

The Episcopal Diocese of Pittsburgh



*Materials for the
149th Annual Convention of the Diocese*

November 7 and 8, 2014

at

Trinity Cathedral

328 Sixth Avenue, Pittsburgh, PA 15222

Section A

General Material

Statement of Purpose of the Convention

The Convention of the Diocese of Pittsburgh meets annually to transact the many regular business items of any such assembly. Among these are: to celebrate Holy Communion and to hear the Annual Address; to elect persons to the various diocesan committees and boards; to consider any changes (amendments) to our Constitution or Canons; to receive, discuss, and act upon the assessment and budget; to receive reports from the various committees of the diocese; and to act upon any motions, notices, and resolutions properly presented to the Convention.

General Directions

Registration– All deputies (clerical and lay) must register their attendance using the proper sign-in sheets provided. The sign-in sheets are to be left on the respective tables. Alternates replacing regular deputies must declare on the sign-in sheet which deputy they are replacing. Please sign your name (and parish) as you wish it recorded and read.

Seating – Seating is assigned by Districts; look for signs as you enter the meeting space. There is a reserved area for non-parochial clergy. Guests are not to sit in the District seating area. There will be a separate seating section for guests.

Ballots – The ballots for all those duly qualified to vote will be distributed in each registration packet. Deputies being replaced by an alternate must provide their ballots to the person replacing them.

Policy on Distribution of Materials

1. No material will be placed on the official registration table.
2. No material is to be distributed on the Convention floor except as authorized by the Standing Committee.
3. A table for official documents relating to the business of Convention will be provided.
4. The Sergeant at Arms will monitor and enforce these rules under the direction of the President and Convention Committee Chairman.

RECORD OF THE 2013 ANNUAL CONVENTION

Minutes of the 148th Annual Convention (Unapproved)

The Episcopal Diocese of Pittsburgh of the Episcopal Church in the United States A.D. November 2nd, 2013

The 148th Annual Convention of the Episcopal Diocese of Pittsburgh of The Episcopal Church in the United States (the "Diocese") convened on Saturday, November 2nd, 2013 at Trinity Cathedral, Pittsburgh, Pennsylvania.

Registration of Convention Deputies began at 8:00 a.m. in order for the necessary certifications to be completed. At 9:00 a.m. those present convened for a service of Morning Prayer.

The Convention commenced at 9:30 a.m. The Right Rev. Dorsey W. M. McConnell called the Convention to order, and following an opening prayer, the Bishop asked the Rev. Timothy Hushion to offer a general welcome.

The Bishop then announced his appointment of Dr. Joan Gundersen as Convention Manager and directed that any logistical issues or problems be directed quietly to her. He then recognized Mr. John Hose, who, on behalf of Diocesan Council, nominated the Rev. Canon James D. Shoucair as Secretary to Convention. There being no other nominations, Canon Shoucair was elected as Secretary.

The Bishop then appointed the Rev. Nancy Chalfant-Walker as parliamentarian for the Convention, Mr. Jon Delano as Judge of Elections, and the Rev. Canon Catherine Brall as Associate Judge of Elections in order for Mr. Delano (a candidate for office) to step back from the counting at the appropriate time.

The Bishop then recognized Mr. Steve Stagnitta, the Judge of Assessments. Mr. Stagnitta offered the following resolution:

Whereas, during 2009, 2010, 2011, 2012 and until recently in 2013, the parish of the Church of the Good Shepherd, Hazelwood, was not an active participant in the Episcopal Diocese of Pittsburgh, but now it has returned to active participation; therefore be it

Resolved that the parish of the Church of the Good Shepherd, Hazelwood, is relieved of the obligation to pay any invoices for assessments rendered by the Episcopal Diocese of Pittsburgh applicable to Calendar Years 2009, 2010, 2011 and 2012; be it further

Resolved that all assessments (Diocesan, National (TEC), and Growth Fund) for the Church of the Good Shepherd, Hazelwood, be waived for Calendar Year 2013; and be it further

Resolved that any other similarly-situated parish that returns to active participation in the Episcopal Diocese of Pittsburgh will be treated in the same fashion.

Ms. Linda Getts seconded the resolution, which then passed unanimously.

Mr. Stagnitta then reported that all parishes were either in compliance with the canonical requirements or had sought and had been granted relief from their assessments for the year.

Mr. Stagnitta then offered the following motion:

Moved, that since The Church of the Good Shepherd has resumed active participation in the Diocese after the deadline for parochial reports, that the canonical requirement for a parochial report for 2012 be waived.

