



ROMAN CATHOLIC DIOCESE OF  
SAINT PETERSBURG  
COURAGEOUSLY  
Living the Gospel

**To: Pastors, Principals, Business Managers and Bookkeepers**  
**From: Will Milano, Director of Parish Administrative Services**  
**Subject: Budget Guidance for Pastoral Year 2025-2026**  
**Date: March 6, 2025**

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## Budget Guidance for Pastoral Year 2025-2026

The following guidance is provided to assist you in preparing budgets for Fiscal Year 2026 (July 1, 2025 – June 30, 2026). In most instances, the rates provided below must be approved at meetings of the Diocesan Finance Council, Insurance Trust, S&L Trust, Pension Board, and Catholic Foundation. These meetings will be held during May 2025.

In the Pastoral Plan, Goal 6, Call to Conversion 2, Putting it Action 2, it states that ***“All diocesan entities will develop annual balanced budgets, and will submit an annual impact report to the diocese and to parishioners.”*** Attached with this document is a fillable Operating Budget Certification. Please remember that the approved, 2025-2026 Operating Budget Certification is due by May 31, 2025. Budget Certifications are to be emailed to [financialreporting@dosp.org](mailto:financialreporting@dosp.org). Do not mail.

### **INSURANCE AND EMPLOYEE BENEFIT FUNDS' TRUST**

#### **Group Health Insurance**

The estimated employer's monthly health insurance premium for benefits-eligible employees is \$1,071 per month.

Health insurance premiums for priests should be budgeted at:  
\$1,528 per month – DOSP Primary  
\$818 per month – Medicare Primary

As required by law, coverage **must be offered** to all full-time regular employees, but coverage is no longer mandatory, and employers will not be billed for employees who waive coverage. Please contact DOSP Benefits Office at [benefits@dosp.org](mailto:benefits@dosp.org) with any questions regarding health insurance premiums.

#### **Workers' Compensation Insurance**

Rates for the coming year will remain at:

|   |                      |
|---|----------------------|
| Clergy, office & professional employees | 1.0% of annual wages |
| All other employees                     | 5.0% of annual wages |

Note: Independent contractors and other non-employees working on Diocesan property must be registered with the Safe Environment Office. They must provide evidence of General Liability, Professional Liability, and Workers' Compensation

insurance coverage as applicable. Please consult the Insurance Office or Safe Environment Office at the Pastoral Center if you need further guidance.

### **Unemployment Compensation Insurance**

Rate for the coming year will be 1.5% of the first \$7,000 of W-2 wages for all full and part-time lay employees paid in the 2024 calendar year. The premium will be invoiced monthly and payment is to be remitted to the Diocese.

Note: Unemployment Compensation Quarterly reports (UCT-6) are filed with the State of Florida automatically by our third-party payroll service provider, presently Paylocity. **DO NOT REMIT ANY PREMIUMS OR CLAIMS PAYMENTS TO THE STATE.** Since we are self-insured, the Insurance and Benefits Trust reimburses the State for all benefit claims after they have been reviewed and approved at the Pastoral Center.

### **Group Life Insurance**

Will be invoiced at a rate of \$7.00 per benefits-eligible employee per month. The premium will be invoiced monthly and payment is to be remitted to Guardian.

### **LTD / STD Insurance**

Will be invoiced at a rate of \$18.00 per benefits-eligible employee per month. The premium will be invoiced monthly and payment is to be remitted to Guardian.

### **Property and Liability Insurance**

Property replacement values have increased by our carrier to 10% this year. The amount invoiced will be calculated at \$6.20 per \$1000 of the property value. Entities are responsible for submitting a Building Report Form for newly purchased structures, new construction, or newly remodeled structures. Premiums will be adjusted for these changes following an appraisal by Catholic Mutual. New Buildings may not be covered if the Insurance Office has not been notified within 30 days of purchase.

Questions regarding structures and/or values can be directed to Valerie Burns in the Insurance Office (727.374.0222 or [vcb@dosp.org](mailto:vcb@dosp.org)).

