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**THE EPISCOPAL CHURCH
IN DELAWARE**

2020

ACTIVE CLERGY GUIDE

**2020
Active Clergy Guide
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Introduction

The purpose of this guide is to provide standards for the proper compensation of Episcopal priests employed as full-time parochial clergy as well as to provide guidance in the compensation for part-time and supply clergy.

The guide is applicable to the diocese, all congregations, and other ecclesiastical organizations of the diocese.

The compensation of the bishop is reviewed and set by the Diocesan Personnel and Compensation Committee. The compensation of the canon to the ordinary is reviewed and set by the bishop with the approval of Bishop and Council.

It is the responsibility of each vestry or similar body to use the guide in determining the compensation level for clergy for whom that body may be responsible. Both clergy and vestries and similar bodies have access to the Diocesan Personnel and Compensation Committee to seek clarification of elements of the guide or to seek mediation or resolution of conflicts that may arise in applying the guide to particular situations.

Compensation and other benefits to clergy fall into four categories:

I. Cash Compensation	II. Required Benefits	III. Optional Benefits	IV. Expenses
Includes:			
Stipend	A. Pension Fund	A. Wellness	A. Travel
Allowances	B. Health and Dental	B. Add'l Life Ins.	B. Prof. Dev.
Housing	C. Life Insurance	C. Flex Spending	C. Sabbaticals
Utility	D. Worker's Comp.	D. RSVP - 403(b)	D. Moving
Social Security/ Self-employment	E. Times of Leave	E. Entertaining	
Tax (SECA)	F. Sick Leave	F. Discretionary Fund	
	G. Family Leave		
	H. Equity Allowance		

The cost of benefits is a very significant compensation issue. The administration of our health care and life insurance benefits is centralized through the Insurance Committee and the business office of the diocese in order to provide expertise and efficiency in the best interests of our congregations, their clergy and their lay employees. They continue to work for cost containment balanced with pastoral care. The cost of the various

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benefits appears as part of the discussion about them. A discussion of the four categories follows:

I. CASH COMPENSATION

Full-time parochial clergy compensation is determined by applying the calculated stipend grade calculated by applying two indexes (People and Financial) that use the annual parochial report. For calculations performed in the fall of **2019** and for the calendar year **2020** information from the **2018** Parochial Report is used. The indexes are as follows:

People index - calculated by adding the number of signed pledge cards for the reporting year (Page 3, Line 1) to the average Sunday and Saturday evening attendance (Page 2, Line 6) and dividing the result by two.

Financial index - calculated by adding together diocesan assessment, outreach and all operating expenses, (Page 3, Letter E) to the total income from plate, pledges and regular support (Page 3, Line 3) and dividing by two.

Using these indexes permits a grouping in two dimensions as shown in Figure 1. (See APPENDIX A for an example). If both indexes fall within the same group, it is probable that the group is correct; otherwise, a judgment is required as to what classification to go with. Even when the calculated indexes appear to clearly identify the group, there may still be judgmental factors, which require a change in the group.

Figure 1
Index Ranges

<u>FINANCIAL INDEX</u> (Thousands of dollars)	<u>GROUP</u>	<u>PEOPLE INDEX</u>
505+	I	341+
251-504	II	171-340
152-250	III	128-170
101-151	IV	87-127
0-100	V	0-86

2020 Clergy Cash Compensation Guidelines

1. Cash compensation is to include stipend, with social security/self-employment tax (SECA) built in, and housing and utility allowances. ***It is not the policy of the Episcopal Church in Delaware to issue separate quarterly checks for SECA.***

2. The rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages and funerals) for members of the congregation. The rector may, however, receive income from other sources, such as: services on behalf of persons not in any way related to the congregation; fees and honoraria for professional services performed on personal time for groups unrelated to the congregation, or for sermons, books, or articles published outside the congregation.
3. If housing and utilities are provided, the ranges in APPENDIX A *would normally* be reduced by 25%.
4. Clergy must be paid at least the minimum of the applicable group range (minimum is 25% below the mid-point and maximum is normally 25% above mid-point but is not limited to that number). An incumbent whose ministry is widely accepted, and has served in one position no less than five years, shall be paid at least at the mid-point. *An incumbent who has been in a cure for more than five years and whose compensation is below the mid-point should receive a merit percentage increase in order to bring the compensation equal to or greater than mid-point.* In making annual (or whatever period is appropriate) adjustments to stipend for incumbent clergy the table is for guidance. Congregations are encouraged to use it as a MINIMUM guideline. This table does not include additional increases in compensation based on other factors such as merit, mutual ministry review, the earning of an additional degree, changes in job description, etc.
5. The Diocesan Personnel and Compensation Committee recommends for the council's approval each year a cost-of-living adjustment that takes into account changes in the Bureau of Labor Statistics' Consumer Price Index - Urban. *A cost of living adjustment is not considered a raise or merit-based adjustment as described above.*
6. Group V is normally considered less than full-time. Compensation shall be at the Group IV level as a percentage of time worked, e.g., a half-time assignment would be 50% of Group IV level.
7. While Figure 1 above establishes your congregation group, and the guide takes the budget of the congregation into consideration, additional factors should be considered in arriving at the proper stipend for an individual. Other factors to be considered in determining clergy stipend include:

(a) Special Skills, Experience and Qualifications

- Skill in counseling
- Publications
- Recognition as an expert in a field
- Administrative leadership
- Fund-raising ability
- Ability to deal with media
- Interpersonal skills
- Ability as a preacher
- Ability as a teacher
- Post seminary education and/or doctoral or advanced degree work
- Average income for the parish
- Average income and cost of living for the region

(b) Job Complexity

- Size of staff
- Variety of duties to be performed
- Stress factors
- Goals and objectives of parish
- Quality of the lay leadership
- Transitional or stable membership

8. The rector, wardens and vestry will agree to an annual discussion and mutual ministry review of the total ministry of the congregation, in order to: provide the rector, wardens and vestry an opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministries they share; establish goals for the work of the congregation for the coming year; isolate areas of conflict or disappointment which have not received adequate attention and may be affecting the ministry adversely; and clarify expectations of all parties to facilitate congregational planning and to put any conflicts in manageable form. A mutually agreed upon third party should be engaged to facilitate the mutual ministry review. When the results of the annual evaluation indicate, additional clergy compensation is appropriate.

Description of Typical Compensation Categories

The Episcopal Compensation provides the range for the bishop of the diocese.

A Group I congregation is the largest and most complex. This is the resource-size church. There are two or more clergy on staff. A full range of worship and spiritual growth opportunities, Christian education programs, and pastoral counseling services are available for church members and the community. Significant public interest

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activities are offered. Outreach to the neighborhood and the greater community is a major part of a Group I congregation's ministry. Evangelism is organized and deliberate. Compensation for the canon to the ordinary is within the range of the Group I level.

A Group II congregation is very complex with many activities and ministries supported both within and without the congregation. This is the typical program-size church. There is generally more than one clergy on staff. In addition to two or three services on Sunday, the Group II congregation has regular weekday services and celebrates major holy days. In addition to basic Christian education offerings for both children and adults, additional specialized programs in Bible study and theology, contemporary issues and social concerns are regularly offered to the congregation and community. The Group II congregation is active in outreach, committing a real portion of its budget outside of pure congregational concerns. Evangelism is encouraged and planned growth is expected. The Group II congregation is on the creative edge of mission.

A Group III congregation is not quite program-size but is stretching the limits of pastoral-size. Most often, there is only one clergy person on staff; however, there is often part-time or volunteer help from clergy who are members of the congregation. Typically, there are at least two services on Sundays and regular weekday worship is common. There is an all-age Christian education program and special offerings are presented, usually one at a time with much lay involvement in teaching and planning. The congregation supports two or three outreach programs. Lay ministry is a major focus in a Group III congregation. There is a full complement of church activities and several groups that gather around issues or ministries.

