

# INSIGHTS & IDEAS

## Centennial Conversations

New York

Demographics of the Changing Church

1917 – 2017

A Century of Service

and Benefits for

the Episcopal Church

## CPG Centennial Video

<https://vimeo.com/210302741>



# Changing Realities for Clergy and Congregations:

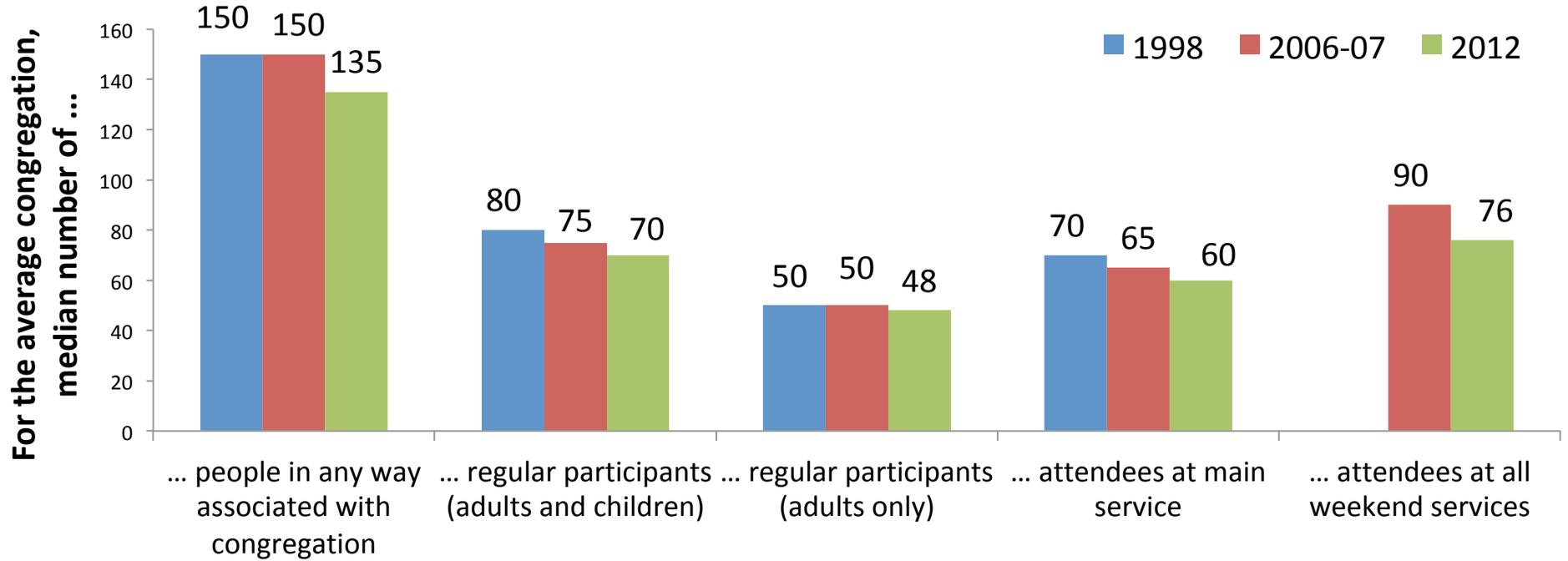
## Seven Trends

Mark Chaves  
Duke University

TREND #1:

Declining Average Size

# Declining Average Size of Congregations



TREND #2:

Clergy Work Less

# More clergy working <35 hours/week:

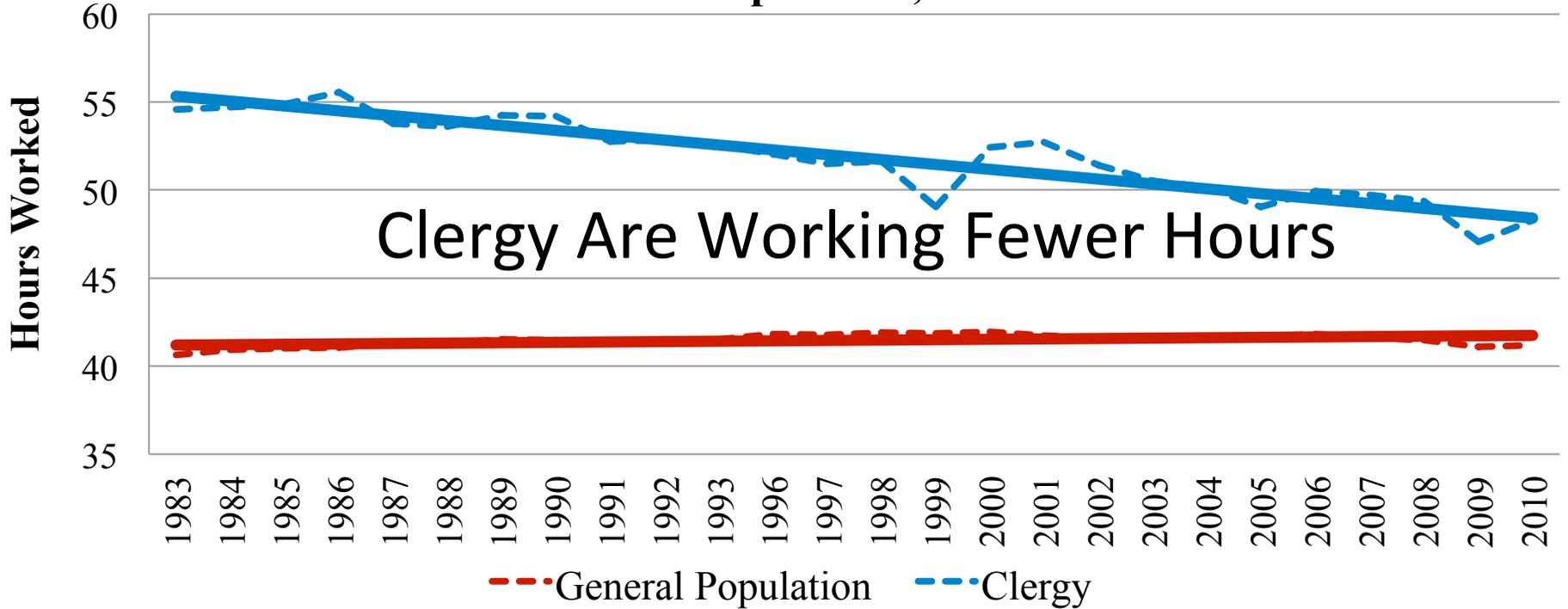
1979: 6%

2013: 15%

Source: CPS

# Fulltime Clergy Also Report Working Less

## Average Hours Worked per Week Among Clergy and General Population, 1983-2010



Source: CPS

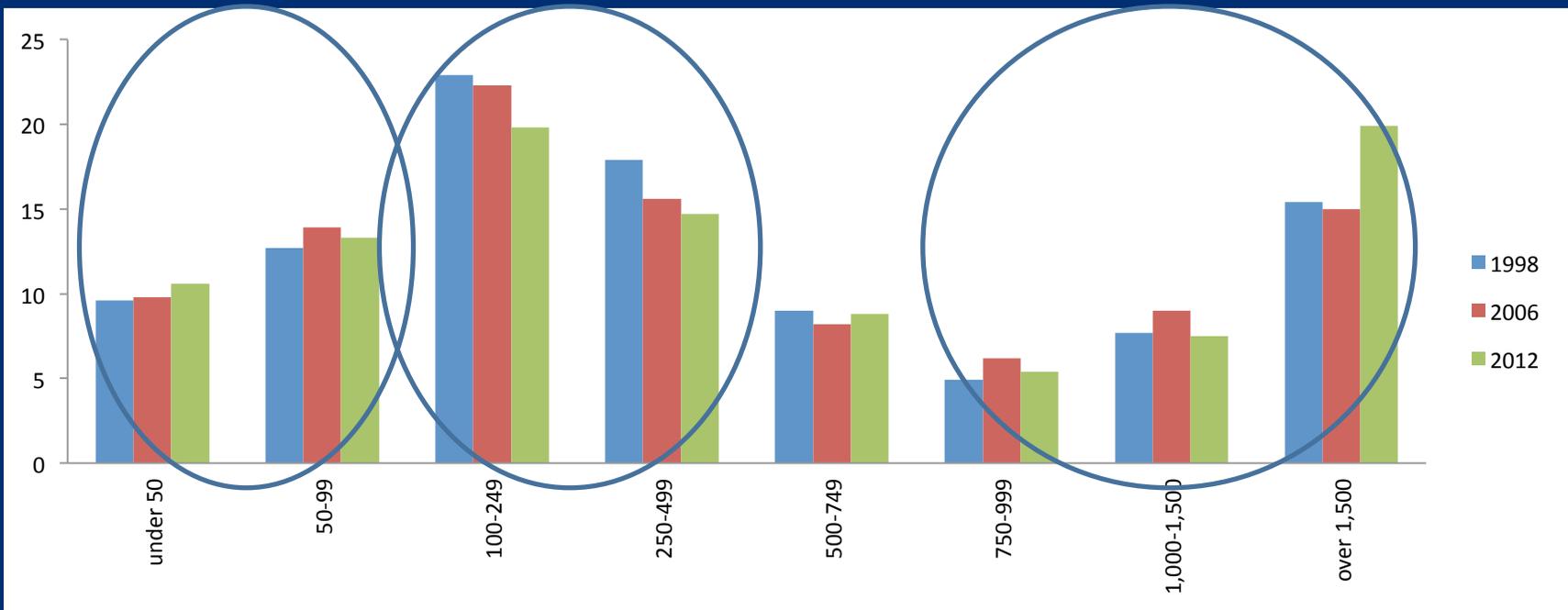
## TREND #3:

Increasing Concentration of People  
in the Largest Churches

Largest 7% of congregations (those having >400 people) contain:

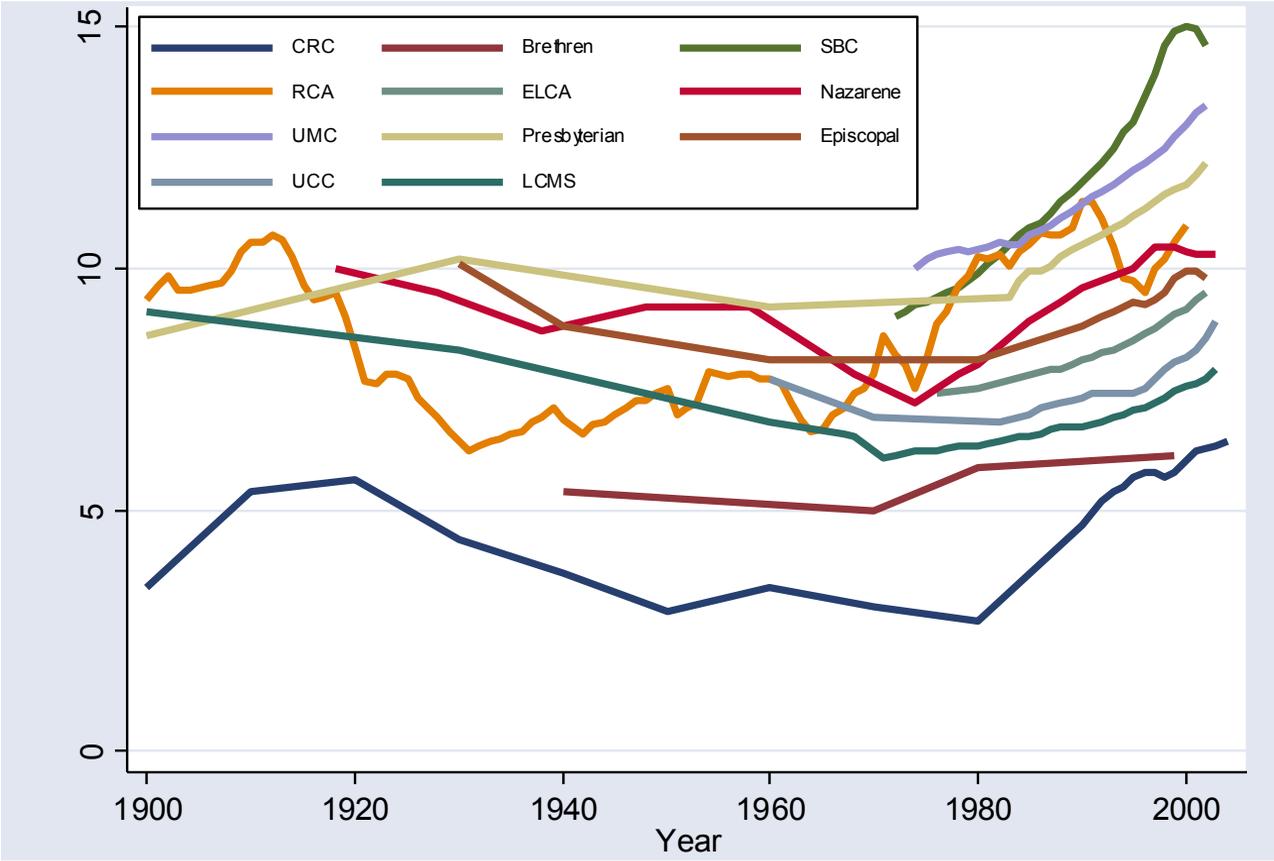
- Half of all churchgoers
- 1/3 of all FT ministerial staff positions
- 2/3 of all secondary FT ministerial staff positions