This motion, duly moved and seconded, passed unanimously.

The Bishop then recognized Ms. Linda Getts, Judge of Audits. Ms. Getts reported that there were three (3) parishes that had not completed their audit for 2012. Due to some missed communications, she said that St. Paul's, Monongahela, was unaware that it needed to do an audit on the three months of 2012 after they regained control of their building and accounts and that it was now underway. The Church of the Good Shepherd, Hazelwood, resumed participation in our Diocese well after the deadlines. St. Mark's, Johnstown's audit was underway. She then moved that St. Paul's, Monongahela, the Church of the Good Shepherd, Hazelwood, and St. Mark's, Johnstown, be seated with voice and vote at the Convention, with the understanding that the those with incomplete audits will submit the audit before the end of the calendar year.

The motion, moved and seconded, passed unanimously.

The Bishop then called upon the Secretary to report on quorum.

The Secretary reported that there were ninety (90) lay deputies present whose credentials had been received before the Convention. He also reported that there were forty-three (43) clergy present who duly affirmed that they were ordained and in good standing in the Episcopal Church. This brought the total deputies present to one hundred and thirty-three (133), which constituted a quorum for the transaction of business.

The Secretary was pleased to note that since the time deputies qualified for the Annual Convention of the Diocese in November of 2012, one parish had resumed participation in the Diocese and had sent deputies to Convention. He asked the deputies from the Church of the Good Shepherd, Hazelwood, to come forward and take their seats in District 2.

The Bishop then asked the Convention to stand for a round of applause, after which he asked the Secretary to proceed with the roll call.

The Secretary then asked clergy and lay deputies to stand when their parish was called. The following parishes so indicated their presence at the Convention:

District 1: All Saints, Brighton Heights; Christ Church, North Hills; Emmanuel, North Side; St. Barnabas, Brackenridge; St. Brendan's, Franklin Park; St. Paul's Kittanning; Trinity Cathedral, Pittsburgh.

District 2: Calvary, East Liberty; Church of the Holy Cross, Homewood; Church of the Redeemer, Squirrel Hill; Church of the Good Shepherd, Hazelwood; St. Andrew's Highland Park; St. James, Penn Hills; St. Matthew's, Homestead; St. Stephen's, Wilksburg; St. Thomas Memorial, Oakmont.

District 3: All Saints, Bridgeville; All Souls, North Versailles; Church of the Atonement, Carnegie; Church of the Nativity, Crafton; St. David's, Peters Township; St. Paul's Mt. Lebanon; St. Peter's Brentwood; St. Thomas, Canonsburg; St. Stephen's McKeesport.

District 4: Christ Church, Indiana; Christ Church TEC, Greensburg; Church of the Advent, Jeannette; St. Bartholomew's, Scottdale; St. Francis-in-the-Fields, Somerset; St. John's, Donora; St. Mark's, Johnstown; St. Michael's, Wayne Township; St. Michael's of the Valley, Ligonier; St. Paul's Monongahela; St. Peter's Blairsville; St. Thomas, Northern Cambria.

The Bishop then moved the approval of the minutes of the 147th Annual Convention of the Diocese found in the Preconvention Journal, which was then duly approved and adopted by unanimous vote.

Mr. John Hose, President of Diocesan Council, moved that the Convention adopt the printed agenda for the Convention. There being no discussion, the motion was passed unanimously.

Mr. John Hose, on behalf of Diocesan Council, then moved that the Convention adopt the Rules of Order contained in the Constitution and Canons of the Diocese. There being no discussion, the motion was passed unanimously.

The Bishop then acknowledged special guests, the Rev. Roger Ferlo, president of Bexley Seabury Federation, and Ms. Anne Rudig, Director of Communication for The Episcopal Church. Ms. Rudig then extended her greeting to the Convention from the worldwide Episcopal Church, and reported on some of the wider church's upcoming ministries. The Bishop also introduced two newcomers to the diocese, Ms. Kathi Workman, the new Diocesan Treasurer, and the Rev. Scott Russell, Rector of St. Brendan's, Franklin Park.

After the report, the Bishop then asked the Rev. Kris Opat McInnes, Chair of the Nomination Committee, to make the report of the Committee. Fr. McInnes reported on each of the offices to be filled and the nominees for such offices. The Bishop asked if there were any additional nominees from the floor. There being none for any of the offices, Fr. McInnes moved that nominations be closed. Mr. Jon Delano seconded and the motion was passed unanimously.

The Bishop then recognized Mr. Jon Delano, Judge of Elections, who then instructed the Convention on the process for voting. Ballots were then cast by Convention deputies.

