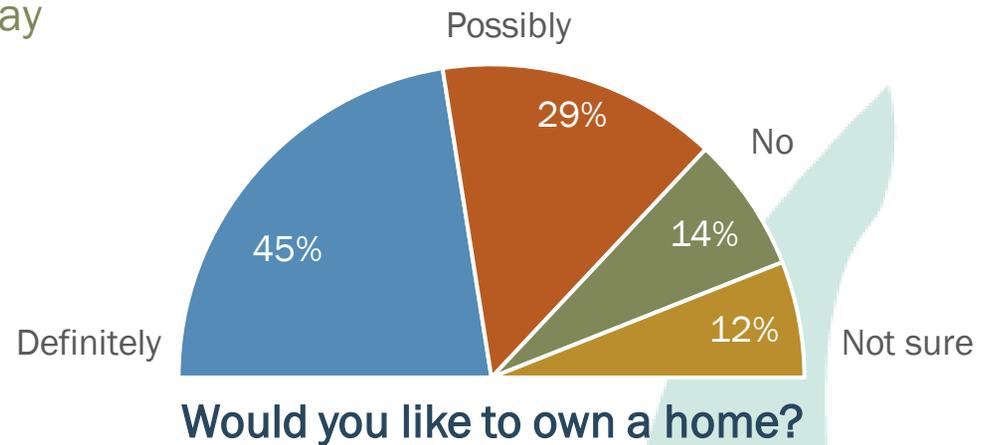
Only 15% of ministers report renting or leasing. 12% of ministers of Word and Sacrament report that income limits keep them from owning their own home.



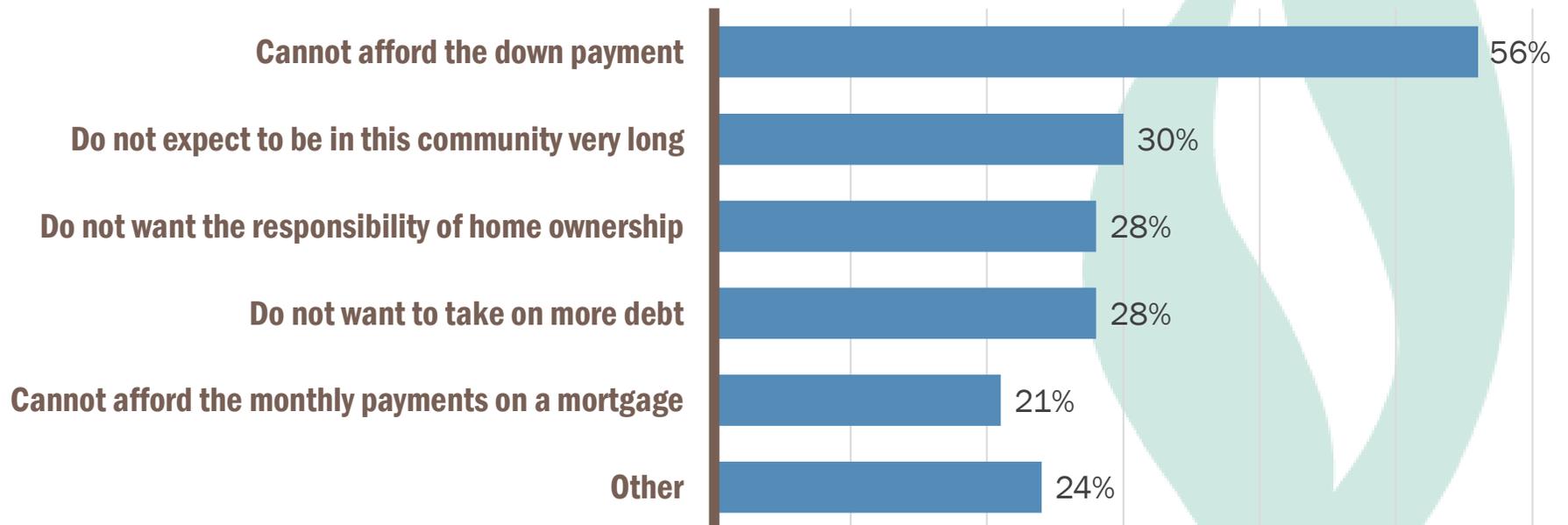
Reasons for not owning a home

45% of ministers who do not own a home say they definitely would like to.

