

Establishing Minimum Clergy Compensation for 2022

SPONSOR: Diocesan Council (approved October 25, 2021)

RESOLVED, That the 188th Convention of the Diocese of Vermont approve the Total Clergy Compensation minimums for 2022, as follows:

Clergy Employment Status	Full-Time	¾ Time	½ Time	¼ Time*
Cash Stipend to include housing allowance/housing	\$ 64,451.78	\$ 48,338.84	\$ 32,225.89	\$ 16,650
SECA Reimbursement (7.65% of Salary plus Housing)	\$ 4,930.56	\$ 3,697.92	\$ 2,465.28	\$ 1,350
Total Cash Plus Housing & SECA (Total Clergy Compensation)	\$ 69,382.34	\$ 52,036.76	\$ 34,691.17	\$ 18,000
Value of Church Provided Housing (as a percentage of Total Clergy Compensation)	Not More Than 30%	Not More Than 22.5%	Not More Than 15%	Not More Than 7.5%
Equity Allowance for Clergy in Church Provided Housing (as a percentage of Total Clergy Compensation)	Not Less Than 4.74%			

and be it further

RESOLVED, That the 188th Convention of the Diocese of Vermont approve the following Remunerations for Locally Ordained Priests serving actively in a parish and (vocational) Deacons serving actively in a parish: a minimum of \$25 per month plus the required contribution to the Church Pension Fund; and be it further

RESOLVED, That the 188th Convention of the Diocese of Vermont recommend a 2.5% minimum cost of living increase for all compensated clergy and lay employees; and be it further

RESOLVED, That the 188th Convention of the Diocese of Vermont recommend a \$500 merit increase for all compensated clergy and lay employees; and be it further

RESOLVED, That the 188th Convention of the Diocese of Vermont approve the following Reimbursement Guidelines and Supply Clergy Rates:

- Cell Phone Reimbursement: \$ 25 - \$ 75 per month
- Travel Mileage Reimbursement: IRS rate (\$ 0.56 per mile in 2021, 2022 rates not yet released)

- Continuing Education: \$ 500 minimum
- Supply Clergy:
 - One Service: \$ 150 plus mileage and out-of-pocket expenses
 - Two Services: \$250 plus mileage and out-of-pocket expenses
 - Additional Service, such as pastoral coverage, are negotiable

EXPLANATION

Canon 6.7 of the Episcopal Diocese of Vermont requires that Diocesan Council annually review the minimum stipend for full-time equivalent clergy and the travel allowance and make recommendations to the Convention. Such a minimum shall be binding on all parishes and missions upon ratification of the Convention. **The recommended Total Clergy Compensation for 2022 represents a 2.5% increase from the 2021 TCC minimum of \$67,690.**

Rationale for Compensation Guidelines:

- Regarding ¼ Time Clergy: Church Pension Group minimum for one year of credited service is a salary package (cash plus housing) of \$18,000. Maintaining this minimum for ¼ time clergy ensures that one year of ¼ time work equals one year of credited service.
- It is often the case that part-time clergy in church provided housing receive no cash for their service when valuing the housing at 30% of the Total Clergy Compensation. (NB: CPG guidelines do not specifically address housing and part-time clergy.) This is an unsustainable model and creates an injustice for part-time clergy. This resolution proposes a tiered approach to the Value of Church Provided Housing much as salaries are tiered according to Employment Status.
- Clergy who live in church-owned housing do not have the opportunity to benefit from the build-up of equity in their homes that is available to those who own their own homes. This affects their ability to purchase a home for retirement. For that reason, the congregation must pay into a tax-deferred account (such as RSVP) an amount equal to at least 2.5% of the Total Clergy Compensation each year. This is called a Housing Equity Allowance. It is recommended that this amount start at 2.5% and grow to 10% of Total Clergy Compensation over time. The amount contributed is included in the pension fund assessment calculation (but not in the pension fund's calculation of the value of housing) and is not subject to SECA tax. It is a deferred compensation payment and, therefore, is not subject to Federal income taxes until withdrawn, usually after retirement. Because these are employer contributions, they are not subject to state taxes until withdrawn. *(language drawn from the Diocese of Newark Guidelines for Clergy Compensation)*

The resolutions that Deacons and Locally Ordained Priests be paid are in conformance with resolutions adopted by previous Diocesan Conventions that give them the opportunity to participate in the benefits of the Church Pension Group services and to invest their own money in qualified retirement plans offered by this Group.