

Equitable Compensation Commission Narrative

Martha Dell King, Chair

The purpose of the Equitable Compensation Commission (ECC) is 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; and (d) submitting an arrearage policy to be adopted by the annual conference. This purpose is consistent with the provision of ¶ 625 of The Book of Discipline, 2016.

Given these primary efforts of the Equitable Compensation Commission, the use of conference tithes assists the Equitable Compensation Commission to achieve its purpose by having funds available to address and support issues of equitable compensation as related to full-time clergy serving as pastors in the Memphis Conference. Funds are disbursed to each pastor to provide sufficient compensation, in addition to supplemental aid/income, to ensure that the minimum base salary be met for all eligible clergy. In short, the conference tithes allotted to assist the Commission in addressing issues of equity and fairness without penalty to the pastor or pastoral charge. These actions directly link the basic concepts of the mission statement, “*...to discover, equip, connect and send lay and clergy leaders...*” to the approved and adopted practices of the Equitable Compensation Commission. Specifically, clergy are financially equipped to eliminate any related pressure that might distract from the primary focus of offering Christ to a hurting world.

An integral part of this process is to assure that our pastors and churches in the mission field are not forgotten or denied adequate support. **The ECC strives to financially support those churches and charges that are engaging the areas of the mission field that are not able to financially sustain them at this time.**

With all these elements being a critical part of what we believe, clergy who are supported through equitable compensation would serve as living proof of what God’s grace looks like when there is respect for each individual’s dignity and self-worth. The outcome could very well be fruitful and faithful churches. And, with this, we will be the recipients of pastoral, missional, and congregational excellence.

REPORT OF COMMISSION ON EQUITABLE COMPENSATION

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dell.king.umc@gmail.com

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1) Types of Equitable Compensation Support

a) Minimum Compensation Support

The Commission annually proposes to the Annual Conference a schedule of minimum compensation for ministers in the various categories of Conference relationship. In approving this schedule, the Conference guarantees each of its itinerant ministers a certain minimum compensation. Unless a minister voluntarily waives this right, s/he is entitled to an appointment where the compensation, including increments, will be at least the minimum of his/her category.

b) To prepare for the coming merger of conferences, we propose that The Memphis Annual Conference align the Minimum Compensation Levels for Full Conference, and Probationary Members to the levels used by the Tennessee Annual Conference during 2020, while retaining the levels used for our Associate and Full-time Local pastors in 2020.

	2018-2019	2019-2020
Full Conference and Probationary Members with seminary degrees	\$42,420	\$43,268
Associate Members	\$41,137	\$41,137
Full-time Local Pastors	\$40,066	\$40,066

c) Years of Service Program

In order to provide further incentives for pastors receiving Equitable Compensation support, the Commission will provide an increment for past years of full-time service within The United Methodist Church. (Years of service shall be the same as pension service credit. See pastoral records for approved years of service.) Beginning after 5 years of service, the pastor will receive \$100 for each year of service; those having served 5 years will receive \$500; 6 years \$600; 7 years \$700; and so on.

2) Eligibility for Equitable Compensation Program

- a) Only those appointed to a pastoral charge within the Memphis Annual Conference, and meeting the requirements of *The Book of Discipline* shall be eligible for compensation support.
 - b) A claimant must complete and submit in full, all application forms as necessitated by the Commission. The forms include 1) a signed application, 2) a financial reduction plan for the church/charge which indicates a lessening dependence upon ECC funding to support the pastor and a church audit or finance report. Additionally, the church must show compliance with their direct bill responsibilities.
 - c) A claimant must live within the bounds of the pastoral charge to which he/she is appointed if no parsonage is provided, or in the parsonage (if provided.) Clergy couples shall be an exception.
- 3) How Applications are Submitted
- a) All applications shall be submitted on forms provided by the Commission, signed by the applicant and the district superintendent.
 - b) Signed applications should be submitted to the chairperson on the Equitable Compensation Commission on or before the fifteenth day of December of each year or the fifteenth day of May for the conference year.
 - c) Applications shall not be taken at any other time unless approved by the bishop, cabinet, and the Chairperson of the Commission.
 - d) District superintendents shall furnish the Commission with requested data for determining eligibility for equitable compensation support.
- 4) Payments to Claimants
- Each month, the Treasurer of the Memphis Annual Conference shall make payments to the Charge/Church Treasurer, upon request from the Commission on Equitable Compensation.
- 5) Financial Reports
- At each session of the Annual Conference, financial statements shall be filed as follows:
- a) Basic Compensation Program payments (including bonuses) made to the various charges of the Conference.
 - b) Supplemental Compensation Aid payments made to the various charges.
 - c) Grants from the Emergency Fund (to be shown by district.)
 - d) Administrative expenses of the Commission on Equitable Compensation.
- 6) Recommendations to the Memphis Annual Conference
- Charges receiving support from the Equitable Compensation Commission are encouraged to take steps regularly toward becoming self-supporting and toward the increasing of the total level of support of their ministers. The following actions should encourage these steps:
- a) The district superintendent will annually review each application for equitable compensation with the appropriate Charge Conference.
 - b) If after four consecutive years of receiving equitable compensation support, the church or charge shows little or no interest in becoming self-supporting, it is recommended that the cabinet look at the possibility of filling that appointment with a less than full-time person.
 - c) Exceptions to the phasing-out support must be approved after careful annual review by the bishop and cabinet, and must involve clear missional reasons for maintaining the United Methodist witness in the parish of such a charge.

- d) The Commission encourages each church or charge in setting their minister's compensation to consider an annual cost of living increase, in addition to any appropriate merit increases.
- e) It is expected that any church or charge that receives equitable compensation support shall pay their conference tithes in full.
- f) The Commission encourages the bishop and district superintendents to be creative in the appointive process; however, it is recommended that no church or charge be allowed to become a station appointment unless that church or charge has the potential to become self-supporting within four years during which time Equitable Compensation will be decreased by one-fourth each year.

7) Emergency Fund

This is administered by the Chairperson of the Commission, upon recommendation of the bishop and the cabinet, for the purpose of meeting emergency needs arising among the pastoral members of the Conference. The Secretary of the cabinet is to notify the Chairperson of the Commission by letter to requisition funds.

8) Funding Program

During this last year, ECC was unable to fulfil all the qualified requests submitted, and an emergency request was fulfilled as well. For the last 2 years, we have not requested a funding increase, and in both years, extreme circumstances forced us to exceed our budget. Considering our need to align minimum compensation amounts with the Tennessee Conference, and these unfortunate circumstances based on the prolonged difficulties encountered by our churches during the COVID-19 crisis we request funding from the Annual Conference for this year in the amount of **\$150,000, reflecting a \$65,000 funding increase** from the previous year.