Those ministers who stated that they do not own a home, but would like to, were asked why they do not currently own a home. The most common reason for not owning a home is that they cannot afford the down payment. This is followed by ministers not expecting to be in the community very long.



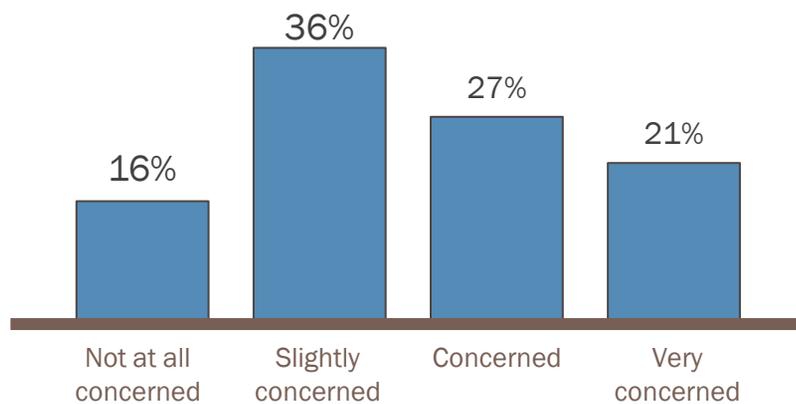
Why do you currently not own your own home?



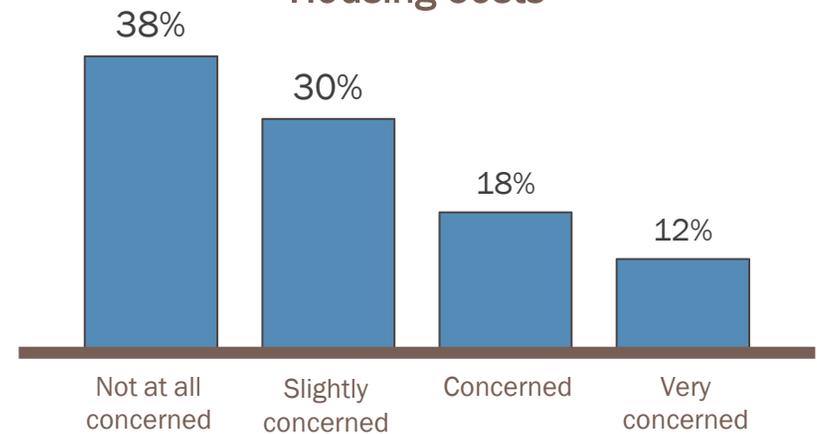
Financial Concerns

Of the four concerns listed here, ministers are most likely to be concerned about retirement planning, and least likely to be concerned about housing costs.

