

September 20, 2023

TO: Parochial Clergy, Wardens, Administrators, Staff, Treasurers and Finance Leaders  
CC: Diocesan Council, Human Resource Committee & Diocesan Staff  
FROM: Todd Rubiano & Kristy Estey  
**RE: 2024 Compensation Policy & Budgeting Guidelines:**

## **SALARY, WAGES & LABOR LAW CHANGES:**

Enclosed are salary ranges established for clergy and lay staff positions for 2024. Annual salary reviews are critical to retaining & recruiting the best staff. Each year, Vestries should review staff performance (relative to expectations and salary range) and make appropriate salary adjustments that move compensation for experienced, well performing staff towards the upper half of their respective salary range. **The most recent wage surveys indicate that increases of about 4-5 % are appropriate for staff in 2024.**

Vestries should carefully review job descriptions for all lay staff positions to verify full compliance with Federal & State laws regarding minimum wage, over-time compensation, signed timesheets and the criteria for defining positions as either “Exempt” or “Non-exempt”. Please note that there is no such thing as a “part-time” exempt position. All employees, no matter how part-time, should be paid using a professional payroll service and must receive a W-2.

The current NYS minimum wage (\$14.20) and minimum salary for overtime-exempt administrative employees (\$1,064.25 per week or \$55,341 annually) went into **effect 12/31/22**. Annual increases to the minimum wage are set to continue until the rate reaches \$15.00. The annual increases are published by the Commissioner of Labor on or before October 1. They are based on percentage increases determined by the Director of the Division of Budget, using economic indices, including the Consumer Price Index. ***New rates will be updated when available.***

Under the *New York State Paid Family Leave* (NYSPFL) law, eligible employees can take up to 12 weeks of paid leave, at 67% of the employee’s average weekly wage (subject to cap), to bond with a new child, care for a sick family member, or assist loved ones when a family member is deployed abroad on active military service. ***See page 6 for new rates and details.***

## **HEALTH INSURANCE:**

For 2024, we will offer the same array of medical plans from Anthem Blue Cross Blue Shield (BCBS). Our **minimum employer medical insurance subsidies** for 2024 will increase by about **5.3%** for all coverage types. The employer medical subsidy covers 85% of the lowest cost plan offered, for all plan types (Single, 2-Person, etc.).

The Medical Trust is moving to **new dental plans from Delta Dental** for 2024. ***All participants that want dental coverage in 2024 must choose a new dental plan during open enrollment.***

This year’s **Annual Enrollment period is 10/25/23 - 11/15/23**. This is when ***all employees will choose a new dental plan*** and carefully consider which plans provide the best balance between coverage and cost. Complete information regarding health plan coverage, premiums and all open enrollment details will be distributed in mid-October.

**2024 PARISH APPORTIONMENT:**

[Enclosed is a chart of 2024 apportionments](#) included in our proposed operating budget. Additional details regarding apportionment rates, income ranges and “caps and floors” may be found under the Convention section of the Diocesan web site.

Please feel free to contact us with any questions or concerns on any of these items.

Best regards,

Todd & Kristy

**CLERGY SALARY RANGES:**

The Diocesan Clergy Salary Ranges for 2024 will be increased by \$2,000 – 3,000, based on the most recent clergy compensation survey provided by the Church Pension Group (CPG) and analysis reviewed by the HR Committee, Bishop & Staff.

<b>2024 Clergy Salary Ranges</b>		<b>Family</b>	<b>Pastoral</b>	<b>Transitional</b>	<b>Program</b>	<b>Resource</b>
<i>by Church Size</i>	<i>Members:</i>	<i>0-150</i>	<i>151-300</i>	<i>300-600</i>	<i>600-1200</i>	<i>1200+</i>
<i>HI</i>		\$ 75,000	\$ 93,000	\$ 110,400	\$ 128,400	\$ 146,400
<b>Midpoint</b>		\$ 62,500	\$ 77,500	\$ 92,000	\$ 107,000	\$ 122,000
<i>LOW</i>		\$ 50,000	\$ 62,000	\$ 73,600	\$ 85,600	\$ 97,600

- All ¼, ½, ¾ time positions are calculated as a % of the relative full-time position shown above.
- For clergy serving multiple congregations, use aggregate parish **Membership** (in lieu of ASA) to determine church “size”.
- Salaries for Lay Pastoral Leaders, Associates & Assistants are dependent on several unique factors and should be determined in consultation with the Bishop’s Staff.
- Salary ranges *include housing allowance* but DO NOT include allowance for SECA taxes (15.3%), pension contributions (18% of Total Assessable Compensation - TAC), health benefits or reimbursement for expenses (see example below):

