



G r e e k O r t h o d o x A r c h d i o c e s e o f A m e r i c a

DATE: August 3, 2011

TO: The Reverend Clergy and the
Esteemed Members of the Parish Councils

FROM: Archdiocese Benefits Office

RE: **Clergy Compensation Plan for 2011**

Enclosed is the Clergy Compensation Plan for the Year 2011 and a description of the various funding sources for the Archdiocese Benefits Program.

The remuneration ranges will increase for the year 2011. The Parish Obligation for Clergy Benefits will also increase to \$500 per month beginning January 1, 2011.

Please note that the personal pension contribution of 3-1/2 % or 5 % that started in January 2004 remains in effect along with the respective change in pension accrual.

We are also ask you to enroll in the Electronic Withdrawal Program if you have not already done so. Please contact GDC Financial at 1 - 800 - 785-4432. to do so.



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The Clergy Compensation Plan for 2011

In accordance with the *Uniform Parish Regulations* of the Archdiocese, the annual compensation package for the year 2011 includes: (A) Salary and Housing Allowance, and (B) Benefits, as outlined below.

A. SALARY and HOUSING ALLOWANCE

<u>YEARS OF SERVICE RANGE</u>	<u>REMUNERATION</u>
Up to 5 years	\$49,128 - \$66,528
6 – 10 years	\$66,528 - \$74,136
1 – 15 years	\$74,136 - \$84,960
6 – 20 years	\$84,960 - \$94,440
1 – 25 years	\$94,440 - \$101,136
6 – 30 years	\$101,136 - \$107,616
1 – 35 years	\$107,616 - \$113,856
Over 35 years	\$113,856 - \$120,144

NOTES

- The annual minimum increase in a clergyman's remuneration must include an annual cost of living increase beginning January 1st of each year. When using these remuneration ranges, the Parish Council should factor in the relative cost of living for its geographic area.
- In the event a parish provides "housing" by making available a parish owned home, then an equitable and reasonable "deduction adjustment" should be made from the Salary and Housing Allowance figures above, based on the local fair market rental value of the home being provided.

B. BENEFITS

In addition to the above, the parish must provide:

- 1) An **automobile** (which the parish purchases or leases) for use by the Priest, with all related expenses paid by the parish.
- 2) **Social Security/Medicare taxes** (FICA/SECA) equal to the maximum self-employment Social Security/Medicare tax each year, currently 15.3% of Salary, the Housing Allowance (or rental value of a parish home), and payments for Social Security/Medicare taxes (which becomes taxable income).
- 3) The monthly health insurance premium for the Archdiocese-sponsored and approved **Orthodox Health Plan**, either single or family coverage, as appropriate. All clergymen of the Archdiocese **are required** to participate in the Orthodox Health Plan (OHP).
- 4) A minimum annual **vacation** of fifteen days (2 weeks), to a maximum of five (5) weeks (35 Days), taking into consideration the clergyman’s cumulative years of service to the Archdiocese.
- 5) **Expenses** for attending District/Metropolis Clergy-Laity Assemblies and Retreats, the Biennial Clergy-Laity Congress, Clergy Continuing Education Programs, and the Archdiocese Presbyters Council Retreat.
- 6) A three (3) month **sabbatical** leave for each six (6) years of service with the same parish.

The Priest is personally responsible for contributing 3 _ % or 5 % of his monthly pension eligible earnings to fund his Pension Benefit.

For the year 2011, the maximum contribution amount is \$4,641 (3 _%) or \$6,630 (5%) based on the maximum Remuneration plus Social Security/Medicare taxes.

For Pension Plan purposes, “monthly earnings” is defined as Salary and Housing Allowance, plus Social Security/Medicare taxes (FICA/SECA).

NOTATION

Exception to the Clergy Compensation Plan must be requested of and approved by the clergyman’s Hierarch.

Issued by: **Archdiocese Benefits Office**
August 2010

SPECIAL NOTATION

All parishes are obligated to pay the monthly Archdiocese Benefits Contribution, which for the year 2011 is \$500. This includes parishes without a full-time priest. Those parishes with more than one clergyman are required to pay \$500 for each assigned clergyman. The Archdiocese Benefits Contribution is a critical part of the funding for the Archdiocese Benefits Program, which includes the Pension, Disability, Life Insurance, and Clergy Assistance programs. The Archdiocese Benefits Contribution is not a part of a priest’s remuneration package.



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Funding for the Archdiocese Benefits Program – Year 2011

Funding for the Archdiocese Benefits Program has these sources:

1. Personal pension contributions from participating clergy and lay employees equal to

3-1/2 % or 5 % of earnings. This contribution is credited to the specific participant's account, earns interest, and is reported separately on the individual's annual Retirement Plan Benefits Statement provided in the summer of each year for the previous year.

2. Archdiocese contributions comprised of the following:

- a) A monthly contribution, \$500 in the year 2011, for each assigned priest. The parish contribution is payable even when a parish does not have a permanently assigned priest.
- b) A monthly contribution, \$500 in the year 2011, for each participating priest and layperson employed by the Archdiocese, a Metropolis, or other participating Institution of the Archdiocese.

It is important to note that the Archdiocese, Parish, and Institution monthly Benefits Contributions (\$500 for 2011) are not priest or employee specific. Therefore, they are not credited to the participant's account. Rather, they are credited to the general Benefits Fund, which, in addition to supporting the pension plan, provides the other important benefits included in the Archdiocese Benefits Program at no cost to the participant. This includes the Life Insurance Benefit, the Long Term Disability Benefit, and the Confidential Assistance Program, to name three.

The Benefits Fund also provides assistance to clergy and their families as it also sustains the Archdiocese Benefits Office.

In instances where the monthly parish contribution is a demonstrable hardship, as in the case of new parishes, the parish should approach its Chancellor and request that he petition the Archdiocese Benefits Committee on its behalf for relief.