

SECTION 6

Diocese of Des Moines COMPENSATION FOR ACTIVE PRIESTS July 2024 through June 2027

(Please Note: REVISED/UPDATED on June 3, 2024)

June 3, 2024

Dear Fathers:

The Presbyteral Council has recommended a priest compensation plan that would be effective for fiscal years 2025-2026-2027. Their recommendation was made to the bishop after a review of historical data and consideration of the current economic environment. The following plan is to be implemented July 1, 2024.

Please note there are increases to the priest salary and communication expenses. The Fall Priest workshop will now be covered by the parish/institution and not count against the annual continuing education expense.

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>2024-2025</u> Annually	<u>2025-2026</u> Annually	<u>2026-2027</u> Annually
0 to 4 years	<u>\$42,898</u>	<u>\$43,756</u>	<u>\$44,631</u>
5 to 9 years	<u>\$43,299</u>	<u>\$44,165</u>	<u>\$45,049</u>
10 to 14 years	<u>\$43,714</u>	<u>\$44,588</u>	<u>\$45,480</u>
15 to 19 years	<u>\$44,129</u>	<u>\$45,011</u>	<u>\$45,912</u>
20 to 24 years	<u>\$44,544</u>	<u>\$45,434</u>	<u>\$46,343</u>
25 to 29 years	<u>\$44,971</u>	<u>\$45,871</u>	<u>\$46,788</u>
30 to 34 years	<u>\$45,399</u>	<u>\$46,307</u>	<u>\$47,233</u>
35+ years	<u>\$45,827</u>	<u>\$46,743</u>	<u>\$47,678</u>

Housing

Parishes will provide housing to their priests based on the Priest Housing Policy approved on March 1, 2009. See **Section 11 Living and Working Arrangements for Priests** regarding priests living offsite. This may take the form of providing the living space or providing a housing allowance. The priest and the

Parish Finance Council should determine the fair market value before the start of each calendar year of this benefit for the priest for use in filing his tax return.

The approval of the allowance by the Finance Council should be documented in the minutes of the meeting and in a separate letter provided to the priest and signed by the Parish Finance Council Chair. The Diocesan Finance Office can, upon request, provide additional materials dealing with accounting and tax consideration as it applies to the housing schedule.

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 **\$350.00 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

The continuing education allowance is for the benefit and growth of the priest and would not include reimbursement of expenses for teaching others.

Each priest will be allowed to receive an annual 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 2024-2025 fiscal year, the total allowance amount will be **\$2800.00**. Receipts and documentation are to be submitted to receive reimbursement for these expenses.

Materials, food, lodging, and travel costs for courses/retreats are permissible expenses, but any international travel needs to be approved in advance by the bishop. The document of approval from the bishop should be included with the receipts and documentation for all expenses submitted for reimbursement.

NB: The expenses (registration, hotel) for the Fall Priest Workshop are **in ADDITION** to the Continuing Education/Retreat Allowance. For the hotel expense to be reimbursed by the parish/institution, the registration is required to be made through the hotel that is hosting the Fall Workshop. As the contracted hotel costs are based on a certain number of required reserved rooms, expenses for staying at another hotel are non-reimbursable.

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 (managed by Fidelity). No other plans may be used for the payroll deduction and parish matching retirement program.

The Parish/School/Diocese will match 50% of your contribution up to 8% of gross salary. This arrangement is subject to future changes in diocesan policy.