# Increasing Concentration of People in the Largest Congregations



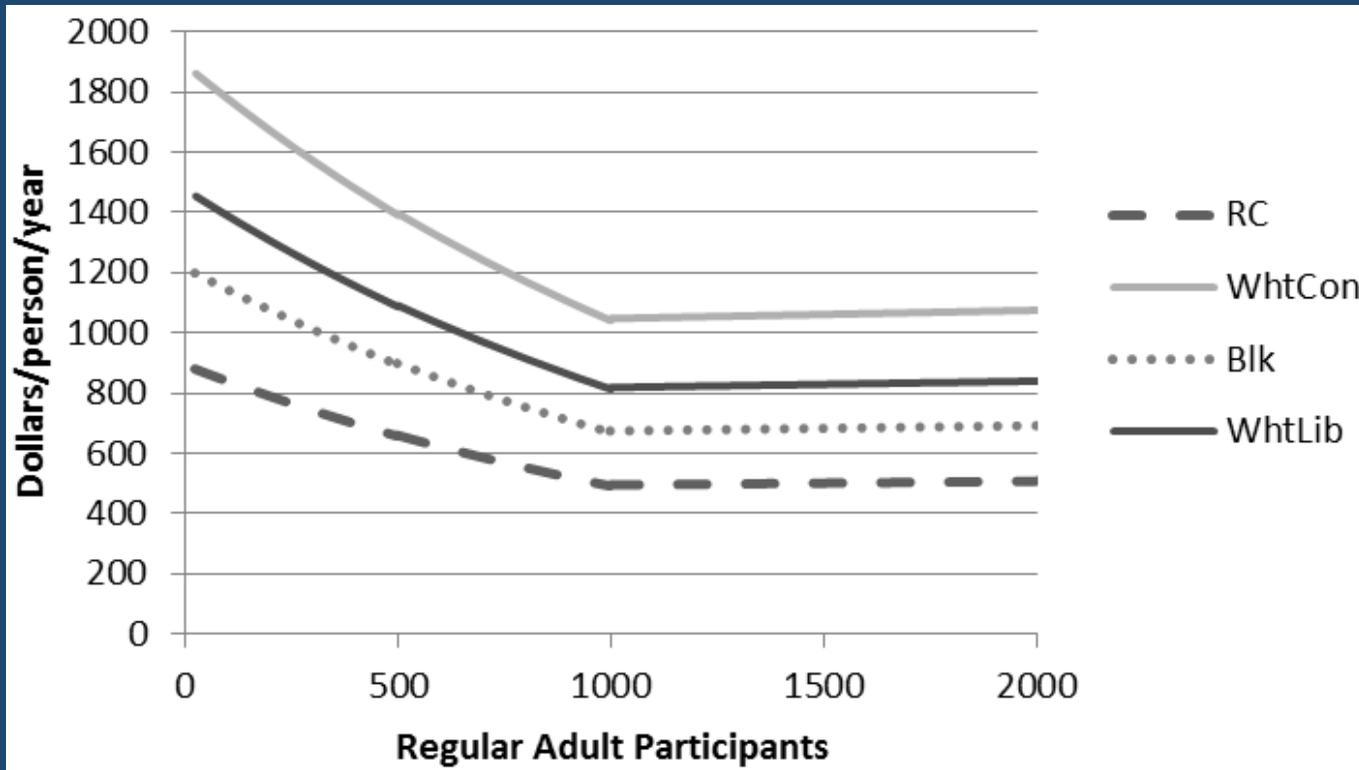
PERCENT OF ATTENDEES IN CONGREGATION SIZE CATEGORIES

# Percent of People in Biggest 1% of Churches

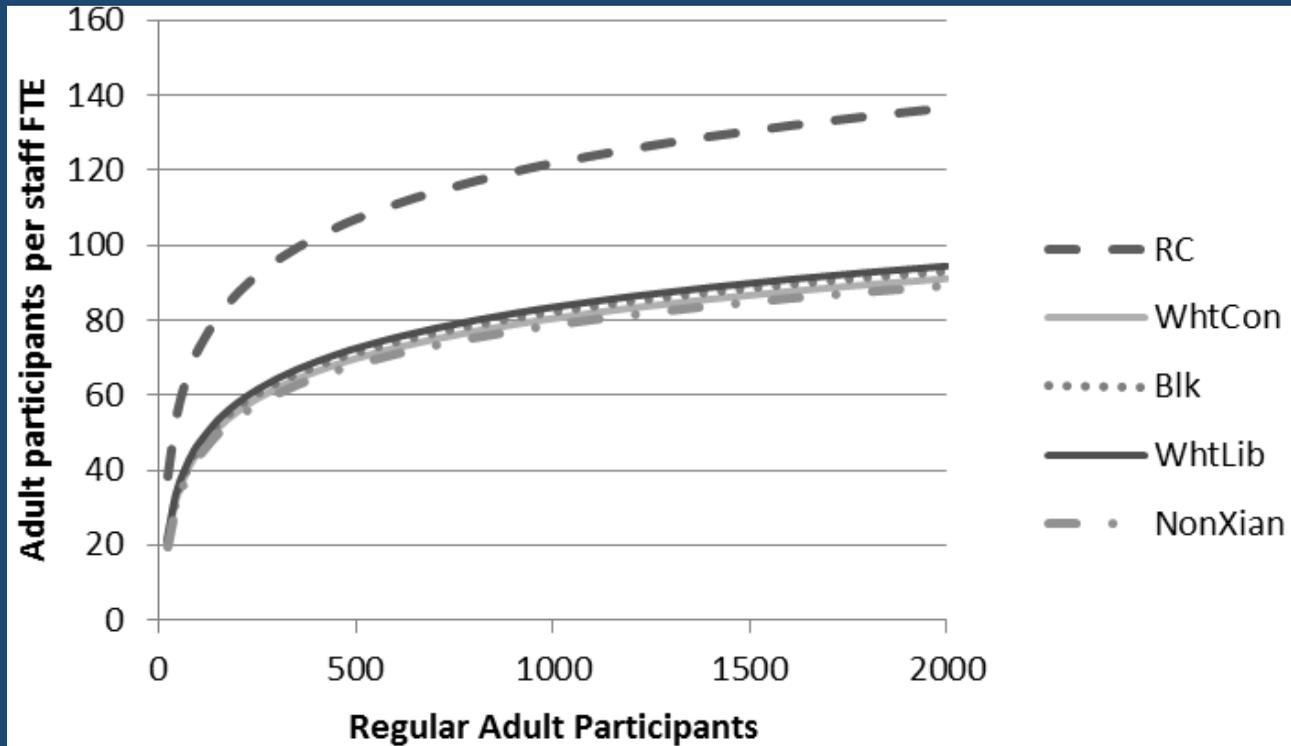


Excluding Assemblies of God

# People Give (and Participate) Less in Large Churches



# Large churches have more people per staff person

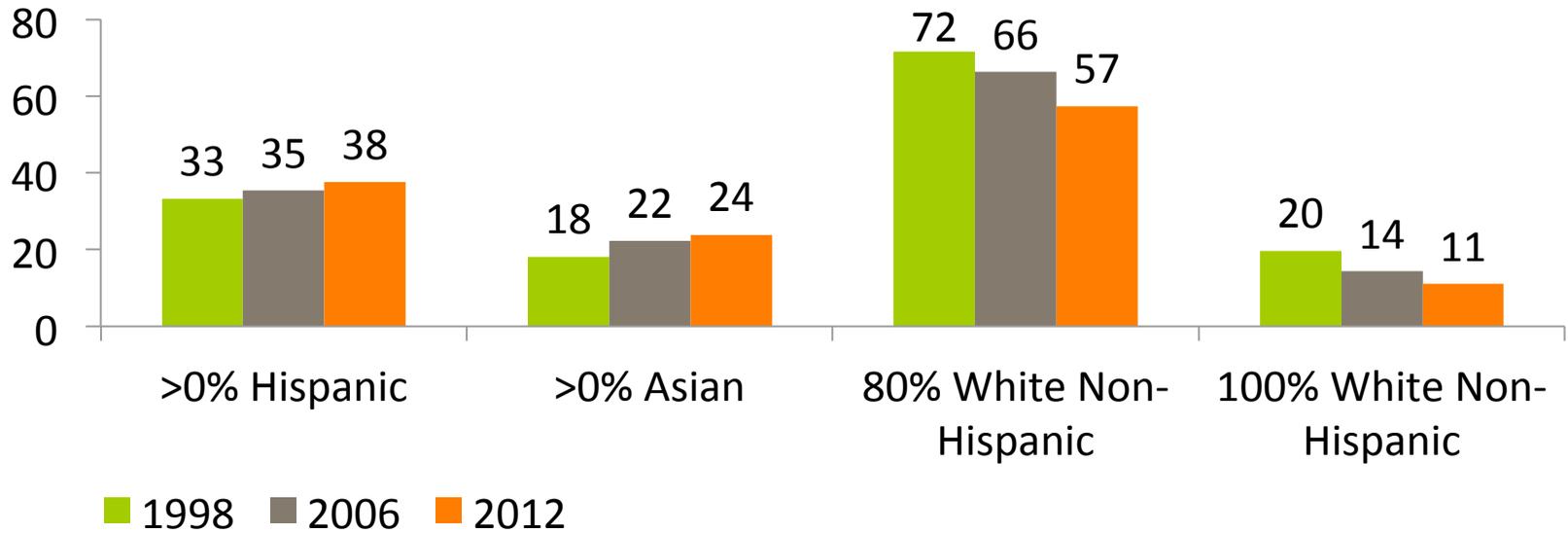


## TREND #4:

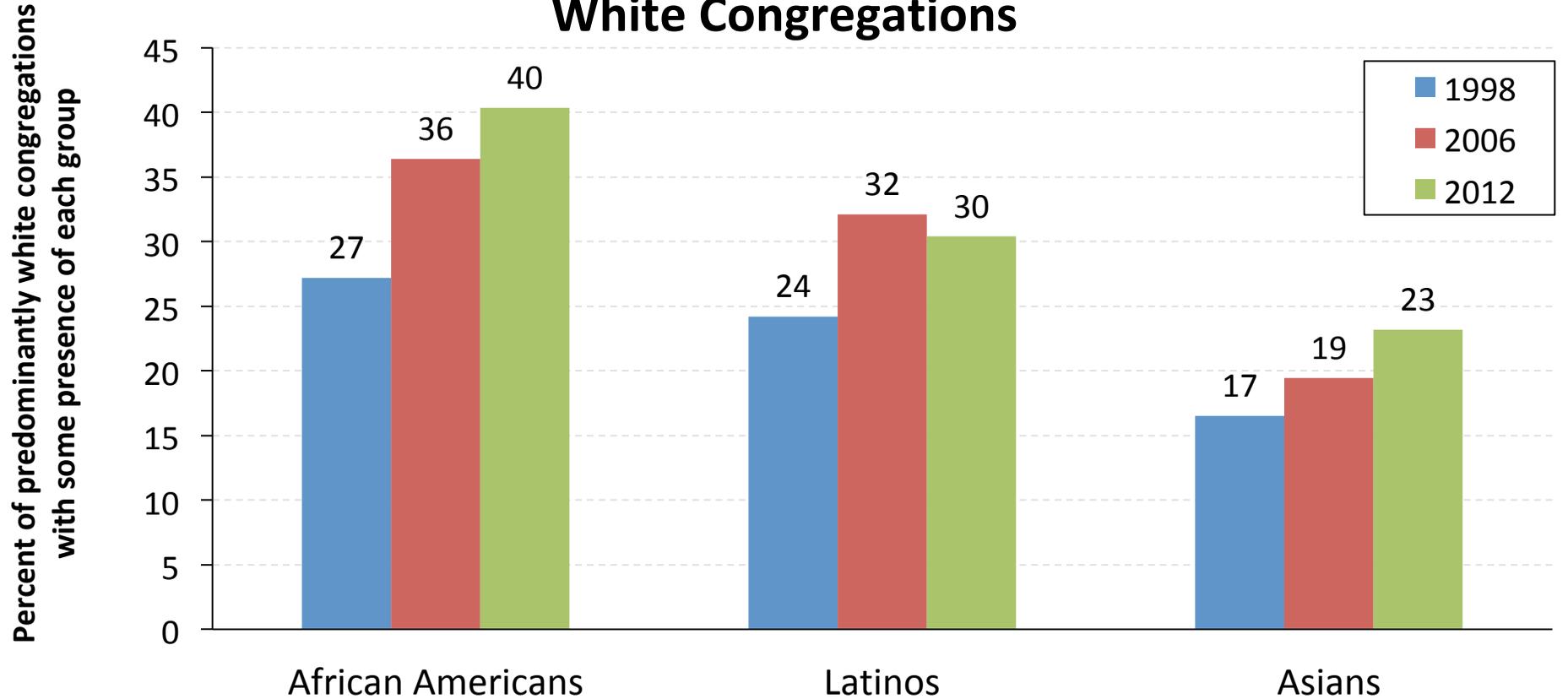
Increasing Ethnic Diversity in  
Predominantly White Congregations

# MORE ETHNIC DIVERSITY

PERCENT OF CONGREGATIONS THAT ARE...