Group IV and V congregations are family or small pastoral-size congregations. Increasingly these churches are not able to support a full-time priest alone. To be effective in its ministry, the congregation's clergy and laity work closely together in partnership. The congregation is small enough that the priest is expected to know and be known by the majority of the active members of the church. Institutional maintenance and survival are often major concerns. There is usually one Sunday service. Christian education is generally limited to Sunday morning and oftentimes only for children. Exceptions are newcomer classes and confirmation preparation. Special programs are often offered during Lent. Outreach is always balanced against congregational needs and forms of Christian outreach other than financial are often sought. Group IV congregations are frequently frustrated by the many opportunities for ministry activities with only a small number of active members. Finding qualified and willing members of the vestry is a difficult task. Evangelism is talked about, often in terms of church growth, to fill out the budget and provide more persons for the various tasks. Group V congregations are sometimes described as "family size" with one or two families playing a major role in the leadership and the history.

Guidelines for Assisting Clergy Compensation

There is a small number of full-time assisting clergy in our diocese. Their compensation ranges from 50-75% of their rector's compensation. This small number, coupled with the variety in their skills and responsibilities, makes it difficult to suggest a firm basis for setting compensation for assisting clergy. Notwithstanding this fact, we offer some thoughts on how we might approach this subject.

The rector of a congregation with the advice and consent of the vestry appoints associates and/or assistants. The responsibilities of an assistant or associate have frequently been different from those of the rector and lead to differences in compensation levels:

- (a) The rector (and only the rector) is the person ultimately responsible to the bishop for the ministry in a congregation.
- (b) By tradition and the canons of the Church, the rector is called to serve a congregation on a permanent basis; the tenure of the assistant or associate is generally for a finite and prescribed period of time, unless another term is specified in the letter of agreement.
- (c) Assistants/associates are frequently called for specific responsibilities in a congregation. Their ministries may be a transition to becoming a rector in their own right; others prefer to serve exclusively in the assistant/associate capacities.

In the past the Personnel and Compensation Committee has received comments from current and past clergy who have served in these roles. Implicit in some of these comments is an expression of concern about how the ministry of assistants/associates is viewed and valued. There is the suggestion that a new basis for viewing the ministry of assistants and associates is worth consideration. This new basis may be expressed as a preference for a shared ministry between rector and the assistant/associate vs. the traditional hierarchical model. The hierarchical model is one that places emphasis on the superior role of the rector; the shared ministry seeks to hold both clergy persons accountable to each other and to the people they serve for the ministry in a congregation and emphasize the partnership that must exist if that ministry is to be realized.

Our committee sought some scriptural references to guide our work on setting the compensation of assistants/associates; we could find no specific guidelines. But the reference and the advice on how believers (clergy and lay) should share their possessions (Acts 4: 32-34) provide some challenging perspectives.

The ideal model of the Church is that of a religious community. In that community, ministry is truly shared (among clergy and lay) and, therefore, collegiality and mutual support is the expected behavior and our challenge.

The concept of a shared ministry should not be viewed as novel. Were a shared ministry concept used to define the roles and responsibilities of the assistant/associate clergy, the issue of appropriate compensation would be approached differently.

We believe this model of shared ministry in the Church would require equity as the starting basis for the consideration of compensation for the assistants and associates. We understand and accept that all clergy have unique gifts and some have special needs. Compensation can and should reflect differences in experience, training, needs, and skills but not status or level. We believe the hierarchical model for compensation is not consistent with the notion of shared ministry. We further believe that an annual review in light of shared ministry is the key to the ongoing relationship between the rector and the assistant.

Our committee believes were this model of shared ministry used, rectors and vestries would approach the task of identifying and engaging assistants and associates very differently. We further believe this model would foster mutual accountability for ministry between the priests in a congregation that would provide an environment for a richer and stronger ministry.

II. REQUIRED BENEFITS

A. Pension Fund

Title 1, Canon 8 of the Constitution and Canons of the Protestant Episcopal Church in the United States of America requires the diocese, parish, mission, and other ecclesiastical organizations to pay the Church Pension Fund Assessment for the bishop and clergy of the diocese.

The Pension Fund Assessment is 18% of the total assessable compensation for each clergy person. Different rules may apply to the definition of total compensation for clergy that provide their own housing and those for whom housing is provided. Information can be accessed at <http://www.cpg.org>. The Church Pension Fund has a pamphlet available for downloading entitled *A Guide to Benefits Under the Clergy Pension Plan* at [A Guide to Clergy Benefits](#)

B. Health and Dental Insurance

Canon 23 of the Constitution and Canons of the Episcopal Church in Delaware states that "it shall be the duty of diocesan organizations (viz.: congregations and other ecclesiastical organizations subject to the jurisdiction of the convention) to participate in and contribute financially for their respective employees to such life, hospitalization and health insurance programs as may be adopted and approved by the Diocesan Council for diocesan organizations." The programs

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may benefit:

- a) All active clergy who receive their principal compensation from such diocesan organizations, and the dependents of such clergy;
- b) All retired clergy who at the time of their retirement received their principal compensation from a diocesan organization or who were canonically resident within the diocese, and their dependents;
- c) Surviving spouses (who have not remarried) of all such active or retired clergy, and their dependents;
- d) Full-time lay employees who receive their principal compensation from a diocesan organization, and their dependents; and
- e) Canonically resident clergy of diocesan related agencies, and their dependents.

The Denominational Health Plan (DHP) is a church-wide program of healthcare benefit plans authorized by General Convention and administered by the Church Pension Group (CPG) with benefits provided through the Episcopal Church Medical Trust. All clergy and lay employees who are scheduled to work at least 1,500 compensated hours per year (30 hours per week) are required to participate in the Medical Trust's health plans. Any employee working between 1,000 (20 hours/week) and 1,499 hours can voluntarily participate in the chosen health plans.

The DHP requires that each diocese establish, on a diocesan-wide basis, the minimum required premium cost-sharing policy for healthcare benefits. The diocese can require employers to cover all or a portion of the contribution (premium) for employees and their families. The diocesan policy regarding employer cost-sharing must be the same for all eligible clergy and lay employees scheduled to work 1,500 compensated hours per year – parity. For healthcare benefits all clergy and lay employees must receive the same minimum level of funding, such as a percentage of the premium cost, a flat dollar amount, or a coverage level (e.g. single, family, etc.).

All eligible active clergy employees enroll in one of three medical insurance plans. The 2020 diocesan base plans will be the Anthem BCBS Blue Card PPO 80 and the Anthem BCBS CDHP *20/HSA (consumer driven health plan coupled with a Health Savings Account – HSA). The Insurance Committee of Bishop and Council believes that these two plans, though different, are comparable. The third plan is the Anthem BCBS Blue Card PPO 90 Plan as a premium-sharing plan. The MS Anthem Blue Card PPO 80 and MS Anthem Blue Card PPO 90 Plans will be offered for those eligible for Medicare and enrolled in Part A, if eligible.

All plans provide prescription (Express Scripts), mental health (Cigna), and eye-care (Eye-Med) benefits. Eligible employees sign up for these plans at the time of employment or during the open enrollment periods that occur in the fall. Please see APPENDIX B for current rates.