### **Automobile Insurance**

Will remain at the following rates:

#### **Collision and Liability Coverage for licensed vehicles:**

|                                     |                  |
|-------------------------------------|------------------|
| Small Vehicles (4 wheels)           | \$1,000 per year |
| Large Vehicles (more than 4 wheels) | \$2,500 per year |

#### **Liability Coverage only, for unlicensed vehicles:**

|                      |                |
|----------------------|----------------|
| Tractor              | \$500 per year |
| Trailer or Golf Cart | \$250 per year |

Note: Please notify the Insurance Office at the Pastoral Center upon the purchase of any vehicle. Claims will not be processed for uninsured vehicles.

Annual Billing estimates will be sent out by May 1<sup>st</sup>. Entities are responsible for

reviewing to ensure all building & vehicles are correct. Any changes needed should be reported immediately to the Insurance Office. Entities may reduce their P & L, vehicle, and workers compensation billing by prepaying the entire years premium by June 1, 2025. More information will be given with your Annual Billing Estimates.

### **Schools—Student Accident Insurance**

Each school is required to purchase student accident insurance for all students. ECC, elementary, and middle schools will be charged \$7 per student per year. High schools will be charged \$40 per student per year which reflects higher claims due to student activities and athletics. Schools may choose to charge families up to these amounts, but the full amount per student must be paid to the Insurance and Benefits Trust. Schools are billed according to the 10 day - student count provided by the Office of Schools & Centers. Schools will receive an annual invoice in September.

Insurance for Summer Camp & VBS should be purchased. VBS & Summer Camps held throughout the diocese are not covered under the student accident excess insurance. Any claim made under the DOSP Policy currently holds a \$5000 deductible which can be a hardship to many of our entities. In order to eliminate this \$5000 deductible, each entity has the choice to register your weekly program. The premium for each weekly session will be:

|                       |                           |
|-----------------------|---------------------------|
| Vacation Bible School | \$50.00 per week session  |
| Summer Camps          | \$100.00 per week session |

If the above weekly premium registration is paid, then any claim made during that weekly session will be paid with no deductible.

### **OTHER INSURABLE EVENTS**

#### **Special Event Insurance**

This is recommended for parish sponsored events open to the public. Special Event Insurance is required for Festivals, Carnivals, and any event where liquor is sold. Liquor Liability coverage must also be obtained.

Please contact the Insurance Office 3-4 months in advance of the event. Parish sponsored events covered under the DOSP policy hold a \$5000 deductible. Deductibles are waived on any parish sponsored event with special event insurance in place.

Non-parish sponsored event – Premium Cost:

\$110 – Per Event (1-3 days in duration)

\$140 – Per Event (1-3 days in duration AND includes overnight stays)

To obtain Special Event Insurance, please contact the Insurance Office.

Rented Facilities – Coverage does not extend to third parties who rent your facilities. Entities should obtain proof of acceptable third-party insurance or Special Event Insurance to limit the entities liability.

## **DIOCESAN ASSESSMENTS**

The assessment methodology calculates Assessable Net Revenue as the total of eight offertory accounts, less a deduction for Catholic School Support of up to \$100,000. Details of assessment calculations have been published in the past as we made the transition from Annual Pastoral Appeal to Catholic Ministry Appeal for more detailed information please contact the Office of Parish Administrative Services.

The assessment methodology calculates Assessable Net Revenue as:

The total of the following eight offertory general ledger functional general ledger account codes equals Gross Assessable Revenue: (account code shortcuts in parentheses)

1. Offertory: Weekend/Electronic: 4000 (100400000)
2. Offertory: Christmas 4001 (100400100)
3. Offertory: Easter: 4002 (100400200)
4. Offertory: Holy Days: 4003 (100400300)
5. Offertory: Weekday Mass: 4004 (100400400)
6. Offertory: Special Masses: 4005 (100400500)
7. Building Fund & Maintenance Collection: 4120 (100412000)
8. Donations: Parish: 4160 (100416000)

Net Assessable Revenue is calculated by deducting up to \$100,000 for Catholic School Support recorded in the following 3 general ledger functional account codes: (account code shortcuts in parentheses)

1. School Assessment: Diocesan: 5210 (198521000)
2. School Support: Transfer to Schools: 5215 (198521500)
3. School Support: Tuition Assistance: 5220 (198522000)

### **Catholic Ministry Appeal**

The Catholic Ministry Appeal is a campaign to support 36 diocesan ministries. Each parish is assigned a goal based on 14.0% of Net Assessable Revenue for the prior fiscal. The Catholic Ministry Appeal is a best-efforts campaign requiring full and activity participation by each parish.