The Bishop then delivered his Annual Address to the Convention, a copy of which is attached hereto as Exhibit A.

At the conclusion of his address, the Bishop asked the Judge of Elections to report on the results of the balloting. Mr. Delano reported as follows (*denotes elected):

For The Board of Trustees (two to be elected):

*Russell W. Ayres, III	98
Gerald Dalton	47
Linda Getts	37
*Amy Jennings	49
John Sozansky	19

For the Cathedral Chapter (one clergy one lay):

Clergy:

*The Rev. John R. Schaeffer 127

Laity

*Michele Baum 125

For the Commission on Ministry (one to be elected, either clergy or lay):

*Carolyn Booker	85
Nancy Lapp	43

For the Committee on Constitution and Canons (one clergy, one lay):

Clergy:

*The Rev. Charles B. W. Hamill 127

Laity

*Michael E. Braxton 122

The Rev. Canon Catherine Brall, Associate Judge of Elections, then reported:

For General Convention Deputies (Clergy, four to be elected, each with 67 votes needed):

*Nancy Chalfant-Walker 83
William L. Geiger 49
Louis B. Hays 32
Kris McInnes 43
Moni McIntyre 53
Jeffrey D. Murph 45
Scott T. Quinn 65
Bruce M. Robison 55
*James B. Simons 74

For General Convention Deputies (Lay, four to be elected, each with 67 votes needed):

Michele Baum 21
Michael E. Braxton 66
*Jon Delano 95
Joan R. Gundersen 33
Betsy Hetzler 50
*Jamie McMahan 69
Mary C. Roehrich 64
*Steve Stagnitta 68

Mr. Delano then reported:

For the Disciplinary Board (two clergy one lay):

Clergy:

*The Rev. Kris McInnes 125
*The Rev. Ben DeHart 115

Laity

*Erin Harter Janiak 122

For the Standing Committee (one clergy, one lay):

Clergy:

*The Rev. Chuck Weiss 127

Laity

*Nick Hays 71
John M. Adams 51

Mr. Delano indicated that two (2) positions for clergy Deputy to General Convention and one (1) lay Deputy remained to be elected. He then instructed the Convention on the process for casting their ballots.

Following the vote, the Bishop announced a recess for lunch and district meetings, after which the Bishop reconvened the Convention. He then called upon the Judge of Elections for his report on the second ballot, as well as on the results of District Elections.

Mr. Delano reported the results, as follows:

District Elections:

District 1

District Chair: Thomas Robinson
District Vice-Chair: Janet Fesq
Diocesan Council: Harvey Walker

District 2

District Chair: The Rev Carol Henley
District Vice-Chair: Theresa Dillon
Diocesan Council: Steve Stagnitta

District 3

District Chair: Betsy Hetzler
District Vice-Chair: The Rev. Linda Tardy Wilson
Board of Trustees: Joseph M. Karas
Diocesan Council: Courtney Harter

District 4

District Chair: The Rev. Dr. James B. Simons
District Vice-Chair: The Rev. Gwen Santiago
Diocesan Council: Kathy Baird

For General Convention Deputies (two clergy, 114 ballots cast, 58 votes needed):

William L. Geiger	45
Moni McIntyre	53
*Scott T. Quinn	78
Bruce M. Robison	56

For General Convention Deputies (one lay, 118 votes cast, with 60 votes needed):

Michael E. Braxton	56
*Mary C. Roehrich	62

Mr. Delano announced that there still remained one member of the clergy to be elected deputy to General Convention. He also announced the need to determine the order of the lay deputies to General Convention, whereupon he proceeded to instruct the Convention on the process for voting.

The Bishop then called upon Mr. Steve Stagnitta, Chair of the Budget and Assessment Committee of Diocesan Council to present the budget. Following the report – and a motion for approval and discussion – the budget was approved unanimously by Convention.

The Bishop then called upon the Rev. Dr. Bruce Robison to present a report from the Diocesan Compensation Committee. After the report, Dr. Robison moved the adoption of the Compensation guide, as found in the Preconvention Journal. The motion was approved.

The Bishop then called on the Judge of Elections to report on the results of the third ballot. Mr. Delano reported as follows:

For General Convention Deputies (one clergy, 114 ballots cast, 58 votes needed):

Moni McIntyre	54
*Bruce M. Robison	60

For General Convention Alternate Deputies (4 lay):

*Michele Baum	12
*Michael E. Braxton (1st Alt.)	70
*Joan R. Gundersen	24
*Betsy Hetzler	34

Mr. Delano then explained the need for a fourth ballot to determine the order of the clergy deputies to Convention and instructed the Convention on the process for voting.