Employees who are 65 years old, are eligible for Medicare, are employed by an eligible small employer and are covered by a plan sponsored by the Episcopal Church Medical Trust may enroll in a Medicare Secondary Payer (MSP). MSP is the term used when Medicare is not the primary payer of your medical claims. Medicare allows for an exception to the MSP. A small employer may request that Medicare serves as the primary payer for eligible Medicare beneficiaries by seeking a small employer exception. When Medicare becomes the primary payer of medical claims, the cost of providing medical coverage will be lower because your health plan through the Medical Trust becomes the secondary payer. The reduction in cost may reduce premiums compared to plans in which Medicare is not the primary payer. An employee's out-of-pocket medical costs may be lower, too. For an employee or their eligible dependent(s) to be approved for these plans, they must first be enrolled in Medicare Part A (hospital insurance). Please contact the canon for finance and administration for additional information.

Under the terms of the DHP, clergy and lay employees who have medical benefits through approved sources will be allowed to waive medical coverage under the DHP (opt out) and choose to maintain their medical benefits through the approved source. Examples of approved sources include coverage through a spouse's or partner's employment, medical benefits through a government-sponsored program such as Medicaid or TRICARE, or coverage from a previous employer. The list of approved sources is subject to change based on the federal healthcare reform law.

An employee may elect to waive coverage at the initial point of employment, during annual open enrollment, or at the time of any significant life event. The employee will need to reaffirm the election to waive coverage on an annual basis, as determined by the Medical Trust.

If a spouse has coverage under the plan with their place of employment, children are covered under the most beneficial plan.

The diocese provides access to three dental plans provided and administered by Cigna Dental through The Medical Trust.

C. Life Insurance and Accidental Death & Dismemberment

Canon 23 of the Constitution and Canons of the Episcopal Church in Delaware requires the diocese, parishes, missions and other ecclesiastical organizations to pay premium costs for their active clergy. The diocese, through the Church

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Insurance Corporation, provides access to life insurance coverage for all eligible active clergy for \$25,000. This benefit is paid for by the individual congregation or entity. (See APPENDIX B for current rates.)

D. Workers' Compensation

Each congregation is part of a diocesan Workers' Compensation plan. The administration of Workers' Compensation claims is handled within each congregation.

E. Times of Leave

Clergy should have at least one and one-half days off per week. In addition, they should have national holidays off. When the holiday is a workday (such as Sunday or other day of celebration) or the holiday is on a specified day off, compensating time off should be taken. Three days leave post-Easter and post-Christmas, of which two of the six may be Sundays.

An annual vacation is one month, consisting of twenty-three workdays, which shall include five Sundays. Two weeks of vacation may be taken after the first six months of service. No more than six days and one Sunday may be carried forward to succeeding years. Any time remaining is forfeited.

F. Sick Leave

Sick Leave is meant to provide reasonable absence for medical reasons. If the illness is prolonged, the priest or deacon should expect stipend payment to be modified, taking into account any disability payments. Prior to or during a term of office clergy are expected to inform the parish, mission or diocesan office of any health factors which may interfere significantly with effective fulfillment of responsibilities.

G. Family Leave

Clergy have professional responsibilities to discharge on a regular basis and therefore practice allocating their time accordingly. On a regular basis, specific time allowances are therefore not needed for regular doctor's appointments. In the case of pregnancy or adoption and early parenthood, the vestries are urged to be pastoral. It is understood that individual circumstances surrounding birth or adoption may vary considerably and need to be addressed. Health issues regarding birth/pregnancy can be dealt in accordance with the diocesan sickness/disability policies.

The diocese supports the intention of Resolution C042 from the 2000 general convention. Therefore, the following is recommended:

- a. A member of the clergy who is employed by the church for at least one full year and is designated the primary child-care parent be paid parental leave up to eight weeks immediately following the birth or the adoption of a child into the clergy’s household. Additional time off not to exceed eight weeks may be taken without compensation. The clergy member may elect to use vacation leave and/or sick leave during this latter period.
- b. A member of the clergy who is employed by the church for at least one full year and is the non-primary care parent is entitled to leave for the birth or adoption of a child not to exceed two weeks with full compensation, and additional leave may be taken without compensation not to exceed ten additional weeks.
- c. A member of the clergy not employed for a full year by the church must negotiate the terms of leave with the employer.

If a congregation requests, the diocese will provide financial support by paying for Sunday supply clergy for up to eight weeks for the primary child-care parent and will assist congregations in finding supply for this time. Please contact the business manager for additional information.

H. Home Equity Allowance

The Episcopal Church in Delaware recognizes the differences in financial and retirement planning and tax implications between full-time clergy, as defined in the guide, who are provided housing, and clergy who own their own housing. As such, the diocese has initiated a policy that will bring equity to this difference. The amount to fund annually is based upon a congregation’s level as it applies to the Active Clergy Guide. This policy applies to all contracts when clergy live in church owned housing.

Level	Amount
Episcopate	\$5,000 or more
I	\$4,000 or more
II	\$3,000 or more
III	\$2,000 or more
IV and V	\$2,000 or more

III. OPTIONAL BENEFITS

A. Wellness

Vestries or ecclesiastical organizations should encourage yearly physical examinations. It is suggested that if the exam is not paid for under current medical benefits, that the vestry budget this as a reserve. Vestries should encourage the rector to make a three- or four-day annual retreat outside the

diocese. Vestries should expect the rector to report at least quarterly to them about the number of days they have taken for recreation, study, and vacation time during that period. Vestries should expect the rector to participate in a professional support group of his or her choosing. They should encourage the rector to have a personal spiritual director. It is expected that the senior warden should consult with the rector at least quarterly to see that the terms of this are being met.

Responsibilities of Clergy for Self (Excerpted from Another Diocese)

As deacons and priests, we have promised to pattern our lives (and those of our families, households, or communities) in accordance with the teaching of Christ, so that we may be wholesome examples. One part of this commitment is to care for God's gift which we embody in ourselves and thus to proclaim in deed as well as word the Gospel of Jesus Christ by fashioning our lives in accordance with its precepts. The following are suggestive of some of the ways that we express this care:

1. We give adequate attention to our spiritual health, we observe daily times for prayer, scripture reading, and meditation, and regular retreats with the daily offices as the guide in our tradition.
2. We give adequate attention to our physical health, including regular check-ups, regular exercise, healthy eating habits, and moderation/abstinence in any use of tobacco, alcohol, or other drugs.
3. We give adequate attention to our emotional health and when there is need, identified by friends or colleagues, we will seek professional help.
4. We observe at least one and a half days off work each week and endeavor to enlist our parishioners' support in honoring these times of rest.
5. We take one full month each year for vacation as time for recreation and renewal, plus appropriate time after Christmas and Easter.
6. We make every effort to reach mutual agreement with our congregations and or ecclesiastical authority to plan for periodic sabbatical leave for refreshment, renewal and growth.
7. We maintain a regular program of continuing education in consultation with clergy colleagues, bishop and congregational representatives as referenced elsewhere in this Guide. At least every 5 years we give concerted effort to an examination of our professional and vocational development.

8. We maintain regular contact with other clergy through clergy meetings and colleague groups.

9. We spend intentional and significant time with our family, household or community.

10. We seek avenues of community involvement and/or friendships that allow us to relate to others where we are not priest/congregational leader.

11. We practice responsible stewardship of our financial resources. We accept the tithe as a minimum standard of giving, and if we are not already tithing adopt a systematic plan of moving towards that minimum.”

B. Voluntary Supplemental Group Term Life Insurance Coverage

Employees and qualifying spouses, domestic partners and/or children have the ability to purchase additional insurance coverage in increments of \$50,000 to a maximum of \$500,000 from the Church Life Insurance Corporation. *If purchased within 60 days of the hire or eligibility date or during periodic open enrollments offered by Church Life Insurance Corporation, the employee is guaranteed to be accepted for \$50,000 (e.g. if the employee applies for \$300,000 of Supplemental Life and is denied due to health reasons, Church Life will guarantee coverage of \$50,000).* Find additional information at <https://www.cpg.org/active-clergy/insurance/life/supplemental-life/> Coverage reduces to 50% of face value at age 65 and terminates at age 70. Current rates are included in APPENDIX B.