<b>Church Size:</b>		<b>FAMILY</b>
<b>(Membership)</b>		<b>(&lt; 150)</b>
<b>EXAMPLE:</b>		
Salary (includes housing allowance)		\$ 50,000
Allowance for SECA @	15.3%	\$ 7,650
<b>Total Assessable Compensation</b>		<b>\$ 57,650</b>
Church Pension Fund	18.0%	\$ 10,377
Contribution to Medical Ins.	Single	\$ 8,340
Contribution to Dental Ins.	Single	\$ 240
<b>TOTAL COMPENSATION:</b>		<b>\$ 76,607</b>

- If a rectory is provided, the parish must obtain an estimate of the fair market value (FMV) for rental of the property and may then reduce cash salary by that amount. Please note that the calculation for clergy pension changes when a rectory is provided.

**SUPPLY CLERGY RATES:** Rates for Supply Clergy have been increased and are now:

- One Saturday or Sunday main Eucharist \$175
- Each additional Saturday or Sunday service + \$50
- Mid-week other than main Eucharist \$100

In addition, supply clergy should be reimbursed for mileage from home to the church and back at the IRS standard mileage rate.

**IRS MILEAGE RATES:** The current IRS standard mileage rate is **65.5** cents per mile. We will communicate changes as they are announced.

**WAGES FOR LAY PARISH EMPLOYEES:**

Wage ranges for lay staff positions are difficult to standardize due to the wide variety of job descriptions, education, skills and experience in these positions. In addition, there are geographic differences in the local job markets across the Diocese. The hourly wage rates below are structured to accommodate for these variances. Supervisors should clarify job descriptions/expectations and then use local data sources to align compensation for each specific role with that of the local community.

The wage ranges noted below will be updated for *future changes in the minimum wage*. Depending on the job requirements (education, skills & abilities) and local prevailing wages, positions may be categorized as Level I, II or III. Depending on individual experience and performance, compensation will vary from “Low” to “High”. The wage rates below DO NOT include payroll taxes or any other health & pension benefits.

**Hourly Wage Range for Administrative & Maintenance Staff (Subject to increase in the Minimum Wage):**

	Low	Mid-pt.	High
L-I	\$15.00	\$18.75	\$22.50
L-II	\$17.00	\$21.50	\$26.00
L-III	\$19.00	\$24.50	\$30.00
<b>Substitute Organists:</b>	<b>\$110.00 - \$140.00 per Sunday</b>		

**LAY PENSION BENEFITS:**

Resolution A138 of the 2009 General Convention requires that all lay employees scheduled to work 1,000 hours or more annually be provided with a lay pension plan administered and designed by The Church Pension Fund (CPG). For Defined Contribution Plans (DC), employers must contribute not less than 5% of the employee’s compensation AND match (on a dollar-for-dollar basis) not less than 4% of compensation. Therefore, an employee that contributes 4% of their own pay would receive a total of 9% from the employer, for a total contribution of 13%. **This resolution forms the minimum requirement that applies to all employers within the Diocese of Rochester.**

Effective 01/01/15, the Diocese recommended that all employers contribute 8% of the employee’s salary as the *employer base contribution* and up to an additional 4% *employer matching contribution*. This formula results in a 12% maximum employer contribution for employees that contribute 4% or more to their own plan. Employers may elect to “migrate” to this higher level of benefit by changing the base contribution by 1% point, per year until they reach 8% *employer base contribution*, while still maintaining the 4% *employer matching contribution*.

**MEDICAL & DENTAL INSURANCE:**

The 77th General Convention reaffirmed that **all parishes and missions are to be enrolled in the Episcopal Church Medical Trust** and that there be parity in cost-sharing between clergy and lay employees. All lay and clergy employees *scheduled to work 1,500 hours or more annually* **must be offered these health insurance subsidies, as detailed below.**

**2024 MINIMUM EMPLOYER MEDICAL SUBSIDY (Full-time employees):**

	<b>Single</b>	<b>Plus Spouse</b>	<b>Plus Child</b>	<b>Family</b>
<i>Monthly</i>	\$695	\$1,390	\$1,255	\$2,085
<b>Annual</b>	<b>\$8,340</b>	<b>\$16,680</b>	<b>\$15,060</b>	<b>\$25,020</b>

**MEDICAL PLANS - monthly premium:**

	<b>Single</b>	<b>Plus Spouse</b>	<b>Plus Child</b>	<b>Family</b>
Anthem BCBS BlueCard PPO 100	\$1,016	\$2,032	\$1,829	\$3,048
Anthem BCBS BlueCard PPO 90	\$906	\$1,812	\$1,631	\$2,718
Anthem BCBS BlueCard PPO 80	\$822	\$1,644	\$1,480	\$2,466
Anthem BCBS CDHP	\$742	\$1,484	\$1,336	\$2,226
<i>PLUS: Employer H.S.A. contribution:</i>	<i>\$80</i>	<i>\$160</i>	<i>\$144</i>	<i>\$240</i>

The same eligibility requirements apply for both dental insurance and medical insurance (as noted above). The minimum employer *dental subsidy is equal to 50% of the lowest cost dental plan* offered for single, two person or family coverage.

