

Diocese of Des Moines
COMPENSATION FOR ACTIVE PRIESTS
July 2017 through June 2020

Date: December 2016

Reverend and Dear Fathers:

The Presbyteral Council has recommended a priest compensation plan that would be effective for the next three fiscal years (2017-2020). Their recommendation was made to me after a review of historical data and consideration of the current economic environment. The compensation amount includes auto allowance and food allowance as one amount with the monthly salary as it has in prior years. The Diocesan Finance Office can, upon request, provide additional materials dealing with the accounting and tax consideration as it applies to the housing schedule. I authorize the following plan to be implemented July 1, 2017.

ACTIVE PRIESTS

It is the responsibility of each priest to bring this information to those responsible for providing his compensation.

Salary

<u>Years Ordained</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
	<i>Monthly</i>	<i>Monthly</i>	<i>Monthly</i>
0 to 4 years	\$2,998	\$3,058	\$3,119
5 to 9 years	\$3,025	\$3,086	\$3,148
10 to 14 years	\$3,055	\$3,116	\$3,178
15 to 19 years	\$3,084	\$3,146	\$3,209
20 to 24 years	\$3,112	\$3,174	\$3,238
25 to 29 years	\$3,141	\$3,203	\$3,267
30 to 34 years	\$3,170	\$3,234	\$3,298
35+ years	\$3,200	\$3,264	\$3,329

Housing

Parishes will provide housing to their priests based on the Priest Housing Policy approved on March 1, 2009. This may take the form of providing the living space or providing a housing allowance. The priest and the parish finance committee should determine and document the fair market value at the start of each calendar year of this benefit for the priest for use in filing his tax return.

Household

The normal household expenses that are covered include laundry needs, kitchen supplies, bathroom supplies, (this does not include personal grooming items), bedding, newspaper, everyday household items (does not include large expenditures such as furniture and appliances). Up to \$225.00 per month can be spent on communication technology which includes cell phone (available to parishioners in emergencies), high speed internet and basic cable TV, if applicable. This is not a complete list and it may vary somewhat from parish to parish.

Continuing Education/Retreat Allowance

Each priest will continue to be allowed to receive an allowance for continuing education and retreats. This amount is to be paid by the parish or institution. Up to \$400 of this allowance may be used for books, periodicals, audiovisual, or other resources for priestly formation. For the 2017 fiscal year, the total allowance amount will be \$2,800. Receipts and documentation are to be submitted to receive reimbursement for these expenses.

403B Plan

The 403B Plan continues in accord with IRS regulations. All priests should be enrolled in the diocesan retirement plan through Christian Brothers Retirement Services. No other plans may be used for the payroll deduction and parish matching retirement program. The parish will match 100 % of the amount deferred by the priest with a maximum of \$125 per month. This arrangement is subject to future change in diocesan policy.

Example,

If a priest earns \$2,800 per month and defers 4% of his salary into the retirement plan, he will contribute \$112 per month. The parish would match with a contribution of \$112 since this is less than the \$125 maximum. If this same priest defers 6%, he would be saving \$168 and the parish would contribute the \$125 maximum.

Weekend Assistance

Retired priests who provide weekend assistance are to be reimbursed at the rate of \$90 for the first Mass and \$60 for each additional Mass. Mileage is to be paid at the current IRS rate (\$.535 for 2017). If the coverage is provided by a religious community outside the diocese, the stipend is to be negotiated with the respective order. If the coverage is provided by an Active priest the stipend (if arranged for) should be provided to his parish/employer.

Mass Stipends

The Mass stipend is a free will offering to be retained by the priest who offers the Mass, except when the priest elects to take \$100 per month, and give the parish or institution all of the Mass stipends. These stipends are to be included in taxable wages.

Stole Fees

Offerings for weddings, funerals and baptisms belong to the parish. The exception to this is that retired priests and priests from outside the diocese may retain the stipend.

Car Allowance

There will be no separate car allowance. Any priest who submits monthly mileage in excess of 400 miles per month will be reimbursed for the excess business mileage at the current rate allowed by the IRS of \$.535 per mile (2017 IRS rate). Future IRS rate changes will be communicated to the parish/institution by the diocese.

Health Insurance

Health insurance costs for each priest are covered by the diocesan health insurance policy. The average annual cost per priest is currently **\$6,203**. At the present time, sixty percent of the health care premium is paid by the Priest Medical endowment held at the Catholic Foundation of Southwest Iowa and forty percent is covered by the Annual Diocesan Appeal. As the costs of health insurance increase substantially each year this is an added expense that each parish/institution does not have to incur for each priest. Thus, through the diocese, this is part of the overall compensation package for the priests of the Diocese of Des Moines.

Good Stewardship

In a spirit of good stewardship, priests should think of themselves as temporary residents within the parish they serve. Each priest follows a previous resident, and a brother priest will follow him in the residence he currently occupies. Thus, care regarding smoking and pets is expected. Cleanup of any residual signs of either smoking or pets will be the expense of the priest responsible, and not either the parish or the priest succeeding him.

Parish bookkeeping must substantiate the above salary arrangements. If there are special circumstances that require a variance from this schedule, such as additional allowances for food or other needs, please request approval through the office of the Vicar General.

In closing, I thank all my brother priests for your generous and effective ministry.

Assuring you of my best wishes, I remain

Sincerely yours in Christ,

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The Most Reverend Richard E. Pates
Bishop of Des Moines