



## CLERGY MINIMUM COMPENSATION & BENEFITS SCHEDULE – 2023

The Board of Trustees adopts a minimum compensation and benefits schedule for full-time clergy positions. Compensation above the minimum is encouraged for merit, professional accomplishments, education, and secular work experience. Part-time clergy positions are expected to be compensated proportional to the time of the position.

This minimum scale is an 8% over last year’s base. These minimum amounts already include the self-employment compensation adjustment (SECA), or so called “social security reimbursement”.

### CASH COMPENSATION *paid to the cleric.*

- 1) **Salary** that meets or exceeds the scale with exception for those working outside of a sacramental role (e.g. secretary or youth ministry).
- 2) **Housing Allowance**
  - a. When housing is provided by church (church owned/rental)
    - i. **Utility Allowance** *paid to vendor(s) or cleric*  
When to vendor: assessable for pension purposes.  
When to cleric: assessable for pension purposes. Vestry is to designate as housing allowance under Section 107 of the Internal Revenue Code).
    - ii. **Housing Equity Allowance** *paid to pension provider (preferred) or cleric* of at least 2% of Salary plus Utility Allowance.  
When to pension provider: assessable for pension purposes. Tax deferred payments so no IRS reporting needed.  
When to cleric: assessable for pension purposes. Taxable income to be included in IRS Form W-2, line 1.
  - b. When housing is provided by cleric: assessable for pension purposes. In consultation with the cleric, the Vestry is to designate a portion of the salary as a housing allowance meeting requirements under Section 107 of the Internal Revenue Code).

<b>Minimum Compensation Scale</b> (SECA is included)		
<u>Years of Credited Service on 1/1</u>	<u>Church housing</u>	<u>Clergy housing</u>
0 to 1	\$48,778	\$64,533
1 to 2	\$49,103	\$64,933
2 to 3	\$49,428	\$65,333
3 to 4	\$49,753	\$65,733
4 to 5	\$50,078	\$66,133
5 to 6	\$50,403	\$66,533
6 to 7	\$50,728	\$66,933
7 to 8	\$51,053	\$67,333
8 to 9	\$51,378	\$67,733
9 to 10	\$51,703	\$68,133
10 to 11	\$52,028	\$68,533
11 to 12	\$52,353	\$68,933
12 to 13	\$52,678	\$69,333
13 to 14	\$53,003	\$69,733
14 to 15	\$53,328	\$70,133
15 to 16	\$53,653	\$70,533
16 to 17	\$53,978	\$70,933
17 to 18	\$54,303	\$71,333
18 to 19	\$54,628	\$71,733
19 or more	\$54,953	\$72,133
If service was outside US, contact the Diocesan Office for direction.		

### BENEFITS

- 3) **Pension** *paid to Church Pension Fund* under its rules of 18% of total assessable compensation. Refer to “A Guide to Clergy Benefits” at [cpg.org](http://cpg.org). Enrollment or changes are made through the Diocesan Office.
- 4) **Medical & Dental Insurance** *paid to the Episcopal Church Medical Trust. May include required Health Savings Account contributions to vendor.* Benefits are to be at level of cleric’s life situation (Single, Employee+1, or Family). Rates are established by Medical Trust and diocesan Health Insurance Policy. [diofdl.org/ae](http://diofdl.org/ae). Enrollment or changes are made through the Diocesan Office.
- 5) **Group Term Life Insurance** *paid to Church Life Insurance Corporation.* Required for all clergy working at least ½ time. Benefit level of \$10,000 includes spousal and dependent benefit. Enrollment or changes are made through the Diocesan Office.
- 6) **Travel Reimbursement** *Paid to the cleric* and budgeted at not less than \$3,600 per year. Reimbursement on an accountable basis is required with a record as to reason for trip, date, and mileage. Non-accountable reimbursement is not allowed because it is assessable for pension and taxable income to be reported to the IRS. Travel reimbursement on an accountable basis for a deacon serving a congregation in a sacramental role of at least \$900 per year is encouraged.

## Data used to determine minimum clergy compensation

The 8% increase to the base was determined after considering several factors related to compensation.

1. October 2022 compensation of diocesan active congregational clergy as reported to the Church Pension Fund:
  - 14 on a full-time basis with 11.1 average YCS (range from 0.8 to 30.7)  
The average salary & housing is \$71,474 (median of \$67,000).
  - 7 on a part-time basis with 10.55 average YCS (range from 1.1 to 29.8)  
The average salary & housing is \$22,941. With an average 0.44 FTE, a full-time basis is about \$52,000.
  - 5 of the 21 compensated clergy live in church-provided housing and 16 are in cleric-provided housing
2. The 2022 federal poverty guideline in the 48 contiguous states and DC for 2 persons is \$18,310 so the average full-time compensation is 3.90 times this level. *Finance Committee targets 4.0 times the 2 person guidelines.*
3. The 2023 Social Security COLA (cost of living adjustment) is 8.7% (2022 was 5.9%). The COLA typically is determined based on past and projected inflation. Because the average Social Security benefit is lower than our minimums (and average of \$18,574), this COLA is a \$1,616 real dollar increase. An increase of this amount on our minimum base would translate to 2.7% or less.  
*Finance Committee considers the dollar increase of COLA as a factor.*
4. The 2021 Compensation Report of the Church Pension Fund reports compensation from all domestic dioceses of clergy working full- or part-time:
  - Median by category (meaning ½ are less, ½ are more)
    - Of all compensated clergy – \$80,000
    - In family church size (0-75 ASA) – \$60,600
    - Province V – \$70,526 [10 dioceses greater than Fdl, 3 less]
    - Diocese of Fond du Lac – \$63,877 [all clergy]
    - In pastoral church size (76-140 ASA) – \$84,938
    - Solo clergy – \$75,678*Finance Committee compares the family church size median to the diocesan median as a factor.*
5. An 8% increase of the minimum in 2023 would result in a cumulative increase of compensation of 22.3% since 2014 which would about match the 23% cumulative rate of inflation over that same period.
  - 2014 | 2% increase
  - 2015 | 1.5% increase
  - 2016 | 1.5% increase
  - 2017 | 1.5% increase
  - 2018 | 1.0% increase
  - 2019 | 1.5% increase
  - 2020 | 1.5% increase
  - 2021 | 1.5% increase
  - 2022 | 2.5% increase

*Finance Committee attempts to match or do a little better than inflation.*

## Summary

Compensation and benefits are unique for clergy because of laws about taxable income and a dual tax status. Clergy are considered employees for income tax purposes and as self-employed for Social Security & Medicare purchases. The past decade has seen increases in the minimum as roughly equal to inflation resulting in the same buying power.

Based on the information available, the clergy of the Diocese of Fond du Lac receive adequate compensation even though it is below the national median of Episcopal clergy. Wisconsin's lower cost of living (about 10% below U.S. Average) has these fewer dollars go farther. We are also above the median for Family Church Size. Even so, current levels of compensation may create a barrier to calling clergy from other dioceses, especially those from higher cost-of-living areas.