

Priest Compensation – Effective 1 July 2018 (revised 1 September 2018)

Active Priests

- | | | |
|----------------|------------------|------------------------------|
| 1) Base Salary | \$2,625.00/month | \$31,500/year (as of 7/1/18) |
|----------------|------------------|------------------------------|
- | | | |
|--|-----------------|---------------|
| 2) Additional Benefit – based on years of ordination | | |
| 0-3 years ordained | \$ 0.00/month | \$ 0/year |
| 4-8 years ordained | \$ 12.50/month | \$ 150/year |
| 9-14 years ordained | \$ 25.00/month | \$ 300/year |
| 15-24 years ordained | \$ 50.00/month | \$ 600/year |
| 25-34 years ordained | \$ 75.00/month | \$ 900/year |
| 35+ years ordained | \$ 100.00/month | \$ 1,200/year |
- 3) Base salary includes:
- Reimbursement for priests' portion of Social Security
 - Annual mileage up to 25,000 miles. If a priest drives in excess of 25,000 miles annually, he is entitled to additional compensation from the parish cluster based on the number of miles in excess of 25,000 at the current IRS rate, subject to written approval of the Finance Officer of the diocese.
 - Health Insurance deductible (\$1,500 as of 1 May 2007)
 - Monthly food expense
 - Monthly cell phone expense
 - Vestment expense
 - Funds for vehicle expense (payments, insurance, tags, taxes, maintenance & repair)
- 4) Health insurance - Parish cluster pays premiums for Blue Cross Blue Shield major medical health insurance plan, which includes prescription drug coverage and dental coverage. Premium as of 1 May 2014 is \$675 per month per priest. As of 1 May 2007, the deductible is \$1,500, which is the responsibility of the priest.
- 5) Post-65 Health Insurance Plan/Policy (effective January 1, 2016)
When a priest turns 65 and continues to be in active ministry, the following policy has been approved by Bishop Brungardt and becomes effective January 1, 2016.
By January 1 of the year following his 65th birthday, the priest is to:
- Enroll in Medicare Part A (if this hasn't been done already)
 - Enroll in Medicare Part B
 - Enroll in a Medigap Plan (Plan 65) [Blue Cross Blue Shield F is probably the best choice]
 - Enroll in a Medicare Part D – Prescription Drug Plan [this will be determined by a number of factors as to which plan is best suited for the individual priest]
- (When one becomes eligible, there is a seven-month window to enroll: three months before your eligibility month until three months after your eligibility month. If one misses that window, you must wait to enroll between October 15 and December 7.)*
- The Diocese will reimburse the priest for the cost of Plan B, Medigap Plan (Plan 65), the premium and deductible for the prescription drug plan, and for costs that occur when one enters the “donut hole.” The Diocese will not reimburse the copay on prescriptions.
- The Diocese will reimburse the priest for the cost of preventative dental care as provided in the BC/BS Diocesan Priests' Plan.
- 6) Residence - The parish cluster will provide a residence for the priest(s) assigned to the parish cluster. This provision includes a residence, utilities (gas, water, trash, electric, cable, telephone, internet service), maintenance, insurance, as well as laundry, and housekeeping and meal preparation when done by a person or persons other than the priest. Personal telephone lines are the responsibility of the priest. See “Clarification Regarding Expenses” below.

On 23 January 2018 the Presbyteral Council recommended and the Bishop approved the value for priest housing to be increased to \$500 per month (or \$6,000 annually). This amount is not taxable to the priest for income tax purposes; however, the amount is taxable for Social Security purposes. The value of priest housing will be reviewed annually.

Retired Priests

- 1) Retirement is age 70. Approximately a year prior to his 70th birthday, the priest begins a conversation with the bishop about his retirement plans (i.e., whether the priest intends to continue in ministry or retire). If the priest wishes to continue in ministry, he discusses ministerial options with the bishop. If the priest wishes to retire, he may do so. At age 75 a pastor is requested to submit a resignation from office to the bishop, who may accept or defer it after a consideration of circumstances (c.f., canon 538, §3). Requests to retire prior to age 70 will be taken into consideration on a case-by-case basis.
- 2) At age 65 health insurance premiums for retired priests are provided for by Plan 65, a supplement to Medicare, and are paid for by the diocese. This coverage pays costs not covered by Medicare, including the deductible. Additionally, since Plan 65 does not provide prescription drug coverage, the diocese reimburses retired priests for prescription drugs using the same formula as provided for under the active priests plan (\$15 deductible for generic, and \$30 deductible for name brand drugs). Requests for reimbursement, along with the prescription documentation, can be sent to the Finance Office. Finally, since most Plan 65 plans do not provide for dental coverage, the diocese reimburses priests for dental costs incurred using the benefit schedule for the active priests' plan. Requests for reimbursement, along with documentation, can be sent to the Finance Office.
- 3) Retirement benefits for all incardinated priests are provided through the Diocesan Priests' Retirement Fund, a separate entity. (See below)
- 4) Upon full retirement a priest may reside in an apartment, house or retirement facility of his own choosing and expense. One half of the retirement benefit is considered a housing allowance. Continuing to reside in the rectory or other facility of the parish from which he is retiring is not permitted. Residing in another rectory in the diocese is not permitted. Nursing home care is determined on an individual basis of need.
- 5) Senior Priest – A retired priest requesting to be assigned as a “senior priest” will be considered by the bishop on a case-by-case basis and will be reviewed annually.