C. Flexible Spending Accounts - Section 125

A Flexible Spending Account (FSA) is a pretax benefit allowable under Internal Revenue Code section 125 with a maximum benefit of \$2,650 beginning January 1, 2019. The plan allows eligible employees to set aside a specific pre-tax dollar amount for unreimbursed medical, dental and dependent care expenses. Anyone who has predictable out-of-pocket medical, dental or dependent care expenses should definitely consider opening an FSA. This limit does not apply to premium costs deducted as pre-tax. The open enrollment period for new participants begins each year on or near November 1 and is effective January 1 of the following year. If an employee is currently a participant, then their automatic deduction amount will carry forward into the next year unless amended during the open enrollment period. Any unused funds are forfeited at the end of the plan year. Please contact the human resource administrator, Judith Lane Gregory, for additional information about enrolling.

D. RSVP - 403(b) Plans

The Episcopal Church in Delaware offers access to a tax-deferred 403 (b) plan as a means of setting aside additional savings for retirement funded out of current earnings. Investment vehicles may vary. The Church Life Insurance Corporation administers several plans.

IV. EXPENSES

A. Travel (Job-related)

Each congregation should provide either a monthly allowance or a direct reimbursement plan utilizing the IRS per mile reimbursement rate set annually during the first two months of each calendar year. See APPENDIX B for the current rate.

If the clergy are paid at a rate in excess of the IRS per mile reimbursement rate, under IRS revenue ruling 84-127, the *entire reimbursement* must be added to the wages reported on Form W-2. The clergy then can claim a deduction of the IRS per mile rate on IRS Form 2106 for the business mileage. The clergy should keep in mind that the IRS in the event of an audit will request documentation of these expenses. Some parishes may choose to attempt to arrive at an "average" monthly travel allowance to reduce record keeping. However, this does not eliminate the clergy's need for documentation of the allowance.

If, at the end of the calendar year, the clergy and the congregation correct the reimbursement to correspond to the actual travel records for the year, and either the clergy person returns any allowance received in excess of expenses or the congregation makes up the difference when expenses have exceeded the travel allowance, it is not necessary to report the travel allowance on Form W-2.

B. Professional Development Leave

Professional development or continuing education and retreats, should be in the broad general area of present or future ministry, to encourage steady development and redevelopment of talents and skills. Times of rest and relaxation may be necessary and a good thing, but they should be clearly differentiated from continuing job development. Each congregation shall be expected to include items in its annual budget for this annual fourteen-day period of professional development. Establishing and implementing this policy is an important part of the Vestry's responsibility.

The minimum annual amount for continuing education shall be **\$1,000**. This may be accumulated for **six** years, or drawn in advance for a more expensive program.

C. Sabbaticals

The bishop will evaluate proposals for sabbaticals. The Diocesan Council would pick-up the cost of clergy supply from its continuing education fund. The congregation would continue the clergy compensation package. The bishop and the trustees are prepared to assist in funding special programs with an emphasis on enabling sabbaticals for clergy serving smaller congregations.

The following is a guideline to be used:

Individual's share:	30%
Diocese's share:	55% for category 5 parishes
	45% for category 4
	33% for category 3
	15% for category 2
	5% for category 1
Congregation share:	The balance

D. Moving

When a congregation or other agency issues a call, it should pay the expenses associated with the relocation *such as house hunting, interviews, moving costs (to list a few)*. Clergy and the leadership of the congregations to which they have been called are encouraged to discuss the anticipated expenses in advance *and to set up a reserve*.

E. Entertainment (job-related)

Entertaining on behalf of the church should be reimbursed on submission of an expense account. It is recommended that approval of estimates be obtained prior to purchases.

F. Discretionary Fund

Title III, Canon 9, Section 5(b)(6) of the canons of the Church is generally interpreted to mean that, at a minimum of one Sunday a month, the loose offering at the Holy Eucharist is designated for the clergy discretionary fund. A congregation may wish to set aside a budgeted amount for the discretionary fund in addition to the traditional source or as a substitute for it.

The discretionary fund represents the special ministry of the congregation through its clergy and should be budgeted as such to reflect the commitment of the total congregation to this ministry. The purpose of this fund is to permit clergy to provide limited confidential assistance to people in need in or outside the area of responsibility. The discretionary funds are subject to audit and are to be included in the financial reports following standard accounting procedures. Discretionary funds remain with the

congregation when the clergy departs. (Please refer to the current Manual of Business Methods in Church affairs, Chapter 5. The manual is now located on the diocesan website under Resources for Church Leader.)

V. GUIDELINES FOR THE REMUNERATION OF CLERGY WHO PROVIDE SUPPLY SERVICES

In an effort to provide guidelines in this area, the committee has recommended and the council has approved the following minimum schedule for supply clergy to be paid by the vestry for whom services are supplied.

On a given Sunday or weekday (Note: The 1979 Book of Common Prayer calls for a sermon or homily as part of the Proclamation of the Word at each service of Holy Eucharist):

One Sunday service with sermon	\$188
Two Sunday services with sermon	\$234
Three Sunday services with sermon	\$265
One weekday service with homily	\$112

Financial arrangements for extensive premarital counseling should be made between the clergy person supplying services and the clergy or warden of the congregation with which the couple is associated.

Wedding and rehearsal	\$183
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Funerals with appropriate pre-service and post-service visits, and assistance with arrangements	\$290
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In general, \$125 per unit is appropriate for special needs. A unit is determined as a morning, afternoon or evening.

Clergy are also reimbursed for travel costs at the applicable IRS per mile rate.

APPENDIX A

EPISCOPAL CHURCH IN DELAWARE
COMPENSATION SCHEDULE 2020

<u>GROUP</u>	<u>MID-POINT</u>	<u>MINIMUM</u>
V	76,860	57,644
IV	76,860	57,644
III	83,432	62,581
II	94,917	71,185
I	115,290	86,470
Episcopal Compensation	194,527	145,606

If housing and utilities are provided, the above ranges would normally be reduced by 25%. The maximum compensation is calculated at 25% above the mid-point.

Figure 2
Sample Calculation

FINANCIAL INDEX

(Using page 3 of the 2017 parochial report)

(Line 12, 13, and 14) diocesan assessment, outreach and operating expenses

\$180,000

(Line 3) plate offerings, pledge payments, and regular support

130,000

TOTAL

\$310,000

\$310,000 divided by 2 = \$155,000; a financial index of 155

PEOPLE INDEX

(Page 2 Line 6) average attendance

157

(Page 3 Line 1)

170 pledging units

327

327 divided by 2 = 163; a people index of 163

Thus, Financial Index of 155 (Low Group III)

People Index of 163 (High Group III)

APPENDIX B - BENEFITS

2020 Medical Rates

Since January 1, 2013, the Episcopal Church in Delaware participates in the Denominational Health Plan as adopted by the 76th general convention of the Episcopal Church. The Denominational Health Plan (DHP) is a church-wide program of healthcare benefit plans authorized by general convention and administered by the Church Pension Group (CPG) with benefits provided through the Episcopal Church Medical Trust. All clergy and lay employees who are scheduled to work at least 1,500 compensated hours per year (30 hours per week) are required to participate in the Medical Trust’s health plans. Any employee working between 1,000 (20 hours/week) and 1,499 hours has access to and can voluntarily participate in the chosen health plans.