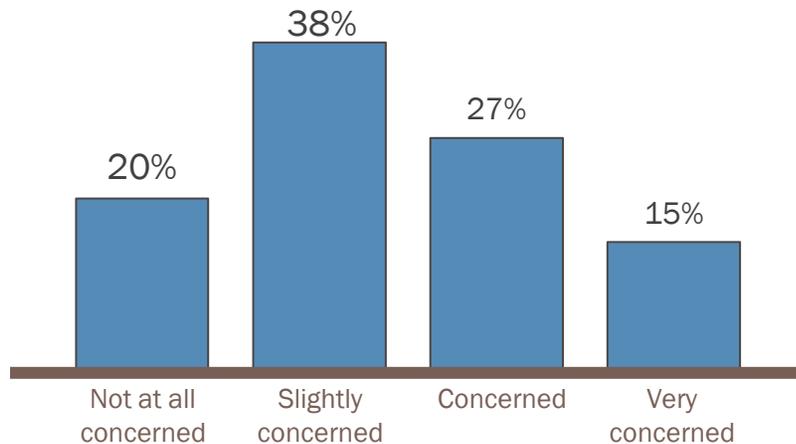
Retirement Concerns



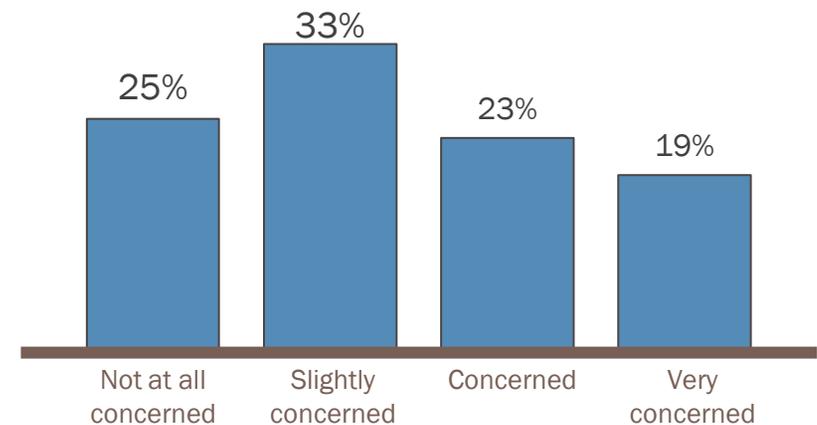
Housing Costs



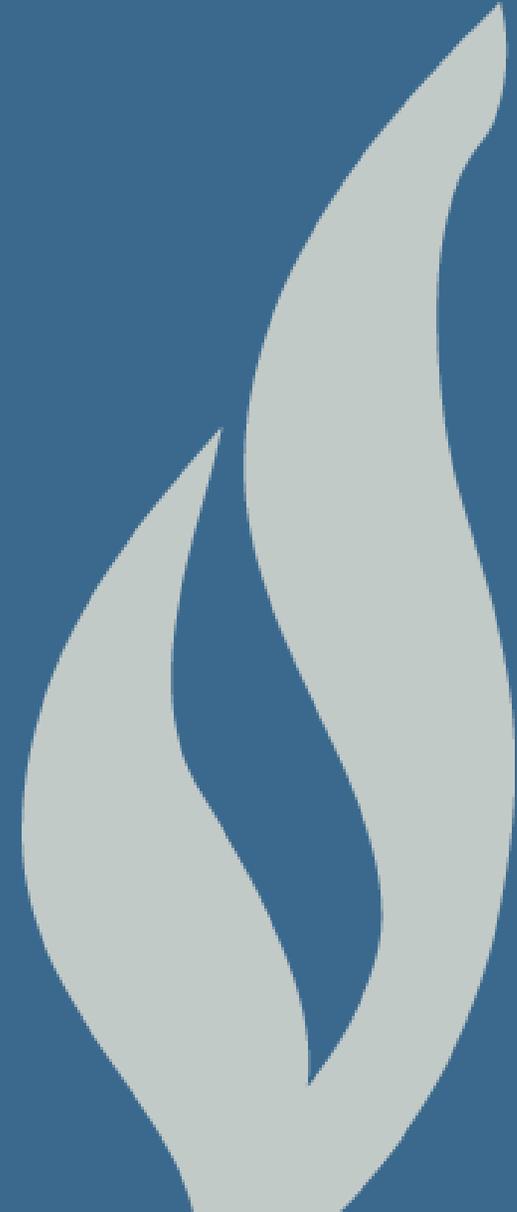
Financial Planning



Medical Costs



What are we learning?



What we know from this study:

- Many, but not all, ministers report that their incomes are sufficient to meet their needs and manage debt.
 - 52% of pastors
 - 54% of specialized ministers
 - 73% of honorably retired ministers
- Incomes vary by ministry and in retirement
 - Most pastors (56%) earn between \$50,000 to \$100,000 only 7% earn more than \$100,000
 - 29% of specialized ministers receive no income, and for those who are paid, only 42% earn \$50,000 or more
 - Honorably retired ministers (32%) earn \$25,000 to \$50,000, Board of Pensions & Social Security
- Most ministers are homeowners
 - 70% own their home – 10% have no mortgage
- Of those who do not own a home, 45% want to own a home but many cannot afford the down payment
- Most non-retired ministers have consumer debt beyond mortgages and student loans
 - Only 25% have no consumer debt – 1% have less than \$1000
- 87% of pastors are enrolled in the Board of Pensions
- Many receive employer retirement contribution
 - However, 33% do not have employer contribution
- Retirement is a concern for most all ministers

While most ministers seem to manage their finances to own a home, pay their bills, and plan for or live-in retirement, there are three areas of concern that will be explored on the following pages: homeownership, retirement contributions, and consumer debt.