### **Parish Cathedraticum Assessment**

The Cathedraticum is to provide for Diocesan leadership through the Offices of the Bishop, Vicar General, and Chancellor, necessary for shepherding our local Church, are now funded through a much-reduced Cathedraticum, or tax, equal to 2% of Net Assessable Revenue. The fiscal year 2026 Cathedraticum is calculated as 2.0% of Assessable Net Revenue for the period July 2025 through June 2026. It will be paid monthly by the 15<sup>th</sup> of the following month. To estimate for the coming year, generate the Cathedraticum Invoice custom report for fiscal year 2026 after loading budgeted offertory and school support expenses into the budget module. This can even be done monthly if you want. For the system to calculate correctly, you must budget the eight assessable offertory accounts separate from other revenues.

## **Parish Support of Catholic Schools**

The fiscal year 2026 School Support Assessment is calculated as 4.0% of Assessable Net Revenue for the period July 2025 through June 2026 for each parish or diocesan shrine. (This 1% increase restores the previous rate cut due to COVID-19 and will be used to support the new Mater Dei Catholic School mortgage payments). Therefore, if a parish pays 4% or more of their Assessable Net Revenue to their parochial school or interparochial school, they will not owe a School Assessment to the Diocese. If parishes with schools pay less than 4%, then the remaining balance is due to the Diocesan School Assessment. The diocesan school assessment fully applies to all other parishes and shrines without a parochial school, or those parishes not supporting their parochial or interparochial schools. This School Support Assessment will be published and invoiced monthly by the Pastoral Center beginning in July. It is payable in 12 monthly payments beginning July 1, 2025, and should be budgeted in this manner.

## **SAVINGS AND LOAN FUNDS TRUST**

*THE FOLLOWING RATES ARE SET BY TRUSTEES CHARGED WITH OVERSIGHT OF THESE FUNDS AND ARE NOT GUARANTEED FOR ANY PERIOD OF TIME.*

Rates are variable floating rates and will be adjusted according to market conditions. The rates below are presently in effect:

Rates as of March 10, 2024:

|  |                |
|--|----------------|
| Interest paid on savings accounts                          | 3.0% per annum |
| Interest charged on new loans with promissory notes        | 5.0% per annum |
| Interest charged on past due assessments/insurance/pension | 6.0% per annum |

In addition, please keep in mind that Pension Plan late fees are charged on any late payment as they are controlled by the Pension Plan Trust, not the Diocese.

REMINDER: All diocesan entities (parishes, schools and other diocesan entities) must deposit all "Operational Surplus Funds," all capital and maintenance funds, and any special gifts or bequests into the Diocesan Savings & Loan Trust Fund. Parishes, schools, and other diocesan entities may not invest in other investment accounts, nor borrow funds from other sources, with the exception of investing through the Catholic Foundation of the Diocese of Saint Petersburg or borrowing funds from another source facilitated and approved by the Diocesan Savings & Loan Trustees. "Operational Surplus Funds" are defined as those funds over and above what is required to meet 60 days of cash requirements for operating expenses. Parishes and schools may have multiple savings accounts with the Diocesan Savings & Loan Fund and the Catholic Foundation of the Diocese of Saint Petersburg.

## **Grace Period for Accounts Not Held in the Diocesan Savings & Loan or Catholic Foundation**

The grace period for funds in excess of 60 days of operating access need to be transferred no later than June 15, 2025, into either the Savings & Loan Trust Fund or

the Catholic Foundation of the Diocese of Saint Petersburg investment vehicles. If there are investment accounts outside of the Savings & Loan Trust Fund or the Catholic Foundation without written permission from the Bishop, it will be considered a fraudulent act. The consequence for the parish, school or diocesan entity will be a penalty fee of a percentage of the total amount of funds in those accounts, and may result in disciplinary action not excluding termination of lay employees or restrictions to clergy.

