
INCARDINATED PRIESTS OF THE DIOCESE OF ST. PETERSBURG



A GUIDE TO RETIREMENT PLANNING *Revised July 2020*

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THE IMPORTANCE OF PLANNING AHEAD

As you look ahead to the “third age” of your life’s journey, it is essential that you will be ready to transition from full-time ministry, even if you plan to remain highly active in your retirement years.

The aim of this resource is to provide you with several items to consider, whether you are looking to retire within the next couple of years or even if retirement is a long way off for you. Please know that the Pastoral Center staff is ready and willing to assist you in your preparation!

THINGS TO KNOW AS YOU PLAN FOR RETIREMENT

AGE OF RETIREMENT

Normal Retirement: Per current policy of the Diocese of St. Petersburg (hereafter “Diocese”), the minimum recommended age for retirement of priests as proposed by the Presbyteral Council and approved by Bishop Lynch in 2005 is age 70.

Priests are to give at least two years’ notice prior to submitting retirement unless it is for medical reasons or other serious causes. For pastors, canon law proposes age 75 as the time at which they are requested to submit their resignations (retirement). Priests are encouraged to remain active in priestly ministry after retirement.

RESIDENCE

A retired priest may reside inside or outside of the Diocese and is free to live in a residence which he owns or rents. A retired pastor should live in a residence other than the rectory of the parish from which he has retired. Due to the importance of a support system, he may, with the permission of the new pastor, live in a parish residence. For this reason, he may also choose another nearby residence.

As of January 1, 2016, retired incardinated priests who require assisted living or nursing home care (at Bon Secours Maria Manor or a similar nursing home or assisted-living facility) will be responsible for all costs of such assisted living facility or nursing home. Each priest will presumably pay such costs from his pension(s), Social Security benefits, and savings and investments. If, at some point, he becomes unable to reasonably afford the assisted living facility or nursing home costs, the Diocese will assume the monthly payments, provided that the priest assigns his pension(s) (including those from other dioceses, the military, religious institutes or other former employment) to the Diocese or to the facility. He will retain any Social Security benefits for his personal needs.

DIOCESE OF ST. PETERSBURG PENSION PLAN

Eligibility: All incardinated priests of the Diocese and those religious priests on official assignment in the Diocese prior to 1985 are eligible to participate in the Pension Plan of the Diocese.

Extern priests and religious priests on official diocesan assignment should refer to the *Compensation and Benefits for Priests* booklet for the Diocese, issued annually by the Chancellor's Office.

Credited Service: Priests serving on official assignment at least six months in a plan year (July 1 to June 30) earn one year of credited service.

Vesting: Five or more years of credited service.

Age to Begin Receiving Benefits: Age 65, with five or more years of credited service.

Contribution: Per the terms of the Plan, individual contributions are not permitted.

PENSION

Priests who have attained the age of 65 and who are vested in the Plan are entitled to begin receiving the monthly pension benefits earned under the Plan.

Priests who continue to work on official assignment after beginning to receive monthly benefits, are still entitled to receive regular salary and regular benefits, in addition to the monthly pension, and are not considered to be on retirement status.

Priests who have attained age 65 and continue working on official assignment continue to earn pension credit for their ongoing work. The amount of credit is recalculated each year, as the number of years of service increases.

There is a seniority service benefit under the terms of the Plan (i.e. credit for service outside the Diocese prior to incardination into the Diocese) but it is only calculated and payable as an addition to the monthly benefit when a priest is granted retirement status.

The terms of the Pension Plan document itself are controlling as to all rights and obligations under the Plan

The minimum guaranteed income for retired incardinated priests of the Diocese from pensionable sources will be the equivalent of the retirement benefit for 30 years' credited service in the Plan. For retired priests receiving less than that amount, the Diocese will provide the appropriate supplement on a monthly basis beginning only when retirement status has been granted.

ADDITIONAL BENEFITS

Insurance: The Diocese will pay the monthly Health, Life and Personal Liability Insurance premiums for all retired incardinated priests.

For those who are eligible upon retirement, the diocesan health insurance becomes secondary and Medicare becomes the primary insurance. Medicare Part A is free. The premium for Medicare Part B is deducted from a priest's Social Security check, but the Diocese will reimburse him for the standard premium.

If you plan to reside outside the U.S., both Medicare and Diocesan health benefits only cover in the case of an emergency. Please contact our diocesan Retirement Services office for guidance: (727) 344-1611, ext. 5222.

Priests' Annual Convocation: For retired incardinated priests, the cost of this convocation will be covered by the Diocese.

PRIESTS' WILLS, HEALTHCARE DIRECTIVES & FUNERAL PLANS

Every priest incardinated in this diocese is expected to submit a copy of his Last Will and Testament to the Chancellor's Office, as well as the following health care forms:

1) Durable Power of Attorney, 2) Living Will and Designated Health Care Surrogate and 3) Funeral Arrangements to ensure that your end-of-life directives are precisely followed.

These forms are available through the Chancellor's Office. DiVito, Higham & Vasti, P.A., Legal Counsel for the Diocese, continues to offer their services at no cost to priests in the preparation of their Last Will and Directives.

Priests are encouraged to review the above-mentioned documents periodically in the event that revisions are desired. The Pastoral Center is open from 8:30 a.m. to 5:00 p.m., Monday- Friday, for file review. To arrange for an appointment to review your file, please contact the Chancellor's Office at (727) 341-6832.

FINANCIAL PLANNING

Please begin your financial planning now. If you do not already have a financial advisor working with you, please contact the diocesan Stewardship Office: (727) 344-1611, ext. 5337. The staff is available and prepared to assist you with a list of competent financial professionals for your consideration.