Home ownership

For all ministers who do not own a home regardless of their financial position, 45% want to be homeowners

In this study, 12% of respondents report that their income prevents them from owning a home. Of those, 56% cannot afford the down payment. What we do not know is where they live, to have a better understanding of home ownership opportunities in their place of service. This was an anonymous survey so we cannot link these ministers to areas of expensive/affordable housing markets or to the availability of housing. Even though we do not have a clear understanding of their financial picture, we know that home ownership is a goal.

11% report living in the manse. For those who live in a manse for their entire careers, they can be disadvantaged as a first-time home buyer. One pastor stated that after 40 years in ministry, he was looking to purchase his first home. He felt that he was disadvantaged as he had not built home equity that would allow him to purchase a home to meet his needs, as his non-ministerial age peers had done.

Home ownership is a building block for financial security in retirement.

What role can or does PC(USA) play in assisting pastors in achieving home ownership? We are not the only ones asking about home ownership and ministers; it was also a peer-to-peer conversation on the PC(USA) Leaders Facebook page (February 2021).

Retirement contributions

33% of pastors & bi-vocational ministers report no employer retirement contribution

For those working in secular positions, it is much worse as 50% do not receive an employer retirement contribution.

The question about retirement contributions allowed for multiple responses: Board of Pensions, 4013(b), other retirement programs, or no contribution. Yet, one third reported no employer contribution. None. Age was not a factor; that is, the lack of retirement contribution was not unique to any age group.

What will this mean for them when they reach retirement age? Will these 33% be able to retire and not have supplemental income? Will they need to change congregations or careers in order to secure retirement contributions?

For those who are serving as a pastor and their congregations do not contribute to any retirement program, what can be done to assist these congregations so that they can contribute to their pastor's retirement? Are financial matches an option? Could property sales in the presbytery or mid council be a source to supplement the retirement benefit?

The scenario is that smaller congregations are often unable to pay the full-time salary plus benefits, yet they want, and need, a full-time minister.

Debt

75% of non-retired ministers have consumer debt beyond mortgages & education loans

In 2019, Market Watch and NerdWallet reported the average American household held \$137,729 of debt, including mortgages and student loans. Ministers were asked about their consumer debt *excluding* mortgages and student loans. 23% of non-retired ministers hold more than \$25,000 in consumer debt, with 10% having more than \$50,000. This compares to the \$6,124 average credit card/revolving debt of Americans and \$27,649 for car loans. The 10% (who have more than \$50,000 of consumer debt) *have more debt than the average American* excluding mortgages and student loans.

We did not ask if educational debt had been refinanced with a bank or placed on a credit card.

The surprising finding is the 10% of active ministers with more than \$50,000 of consumer debt. Of these, 6% have between \$50,000 and \$100,000 and the remaining 4% have more than \$100,000 of debt (we want to reiterate here that this is not counting mortgages and student loans). One would hope that they made mistakes with their responses. The anonymity of the survey did not afford a means of verifying any personal data; therefore, we must treat the data as accurate. However, the 10% does align with the 11% who report that their income is inadequate to meet their needs. The question becomes, how does a person eliminate a \$50,000 plus debt when their annual salary may be equal to or lesser than the debt? According to NerdWallet (2019), 10% of Americans expect that it will take 10 or more years to pay off the average debt, while 9% never expect to pay it off.

In closing

This report has addressed pastors' financial concerns of existing debt, adequacy and sources of income, retirement planning, and home ownership. Student debt is the subject of a separate report. Not every financial scenario was addressed in this survey. There is never enough space. Had this survey been an in-person interview, questions unique to that individual could have been asked and perhaps offered us additional insights.

Some of the questions related to the intersection and influence of age, gender, and years of service on finances cannot be answered because there were insufficient responses to make any meaningful interpretation of the data.



Research Services helps the Presbyterian Church (U.S.A.) make data-informed decisions using surveys, focus groups and interviews, demographic analysis, and program evaluations.

We are social scientists with backgrounds in sociology, public policy, and economics. We serve congregations, presbyteries and synods, PC(USA) national agencies, and other PC(USA)-related organizations. Research Services is a ministry of the Administrative Services Group.

If you have any questions or would like a copy of this report, contact us at 502-569-5077 or research@pcusa.org.



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