The DHP requires that each diocese establish, on a diocesan-wide basis, the minimum required cost-sharing policy for healthcare benefits. The diocese can require employers to cover all or a portion of the contribution (premium) for employees and their families. The diocesan policy regarding employer cost-sharing must be the same for all eligible clergy and lay employees scheduled to work 1,500 compensated hours per year – parity. For healthcare benefits all clergy and lay employees must receive the same minimum level of funding – such as a percentage of the premium cost, a flat dollar amount, or a coverage level (e.g. single, family, etc.).

<u>Category</u>	<u>Monthly Cost</u>	<u>Annual Cost</u>
2020 Standard Plan #1 Consumer Driven Health Plan*20 with Health Savings Account		
Individuals	\$ 697.00	\$ 8,364.00
Employee/children	\$1,255.00	\$15,060.00
Families	\$2,091.00	\$25,092.00
Employee/adult	\$1,394.00	\$16,728.00
2020 Standard Plan #2 with Anthem BCBS Blue Card PPO 80		
Individuals	\$ 828.00	\$ 9,936.00
Employee/children	\$1,490.00	\$17,880.00
Families	\$2,484.00	\$29,808.00
Employee/adult	\$1,656.00	\$19,872.00

This represents an average of under 6% increase from 2019.

APPENDIX B - CONTINUED

2020 Optional Buy-Up Plan with Anthem BCBS Blue Card PPO 90

Individuals	\$ 913.00	\$10,956.00
Employee/children	\$1,643.00	\$19,716.00
Families	\$2,739.00	\$32,832.00
Employee/adult	\$1,826.00	\$21,912.00

This represents an under 6% increase from the 2019 rates.

2020 Optional MS reduced premium Anthem BCBS Blue Card PPO 80

Individuals	\$ 671.00	\$ 8,052.00
Employee/children	\$1,208.00	\$14,496.00
Families	\$2,013.00	\$24,156.00
Employee/adult	\$1,342.00	\$16,104.00

2020 Optional MS reduced premium Anthem BCBS Blue Card PPO 90

Individuals	\$ 740.00	\$ 8,880.00
Employee/children	\$1,332.00	\$15,984.00
Families	\$2,220.00	\$26,640.00
Employee/adult	\$1,480.00	\$17,760.00

2020 Cigna Dental Plans

Basic Dental - 50/150 - Standard Plan

Individuals	\$ 47.00	\$ 564.00
Individual + 1	\$ 94.00	\$ 1,128.00
Individual + children	\$ 85.00	\$ 1,020.00
Family	\$ 141.00	\$ 1,692.00

Dent&Ortho - 25/75 - Optional Buy-up Plan

Individuals	\$ 61.00	\$ 732.00
Individual + 1	\$122.00	\$ 1,464.00
Individual + children	\$110.00	\$ 1,320.00
Family	\$183.00	\$ 2,196.00

Preventive Dental - lower cost optional plan, can be chosen by employee

Individuals	\$ 31.00	\$ 372.00
Individual + 1	\$ 62.00	\$ 744.00
Individual + children	\$ 56.00	\$ 672.00
Family	\$ 93.00	\$1,116.00

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2020 Active Clergy Group Life Insurance Premium Rates - \$25,000

(all premiums are per thousand, per month)

\$17.50/month for \$25,000 - No change from 2018

Life .66/1,000

AD&D .04/1,000

This represents no change from 2019.

Voluntary Supplemental Group Life Insurance through the Church Life Insurance Corp.

(all premiums are per thousand, per month)

Age 20-34	.07/1,000	Age 50-54	.46/1,000
Age 35-39	.10/1,000	Age 55-59	.77/1,000
Age 40-44	.16/1,000	Age 60-64	1.05/1,000
Age 45-49	.27/1,000	Age 65-69	1.72/1,000

The 2020 Mileage Reimbursement rate is \$.575.

APPENDIX C
SUGGESTED INSERT FOR MINUTES OF VESTRY/BISHOP'S COMMITTEE
FOR DESIGNATION OF CLERGY HOUSING ALLOWANCE

The (vestry) (bishop's committee) has received a statement from the Rev. _____
_____ detailing the amounts that (he) (she) will be required to spend in 20__to
provide a home for (and family).

A copy of this statement is attached to and forms a part of the original minutes of this meeting.

After consideration, on motion duly made and seconded, the following resolution was adopted:

Be it resolved that the Rev. _____'s compensation for the year 20__be set at \$_____,
of which \$_____ is designated as an allowance for the expenses of providing a home, based
upon the attached statement of the Rev.'s estimated housing expenses for the year 20__.

(If the clergy person is provided with the rent-free use of a house, the following should be
added:)

The Rev. _____ shall also be provided with the rent-free use of the house located at
_____for the year 20__in consideration of (his) (her) services as
_of _____ Church, _____, Delaware.

(The clergy person should retain a copy of the minutes containing this notice, with his or her
IRS records).

APPENDIX D
SUGGESTED FORMAT FOR DOCUMENTATION
OF CLERGY HOUSING ALLOWANCE

TO:

(Vestry) (Bishop's Committee)

(Name of Church)

(Address of Church)

FROM:

(Clergy Person)

SUBJECT: Housing Allowance for 20__

The following amounts are estimates of the costs I expect to pay during 20__ to provide a home for myself (and family):

- | | | | |
|-----|-------------------------|--|-------|
| (1) | House | (Mortgage payment) or
(Fair rental value) or (Rent
on leased premises) | _____ |
| (2) | Utilities | | |
| (3) | Taxes | | |
| (4) | Insurance | | |
| (5) | Repairs and maintenance | | |
| (6) | Furnishings | | |
| (7) | Other housing expenses: | | |
| | _____ | | |
| | _____ | | |

TOTAL \$

Clergy Person's Signature:

Dated:

APPENDIX E

**WORKSHEET FOR THE CLASSIFICATION OF CONGREGATIONS
FOR CLERGY COMPENSATION PURPOSES**

CALCULATIONS

Financial Index (using Page 3 of the 2018 or 2019 Parochial Report)

(Letter E) Diocesan assessment, outreach, and all operating expenses _____

(Line 3) Plate Offering, Pledge Payments, & Regular Support _____

Total _____ divided by 2 = _____ divided by 1000 equals a Financial Index of _____

People Index

(Line 6 Page 2) Average Attendance _____

(Line 1 Page 3) Pledging Units _____

TOTAL _____

Total _____ divided by 2 equals a People Index of _____

INDEX RANGES

<u>Financial Index</u>	<u>Group</u>	<u>People Index</u>
505+	I	341+
251-504	II	171-340
152-250	III	128-170
101-151	IV	86-127
0-100	V	0-85

Our Financial Index is _____. Our People Index is _____.

This is Group _____. This is Group _____.

