

Parish Pay Guidelines FY 2009-10 – Lay Employees and Related Budgeting Information for Pay and Benefits



Updated Parish Pay Guidelines FY2009-10 for lay employees are enclosed. Due to the very uncertain economic environment, the pay range guidelines for both the Pastoral Center and the Parishes have not been increased over last year, except for minor adjustments in the San Francisco Minimum and Living Wage. In spite of the lack of an adjustment, these pay ranges can still be helpful in assisting you when considering employee compensation issues at your parish. Please insert the ranges in the Parish Pay Guidelines manual you received in 2006.

Minimum wage laws differ: San Francisco's is scheduled to increase by the CPI each January and now stands at \$9.79 per hour. Outside of San Francisco, the California minimum wage remains at \$8.00 per hour. Hence, the minimum of the lowest range (N1, designed for student or seasonal workers) is currently \$9.79 in the City of San Francisco and \$8.00 elsewhere in the Archdiocese. These rates are incorporated into the revised parish pay ranges.

While the pay range guidelines are not increasing, you may need to consider some pay increases for employees this year. Other Catholic dioceses nationally and in our region are planning very low employee pay increases this year due to the economic downturn. Estimates range between zero and 3.0% with the national diocesan pay increase pool projection for 2009 being 1.67% with 55 dioceses reporting. The new West Region number, with 16 dioceses reporting, is 1.13%. Of these, 9 dioceses report 0% for a projected increase. For pay increases at your parish, you will want to maintain a balance among the following constraints: the parish's financial condition, equity among employees, significant changes in health insurance costs both to the parish and eligible employees, and employee performance (increases should be reduced or eliminated for employees with well-documented poor work performance). Maintaining relative competitiveness against other job markets may not be as difficult as in the past, judging from the rising unemployment rate. The Consumer Price Index (CPI-W) for the San Francisco Bay area averaged 3.3% for all of 2008, but has been in negative territory since December and will most likely be significantly lower in 2009.

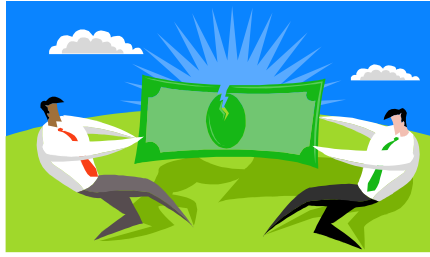


The Musician per-liturgical stipend guidelines have not been adjusted from last year. The Religious Stipend Model for FY 2009-10 is also enclosed in this mail-out for your convenience.

If you have any questions about how to apply the Guidelines, please feel free to contact me at (415) 614-5541. Thank you for your support and cooperation.

Other preliminary budget information with respect to Employee Benefits is provided below for your convenience.

(Please turn over)



**Employee Benefits – Archdiocese of San Francisco
Preliminary Budget Information – FY 2009-10**

<p>Health Insurance Rates (RETA Blue Cross Plans & Kaiser)</p>	<p>For budgeting purposes, we are forecasting an 18-20% overall increase in the employer's portion of the premium based on February 2009 census. Actual rates for the three (3) Archdiocesan health plans due on or before mid-March.</p>
<p>San Francisco Health Care Security Ordinance (SFHSO) Applies only to employees working within the City and County of San Francisco.</p>	<p>Covered employees are those working 8 hours or more per week that are not enrolled in the Archdiocesan health plans. Cost per employee is \$1.85 per hour.</p>
<p>Lay Pension Plans</p>	<p>For budgeting purposes, we are forecasting 9% of gross wages for benefited employees covered by Parochial Pension Plan (currently 8.4%)</p>
<p>Flexible Spending Accounts</p>	<p>\$6 per month/per participating employee -No change</p>
<p>FICA (Social Security/Medicaid) Tax (employer portion)</p>	<p>Calculated at 7.65% of salary - No change</p>
<p>Long Term Disability (LTD)</p>	<p>Anticipated 0.21% of covered payroll (up to \$6K wages per month)</p>
<p>State Disability Insurance (SDI)</p>	<p>1.1% of wage base to \$90,669. Maximum withholding per employee is \$997.36. -No info available for 2010</p>
<p>State Unemployment Insurance (SUI)</p>	<p>1.0% to \$7,000. Maximum of \$70 per employee per year. -No info available for 2010</p>
<p>Workers' Compensation Insurance</p>	<p>5% decrease in rates, July 2009-Dec. 2009 -No increase expected in Jan. 2010–Jun 2010</p>