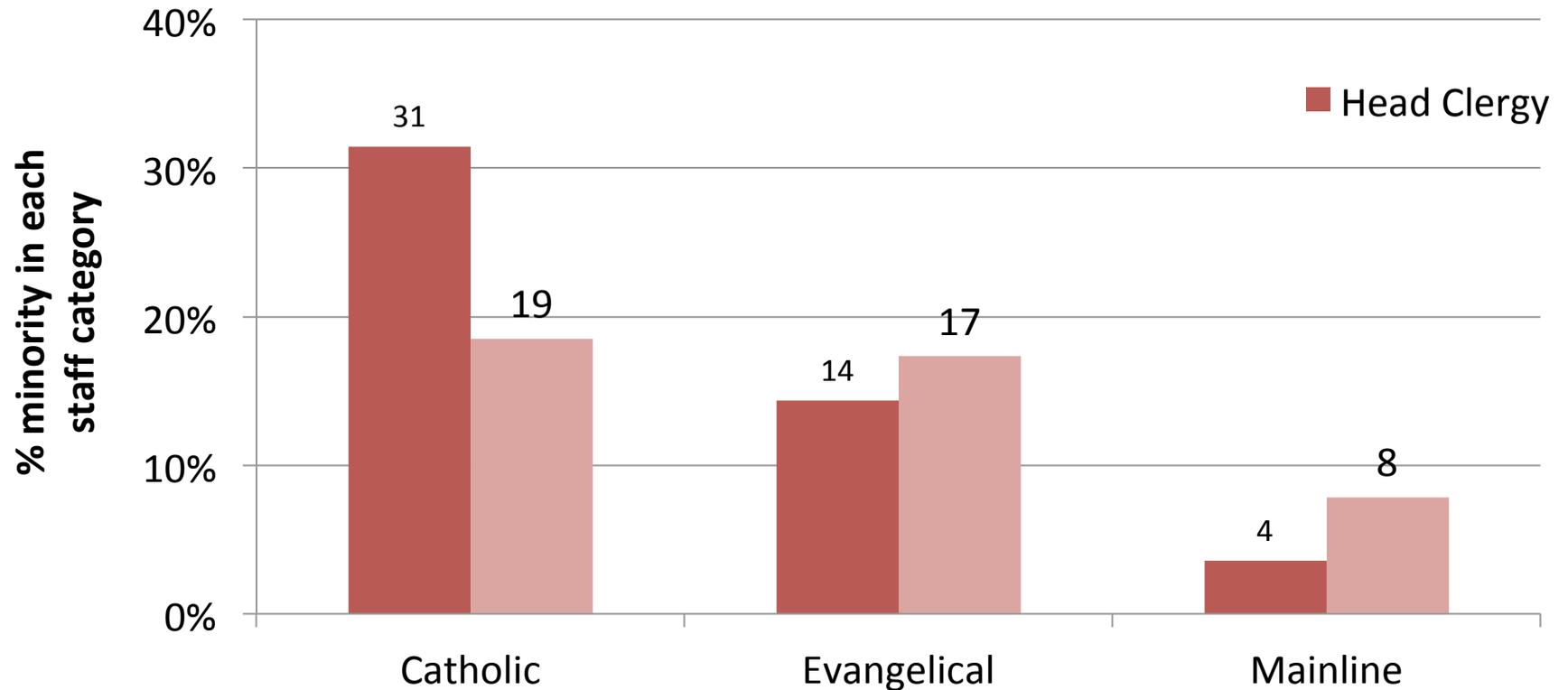


# Increasing Ethnic Diversity in Predominantly White Congregations



Source: National Congregations Study

# Racial or Ethnic Minority Clergy in U.S. congregations Within Traditionally White Religious Traditions, 2012

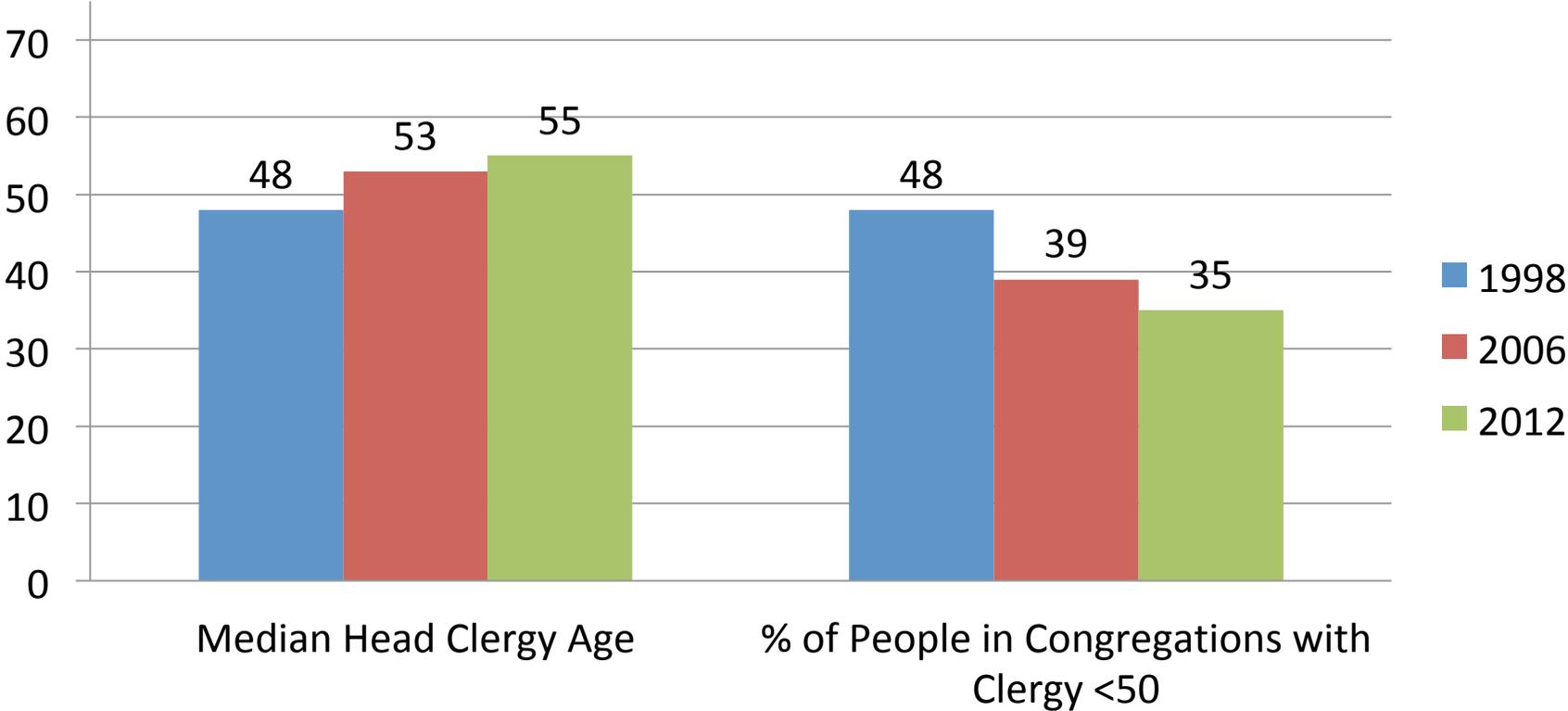


Source: 2012 NCS

## TREND #5

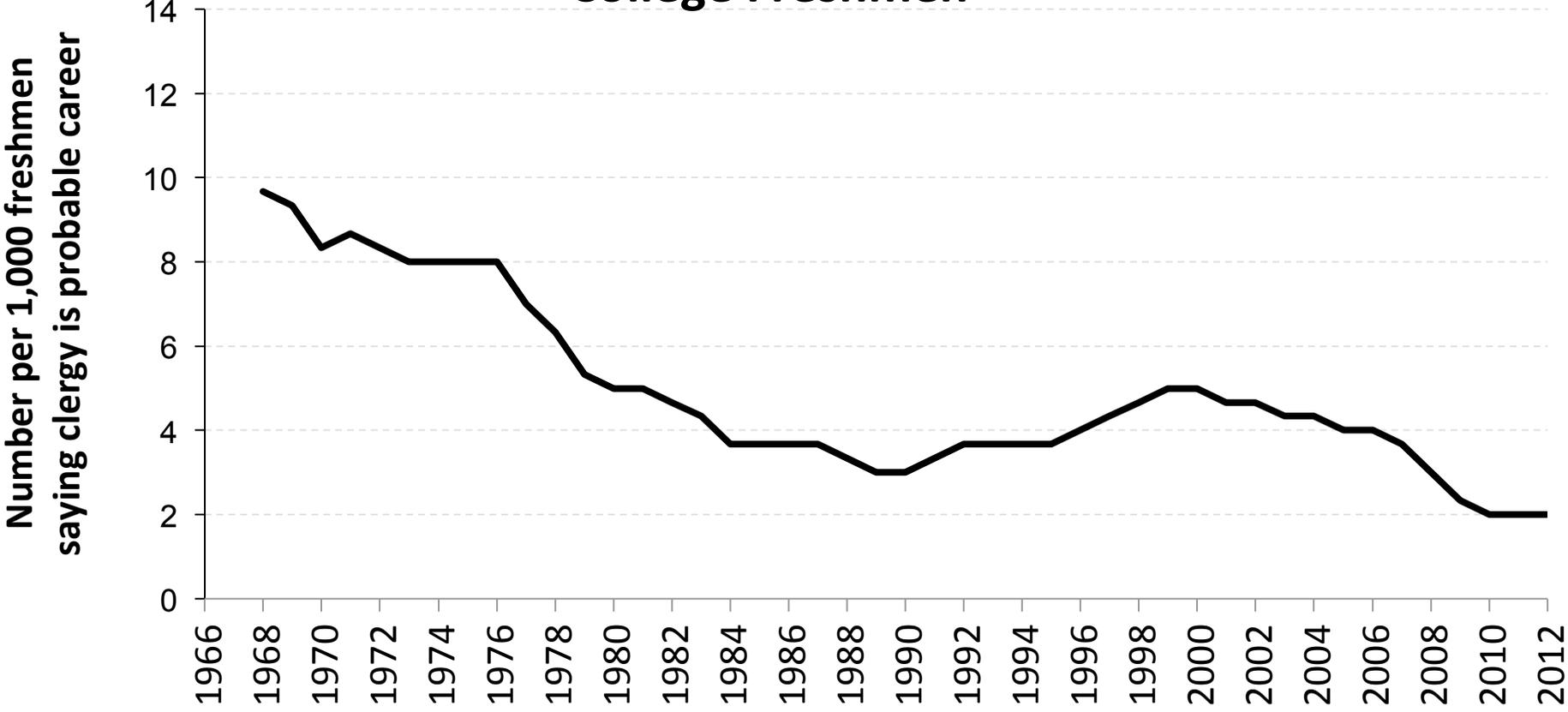
# Aging Clergy and Congregations

# Aging Clergy



Source: National Congregations Study

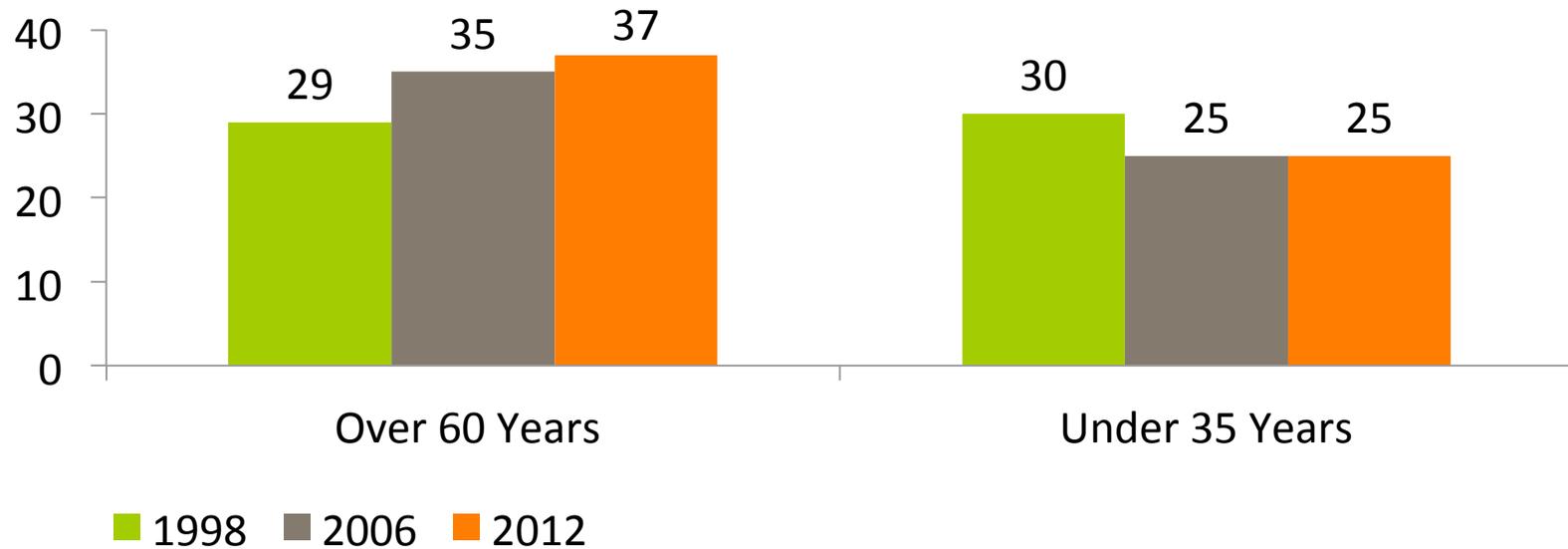