Check one We accept Group __ as our classification.
 We wish to classify ourselves as Group __ because _____

Signed: _____ Senior Warden

Dated: _____

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APPENDIX F

2020 SUPPLY MONTHLY EXPENSE REPORT

The Rev. _____ Congregation

For the month of _____, 2020 Reporting Date

SUNDAY	Dates	Location	@ Rate	Total	Miles
1 SERVICE AND SERMON	_____	_____	@ 188	\$_____	_____
2 SERVICES & SERMON	_____	_____	@ 234	\$_____	_____
3 SERVICES & SERMON	_____	_____	@ 265	\$_____	_____
MIDWEEK SERVICE	_____	_____	@ 112	\$_____	_____

ACTIVITY/SPECIALTY/ADMINISTRATION BLOCK
 (A block is determined to be a morning, afternoon or evening)

_____	_____	_____	@ 125	\$_____	_____
_____	_____	_____	@ 125	\$_____	_____
_____	_____	_____	@ 125	\$_____	_____
_____	_____	_____	@ 125	\$_____	_____

FUNERAL:

(1)Pre-Planning/Grief and Post Follow-up	_____	_____	@ 145	\$_____	_____
(2)Service	_____	_____	@ 145	\$_____	_____

WEDDING:

(1)Pre-Marital Sessions - 3	_____	_____	@ 275	\$_____	_____
(2)Wedding Rehearsal and Service	_____	_____	@ 183	\$_____	_____

TOTAL FOR SERVICES TO BE REMITTED TO THE EPISCOPAL CHURCH IN DELAWARE

\$_____

TOTAL TRAVEL REIMBURSEMENT TO BE PAID BY THE CONGREGATION TO:

THE REV. _____ Miles X .575 = \$_____ CK# _____

DIOCESAN OFFICE USE ONLY: Date Paid _____ Amount _____ Approved _____ Check

APPENDIX G

MILEAGE & TRANSPORTATION REPORT

Name _____

=====

Date	Location To/From	Purpose of Travel	Toll/Parking/Other Auto Expense	Miles

Number of Miles _____ X current IRS Rate = \$
Total Amount of other expenses _____
Total \$ _____

Appendix H

I. ADVOCACY FOR CLERGY DURING COMPENSATION/BENEFIT NEGOTIATIONS

At the time of determining the annual budget in congregations, clergy often find it difficult to negotiate for an adjustment in their compensation and benefits. Negotiation is not a skill that everyone possesses. In response to this reality, the Personnel and Compensation Committee proposes that clergy ask an advocate to represent his or her needs and desires to the vestry or budget committee. This section of the guide proposes a method for finding and making use of an advocate.

- (1) Let the vestry and budget committee know well in advance that you will be asking someone to represent you at the budget meeting.
- (2) When deciding on an advocate, choose someone who cares about you within the parish community, but not the treasurer (the treasurer would be put in an untenable position as your advocate). The advocate does not have to be a member of the parish, but needs to be someone with credibility in the community. The advocate should have an understanding of the covenant between the cleric and the parish and also have a sense of advocacy as a ministry that serves both the cleric and the parish. Write or call this person and outline what you are asking him or her to do. For example, you would like an advocate:
 - (a) To represent you and your needs to the vestry or budget committee;
 - (b) To discuss with you what your hopes are for the next year regarding your package;
 - (c) To meet with you one or two times before the budget meeting;
 - (d) To be an advocate for one or two years.
- (3) Meet with the person you've chosen to be your advocate at least one week before the budget committee meets.
 - (a) Give the person a sense of the purpose of being your advocate
 - To have sense of this ministry as a way of caring for the parish cleric who comes to the parish as servant
 - To understand that vestry and cleric have entered into a mutual covenant of care giving. As the cleric cares for the people, the people must care for the cleric. This is important for the parish as well as for the cleric
 - To speak for the cleric when he or she may not be in a position to speak for himself or herself

- (b) Use this diocesan guide as a focus for the meeting and go through them carefully
- (c) Note all the categories of the covenant between the cleric and the vestry
- (d) Note that it is reasonable for parish to support these categories
- (e) When you come to the financial section, note that the commended amount is for the minimum, not maximum
- (f) Ask if the advocate can accept the principles of the categories
- (g) Have an annual meeting with the advocate to review your needs and what you hope for
- (h) Assure the person that you are depending on him or her to represent your needs.
- (i) Don't be afraid to articulate your needs

II. GUIDELINES FOR PARISH, CLERIC, AND FAMILY DURING MARITAL STRESS, CRISES, AND DIVORCE IN CLERGY FAMILIES

The establishment, blessing, and nurture of Christian marriage and Christian family life is a primary task of the church. Christian marriage, at best, provides a secure place for the wholesome expression of human sexual communication as well as for reproduction. Through the faithful commitment of one person to another, God addresses their loneliness and blesses them with the gift of companionship. Clergy separation and divorce do occur. They are realities usually accompanied by confusion and hurt. They are among life's most threatening and painful experiences. These guidelines are designed to be useful to rectors and families, vestries, and congregations as they develop ways of dealing with marital problems of clergy.

In the process of working with the problems that have become apparent in a marriage, the various parties affected have responsibilities that they must accept. Each should respect the confidentiality of the situation. It should be recognized by all parties, if divorce ensues, that this may affect the life of the congregation for some time to come.

(1) Clergy Responsibility:

- (a) Recognizing serious problems developing within the marriage;
- (b) Discussing problems with spouse and children;
- (c) Discussing the situation with an appropriate and trusted third party;
- (d) Seeking professional counseling for self and family;
- (e) Recognizing the potential impact upon the congregation in such areas as;
 - (1) Management of the church's day to day affairs
 - (2) Counseling for parishioners

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- (3) Visiting parishioners
 - (4) Emotional response of the congregation
 - (f) Counseling with the bishop for guidance on what approaches to use for the problem;
 - (g) Discussing with the senior warden, as appropriate, when problems impact on the parish.
- (2) Spouse's Responsibility:
- (a) Recognizing serious problems developing within the marriage;
 - (b) Discussing problems with spouse and children;
 - (c) Discussing the situation with an appropriate and trusted third party;
 - (d) Seeking professional counseling with spouse.
- (3) Vestry/Senior Warden Responsibility
- (a) Approaching the clergy when problems impact upon the congregation;
 - (b) Deciding what role vestry should take;
 - (c) Suggesting counseling for clergy and family if problems appear to be escalating;
 - (d) Requesting assistance from bishop if unable to help to resolve the problem;
 - (e) Setting limits as to when the parish will no longer allow problems to disrupt the parish and the congregation;
 - (f) Deciding what continuing financial support is available to the clergy and family should divorce ensue.
- (4) Bishop's Responsibility
- (a) Setting up a protocol as to when the bishop becomes involved;
 - (b) Being available to clergy and family;
 - (c) Having within the diocese counseling resources available to clergy and families;
 - (d) Developing a diocesan policy on divorce and remarriage of clergy.

III. RETIREMENT SUGGESTIONS

Introduction

This section of the guide is designed to help clergy who are thinking of retiring work with some of the many issues related to a major life change. It purposefully includes more questions than answers since everyone's situation is different. Everyone needs to think about his or her own situation and work out his or her own answers. Some resources that can help are also included in this section. Many

persons will have questions about the Church Pension Fund and Social Security. Current, accurate information can only come from the people and offices that administer these programs.

If I am thinking about retiring, who else is involved in making the decision?

Any individual whose life is going to be affected by your retirement deserves to be involved in making that decision. Every question asked in this pamphlet needs to be asked of spouse, children, parents, and others who may be moved, have their standards of living changed, or be separated from job or friends. Involve them in your thoughts, your plans, your scheduling; take them along if you attend a pre-retirement training program; have them with you when you make the announcement to the parish.

Is there a pre-retirement training/planning program available?

The diocese from time to time may provide training/planning programs for clergy and spouses (and others affected by retirement). Watch for announcements of these events. Additionally, the Church Pension Fund provides pre-retirement planning through phone conversations or an appointment in New York City and the Planning for Tomorrow conferences.

Am I going to have sufficient income to maintain my present, or a slightly reduced, standard of living?

