

BOARD OF TRUSTEES

The Trustees have met nine times since the 2012 Diocesan convention, including a day-long retreat at the Clergy House in Donegal in June of this year – more on that below. At our November 2012 meeting we welcomed Bishop McConnell into our midst and said our final farewell to Bishop Price, thanking him for his tireless efforts over the three years of his ministry here. At the end of the year, we said farewell to Carl Campbell, Jay Follansbee, Larry Howard, Larry Knapp, Jim McGough, Dana Phillips and David Quinn, thanking them for their contributions to the board, and we welcomed new trustees Sue DeWalt, Bob Eley, Bob Johnston, Leon Haley, Melanie Kurtz, Bill Moore and John Rogers.

Our hard-working diocesan staff has ably managed the finances of the diocese following the departure of our Treasurer, Carl Hockenberry, at the end of May. The Finance Committee of the Board is working hard to find a replacement for Carl, unfortunately without success as of the date of this report. As always, we value the wise counsel we receive from our Chancellor, Andy Roman.

At all times, our focus and goal have been to manage the assets of the diocese to the glory of God and in furtherance of the mission and ministry of the Episcopal Church in southwestern Pennsylvania. A few highlights of that work are summarized below.

Diocesan endowment

Our Finance Committee oversees the management of the diocesan endowment by Morgan Stanley, meeting with them once each quarter. The total endowment, including diocesan funds and funds dedicated to individual parishes and programs, stood at \$21.9 million as of September 30, 2012, and \$22.5 million as of September 13, 2013.

Support for parishes

Two parishes that have mortgage debts that are guaranteed by the diocese – St. Brendan's, Franklin Park, and St. David's, Peters Township – were able to take advantage of favorable borrowing rates and refinance their mortgages, thereby saving themselves thousands of dollars each month in debt service. The Board of Trustees was able to support these parishes by agreeing to extend the guarantees, without any increase in the principal balance of the mortgages.

The Trustees also approved a total of nine Growth Fund grants and loans to help our parishes manage their properties and make needed repairs and improvements. Since the last Convention, Growth Fund grants and loans have been approved for St. David's, Peters; St. Stephen's, Wilkesburg; St. Thomas, Oakmont; St. Paul's, Monongahela; St. Peter's, Blairsville; and St. Thomas, Northern Cambria.

Support for Diocesan mission

As mentioned above, the trustees spent most of a day in early June in prayer and meeting with the Budget and Assessments Working Group of Diocesan Council, working to develop the budget for 2014 that is being presented to this Convention. We met with Bishop McConnell at the Clergy House in Donegal and shared fellowship, food and lively discussion as we worked to make our budget match our resources. Our thanks go out to our partners on Council, and especially to John Hose and Steve Stagnitta who led the effort from their side.

Support for Diocesan properties

As we reported last year, a Strategic Planning Task Force formed by Bishop Price completed the first phase of its work in the spring of 2012, developing guidelines for deciding both pastorally and financially which of the many underused buildings in our diocese should be strengthened for ministry and which should be sold. The first fruits of that evaluation was the de-consecration of the former St. Christopher's Church in Warrendale, followed by the signing of an agreement to sell the property to a local hotel developer. The buyer is attempting to secure municipal approval for the redevelopment of the property; we are hopeful that the sale will close in November.

Bishop McConnell has now organized a second Task Force to refine and implement the Phase One guidelines referred to above; this Task Force will be led by Sue DeWalt and Bob Johnston from the Board of Trustees and is well along in developing a vision for the next phase of their work.

Support for ministry “across the aisle”

Perhaps our most satisfying accomplishment in late 2012 was reaching a unique agreement with Shepherd's Heart Fellowship, Uptown, that will allow them to continue their vital ministry to homeless veterans in Pittsburgh. The agreement, announced in October 2012, allows Shepherd's Heart to take title to property formerly owned by or in trust for the Board of Trustees, free of any ongoing claim by our diocese so long as the property continues to be used in its current ministry of outreach to the homeless. The mortgage loan on the property was refinanced by Shepherd's Heart to remove the previous guarantee given by the Board when the property was acquired. The agreement was approved by the court in late November and formally “closed” on December 28. Shepherd's Heart continues to be supported by many Christian congregations in the Pittsburgh area, including many parishes in our diocese as well as parishes that are part of the ACNA diocese in Pittsburgh. We rejoice in the ministry founded and led by Fr. Mike Wurschmidt and look forward to playing a positive role in the continuation of that ministry.

Russell W. Ayres, III
President, Board of Trustees
September 16, 2013