

September 26, 2024

TO: Parochial Clergy, Wardens, Administrators, Staff, Treasurers and Finance Leaders
CC: Diocesan Council, Human Resource Committee & Diocesan Staff
FROM: Todd Rubiano & Kristy Estey
RE: 2025 Compensation Policy & Budgeting Guidelines:

NEW: [Quantum Health replaces EPA Employee Assistance Program](#)

SALARY, WAGES & LABOR LAW CHANGES:

Enclosed are salary ranges established for clergy and lay staff positions for 2025. Annual salary reviews are critical to retaining and 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 3-4 % are appropriate for staff in 2025.

Vestries should carefully review job descriptions for all lay staff positions to verify full compliance with Federal and state laws regarding minimum wage, overtime 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](#) (\$15.00) will go to \$15.50 as of 12/31/24. The current minimum salary for overtime-exempt administrative employees (\$1,124.20 per week or \$58,458.40 annually) will increase to \$60,405.80 as of 12/31/24.

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 the 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 7 for new rates and details.

HEALTH INSURANCE:

For 2025, we will offer the same array of medical plans from Anthem Blue Cross Blue Shield (BCBS). Average monthly premiums for these plans are increasing 8.6%. The lowest cost plans are increasing by only 4%, while the higher cost plans will increase by 11-14%. This difference reflects the actual costs for each level of coverage and eliminates subsidies for the most expensive plans. Our minimum employer medical insurance subsidies for 2025 will increase by about 5% for all coverage types. The employer medical subsidy covers 85% of the lowest cost plan offered for all plan types (Single, 2-Person, etc.).

We will also continue to offer the same array of dental plans from Delta Dental for 2025, for which the monthly premiums have increased an average of 2.5% for 2025.

This year's Annual Enrollment is between Wednesday, October 16, 2024 and Friday, November 15th. During this time, employees should carefully consider which plans provide the best balance between coverage and cost, especially with the increases in higher-cost plans. Complete information regarding health plan coverage, premiums, and all open enrollment details will be distributed in mid-October.

Please contact us with any questions or concerns on these items.

Best regards,

Todd & Kristy

CLERGY SALARY RANGES:

The Diocesan Clergy Salary Ranges for 2025 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.

<i>2025 Clergy Salary Ranges</i>	<i>Church Size:</i> <i>Members:</i>	<i>Family</i> <i>0-125</i>	<i>Pastoral</i> <i>126-250</i>	<i>Transitional</i> <i>251-400</i>	<i>Program</i> <i>401-1,200</i>	<i>Resource</i> <i>1,200+</i>
<i>HI</i>		\$ 78,000	\$ 96,000	\$ 113,400	\$ 131,400	\$ 149,400
<i>Midpoint</i>		\$ 65,000	\$ 80,000	\$ 94,500	\$ 109,500	\$ 124,500
<i>LOW</i>		\$ 52,000	\$ 64,000	\$ 75,600	\$ 87,600	\$ 99,600

- All ¼, ½, and 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, and assistants depend 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):

Church Size: (Membership)	FAMILY (< 125)
EXAMPLE:	
Salary (includes housing allowance)	\$ 60,000
Allowance for SECA @ 15.3%	\$ 9,180
Total Assessable Compensation	\$ 69,180
Church Pension Fund @ 18.0%	\$ 12,452
Contribution to Medical Ins. @ Single	\$ 8,760
Contribution to Dental Ins. @ Single	\$ 246
TOTAL COMPENSATION:	\$ 90,638

- If a rectory is provided, the parish must obtain an estimate of the property's fair market value (FMV) for rental 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 67 cents per mile. We will communicate changes as they are announced.

WAGES FOR LAY PARISH EMPLOYEES:

Wage ranges for lay staff positions are challenging 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 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, and 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 and pension benefits.

Hourly Wage Range for Administrative & Maintenance Staff (May be subject to increase in the Minimum Wage):

		Low	Mid-pt. High
L-I	\$16.00	\$20.00	\$24.00
L-II	\$19.00	\$23.50	\$28.00
L-III	\$22.00	\$27.00	\$32.00

Substitute Organists: \$110.00 - \$140.00 per Sunday

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 who contributes 4% of their pay would receive a total of 9% from the employer, for a total contribution of 13%. This resolution is the minimum requirement for 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 plan. Employers may elect to “migrate” to this higher benefit level by changing the base contribution by 1% point per year until they reach 8% employer base contribution while 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 clergy and lay employees share in cost-sharing. As detailed below, all lay and clergy employees scheduled to work 1,500 hours or more annually must be offered these health insurance subsidies.