# Declining Attractiveness of Religious Leadership to College Freshmen



Source: College Freshman Surveys, Higher Education Research Institute

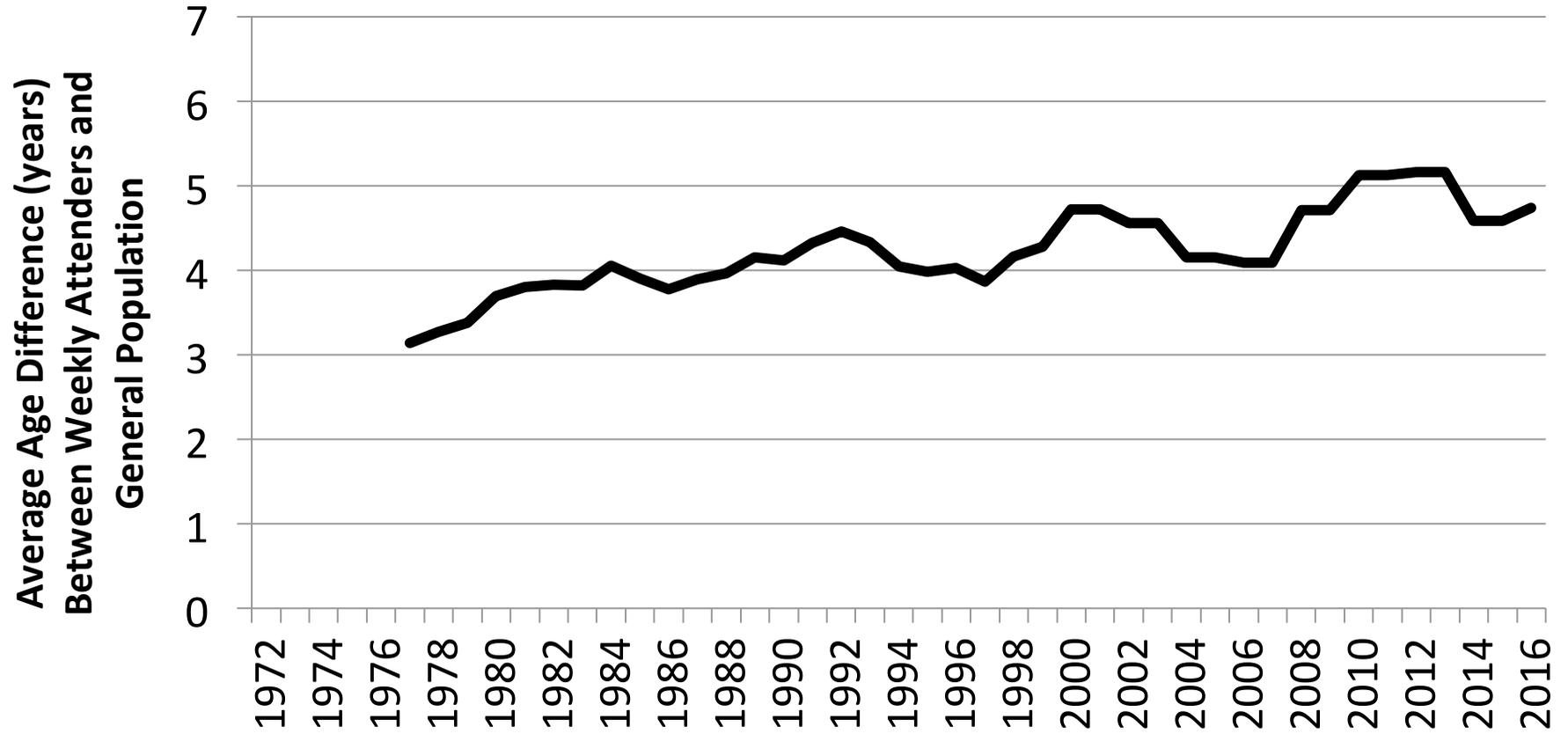
# AGING CHURCHGOERS

MEAN PERCENT OF PEOPLE IN CONGREGATIONS WHO ARE...



Source: NCS

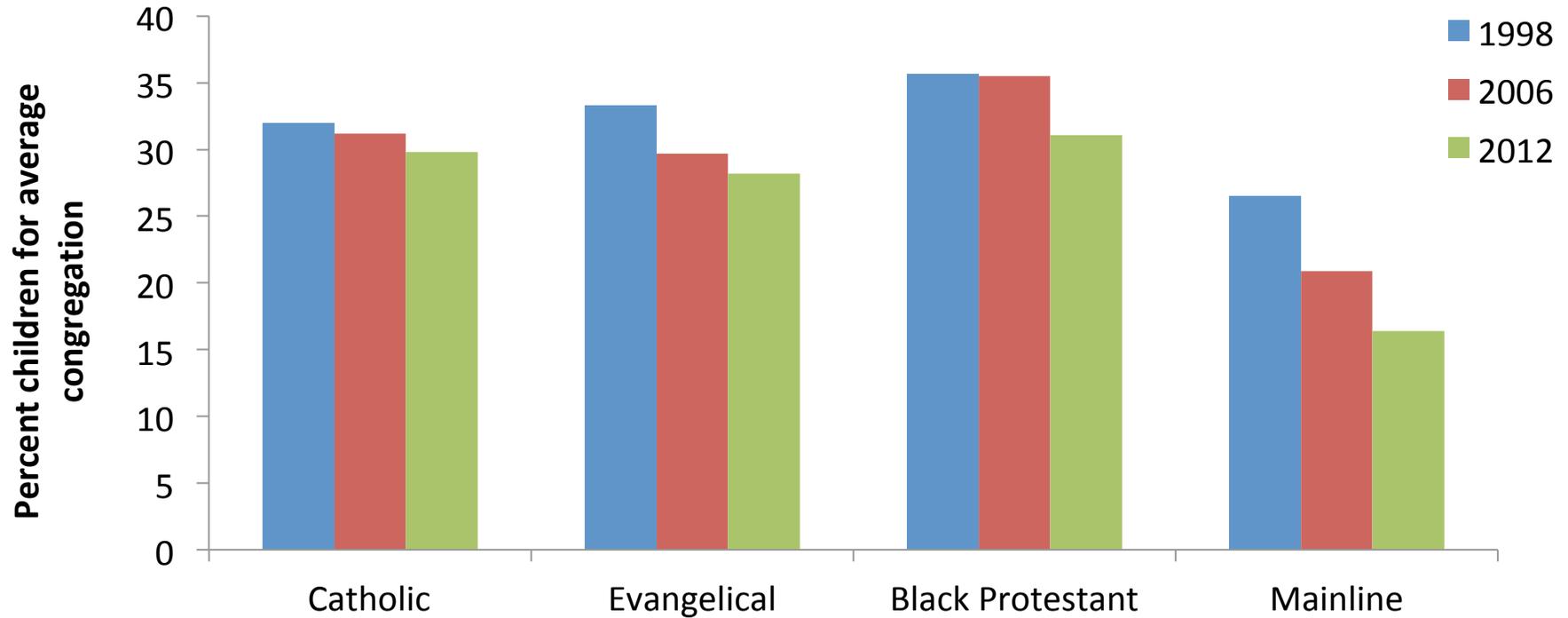
# Age Difference Between Attenders and the General Adult Population



Source: General Social Survey

# Fewer Children

## Percent of Children in Average Congregation

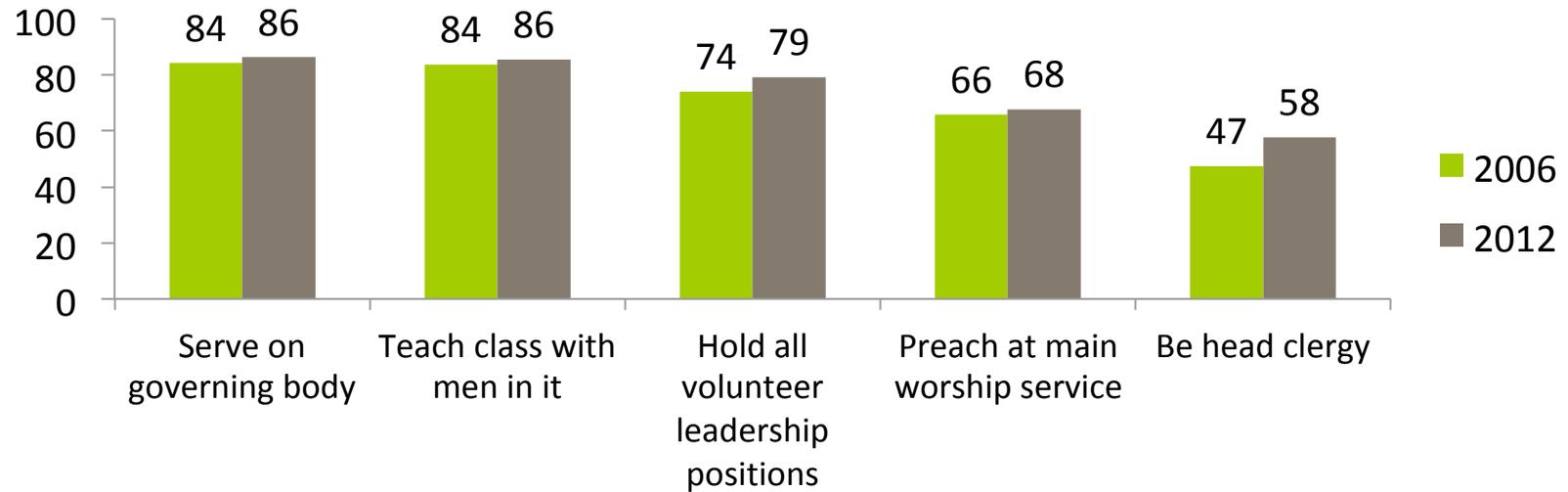


TREND #6:

More Gender Inclusiveness

# MORE ACCEPTANCE OF FEMALE LEADERSHIP

PERCENT OF CONGREGATIONS WHERE WOMEN CAN...