The Bishop then called upon Mr. Michael Braxton for the report from the Constitution and Canons Committee. Mr. Braxton then presented, individually, the following series of proposed constitutional and canonical changes:

The amendment to Article VI of the Diocesan Constitution “**Secretary of the Convention**” as set forth in the Preconvention Journal;

The amendment to Article IX, Section 4 “**Standing Committee**” as set forth in the Preconvention Journal.

Both resolutions passed unanimously, with the understanding that they would need to be passed again at the Annual Diocesan Convention in 2014 before they take effect.

Mr. Braxton then moved, individually, the following resolutions pertaining to proposed changes to the Diocesan canons, which if approved would go into effect immediately:

The revision to **Canon I “Of a List of Clergy in the Diocese”** with the revised text as found in the Convention Packet;

The revision to **Canon XII, Section 3, “Budget and Financial Administration”** as set forth in the Preconvention Journal;

The revision to **Canon XII, Section 4.d., “Budget and Financial Administration”** as set forth in the Preconvention Journal;

The revision to **Canon XVII, Section 9 “Business Methods in Church Affairs”** as set forth in the Preconvention Journal;

The revision to **Canon XXVI, Section 1, “Of Deputies to Provincial Synod and General Convention”** as set forth in the Preconvention Journal;

The revision to **Canon XXVI, Section 3, “Of Deputies to Provincial Synod and General Convention”** as set forth in the Preconvention Journal;

The revision to **Canon XXIX, “Of the Church Pension Fund”** as set forth in the Preconvention Journal, as amended by motion of the Rev. William Geiger to add the words “who meet the requirements of set forth by General Convention” at the end of the second sentence of Section 4.b thereof.

With the exception of the resolution pertaining to Canon XII, Section 3, above – which after discussion, was tabled for future consideration – the foregoing resolutions were each passed by Convention.

Mr. Braxton then moved amendments to Section A, item 8 and Section D the Rules of Order of the Diocese, all as set forth in the Preconvention Journal. Both resolutions were passed by Convention.

The Bishop then recognized Mr. Jon Delano, who gave the results of the fourth and final ballot as follows:

For General Convention Alternate Deputies (four clergy):

*William L. Geiger	44
Louis B. Hays	18
*Kris McInnes	38
*Moni McIntyre (1st Alt.)	59
*Jeffrey D. Murph	38

The Bishop then recognized Mr. Andy Roman, the Chancellor of the Diocese who then made his report to Convention. In particular, he addressed the need for patience in the ongoing discussions with ACNA concerning property issues. He then noted the possibility of canonical changes affecting transitional parishes and that Convention would be given the opportunity to provide input and guidance in the formulation of those changes.

At the conclusion of the Chancellor’s report, the Bishop invited representatives of the youth of the Diocese to come forward and report on their activities during Convention.

After their report, the Bishop called on Mr. Jeff Dunbar, Chair of the Resolutions Committee. Mr. Dunbar yielded the floor to Ms. Nancy Bolden, the Chair of the Commission on Racism. Ms. Bolden presented Resolution 1 – **Resolution to Encourage Diversity among Lay and Ordained Leaders in the Episcopal Diocese of Pittsburgh** – appearing on page C-10 of the Preconvention Journal. The resolution passed by unanimous vote of Convention.

Mr. Dunbar then presented Resolution 2 – **Resolution in Recognition of Volunteers** – set forth on page C-11 of the Preconvention Journal.

The motion, duly moved and seconded, was passed unanimously.

Mr. Dunbar then moved Resolution 3 – **Resolution of Thanks to Trinity Cathedral** – as set forth on page C-11 of the Preconvention Journal.

The motion, duly moved and seconded, passed unanimously.

After a closing prayer and blessing, the Bishop motioned for an adjournment of the Convention, noting that the next Diocesan Convention was scheduled to take place at Trinity Cathedral on November 7 and 8, 2014. The motion was seconded and passed unanimously.

Respectfully submitted,
The Rev. Canon James D. Shoucair
Secretary to Convention

EXHIBIT A

Bishop's Address 148th Annual Convention of the Episcopal Diocese of Pittsburgh November 2, 2013

I have a lot of ground to cover in this address. I want to talk about all I have heard and learned from you in the last year, our ongoing healing from the split, our conversations on human sexuality, and an emerging vision for the future. I want to talk about my three priorities for the next ten years – namely proclaiming a Public Gospel; developing Missional Communities; and Forming Leadership, lay and ordained.