Retirement Fund

- 1) Retirement Fund - Retirement benefits for all incardinated priests are provided for through the Diocesan Priests' Retirement Fund, a separate entity.
- 2) An eligible priest begins receiving a partial retirement benefit at age 65 or after being ordained 40 years in the amount of \$250 per month, as long as the priest remains in an assignment.
- 3) At age 70 and if still in an assignment, the priest will then receive \$500 per month.
- 4) At full retirement, an eligible priest receives full retirement benefits, which are adjusted occasionally to reflect changing costs of living. Effective July 1, 2018, the current retirement benefit is \$2,300 per month, of which 1/2 of the amount (\$1,150) is considered a housing allowance and is therefore not taxable to the priest as a retirement benefit.
- 5) Priests of religious orders and other non-incardinated priests do not participate in the Diocesan Priests' Retirement Fund.
- 6) A completed actuarial study in April 2017 determined contributions to the retirement fund needed to resume in order to eventually get it back to a fully funded position. Beginning July 2017 parishes will begin quarterly contributions to the fund. [In addition, a parish contribution is made toward retirement for the non-incardinated priests serving in the diocese.]

Help Out

- 1) Standard Honorarium rates (as revised by Administrative Decree effective 1 July 2014):
 - a. Communal Penance Service \$30.00 per each penitential service or confession help out (apart from a regular weekday- and weekend-Mass schedule that includes confessions) plus roundtrip mileage at current IRS rate
 - b. Weekday Mass & Confession \$20.00 plus roundtrip mileage at current IRS rate
 - c. Weekend/Holy Day Mass & Confession \$50 plus roundtrip mileage at current IRS rate
 - d. Mass offering always goes to the priestBishops in the Province of Kansas increased the standard offering amount to \$10 effective 1 May 2014.
- 2) Additions to Standard Honorarium (as revised by Administrative Decree eff. 1 Sept. 2018) for when the parish priest is not available:
 - a. Vigil and Funeral \$50 plus roundtrip mileage at current IRS rate
 - b. Wedding practice & wedding \$50 plus roundtrip mileage at current IRS rate
 - c. Anointing of the Sick \$20 plus roundtrip mileage at current IRS rateMass offering always goes to the priest

Regular Help Out as part of Assignment by the Bishop and/or ongoing agreement with the approval of the Bishop:

- a. Active Priests: Standard Honorarium rates would apply for each Mass celebrated outside the parish(es) of assignment and beyond the three that a priest in the diocese would normally celebrate.
- b. Retired Priests: Standard Honorarium rates apply (See above)

Sacramental Ministers (Canon 517, §2)

Compensation for Sacramental Ministers, if

- 1) Active Priests - Standard Honorarium rates apply (See Help Out #1 above)
 - a. 50% of Honorarium goes to priest
 - b. 50% of Honorarium goes to place of assignment from which he receives his salary.
 - c. Round trip mileage at current IRS rate goes to priest
 - d. Mass stipend goes to the priest
- 2) Retired Priests - Standard Honorarium rates apply (See Help Out #1 above)
 - a. All of Honorarium goes to priest, as well as the round trip mileage at current IRS rate
 - b. Mass stipend goes to priest

Priest Supervisor (Canon 517, §2)

- 1) Compensation for priest supervisor will be \$100 per month, payable by the parish(es). The amount is split equally between the priest and the place of assignment from which he receives his salary.
- 2) If a priest drives in excess of 25,000 miles annually as a result of his Priest Supervisor responsibilities, he is entitled to additional compensation from the parish cluster based on the number of miles in excess of 25,000 at the current IRS rate, subject to written approval of the Finance Officer of the diocese.

Other Information

- 1) Honorariums (See Help Out #1 above), monies received on the occasion of celebrating a marriage, baptism, funeral, etc. (previously referred to as "stole fees"), gifts and Mass stipends are given to the priest.
- 2) Long Term Care for Priests - Incardinated priests are covered under a long term care policy, either through the self-insured Diocesan plan or through an individual policy with Blue Cross Blue Shield or Knights of Columbus. Eligibility to participate in the BCBS or K of C plan is determined based on a health questionnaire. Priests not eligible for the BCBS or K of C

plan are covered under the self-insured Diocesan plan. The specifics of the plan are contained in a separate document, but generally speaking after a 90 day waiting period the plan will provide a \$100-\$150 per day nursing home benefit for a period of 50 months. Priest participation includes a monthly premium with the majority of the cost being a parish paid benefit.