## **CSREA AND ENDOWED FUNDS**

For these endowment funds, the Trustees will declare distributions which are intended to not only preserve the principal (knowing that investment returns will sometimes be negative), but also preserve the purchasing value of the principal (knowing that inflation may be significant). Next year's distributions have not been approved yet by the Catholic Foundation Board of Trustees, but you should plan on an annual distribution of 4.5% of the balance as of June 30, 2025 payable in the fall and spring. Accounting best practice for endowed funds is provided on the diocesan website Accounting & Finance Office page.

## **LAY WAGES**

Increases in salaries and hourly pay rates are the responsibility of the Pastor. For budgeting purposes, assume a 3.0% increase per employee. However, the budgeted increase in lay wages is not limited to 3.0%. Lay wage increases are not to be increased by more than the percentage increase in the six (6) offertory accounts listed below for Jan 1, 2024 to Dec 31, 2024 compared to Jan 1, 2023 to Dec 31, 2023.

1. Offertory: Weekend/Electronic: 4000 (100400000)
2. Offertory: Christmas 4001 (100400100)
3. Offertory: Easter: 4002 (100400200)
4. Offertory: Holy Days: 4003 (100400300)
5. Offertory: Weekday Mass: 4004 (100400400)
6. Offertory: Special Masses: 4005 (100400500)

## **PRIESTS & RELIGIOUS SALARIES & ALLOWANCES**

### **Priests' Salaries and Allowances**

Compensation rates will be based on the Compensation and Benefits for Priests booklet dated July 1, 2025 which is expected to be emailed to you in early June, 2025. Also see this booklet for clergy allowances. For Pastoral Year 2025-2026, budget clergy compensation and budget allowances on the following rates:

|                                  |          |
|----------------------------------|----------|
| Annual Priest Compensation:      |          |
| Pastors/Parochial Administrators | \$43,198 |
| Parochial Vicars                 | \$37,894 |

The above rates represent a 3.0% increase over the current Pastoral Year.

**Allowances and Reimbursed Expenses**

Actual Cost to:

|                                       |             |
|---------------------------------------|-------------|
| Automobile Insurance                  | \$2,500     |
| Books, Periodicals, Internet, Phone   | \$1,000     |
| Continuing Education                  | \$1,750     |
| Private Retreats                      | \$1,000     |
| Room & Board for Priests in Residence | \$9,000     |
| Automobile Tag and Driver's License   | Actual Cost |
| Diocesan Convocation                  | Actual Cost |

For budgeting purposes, use the above allowances and the actual cost for the prior Pastoral Year for automobile tags, driver's license, and the diocesan convocation. Funds not expended from the allowances for books, periodicals, internet, phone, and continuing education may be used toward the purchase of a computer once every three years.

**Permanent Deacons**

Permanent Deacons who are canonically assigned or are serving in retirement are to be provided the following benefits by the institution to which the Deacon is canonically assigned or serving in retirement:

|   |                      |
|---|----------------------|
| Annual retreat                                  | actual cost to \$600 |
| Formation opportunities provided by the Diocese | actual cost to \$300 |
| Annual books, periodicals, internet, phone      | actual cost to \$500 |

**Stipends and Allowances for Women Religious and Order Priests**

All stipends and allowances for Women Religious and Order Priests are to be paid directly to the Religious Order, unless the order and our diocesan Chancellor for Canonical Affairs have agreed to a different arrangement. It is required that a Form W-9 be secured from the Provincial Office(s) representing that these payments are not subject to federal tax withholding.

**PENSION PLAN FOR THE EMPLOYEES OF THE ENTITIES OF THE DIOCESE OF ST. PETERSBURG**

For budgeting purposes only, use the following monthly pension rates for employees with more than 1,000 hours in Fiscal Year 2024 – 2025:

Pension Plan premiums (budgeted employer contributions):

|                             |                      |
|-----------------------------|----------------------|
| Active Incardinated priests | \$1,700.00 per month |
| Lay personnel               | 11% of FY 2025 wages |

Please consult the Pension Plan booklet for the participation requirements of the Plan. All matters involving the determination of benefits under this Plan are determined by the Plan Administrator, Gabriel, Roeder, and Smith, and oversight is exercised by the Trustees of the Plan. All questions should be addressed directly to the Plan Administrator.