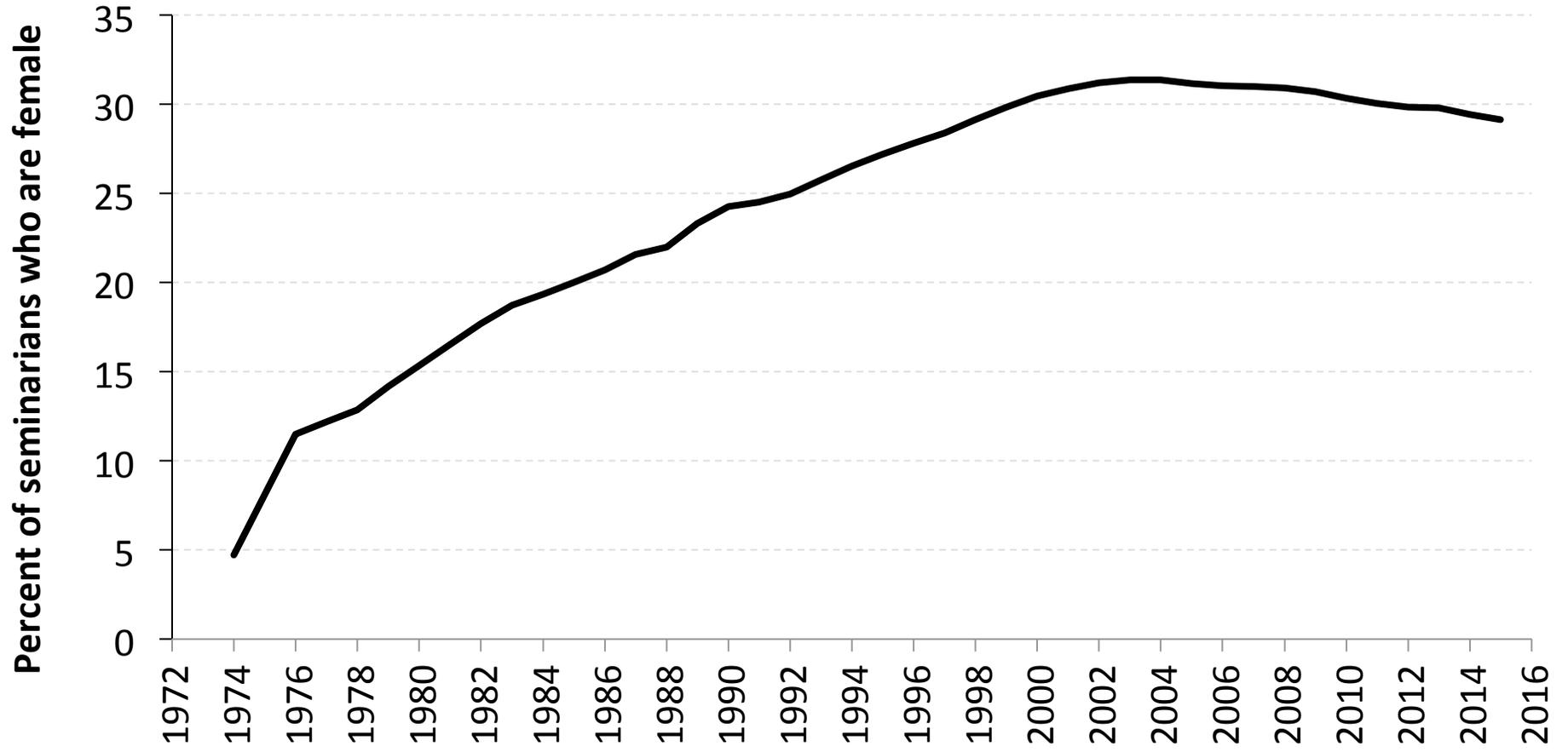


## TREND #6:

More Gender Inclusiveness

. . . but stalled

# Increasing Presence of Women in Seminaries

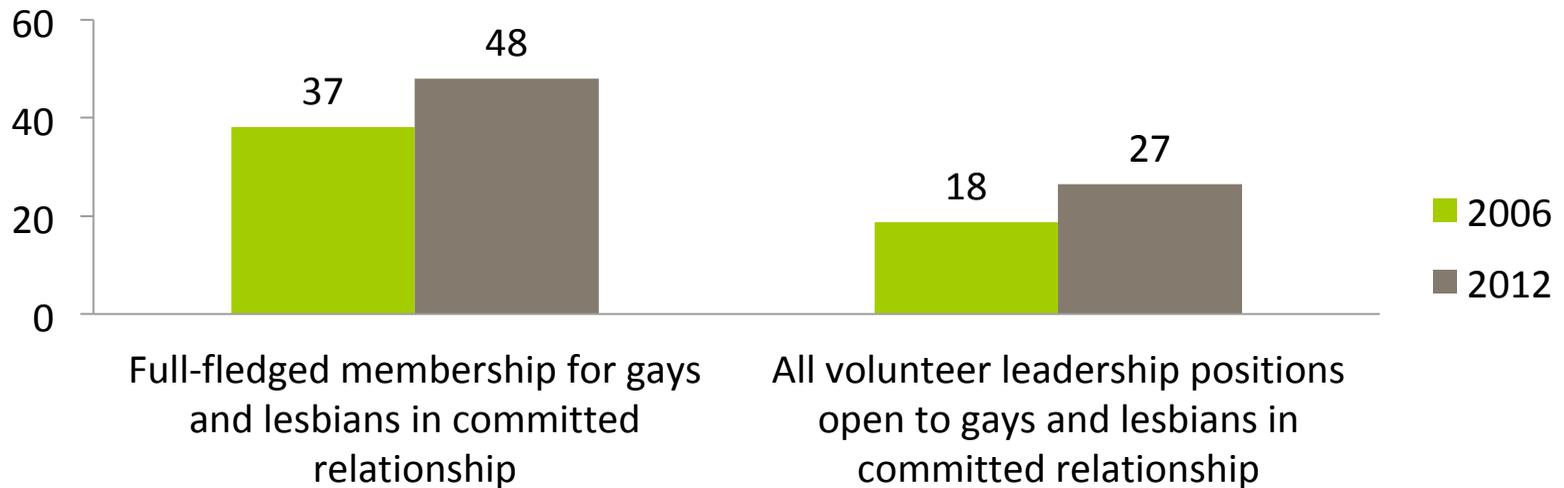


Source: Yearbooks and data tables, Association of Theological Schools

## TREND #7:

More Acceptance of Homosexuals

# INCREASING PERCENTAGE OF CONGREGATIONS WELCOMING GAYS AND LESBIANS



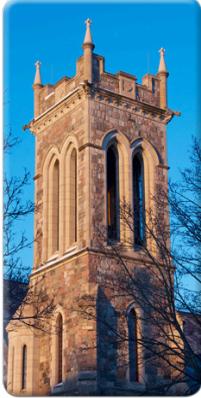
**Thank you for  
your attention!**



1917 – 2017  
A Century of Service  
and Benefits for  
the Episcopal Church



# The Demographics of a Changing Church



**Matthew J. Price**  
Senior Vice President, Research and Data  
Church Pension Group

October 26, 2017

INSIGHTS  IDEAS  
Centennial Conversations



# Today's Presentation

- **Research and data at CPG**
- **Clergy overview**
- **Lay employee overview**
- **Compensation statistics**
  - Male and Female
  - Clergy and Lay
- **Clergy and Lay benefits**



## Research and Data at CPG

- **As benefits administrator we hold data on:**
  - Demographics, employment, compensation, and dependents
- **As Recorder of Ordinations we maintain data on:**
  - Ordinations, receptions, canonical transfers, removals and deaths
- **Do not have data on:**
  - Race, ethnicity, and sexual orientation

# Clergy: The Big Picture. . .

# Where We Were

## 6 Core Characteristics of the Traditional Model



Full-time  
employment



At a single  
employer



In the  
Episcopal  
Church



With no  
fixed-term  
or end date

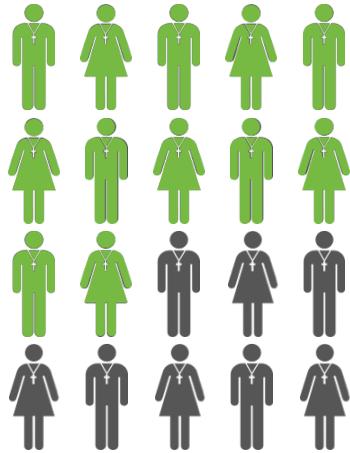


Gradually  
increasing  
compensation



And a clear  
line between  
active work  
and retirement

## Traditional Model in Decline



Now only

**58%**

of priests

- **Gender:**
  - 61% male
  - 39% female
- **Average Age: 53**
- **Average Credited Service: 15 years**
- **Average Compensation: \$86,400**

**While I work in a typical or standard full-time rector position, it is clear that this is becoming the exception rather than the rule. My position is in the minority even within my own diocese and was in my previous diocese also.**

***–Full-time, Traditional Model Priest***

# New Patterns Emerging

## What Characterizes Emerging Ministries?



Part-time  
employment



At multiple  
employers



Work  
outside  
TEC



Interrupted  
service



Non-linear  
compensation  
patterns



Blurred line  
between  
active and  
retired

## Who Falls Outside the Traditional Model



42% of active priests do not have full-time employment at a single TEC employer



44% of them wish they did



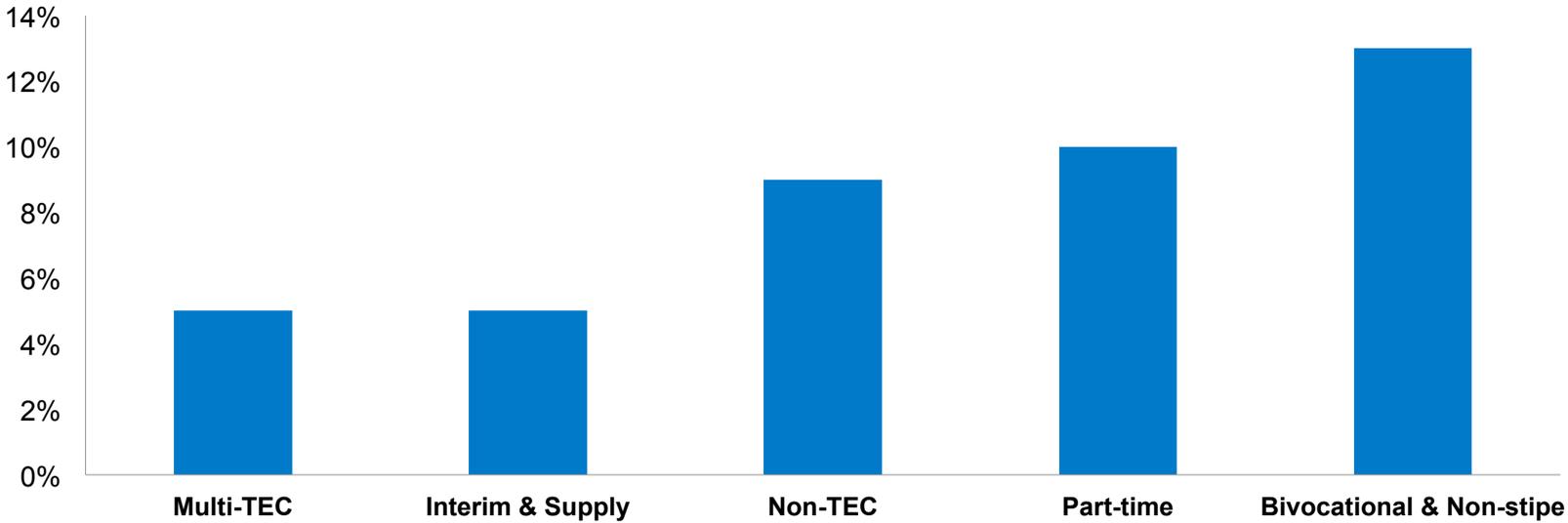
Part-time, interim, supply, and non-stipendiary priests are disproportionately female