- 3) Illness – Parish will pay the first month's salary; Diocesan Priests' Retirement Fund will pay the salary thereafter.
- 4) Retreats – (revised January 2015) Current policy allows for the place of assignment to pay for an annual allowance of \$350 toward the cost of a retreat if not taken with the diocesan priests each year in June.
- 5) Continuing Education – Each year expenses will be provided using the following formula:
Active Priests: 1/3 of the expenses will be reimbursed by the Continuing Education Fund, 1/3 of the expenses will be reimbursed by the place of assignment, and 1/3 of the expenses are the responsibility of the priest. Expenses include tuition or registration fee, travel, room and board, and the cost of a substitute priest if needed.
Retired Priests: 2/3 of the expenses will be reimbursed by the Continuing Education Fund and 1/3 will be the responsibility of the priest.
Requests for Continuing Education will be considered by the bishop on a case-by-case basis.
- 6) Moving Expenses - The cost of moving expenses from one parish assignment to another are the responsibility of the parish(es) from which the priest is moving, not the parish(es) to which the priest is being assigned. A priest transitioning from active parish ministry to retirement may bill the parish from which he is moving for the moving expenses, up to \$1,200.
- 7) Sabbatical Leave Policy – After a minimum of 10 years active ministry in the diocese, an incardinated priest becomes eligible for a maximum four-month leave of absence to be used at the discretion of the priest and with the approval of the bishop for the improvement of the priest's professional competence. The priest is responsible for arranging for his substitute during the sabbatical absence. The parish shall pay the substitute priest while the diocese shall pay the priest on sabbatical his regular salary. The priest is responsible for travel expenses. Requests for sabbatical and payment of sabbatical expenses will be considered by the bishop on a case-by-case basis.
- 8) Personal Leave Policy – For a just cause a priest may request a maximum six month personal leave. The priest who is granted personal leave will need to resign from his current office(s). During this time of leave the diocese will pay the priest 2/3 of the base salary and the health insurance premiums. The priest is responsible for housing or living arrangements and he is to do as much supply work as possible. One half of any honorariums (See Help Out #1 above) are to be paid to the diocese to contribute toward the salary. The priest may keep Mass stipends, mileage reimbursements and monies received on the occasion of celebrating a marriage, baptism, funeral, etc. Each request for personal leave will be reviewed on a case-by-case basis.

Clarification Regarding Expenses (revised May 2014)

The following chart is an attempt to clarify items that are considered a parish expense and items that are considered a personal expense of the priest. If you have any questions about this chart, contact Dan Stremel in the Diocesan Finance Office, 620-227-1517 or dmstremel@dcdiocese.org.

<u>PARISH EXPENSE</u>		<u>PERSONAL EXPENSE</u>
	TITHE	Personal stewardship tithe
	AUTOMOBILE	
Mileage in excess of 25,000 miles annually (subject to written approval from Diocesan Finance Officer)		Mileage up to 25,000 is included in the base salary
	HOUSING	
A residence		Standard food expense is included in the base salary
Utilities (includes gas, electric, water, trash, cable, telephone and internet service)		Cell phone cost is included in the base salary
Furniture that remains in the rectory		Personal telephone lines, personal long distance
Maintenance and cleaning supplies		Furniture the priest takes with him when he moves
Household laundry		Vitamins, dietary supplements
Housekeeping and meal preparation (if provided by someone other than the priest)		Toiletries
Meal costs when hosting a deanery gathering or penance service		Housing and meal expense for visiting family and friends

<u>PARISH EXPENSE</u>		<u>PERSONAL EXPENSE</u>
	VESTURE/CLOTHING	
Vestments retained by the parish		Vestments retained by the priest
Laundering of albs and church linens		Daily clerical attire
Dry cleaning of vestments		Personal clothing and shoes
		Dry cleaning or laundering of personal and clerical clothing

PARISH EXPENSE

PERSONAL EXPENSE

OFFICE

Office furniture

Furniture, equipment, computer hardware/software the priest takes with him

Office equipment

Parish phone lines

Personal phone lines

Internet service

Postage for personal use

Office supplies

Postage for parish use

VARIA

Health insurance premiums

\$1,500 health insurance deductible is included in the base salary

Meals provided for staff; meals for parishioners and non-parishioners when taken in the context of parish ministry

Personal gifts to parishioners, staff, family and friends

\$350 toward retreat (if not made at annual priest retreat)

Personal entertainment

1/3 expenses of a continuing education opportunity (expenses include tuition or registration fees, travel, room & board, cost of a substitute priest if needed)

1/3 expenses of a continuing education opportunity (see left column)

[Diocesan Continuing Education fund will pay another 1/3 toward the continuing education opportunity]

Substitute priest while parish priest is on vacation or sabbatical (see "Sabbatical Leave Policy")

Travel for sabbatical

Vacation

Moving expenses when the priest leaves the parish

Hobbies

Dues for golf club membership, health club membership, etc.