While everyone has a different set of circumstances, some financial planners state that if your retirement income is 60% of your pre-retirement income you probably can maintain the same standard of living. There are significant differences in expenses after retirement. Transportation, entertainment, clothing (you will be recycling your work clothes for years and won't dress up nearly as often), subscriptions, memberships, books, and material costs will drop or even disappear. Travel expenses may go up, so may the costs of what used to be a spare time hobby that becomes a weekly or daily avocation. In any event, make a very careful inventory of your assets and liabilities and a serious study of your expected regular expenses. Then compare your expenses with your projected income. It is important that others be involved in this process. Spouses and others may very well know more about expenses than you do, particularly if they took care of the household accounts). If your projected retirement income does not match up to at least 60% of your pre-retirement income, or at least match your expected expenses, how are you going to make up, or adjust to, the difference? Is part time work as a priest going to be possible? Can you start a new line of work? Can you significantly cut some expenses?

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In calculating expenses some things require the special attention of clergy. Among these are:

Housing costs - Many of you have lived in rectories and may just not be familiar with what it costs to purchase, rent, or maintain a residence. If you and your dependents have any uncertainties about this, talk with members of your parish, or your families, who have more experience. Remember, retirement is a big decision, one of the biggest changes in your life. Don't make decisions about it in a vacuum. Ask as many questions as you did when you answered your call to the priesthood.

Taxes - Most of you have been paying your taxes on an estimated basis, so shouldn't have any trouble doing the same when retired. But, do look carefully at your tax liability. Look carefully at any tax-free income you have had. Talk with the Church Pension Fund office about the tax status of your pension. Some of it may be tax-free. Also, carefully check your status on state income taxes. Every state is different. Don't wait until you are filing your return the year after you retire to find out that you are going to owe several hundred dollars that you had not planned on, or that you need special forms or documents to support your return. Call the IRS or your state or DC tax office early.

Have I examined my insurance programs? Not just life insurance, but also auto, house and contents, personal liability, and health for family and myself?

Life Insurance - Examine this closely. What do you really need for the protection of your dependents? Generally speaking, any whole life and other permanent policies should be paid up before you retire. Commercial term policies are usually prohibitively expensive for people of retirement age. Discuss this with someone you trust and respect for his or her financial acumen if you are not sure what you should do.

Automobile Insurance - Costs vary by locality, type and age of car, age of drivers, driving records, etc. Only a knowledgeable broker or agent (or perhaps a *Consumer Reports* study) can give you the necessary information for your particular situation. Remember, Delaware is not just one locality. It probably will make a difference if you are moving from one area to another

House and contents - If you have been living in a rectory you did not need insurance on the structure. You may now. Make inquiries about different policies from different companies (as you would on auto insurance). Costs in this area, depending on house value, seem to range from \$350 to \$600 per year for full replacement coverage on the structure and for \$50,000 of contents. Such policies also include personal liability insurance covering a variety of situations - not related to a business or an automobile.

Health and hospitalization – If you retire from parish or diocesan employment and are canonically resident in the Episcopal Church in Delaware, you may continue your coverage in the diocesan health plan. There are also provisions for spouses and other dependents, if any. The entire Medicare program is currently under review and is subject to significant changes. Future editions of these guidelines will address any changes.

At age 65, or if you are a Social Security recipient, you become eligible for Medicare. Some of Medicare is free, some is not and there are some options. Look carefully at the options. Medicare Part B is one that many feel well worth the cost. Combined with a fairly comprehensive commercial or institutional plan, Medicare has proved adequate for the great majority of retired persons. Just make sure that any special problems or needs of yours or your dependents are covered by whatever plan or combination of plans you will have. And, make sure that you estimate the costs accurately. *Do not underestimate.* Health insurance costs have been going up faster than the cost of living for the last few years. Also, if you are going to start paying all or part of the costs for your health insurance, remember that this a new cost for most of you. Be sure to include it in your calculation of expenses – near the top in terms of importance.

Starting January 1, 2006, prescription drug coverage was available to everyone enrolled in Medicare through multiple Medicare D prescription drug plans. All of these Medicare prescription plans should provide at least a standard level of coverage set by Medicare. The prescription drug coverage through the Medical Trust/Episcopal Church in Delaware is at least as good, and possibly better than, many of the Medicare D prescription plans. In order to make a knowledgeable decision, you should compare the coverage presented with the Medical Trust/Episcopal Church in Delaware plan, including which drugs are covered, with the coverage and cost of the plans offering Medicare D prescription drug coverage where you will be living.

You can get more information about Medicare prescription drug plans from these places,

- Visit www.medicare.gov for personalized help.
- Call your State Health Insurance Assistance Program
- Call 1-800-633-4227.

For people with limited income and resources, assistance to pay for a Medicare prescription drug plan is available. Information about this assistance is available from the Social Security Administration. For more information about this extra help, visit them at www.socialsecurity.gov, or call them at 1-800-772-1213.

How do I calculate my retirement income?

Determine your expected income from the Church Pension Fund, Social Security, investments, and post retirement employment. While you can probably figure the last two yourselves, it is advisable to contact the Church Pension Fund and the Social Security Administration for estimates early in your planning process. By early, we mean before you have set the date and announced your retirement. Call the Church Pension Fund on 800-223-6602; ask for the benefits section of clergy pension services. Request an estimate of your pension. To find out about Social Security you can do two things. First, you can get a report of the number of working quarters and earnings that will show whether you have met the basic eligibility requirements. This you can do by calling Social Security. Then, with that information in hand, you can call or visit your local Social Security District Office and get some help in calculating your expected monthly payment.

How do I apply for retirement benefits?

Now that you have made some careful estimates of your income and expenses, do you know how and when to apply for retirement benefits? After you have talked with the bishop, and told him of your decision, your next step might well be a call to the Church Pension Fund office. If you haven't already asked them about when to apply, ask now. (Three months ahead of the effective date is not too early). Find out what documents you need to submit. Find out when you can expect your first check. It usually comes in the first month of retirement, but things do not always go as expected. *Make sure you have enough in savings or liquid assets to keep you going and to meet unexpected needs for three months.* To repeat, the office to call is the benefits section of clergy pension services, toll free number 800-223-6602.

After you have the information you need about the Church Pension Fund, talk to the people at the Social Security District Office. See what you need to do and have to do to file a claim. Again, find out about schedules.

Talk to both the Church Pension Fund and Social Security offices about exactly what your monthly benefit is going to be. While it is likely that neither can give a guaranteed precise figure, each can give you a very close approximation. If the figure either gives you differs much from what you had gotten in the early planning stages or had calculated yourself, go over the calculations with the office to see why the difference. Do not be bashful about asking questions. (Keep in mind the old saying that the only dumb questions are those not asked.) It is your income that is being discussed, the benefits that you earned. It may not seem important to the people you are talking to, but they will understand and respond to your interest.

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The Church Pension Fund provides a resettlement benefit of up to \$6000 for retiring clergy who were active in the diocese at the time of retirement. When you are talking with the Pension Fund office, they will tell you about this benefit. (Ask if they don't.) You will be told if you are eligible and how much you might receive. At the time of your retirement you will be provided information on the tax status of the benefit.

Where am I going to live?

If you are planning to stay where you are, in a house you own, or are paying for, your concerns in this area relate to the change from receiving a tax-free housing allowance to receiving a pension, part of which may be considered a tax-free housing allowance. While these considerations are not minor, at least the costs can be calculated.

If you are living in a rectory, you are going to be moving. Your move can be to a retirement community or home, in this area or elsewhere. Or you can be moving back to a house you own here or elsewhere. Or you can be moving to Florida or Arizona. In any event your situation will change. Any place you move involves financial and social considerations. You can calculate the financial considerations with some sense of certainty. Can you do the same for the social considerations?

Think carefully about becoming part of a new community, of finding new friends, of finding ways to continue interests you have developed in your life so far. Prepare yourself, to the extent possible for the stresses involved in making such a change.

Are you prepared to change your role?