Additional Benefits

- Vision benefits
- Hearing benefits
- Health Advocate
- Quantum Health
- UnitedHealthcare Global Assistance

2025 MINIMUM EMPLOYER MEDICAL SUBSIDY (Full-time employees):

	Single	Plus Spouse	Plus Child	Family
<i>Monthly</i>	\$730	\$1,460	\$1,315	\$2,190
Annual	\$8,760	\$17,520	\$15,780	\$26,280

MEDICAL PLANS - monthly premium:

	Single	Plus Spouse	Plus Child	Family
Anthem BCBS BlueCard PPO 100	\$1,158	\$2,316	\$2,084	\$3,474
Anthem BCBS BlueCard PPO 90	\$1,006	\$2,012	\$1,811	\$3,018
Anthem BCBS BlueCard PPO 80	\$855	\$1,710	\$1,539	\$2,565
Anthem BCBS CDHP	\$772	\$1,544	\$1,390	\$2,316
<i>PLUS: Employer H.S.A. contribution:</i>	<i>\$83</i>	<i>\$166</i>	<i>\$149</i>	<i>\$249</i>

For employees 65 or over (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 \$1,128 per week. The employee may decline coverage if, for example, they are covered by a spouse’s employer. However, employers may not incentivize employees 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.

The Medical Trust offers PPO 80, PPO 90, and PPO 100 plans at a 20% discount for Medicare-eligible employees:

	Single	Plus Spouse	Plus Child	Family
<i>Medicare Secondary Payer (MSP):</i>				
Anthem BCBS BlueCard MSP PPO 100	\$926	\$1,852	\$1,667	\$2,778
Anthem BCBS BlueCard MSP PPO 90	\$805	\$1,610	\$1,449	\$2,415
Anthem BCBS BlueCard MSP PPO 80	\$685	\$1,370	\$1,233	\$2,055

The same eligibility requirements apply to dental 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.

2025 MINIMUM EMPLOYER DENTAL SUBSIDIES (Full-time employees):

	Single	Plus Spouse	Plus Child	Family
<i>Monthly</i>	\$20.50	\$41.00	\$37.00	\$61.50
Annual	\$246	\$492	\$444	\$738

DENTAL Plans - monthly premium:

	Single	Plus Spouse	Plus Child	Family
DELTA - Basic	\$41.00	\$82.00	\$74.00	\$123.00
DELTA - Comprehensive	\$49.00	\$98.00	\$88.00	\$147.00
DELTA - Premium	\$68.00	\$136.00	\$122.00	\$204.00

- 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 abovementioned full-time subsidies.
- 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.
- Allowance is stopped if an employee's spouse loses coverage mid-year and they elect to take diocesan coverage (life event).
- Employees must provide proof of coverage each year.

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 must purchase the same level of coverage as that provided by CPF.

Up to \$50,000 in group life insurance 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 \$1,177, 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 \$1,757.19.

The contribution rate for employees in 2025 will be 0.388% of gross wages, and the maximum annual employee PFL contribution will be \$354.53.

Employers may elect to cover this cost, but they are still responsible for paying premiums for this coverage. 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: This law does not cover clergy and, therefore, should not participate in 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. Workers' Compensation Insurance must cover all staff, clergy, and lay.

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 coverage as that provided by CPF.

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

[Church Pension Group Disability Information](#)

NYS Disability is required for Laity

New York State requires most employers to provide disability benefits to their employees. The Disability Benefits Law (DBL) provides temporary cash benefits to employees who become disabled due to an off-the-job injury or illness.

Here are some things to know about New York's disability benefits:

- Eligibility

Full-time employees are eligible after four weeks of employment, and part-time employees are eligible after 25 days.

- Benefits

Disability benefits are 50% of an employee's average weekly wage for the previous eight weeks, up to a maximum of \$170 per week. Benefits are paid for a maximum of 26 weeks in a 52-week period.

- Taxes

Disability benefits are subject to Social Security and Medicare taxes.

- Claim filing

Employees should submit a claim form to their employer's insurer within 30 days of becoming disabled.

- Penalties

Employers who don't provide disability benefits can be fined up to half of one percent of their payroll, plus an additional \$500, for each period of noncompliance.

[Unemployment Insurance for Laity](#)

You might be eligible for unemployment benefits in New York if you lost your job for several reasons, including lack of work, company downsizing, or restructuring. You can file a claim by calling the New York Department of Labor's Telephone Claim Center at (888) 209-8124, Monday through Friday, 8 AM–5 PM. You can also contact New York unemployment benefits by calling (888) 581-5812, Monday through Friday, 7:30 AM–12 AM, and Saturday through Sunday, 12:01 AM–12 AM.

Church Pension Group

For general questions, eligibility, and enrollment support, you can contact the Church Pension Group's Client Services call center at (800) 480-9967, Monday through Friday, 8:30 AM–8 PM ET.