<u>Example 1</u>	Priest Salary		\$40,000.00	
	Employee Contribution		8%	\$3,200.00
	Employer Contribution	50% of 8%	4%	<u>\$1,600.00</u>
	Total			\$4,800.00

<u>Example 2</u>	Priest Salary		\$40,000.00	
	Employee Contribution		6%	\$2,400.00
	Employer Contribution	50% of 6%	3%	<u>\$1,200.00</u>
	Total			\$3,600.00

<u>Example 2</u>	Priest Salary		\$40,000.00	
	Employee Contribution		10%	\$4,000.00
	Employer Contribution	50% of 8% (Max)	4%	<u>\$1,600.00</u>
	Total			\$5,600.00

Weekend/Weekday Masses

- **Weekend Masses:** Retired priests and those in specialized ministry (Teachers, Chaplains, Diocesan Staff, etc.) who provide weekend assistance are to be reimbursed at the rate of \$90 for the first Mass and \$60 for each additional Mass, plus mileage and the Mass offering. NB: The \$90 for the first Mass includes compensation for any confessions immediately before or after the Mass.
- **Weekday Masses:** Retired priests and those in specialized ministry are to be reimbursed at the rate of \$40.00 per weekday Mass, plus mileage and the Mass offering, for each weekday Mass they cover.

Reconciliation/Confession Assistance

- **Weekly Reconciliation:** Retired priests and those in specialized ministry (Teachers, Chaplains, Diocesan Staff, etc.) who provide assistance at regular confessions throughout the week, other than those immediately before or after a weekend Mass, are to be reimbursed at the rate of \$40.00, plus mileage.
- **Communal Reconciliation:** Retired priests and those in specialized ministry (Teachers, Chaplains, Diocesan Staff, etc.) who provide assistance at a Communal Reconciliation Service are to be reimbursed at the rate of \$75.00, plus mileage,
- **School Reconciliation:** Retired priests and those in specialized ministry (Teachers, Chaplains, Diocesan Staff, etc.) who provide assistance at School Reconciliation Services are to be reimbursed at the rate of \$40.00 per session, plus mileage.

NB: Compensation Rationale:

1. Since retired priests and priests in Specialized Ministries do not have similar access to a parish community, which can offer additional personal financial gifts (i.e. - Birthdays, Anniversaries, Christmas, Easter), the Bishop has authorized that these priests be compensated for their particular ministry as stated in this policy.
2. Active priests, who are otherwise assigned in a parish, would not be expected to be compensated for these ministries wherever and whenever celebrated throughout the Diocese of Des Moines. Any stipend (if arranged for) should be given to his respective parish/employer.

Special Circumstances:

- If sacramental coverage is provided by a religious community outside the diocese, the stipend is to be negotiated with the respective order and given to the order.

Mileage: Mileage is to be paid at the current IRS rate (\$0.70 per mile for 2025).

Mass Stipends/Offerings

The Mass stipend is a free will offering (not required) for a special Mass intention given to a priest. According to Canon Law, the offering is to be retained by the priest who offers the Mass.

The priest may voluntarily elect to take a set \$100 per month and give the parish /institution all of the Mass stipends. In either option, these stipends are to be included in taxable wages.

NOTE: Canon Law (Canons #945-958) asks that the bishops within a specific province (the four (arch) dioceses of Iowa) are to set a common recommended monetary amount for a Mass offering. Currently, the Iowa Province of Bishops have not set a standard amount. In this case, Canon Law dictates that the current local custom prevail. For many years, the standard recommended Mass offering in the Diocese of Des Moines was \$5.00 per Mass. In recent years, some parishes have unilaterally elected to raise the amount to \$10.00 per recommended Mass offering.

Therefore, there is currently no standard amount within the Diocese of Des Moines.

Whatever is the current parish custom should remain in place, without changing, until the Iowa Province has promulgated a set amount.

Stole Fees

While Mass Stipends/Offerings are given for a specific intention to be offered by a priest at Mass, “***stole fees***” are monies given to priests as a gratuity for assisting at any sacramental or liturgical function (i.e.: weddings, funerals, baptisms, and blessings). These monies belong to the parish or institution and are to be turned in to the parish/institution. As an exception to this,

retired priests, those in specialized ministry (chaplains, full-time diocesan staff, teachers, etc.), and priests from outside the diocese may retain the monetary gift (stole fee).