While once a priest always a priest, the day you step out of that pulpit for the last time you give up one role and assume a new one. You change from being the rector of a parish or an assistant to the Bishop to being a retired priest. Are you ready for this? While you may think you are the same person, others will not. You no longer have the trappings of your parish or diocesan position. While you can still celebrate the Eucharist, it will be with the permission of someone who is what you were or within your own family.

You cannot practice this role change; you can only expect it to happen. Be prepared to talk with family and friends about it. While it can be quite upsetting, it also has its good points. Weekends free. No more sermons to worry about. No more late-night calls of emergencies to be attended to. An opportunity to worship as an individual.

How do I set a date for my retirement?

When is it right to retire? No two priests will come up with the same answer for the same reasons. Every case is different. Every final decision, a compromise. The choice of a particular date is a combination of age, length of service in a parish or position, income expected, income needed, energy, feelings of spouse, dependents and family, health of self and family, and at least as many more individual considerations pertinent to a particular case.

Sometimes suggestions as to a date can come from an outside source such as your parish or the bishop. No one really wants to stay after he or she is no longer wanted or needed. We should keep our ears, minds, and hearts open to signs that we are reaching the point when we should move on. The only option may be retirement.

How do I leave my parish or other position?

How do you leave a place that has taken so much of your time, your energy, and your love? Particularly when you are not going to another similar situation. How do you say goodbye? When do you tell the wardens, the vestry, and the parish family, your supervisor, the bishop? While there is no right answer to these questions that meets every case, the best answer is sooner rather than later. In most cases no one benefits from decisions either made or announced close to the effective date. Making and announcing the decision well in advance gives you and the parish or other organization you are leaving plenty of time to adjust to the fact of your retirement. It gives the parish an opportunity to do some planning for an interim rector and to start on the planning for a permanent successor. While you might think that it will make you a lame duck if you announce your retirement more than a month or two in advance that is not necessarily true. If you make the announcement six months to a year in advance, you and your parish will have time to think of you as a lame duck and get over it, and your last few months can turn out to be a productive period for both your ministry and the parish's growth. Giving decent advance warning to the parish will also avoid any possibility of bad feelings that you are deserting them without decent notice and, maybe more important, give you plenty of time to come to closure on projects or individual counseling situations, with all parties understanding that there has to be an end to the relationship.

The determination of the length of time between an announcement and the date of departure is a compromise for you as well as the parish. You want the time long enough so you aren't rushing off before you and the parish are truly ready. But you don't want to be around very long after you and the parish are ready for the leave taking.

As a parish priest what is my role in choosing an interim or permanent successor?

A retiring priest has little involvement in choosing a successor. You will have to use your own judgment in answering questions and requests for guidance from the wardens and vestry, but your stance should be hands off. This diocese has an established process and you should contact the diocese for further information.

What involvement should I have in the parish after my retirement?

None! Put yourself in the place of the interim or permanent successor. Would you want to have your predecessor second-guessing you? Stay away. Do not even do weddings or funerals unless specifically asked by the present rector.

How will my parish and I make the separation?

What are the closing events? There will be a variety of social events, depending on the parish's traditions and what you are open to. There will also be last vestry meetings and a last service. There is a service for Ending a Pastoral Relationship in the Book of Occasional Services. It will be almost impossible to keep control of all the closing events. You mustn't worry. The parish is doing some things for themselves, not for you. One word of advice. Do not let anyone else preach on that last Sunday. You have earned that privilege. Use it to make your formal valedictory. A second word of advice. Don't spring any big surprises on the parish in that sermon. If you have anything but goodbye to say to the parish, say it earlier. A last sermon is no time for criticism or exposés or confessions.

What will my life be like after retirement?

What are you going to do with your time after retirement? If you are like most retirees this will not be a problem. You will find yourself wondering how you ever had time for all those things you did as an employed priest. Are you going to try to keep your hand in as a priest? If you are staying in this area, you will probably be able to find supply and assisting work. If you move away, it may take some time to become part of the community and become known well enough to get those calls. It is going to be up to you. It will require some effort. If you are not going to continue as an active member of the clergy, you will just have to learn to say no when opportunities are presented.

Or do you want to do something entirely different? Or do nothing that is income producing? Your need for additional income may be the governing factor. However, it is more likely that a need to fill time, or what you think is a need to fill time, will drive you to seek things to do. Don't be surprised if you are uncomfortable for a significant period of time, particularly on Sunday mornings. Accept the fact that you have made a big change in your life. One of the authors of

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this pamphlet felt particularly edgy every Monday morning for months. His wife helped solve that problem by letting him do the wash.

Allow yourself time for things that you want to just try. Let a hobby grow from an hour or two a week to six or eight hours. Take a nap after lunch. Read the whole paper in the morning instead of just the comics, front page, and sports. Above all, don't feel guilty. You have earned your retirement. Use meditation and prayer to help you through this crisis just as you have used them to help you through other crises. Get more exercise. Exercises, a good long walk, swim, or bike ride, can lessen tension and stress and clear the mind.

Don't think that just because you are retired that you are no longer useful. You will probably find that your energy will increase, you will sleep better, and eat more sensibly within a few months of retiring.

Talk about any problems you have with the people around you, your family, and friends. Your retired friends are a particularly good source of advice. They have been through what you will be going through. (You may not experience any problems. Your decision may be well enough timed and planned, or you may just be so ready, that the only feelings you have may be of satisfaction for a job well done or of relief).

Am I going to have to give up a lot of friends and move away from my family?

Remember, you are only retiring, not joining a closed order. There is no reason to give up personal friends. (Business acquaintances are something else - those disappear with the work you did). And family are still family. If you leave the area, it will be harder to keep up some of the social attachments, but remember, you will have more time for travel. You will have time to visit people (even on weekends). Don't cross off friends. See which friendships keep going naturally. Work on keeping in touch. Write a few more letters.

Be prepared to make new friends. Retired people seem more gregarious than most. They have time to make new friends. They have time for casual relationships that can blossom into friendships.

V. ACTIONS AT DEATH OF CLERGY

In the event of the death of a cleric active in a parish, the parish will have to make decisions that will affect the cleric's family.

The following guidelines are intended to be helpful to a rector and/or senior warden and the vestry as they develop policies and procedures to follow upon the death of a clergy.

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(1) Funeral Arrangements

- (a) Notify the bishop.
- (b) Notify the Church Pension Fund upon the cleric's death.
- (c) Help with the selection of a funeral home.
- (d) Decide upon the appropriate services and how they will be conducted (vigil, wake, vestments).

(2) Financial Considerations

- (a) Provide financial support for family:
 - 1. Death settlement of six month's pay with housing allowance, or;
 - 2. Continued stipend with benefits for six months from date of death.
- (b) Help to secure social security benefits for the family.
- (c) Plan for the care of a surviving minor.
- (d) Help to secure other monetary/financial support:
 - 1. Veterans' benefits
 - 2. Insurance benefits
 - 3. Educational scholarships from diocese

(3) Housing

- (a) Allow family to remain in parish-supplied housing for six months or continue the housing allowance for six months.
- (b) Help in relocating the family, if this is needed.

(4) Insurance Coverage

- (a) Continue health insurance for six months from date of death.
- (b) Provide life insurance for spouse if there are minor children.

(5) Counseling for Family

- (a) Provide emotional support for the family during the bereavement period.
- (b) Acquaint the family with the various resources and assist them in securing the appropriate supports and funding to meet their needs.

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(6) Additional Recommendations for Parish Consideration

- (a) Set up income insurance through the diocese for the family into which the parish can contribute or pay premiums on a monthly basis.
- (b) Help family to secure adequate housing.
- (c) Develop a support group within the parish.