Over half of retirees continue to serve while pensioned

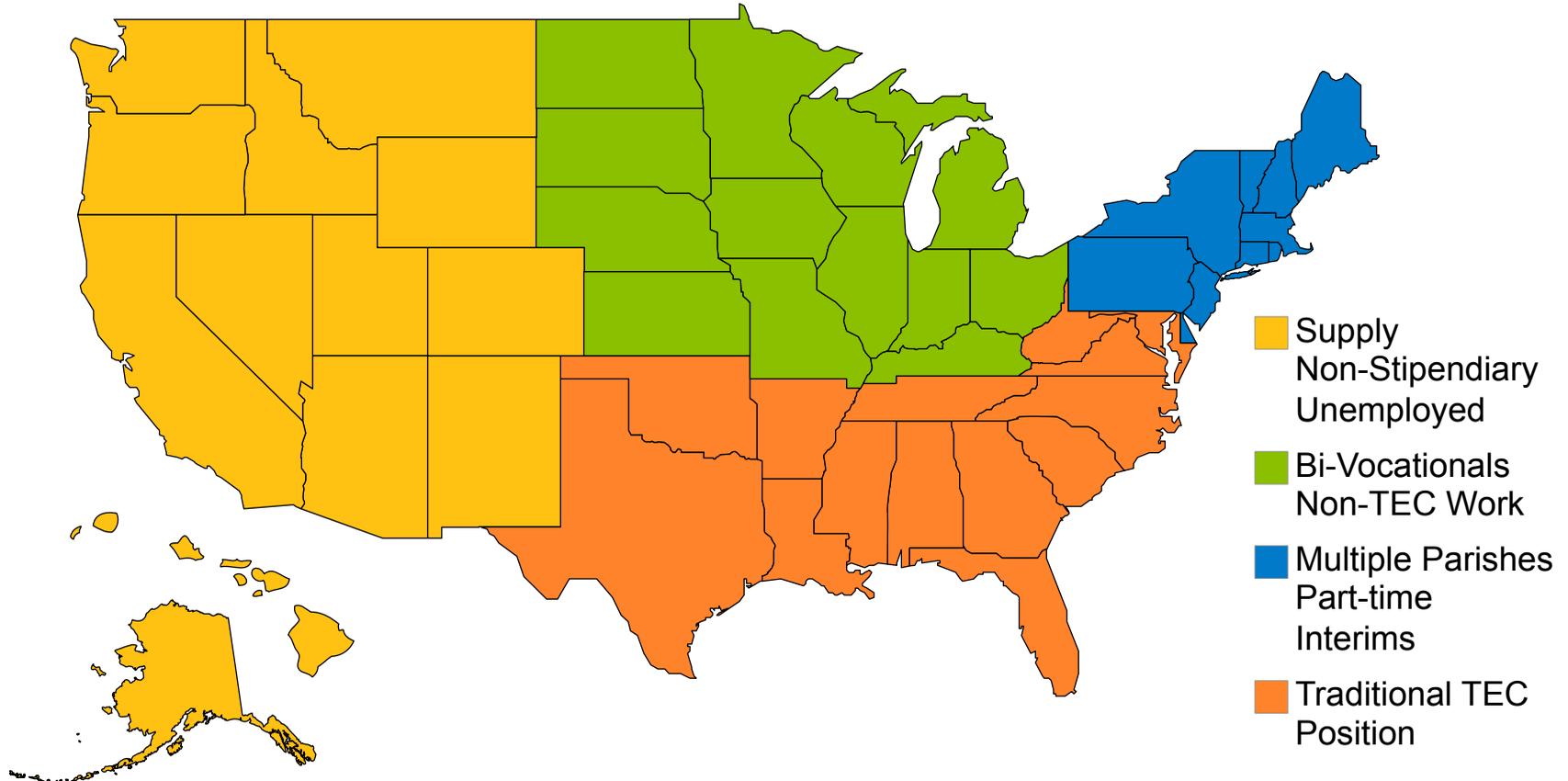
# Breaking Down the 42%

**Part-time and Bi-Vocational make up the largest proportions**

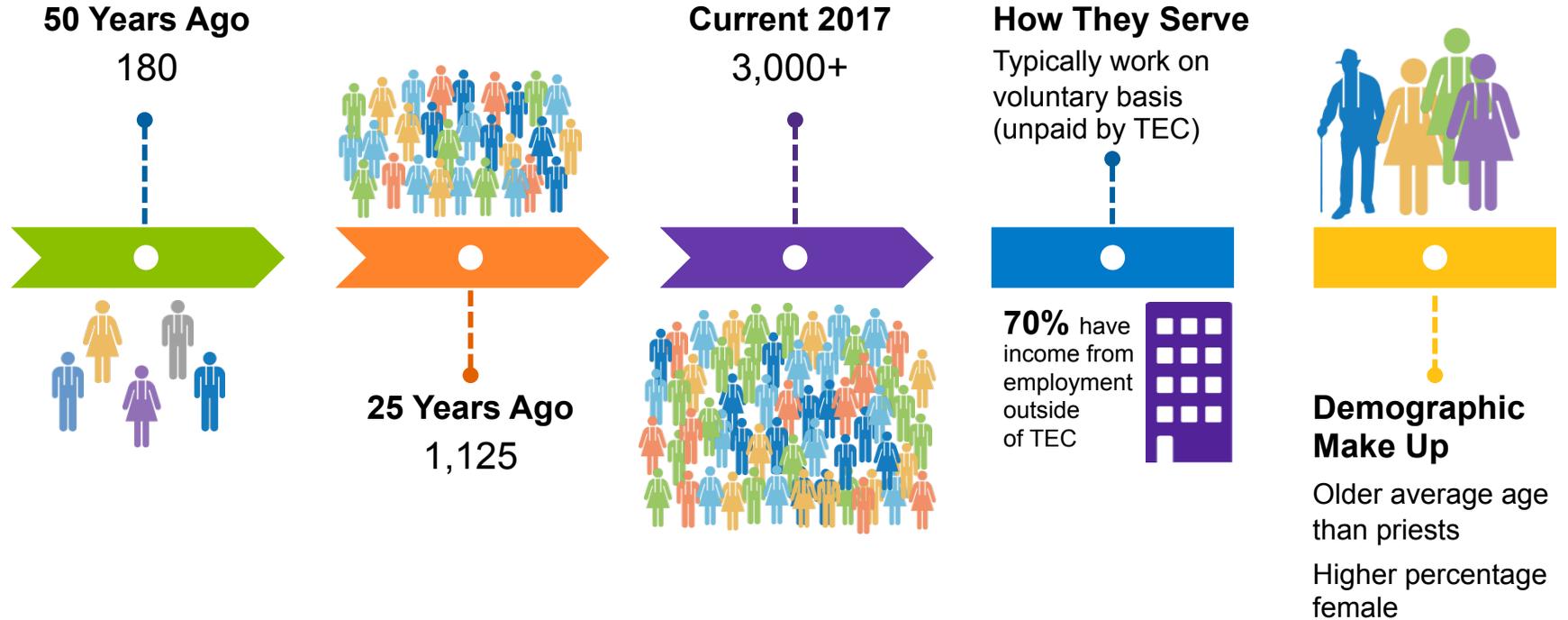


Traditional model comprises 58% of sample.

# Regional Employment Clusters

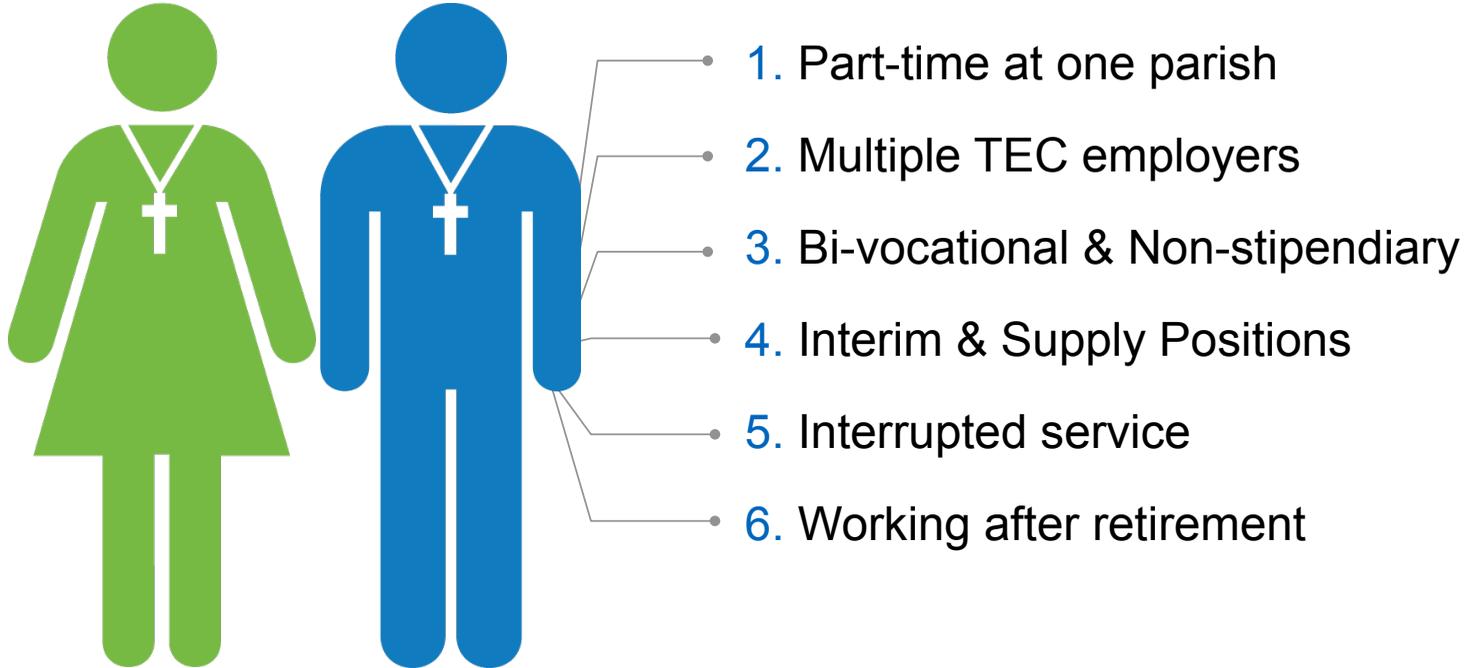


# Also Steadily Increasing Number of Vocational Deacons



**Detailed Profiles. . .**

# Emerging Models of Ministry — 6 Profiles



# 1. Part-time at One Parish

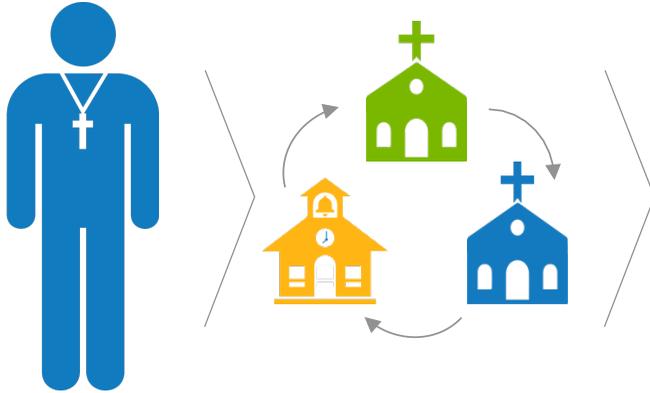


- **Gender:**
  - 31% male
  - 69% female
- **Average Age: 56**
- **Average Credited Service: 10 years**
- **Average Compensation: \$38,600**

**“I am a ¼ Priest in Charge rebuilding a community which had declined over the years financially and spiritually...We are growing [now] ...it is a challenge, however at ¼ time.” – *Part-time Priest***

**“I am paid for 30 hours per week, but I frequently work more than that. I am the sole clergy. There is no office staff, so we rely on a volunteer to create the bulletin... Everything else lands on my desk.” – *Part-time Priest***