**For Religious/Extern Priests not included in the above Plan**

A premium is payable to the Priest's home diocesan retirement plan, equal to the actual amount of the plan's premium up to a maximum of \$7,200. For those without a retirement plan in their home diocese, parishes must budget a contribution of \$5,750 per year to the Diocesan 401(k) plan. Please consult the booklet Compensation and Benefits for Priests, published annually by the Chancellor for Canonical Affairs' Office, for actual amounts to be paid and specific procedures.

**PAYROLL TAXES**

The following rates should be budgeted for Fiscal Year 2026 for personnel subject to payroll tax withholding:

Employer Tax per Employee:

|                     |                      |
|---------------------|----------------------|
| Social Security Tax | 6.20% of gross wages |
| Medicare Tax        | 1.45% of gross wages |

**EMPLOYEE AND COVERED VOLUNTEER BACKGROUND SCREENING**

All employees and covered volunteers working in the Diocese of St. Petersburg are required to have a background screening performed in accordance with the DOSP Policy for the Protection of Children and Vulnerable Adults, administered by the Safe Environment Program Department. The cost of these required screenings must be paid by the employee or volunteer in order to schedule fingerprinting and background screening online (for additional information, contact the HR Department). The employing entity may choose to reimburse these costs. The cost of this screening is \$58.50 per employee and \$51.50 per volunteer (if you reimburse volunteers).

**ANNUAL FINANCIAL REVIEWS**

The cost of the annual, agreed-upon procedures financial review should be budgeted at \$3,000 per parish. All reviews will be scheduled by CBIZ and conducted during June



and July 2025. Approximately 1/3<sup>rd</sup> of the parishes will be reviewed each year. The parish will be notified if they have been selected for the 2025 review no later than April 11, 2025. Budget this expense for payment in August 2025.

**SALES TAX EXEMPTION**

The parish is authorized to use its state sales tax exemption solely for purchases made directly for parish-related purposes. To ensure compliance with state laws and the proper use of the exemption, only the following payment methods are permitted when claiming the exemption:

- Parish-Issued Check
- Parish-Issued Purchasing Card

Personal payment methods, including cash, personal checks, or personal credit/debit cards, must not be used to claim the parish's sales tax exemption under any circumstances. Reimbursement requests for purchases made with personal funds where the sales tax exemption was claimed will not be accepted. Use of the sales tax exemption for personal purchases is strictly prohibited and may result in disciplinary action.

This is important to keep in mind for budgeting purposes so that we are not needlessly spending our parish funds on state sales tax.

**PLANNING FOR CAPITAL EXPENSES**

If your finance council does not have a plan to replace or pay for capitalized items, (such as depreciating your roof or HVAC system), a good way to begin is to budget (and then set aside in designated reserves) funds for capital items (such as roofs, plumbing, HVAC systems, electrical work, etc.). A simple way to start setting monies aside is take the square footage of all your buildings and multiply it by a dollar figure your finance council decides is right for your parish or school at this time (such as \$1.25 per square foot). If you don't use all these funds for capital expense during the budget year, place the funds that remain in a Savings & Loan designated account and you will have them when needed.

Example for budgeting purposes:

|                      | Square Footage | Multiplied by Capital Fund Rate | Equals Capital Funds to set Aside |
|----------------------|----------------|---------------------------------|-----------------------------------|
| Parish Office        | 7,410          | \$1.25                          | \$ 9,262.50                       |
| Sanctuary            | 17,118         | \$1.25                          | \$ 21,397.50                      |
| Rectory              | 7,595          | \$1.25                          | \$ 9,493.75                       |
| Maintenance Building | 2,900          | \$1.25                          | \$ 3,625.00                       |
| Parish Hall          | 15,518         | \$1.25                          | \$ 19,397.50                      |

## Questions

If you have questions regarding the above guidance for budgets, please contact Will Milano at (727) 317-4575

cc:

Rev. Msgr. Robert Morris, V.G.

Dr. Lois Locey, Chancellor for Administration

Deacon Rick Wells, Chancellor for Canonical Affairs

John Dey, Diocesan Finance Officer

Aaron Daniels, Controller

Chris Pastura, Superintendent of Catholic Schools & Centers

Giselle Gillis, Executive Director of Human Resources

Updated: 4.1.2025