Car Allowance

There is no separate car allowance. Any priest who submits monthly will be reimbursed for the business mileage at the current rate allowed by the IRS of \$0.70 per mile (2025 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 for 2023-2024 is \$9600.00. At the present time, 40% of the health care premium is paid by the Priest Medical endowment held at the Catholic Foundation of Southwest Iowa and 60% is paid 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 or abnormal wear and tear 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.

Thank you for your generous and effective ministry.

Sincerely in Christ,



Very Rev. David P. Fleming
Vicar General
Diocese of Des Moines

Updated January 2025

DIOCESE OF DES MOINES
COMPENSATION FOR RETIRED PRIESTS

July 2024 through June 2027

The ordinary pension benefit provides two levels of compensation – one for those who were age 70 by July 1, 2011, and one for those who are younger than that. Our current policy is to increase the pension income 1% each year. Income from 403B account, IRA’s or other investments are an important source of retirement income in addition to the Pension fund and Social Security benefits.

PRIEST PENSION PLAN INCOME (MONTHLY)

	2024-2025	2025-2026	2026-2027	2027-2028
1): Age 70 yrs. by 7/1/2011	\$1,798.71	\$1,816.69	\$1,834.85	1853.19
2): Less than 70 yrs. by 7/1/2011	1,630.74	\$1,647.04	\$1,663.51	1,680.14

The amount the retired priest receives from Social Security is individually determined.

OTHER PROVISIONS

- Retired priests are expected to provide for their own housing, transportation and meals.
- Each retired priest will receive annually an individual letter before July 1 communicating the exact pension benefit for the upcoming year.
- The Diocese of Des Moines provides the full premium for the retired priests’ health and prescription drug insurance at annual the cost of over \$285,000.00. The current average annual cost per retired priest for the health/drug insurance benefit is approximately \$8,620.

REIMBURSEMENT AND COMPENSATION

Weekend / Weekday Masses

- **Weekend Masses:** Retired priests who provide weekend assistance are reimbursed at the rate of \$90 for the first Mass and \$60 for each additional Mass, plus mileage and the Mass offering.

NB: The \$90 for the first Mass includes compensation for any confessions immediately before or after the Mass.

- **Weekday Masses:** Retired priests are reimbursed at the rate of \$40.00 per weekday Mass, plus mileage and any designated Mass offering, for each weekday Mass they cover.

Reconciliation/Confession Assistance

- **Weekly Reconciliation:** Retired priests who provide assistance at regular confessions throughout the week, other than those immediately before or after a weekend Mass, are reimbursed at the rate of \$40.00, plus mileage.
- **Communal Reconciliation:** Retired priests who provide assistance at a Parish Communal Reconciliation Service are reimbursed at the rate of \$75.00, plus mileage.
- **School Reconciliation:** Retired priests who provide assistance at School Reconciliation Services are to be reimbursed at the rate of \$40.00 *per session* (or per hour), plus mileage.

Mileage: Mileage is to be paid at the current IRS rate (\$0.70 per mile for 2025).

The 2025 business IRS mileage rate is 70.0 cents per mile. For purposes of income tax, you may wish to keep separate reimbursed mileage expense. The diocese will communicate any changes in this rate.

Stole Fees: Stipends or stole fees for celebrating a baptism, wedding, or funeral are the property of the retired priest.

Continuing Education/Formation

- **Fall Workshop:** Retired priests are always invited, but not obliged, to attend the Annual Fall Workshop. Also, retired priests are not required to pay the Workshop Fee, but are invited to make a donation. However, they will be responsible to pay for their own hotel reservation or accommodations.
- **Retreat:** Retired Priests are always welcome to attend the annual Diocesan Priests Retreat. They will be asked to pay for any regular fees or costs.

I am grateful to each of our retired priests for your fortitude and deep faith that urges you to continue to provide the grace of the sacraments in your service to God's people.

In God's goodness and peace,



Very Rev. David Fleming
Vicar General
Diocese of Des Moines