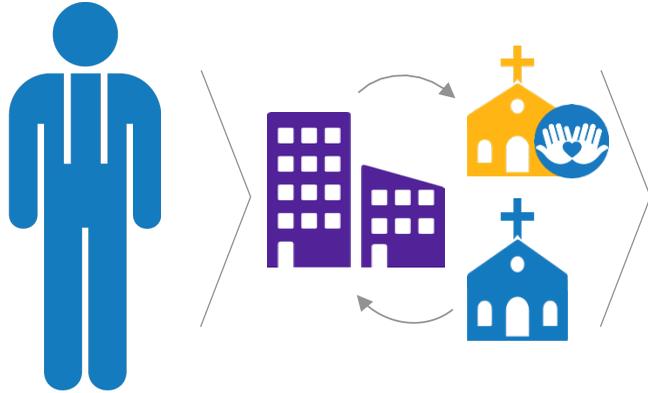
## 2. Multiple TEC Employers



- **Gender:**
  - 52% male
  - 48% female
- **Average Age: 54**
- **Average Credited Service: 12 years**
- **Average Compensation: \$64,900**

**“I serve as priest-in-charge in two parishes, each with three buildings, one has an ASA of 55 the other has an ASA of 35. Both come with all the responsibilities expected of a rector.” –*Full-time Multi-parish Priest***

### 3. Bi-vocational and Non-Stipendiary



#### Bi-Vocational Priests

- **Gender:**
  - 53% male
  - 47% female
- **Average Age: 56**
- **Average Credited Service: 9 years**
- **Average TEC Compensation: \$43,300**

**“Keeping my full-time university job has allowed me to serve a small congregation that couldn't afford a full time person ... [but] it is much harder than I anticipated to be a bi-vocational priest.” –*Bi-vocational Priest***

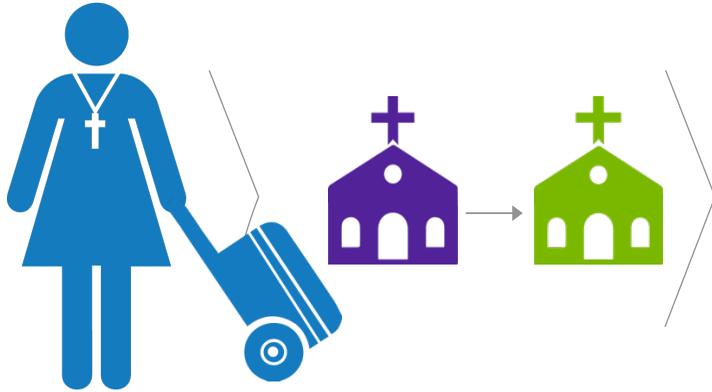
# Deacons Supply a Large Amount of Non-Stipendiary Service



- **Mostly Parochial Settings**
  - Over 90% serve in a parish
    - Only 4% serve as the sole clergy person
- **Terms of Employment**
  - Two-thirds have letters of agreement
  - Most have unspecified working hours

**“Permanent deacon providing liturgical assistance, pastoral care, and outreach. It is a pleasure and privilege to serve as a deacon in the diocese and the Episcopal Church.”**

## 4. Interims and Supply Priests



- **Gender:**
  - 49% male
  - 51% female
- **Average Age: 58**
- **Average Credited Service: 9 years**
- **Interims and supply priests compensated differently**

**“My vocational calling is interim/transitional ministry over the past 13 years of ordained ministry. This is by its nature, uncertain, brief and unpredictable.” – *Interim Priest***

**“I am between positions and seeking full-time. In the meantime, I make ends meet by providing supply under license in the diocese where I live.” – *Supply Priest***

## 5. Interrupted Service



- **Gender:**
  - 46% male
  - 54% female
- **Average Age: 55**
- **Average Credited Service: 9 years**
- **Average Compensation: \$49,500**
- **Resulting in reduced credited service, loss of health care coverage, and smaller pensions**

**“I am part of a clergy couple. When my wife took a position, I was unable to be hired at another Episcopal church for over three years.” – *Full-time Priest***

## 6. Working in Retirement



- **58% of retired priests under 72 still serve**
- **95% of deacons in retirement still serve**
  - Average age at ordination for deacons is 60
  - The majority of deacons retired from careers outside TEC

**“Meeting the pastoral ministry needs of a small parish. I retired at age 69 from full time ministry wanting to continue parish ministry part time so that I would have more time ... pursue activities that I enjoy. I find great enjoyment in parish ministry and want to continue part time, or as supply, as long as my health and energy permit.”**

# Implications of Emerging Models...

## ■ Opportunities

- Sharing clergy resources
- Bi-vocational opportunity
- Innovations in theological education

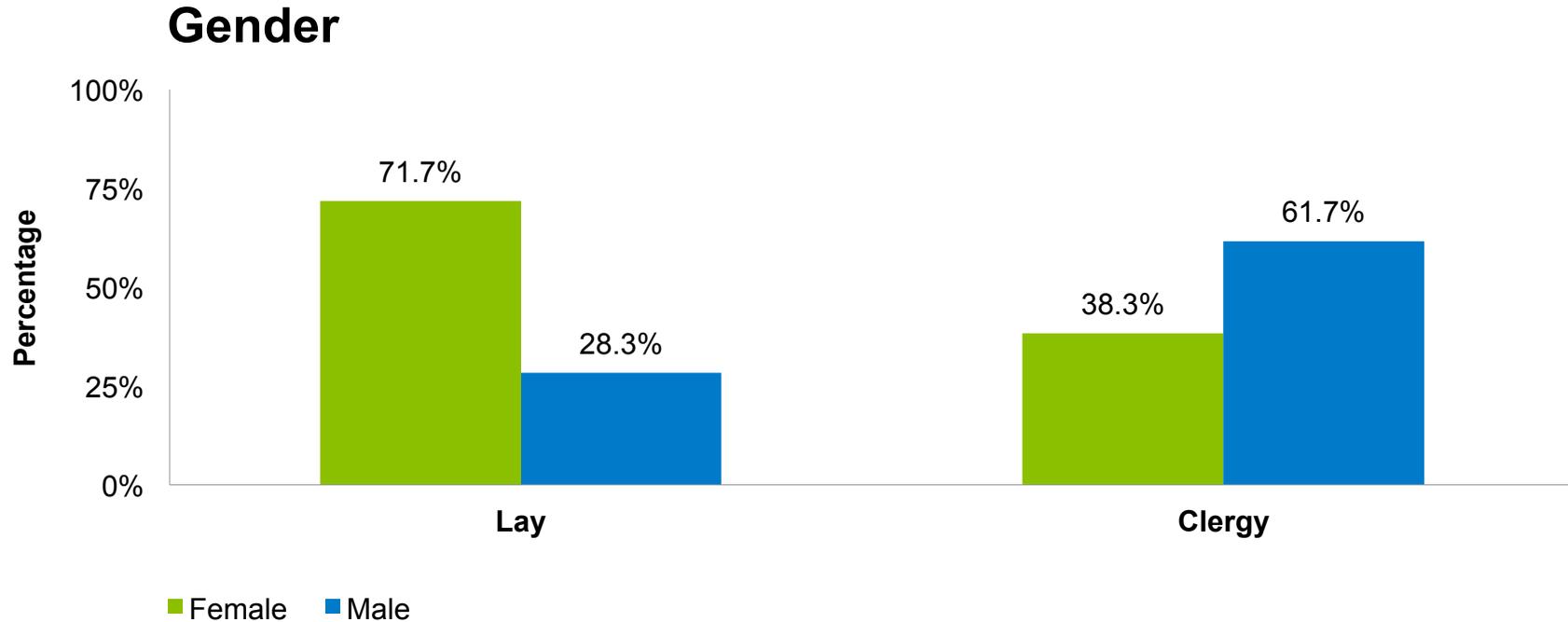
## ■ Stresses

- Mismatched expectations
- Lack of job mobility
- Disproportionate impact on women and late ordinands



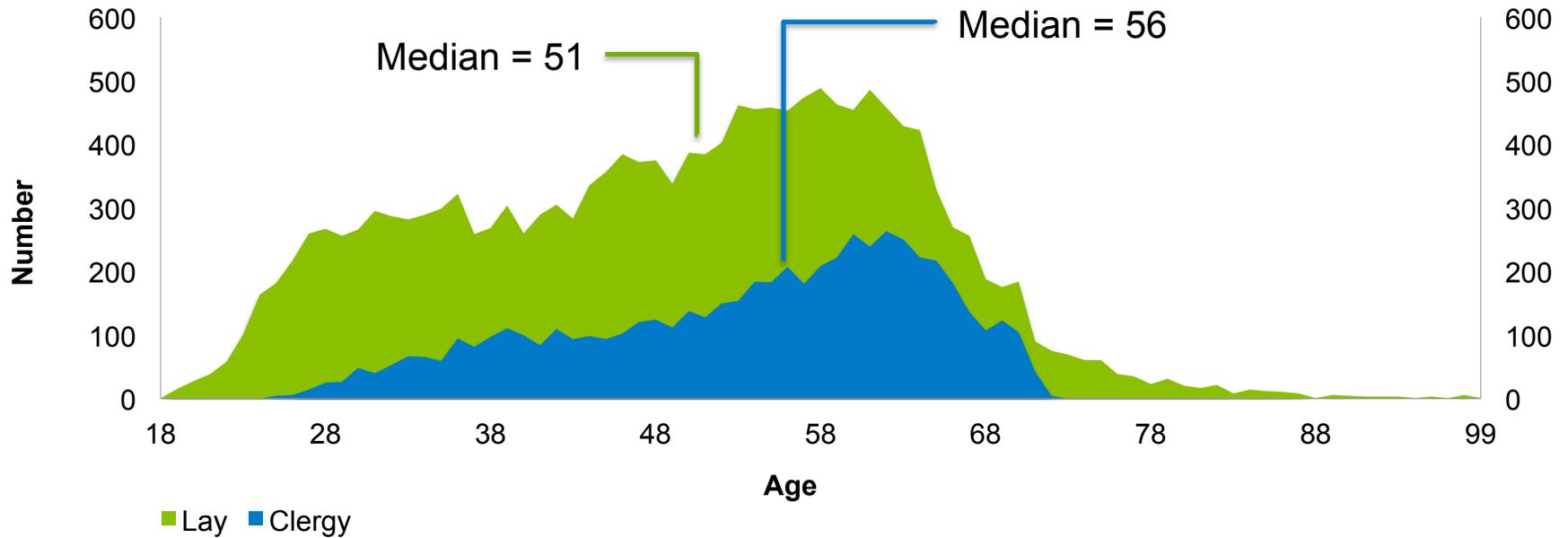
**Lay Employees**

# The Lay Population is Largely Female



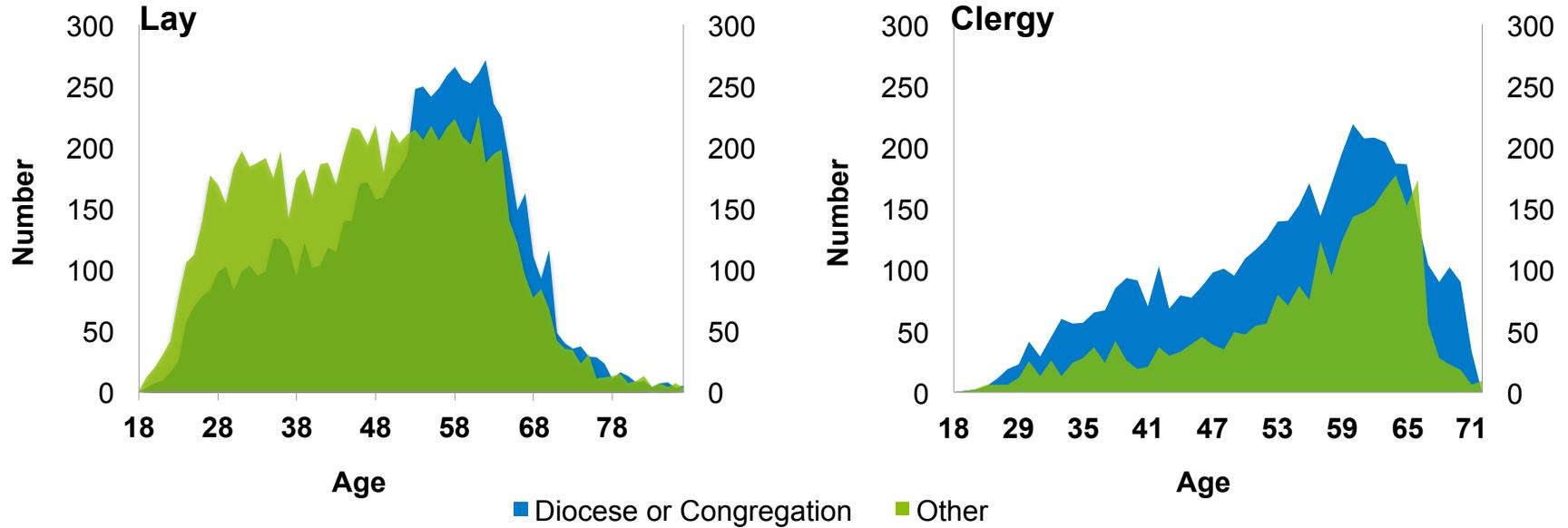
# The Lay Population is Younger than the Clergy Population

