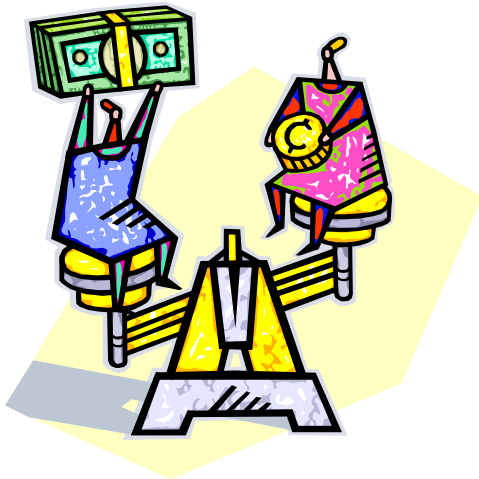


## Budgeting For Employee Compensation For FY 2008/2009



Well folks, it's that time of year again when we all have to start thinking about budget preparation for fiscal year 2008/2009. So we thought it might be helpful to our parishes/schools by providing with this issue of HR Connect, preliminary budget information with respect to Employee Salaries and Benefits.

### I. SALARIES

#### A. Lay Salaries & Lay Equivalent Religious Salaries

The pastor, usually in consultation with the Parish Finance Council, determines parish salaries. The following information may be helpful to consider in determining salary increases for the upcoming fiscal year.

Annual Cost of Living for Bay Area (CPI-W) for 2007	<b>+3.2%</b>
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2008 Projected Pay Increases for Western Region of U.S.	All Employers	<b>3.7%</b>
	Dioceses	<b>3.5%</b>

Other considerations for pay increases may include: the parish's financial condition; the size of the salary increases given last year; etc.



#### B. Religious Salaries – Stipend Model

**+3.4%**

#### C. Priests Salaries (all priests in full-time assignments)

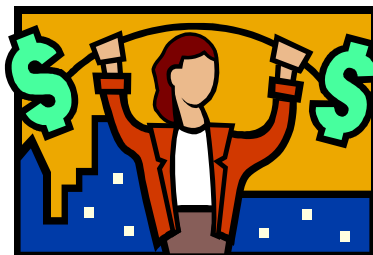
**+4%**

**II. EMPLOYEE BENEFITS**  
 (for benefits-eligible employees  
 working 20 hours or more per  
 week on a regular basis)



<b>Health Insurance Rates</b>	<b>12-13% Overall projected increase based on February 2008 census. Actual rates due April 1, 2008.</b>	
<b>Lay Pension Plan</b>	<b>8.4% of gross wages for benefited employees</b>	-no change
<b>Flexible Spending Accounts</b>	<b>\$6 per month/per participating employee</b>	-no change
<b>FICA (Social Security/Medicaid) Tax (employer portion)</b>	<b>7.65% of salary</b>	-no change
<b>Long Term Disability (LTD)</b>	<b>0.33% of covered payroll (up to \$6K wages per month)</b>	-no change expected
<b>State Disability Insurance (SDI)</b>	<b>0.8% of wage base to \$86,698. Max. withholding per employee is \$693.58</b>	-new tax rate for 2008
<b>State Unemployment Insurance (SUI)</b>	<b>1.0% to \$7,000. Max. \$70 per employee per year</b>	-no info available yet for 2008
<b>Workers' Compensation Insurance</b>	<b>7% increase over 2007 rates. New rates effective 1/1/09.</b>	

*Happy*



*Budgeting!*