



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 2026-2027
Date: March 12th, 2026

Budget Guidance for Pastoral Year 2026-2027

The following guidance is provided to assist you in preparing budgets for Pastoral Year 2027 (July 1, 2026 – June 30, 2027). In most instances, the rates provided below must be approved at meetings of the Diocesan Finance Council, Insurance Trust, Savings & Loan Trust, Pension Board, and Catholic Foundation. These meetings will be held during May 2026.

In the Pastoral Plan, Goal 6, Call to Conversion 2, Putting it into 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, 2026-2027 Operating Budget Certification is due May 31, 2026. Budget Certifications are to be emailed to financialreporting@dosp.org. Do not mail.

INSURANCE AND EMPLOYEE BENEFIT FUNDS' TRUST

Group Health Insurance - NO INCREASE

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 – Diocese of Saint Petersburg 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 Diocese of Saint Petersburg Benefits Office at benefits@dosp.org with any questions regarding health insurance premiums.

Workers' Compensation Insurance - NO INCREASE

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 - NO INCREASE

The 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 2025 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, 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 - NO INCREASE

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.

Long Term Disability / Short Term Disability Insurance - NO INCREASE

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 – NO NET RATE INCREASE

Property replacement values have increased by our carrier to 3% this year. The amount invoiced will be calculated at \$6.00 (decrease of 3% from previous year) 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).

Automobile Insurance - NO INCREASE

Rates for the coming year will remain at:

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.

Billing for Property & Liability, Vehicle, and Workers Compensation

Annual Billing estimates will be sent out by May 1st. Entities are responsible for reviewing to ensure all buildings & vehicles are correct. Any changes needed should be reported immediately to the Insurance Office. Entities may reduce their Property & Liability, vehicle, and workers' compensation billing by prepaying the entire year's premium by June 1, 2026. More information will be given with your Annual Billing Estimates.

Schools – Student Accident Insurance - NO INCREASE

Each school is required to purchase student accident insurance for all students. Early childhood centers, 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 & Vacation Bible School should be purchased. Vacation Bible School & Summer Camps held throughout the diocese are not covered under the student accident excess insurance. Any claim made under the Diocese of Saint Petersburg Policy currently holds a \$5000 deductible which can be a hardship to many of our entities. 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 - NO INCREASE

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 entity's 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 and Schools 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 Assessable Gross 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)

Assessable Net 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 Assessable Net Revenue for the prior pastoral year. The Catholic Ministry Appeal is a best-efforts campaign requiring full and active participation by each parish.

Parish Cathedraticum Assessment

The Cathedraticum is to provide for Diocesan leadership through the Offices of the Bishop, Vicars General, and Chancellors. These offices which are necessary for

shepherding our local Church, are now funded through a much-reduced Cathedraticum, or tax, equal to 2% of Net Assessable Revenue. The pastoral year 2027 Cathedraticum is calculated as 2.0% of Assessable Net Revenue for the period July 2026 through June 2027. It will be paid monthly by the 15th of the following month. To estimate for the coming year, generate the Cathedraticum Invoice custom report for pastoral year 2027 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 pastoral year 2026 School Support Assessment is calculated as **4.0%** of Assessable Net Revenue for the period July 2026 through June 2027 for each parish or diocesan shrine. (This partially 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, 2026, 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, 2026: **SUBJECT TO CHANGE**

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.

Funds Not Held in the Diocesan Savings & Loan or Catholic Foundation

All funds in excess of 60 days of operating expenses are to be transferred 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. This will be reviewed during the Operations Review or by the Office of Parish & School Administrative Services.

CATHOLIC SCHOOL RESTRICTED ENDOWMENT ACCOUNTS (CSREA) AND ENDOWED FUNDS

For these endowment funds, the Trustees 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). The Catholic Foundation trustees approved an annual distribution based on 4% using a 3-year rolling average of the fund balance as of 12/31/2025, and this will be payable in Pastoral year 2026-2027. The distribution requests can be made at any time in the 2026-2027 pastoral year (after July 1) and can be made payable in one payment. Parishes and schools with these funds will be letter in March 2026 with a calculated “recommended amount” for distribution to assist in your budget preparations. 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, 2025 to Dec 31, 2025 compared to Jan 1, 2024 to Dec 31, 2024.

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, 2026 which is expected to be emailed to you in early April 2026. Also see this booklet for clergy allowances. For Pastoral Year 2026-2027, budget clergy compensation and budget allowances on the following rates:

Annual Priest Compensation:

Pastors/Parochial Administrators	\$44,062
Parochial Vicars	\$38,652

The above rates represent a **2.0%** increase over the current Pastoral Year.

Allowances and Reimbursed Expenses

Actual Cost to:

Automobile Insurance	\$2,600
Books, Periodicals, Internet, Phone	\$1,050
Continuing Education	\$1,750
Private Retreats	\$1,000
Room & Board for Priests in Residence	\$9,300
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 with 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 Pastoral Year 2025 – 2026. Please note, proper accounting practices should earmark, as a liability, the parish's and school's pension plan obligation when the payroll is processed. The liability is then released when the pension bill is invoiced and paid.:

Pension Plan premiums (budgeted employer contributions):

Active Incardinated priests	\$1,700.00 per month
Lay personnel	11% of FY 2026 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 Pastoral Year 2026-2027 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 Saint Petersburg are required to have a background screening performed in accordance with the Diocese of Saint Petersburg 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 to schedule fingerprinting and background screening online (for additional information, contact the Human Resources 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 \$3,570 per parish. All reviews will be scheduled by CBIZ and conducted during June and July 2026. The parish will be notified if they have been selected for the 2026 review no later than April 17, 2026 (unless a leadership change announcement occurs after that date). Budget this expense for payment in August 2026. If there is a change in pastoral leadership (pastor, parochial administrator, or business manager), the parish will be included in that the 2026 review cycle, even if they had previously been part of the review in the last two years. This allows the pastor/new pastor or parochial administrator and the Parish Finance Council to have a clear understanding of the financial and operational situation of the parish at the time of the leadership change. *This expense should be budgeted by all parishes, irrespective of when they were last audited.*

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 to 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 currently (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 the parish will have them when needed.

Example for budgeting purposes:

	Square Footage	<i>Multiplied by</i> Capital Fund Rate	Total 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