**2024 MINIMUM EMPLOYER DENTAL SUBSIDIES (Full-time employees):**

	<b>Single</b>	<b>Plus Spouse</b>	<b>Plus Child</b>	<b>Family</b>
<i>Monthly</i>	\$20.00	\$40.00	\$36.00	\$60.00
<b>Annual</b>	<b>\$240</b>	<b>\$480</b>	<b>\$432</b>	<b>\$720</b>

**DENTAL Plans - monthly premium:**

	<b>Single</b>	<b>Plus Spouse</b>	<b>Plus Child</b>	<b>Family</b>
DELTA - Basic	\$40.00	\$80.00	\$72.00	\$120.00
DELTA - Comprehensive	\$48.00	\$96.00	\$86.00	\$144.00
DELTA - Premium	\$66.00	\$132.00	\$119.00	\$198.00

- Employees are responsible for paying the difference in cost between the medical/dental plan they select (below) and the employer subsidy (above).
- The employer subsidy may be pro-rated for part-time employees (scheduled to work 1,000 hours or more, annually) based on the full-time subsidies shown above.
- Increasing benefits above the pro-rated amount is at the discretion of the Parish.
- Cost sharing for both Medical and Dental insurance must be the same for all eligible lay and clergy employees.

**For employees 65 or over (who are eligible for Medicare), Federal regulations require that employers offer the same medical insurance plans to these employees, if they are scheduled to work a minimum of 1,000 hours annually OR are paid more than \$684 per week.** The employee may decline coverage if, for example, they are covered by a spouse’s employer. However, employers may not provide any incentives for the employee to refuse coverage (i.e., paying for alternative medical coverage). Any such payments may violate IRS regulations. If an employee has a legitimate basis for declining coverage, they should sign a waiver doing so.

	<i>Single</i>	<i>Plus Spouse</i>	<i>Plus Child</i>	<i>Family</i>
<b><i>Medicare Secondary Payer (MSP):</i></b>				
Anthem BCBS BlueCard MSP PPO 100	\$812	\$1,624	\$1,462	\$2,436
Anthem BCBS BlueCard MSP PPO 90	\$725	\$1,450	\$1,305	\$2,175
Anthem BCBS BlueCard MSP PPO 80	\$659	\$1,318	\$1,186	\$1,977

**GROUP LIFE INSURANCE:**

Clergy who are active participants in the Church Pension Fund (CPF) receive life insurance coverage of up to \$150,000, provided that all pension assessments are paid. If a priest is not canonically resident in a diocese of the Episcopal Church and cannot participate in the Church Pension Fund, the congregation is required to purchase the same level of coverage as that provided by CPF.

Group Life Insurance up to \$50,000 is available to lay parish staff through the Diocesan group policy with Church Insurance. Please contact Kristy Estey for coverage and cost information.

**NYS PAID FAMILY LEAVE & DISABILITY INSURANCE:**

The NYSPFL benefit rate remains at 67% of an employee’s average weekly wage, up to the weekly maximum of \$1,151.16, for a maximum of 12 weeks (subject to the 52-week lookback). The weekly maximum benefit rate is based on 67% of the state’s average weekly wage of \$1,718.15 for 2024.

The contribution rate for employees has been reduced to 0.373% of gross wages. The maximum annual employee PFL contribution for 2024 will be \$333.25.

Employers may elect to cover this cost. But employers are responsible for paying premiums for this coverage, regardless. Each parish should work directly with their disability insurance carrier or NYSDIF to implement this coverage and then confirm appropriate withholding with their payroll services provider.

**IMPORTANT NOTE:** Clergy are not covered by this law, and therefore should not participate in any payroll withholding for NYS Paid Family Leave. Clergy are also exempt from mandatory New York State Disability Insurance (NYSDI) and NYS Unemployment Insurance (NYSUI). All other parish staff should be covered by NY SDI & SUI. All staff, clergy and lay, must be covered by Workers Compensation Insurance.

Clergy who are active participants in the Church Pension Fund receive short term disability coverage (up to 12 months) provided that all pension assessments are paid. If a priest is not canonically resident in a diocese of the Episcopal Church and cannot participate in the Church Pension Fund, the congregation is required to purchase the same of coverage as that provided by CPF.

In addition, ALL clergy and lay staff should consider their individual need for additional short and long-term disability coverage as part of their personal financial planning.