## Age Distribution



# Young Lay Employees Work Outside Dioceses and Parishes by a 2:1 Margin

## Age Distribution by Institution Type



# Career Duration

## Years Working for the Church at Retirement

Credited Service Cohort	Lay (DB Plan)	Clergy (DB Plan)
1 – 9 years	31.2%	13.6%
10 – 19 years	36.0%	37.4%
20 – 29 years	22.2%	22.0%
30 + years	10.6%	27.0%

# Compensation and Benefits

# Clergy Earnings Have a Late-Career Bump

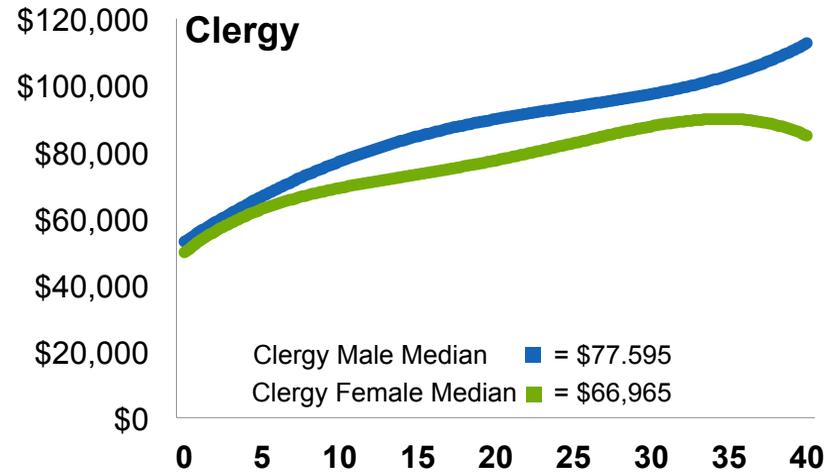
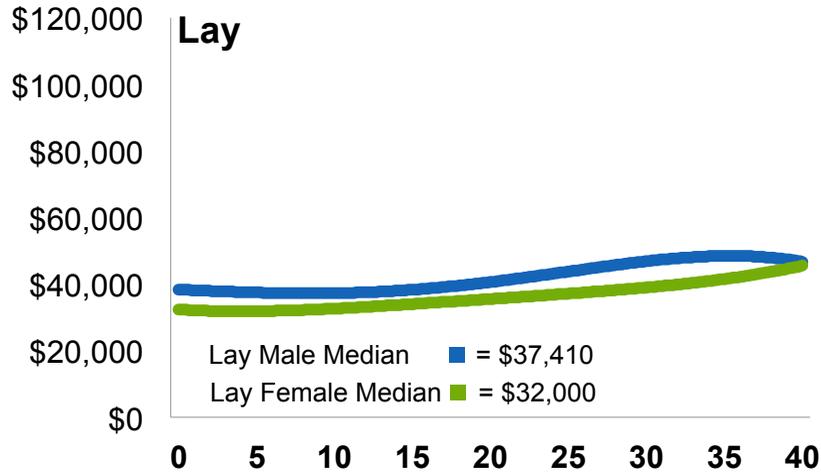
## Annual Compensation

By Years of Service

Years of Service Cohort	Lay (DB & DC plan)	Clergy (DB plan)
1 – 9 years	\$32,136	\$61,427
10 – 19 years	\$35,000	\$77,535
20 – 29 years	\$38,894	\$90,000
30 + years	\$40,000	\$99,489
<b>Overall median</b>	<b>\$33,814</b>	<b>\$ 73,320</b>

# Males are More Highly Compensated by ~14%

## True for Both Lay Employees and Clergy



■ Females ■ Males

# Annual Retirement Benefit (Lay DB)

## Annual Retirement Benefit

By Gender and Credited Service Cohort

Credited Service Cohort	Females	Males
1 – 9 years	\$1,883	\$2,135
10 – 19 years	\$4,011	\$4,507
20 – 29 years	\$6,115	\$7,183
30 + years	\$7,302	\$11,970
<b>Overall median</b>	<b>\$3,266</b>	<b>\$4,527</b>

# Annual Retirement Benefit Clergy (DB)

## Annual Retirement Benefit

By Gender and Credited Service Cohort

Credited Service Cohort	Females	Males
1 – 9 years	\$4,764	\$4,179
10 – 19 years	\$14,044	\$12,423
20 – 29 years	\$28,437	\$26,457
30 + years	\$42,765	\$48,382
<b>Overall median</b>	<b>\$15,842</b>	<b>\$32,212</b>

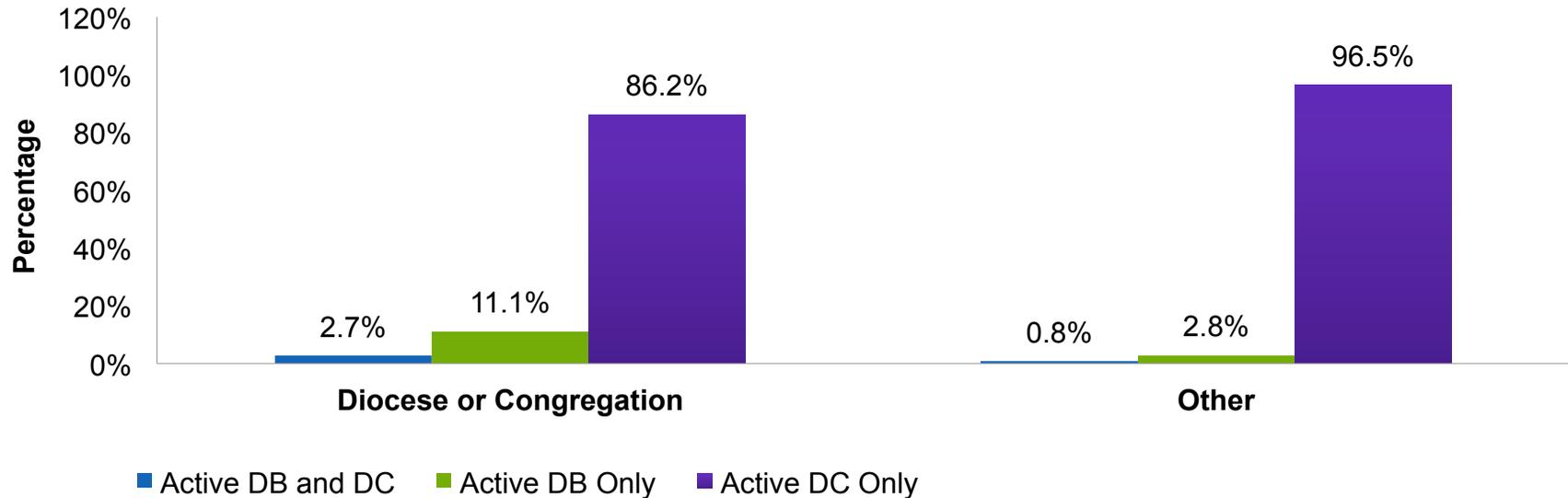


## Lay Employee Pension — Recent History

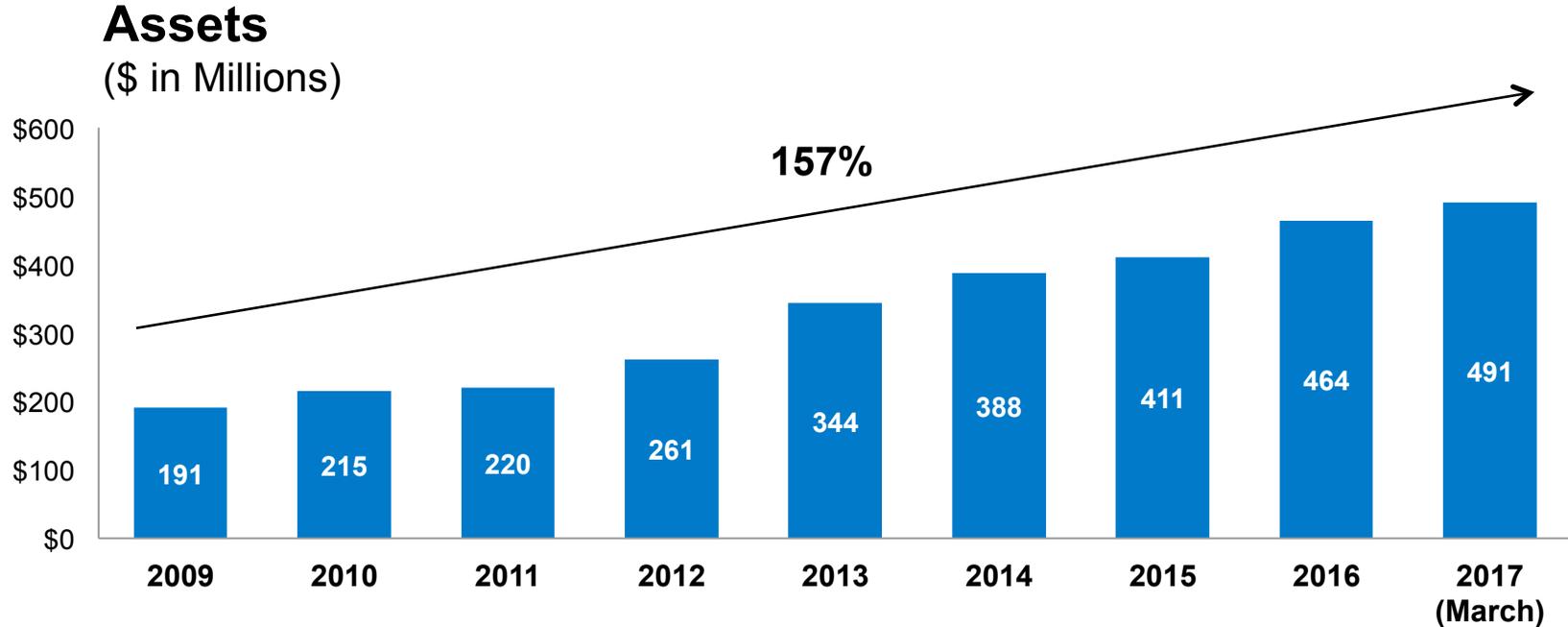
- **General Convention Resolution A138**
  - Mandated pensions
    - Goal: universal coverage
    - DC or DB
  - Employer contribution unchanged at 9%

# Lay Employee Pensions — Participation

- Compliance rate is high, 96% vs 66%, 10 years ago
- Most employers choose DC
- Average contribution 12.8%



# Strong Growth in Lay Employee DC Assets



## In Conclusion



- **With the decline of the traditional model...**
  - The “norm” is no longer the “norm”
  - New patterns emerging
  - Demographic impacts
  - Compensation impacts
  
- **Lay employees demographically different**
- **Compensation differences exist by gender**
- **Gender differences in retiree benefit levels, but vary by credited service**
  
- **Increased coverage for lay employees since A138**



## Disclaimer

The Church Pension Fund and its affiliates do not provide, and none of the information furnished in this presentation should be viewed as investment, tax, legal, or other advice. Your personal decisions should be based on the recommendations of your own professional advisors.

This presentation is provided for your information only. In the event of a conflict between the information contained in this presentation and the official plan document, the official plan document will govern. The Church Pension Fund and its affiliates retain the right to amend, terminate, or modify the terms of any benefit plans described in this presentation at any time, without notice, and for any reason.

# INSIGHTS & IDEAS

## Centennial Conversations

1917 – 2017  
A Century of Service  
and Benefits for  
the Episcopal Church