I want to talk about the 2014 budget; recent changes in our staff and in our diocesan family. I want to share with you something of my participation in the wider Church, both the Episcopal Church and aboard, and invite you into partnership with Pilgrim Africa. I want to talk about our upcoming 150th anniversary as a diocese in 2015. And, I want to talk about “the duck,” though I know given everything else I just mentioned, the duck will have to wait.

But allow me to begin this address with a shout out once again to the people of Good Shepherd, Hazelwood, who today resume active participation in the Episcopal Diocese of Pittsburgh with their rector, the Reverend Huett Fleming. I could not be happier. I'd also like to welcome formally the Reverend Scott Russell, who is returning to this diocese as rector of St. Brendan's, Franklin Park. Wonderful to have you.

On a more solemn note, I'd also like to recognize the people of St. Andrew's, New Kensington. While the building has returned to us, it has become clear to me that there are simply not enough people to continue to worship in that beautiful place, though we will continue to maintain the building and use it for the benefit of the local community. Canon Scott Quinn is fond of saying that sometimes we have to figure out whether the future of a place is now, or whether the future is in the future. For St. Andrew's, I believe we have look to the future. So tomorrow, the Reverend Chips Koehler will preside at a Eucharist in the very place where he was ordained to the priesthood and I will preach on that occasion, and for the foreseeable future, that will be the end of regular worship there. We are grateful for the faith of the generations in New Kensington and we remember them as we wait in faith on God's future in that place.

I've completed a full cycle of visitations among you now and have spent a lot of wonderful time just getting to know you, listening to your stories – there are a lot of stories – hearing a lot about your hopes, fears and dreams. One of the many joys of being your bishop is the personal relationships I get to have across so many congregations. I get to talk with all sorts of people, from the children who always surprise and delight and invariably teach me, to the elders of your parishes whose memories go well back into the time of Bishops Appleyard, Thomas, and Pardue.

There is still so much I have to learn. I want to know how James Knight at Calvary makes his ribs. I want to know what's in the pickles Kathy Ogline gave me in Somerset, which my son declared to be the best pickles ever, leaving me exactly one to prove his point. I want to know how to run the riding mower at St. Francis-in-the-Fields. I want to know who had the great idea of putting a composting toilet at St. Michael's in Wayne Township. I really want to know what Kris McInnes at St. David's does to keep that hair of his looking so fine all the time.

Every time I look at any one of you, or talk with you, I am filled with the knowledge of how rich and remarkable is the collection of our personal histories, here in the Body of Christ in Pittsburgh; how many paths have led us to the feet of Jesus; and I get a glimpse of how He looks at each of you, each of us, and then I get a glimpse of how He looks at all of us together, as He asks us – and I believe he is always asking us – the same question he asked of James and John, the same question he asked of blind Bartimaeus: “What do you want me to do for you?”

As I said in my sermon last night, I think if we could only see one another habitually with His eyes, so much of the pain and fear and mistrust we carry with us from the past would simply go away, and we might begin to become in reality the one Body that Christ declares we already are in the mind of the Father because of the prayer and offering of the Son.

Sometimes we actually do get to experience that reality. Certainly I've heard that was the case among the people who participated in the conversations on human sexuality over the last year. In many instances, they entered the room full of anxiety and then, in the next few hours of dialogue, found a grace that surprised them. They began to see the other, not as an opponent, but as a human being and a child of God, with convictions rooted in their faith in a common Lord. And they reported to me and to my co-chair, Dana Phillips, and to the other members of the planning team the hope that, as we move toward and beyond a decision on the matters of blessing and ordination for persons in same-sex relationships, the grace they discovered in those rooms may abound for others.

I share the same hope. I have been in extensive consultation with many of you, and I believe I will be able to issue a pastoral letter on the subject in the middle of this month, on or about the 15th, though it may actually be several days later given the particular demands of my schedule and the fact that the 15th falls on a Friday, not a particularly good day to issue a pastoral letter. I appreciate your patience and ask for your continued indulgence for just a bit longer and for your prayers always. I do hope that together we will manage to incorporate the results of this decision into our common life in a way that will put the issue behind us and allow us to focus together on the crucial matter of how we are to join God's mission in the world.

I will talk about the substance of that mission in a few minutes, but at this moment I want to acknowledge some of the people in new positions who will help us carry it forward.

In June, I asked the Reverend Canon Dr. Cathy Brall, at the time Provost of the Cathedral, to leave Trinity and join me on staff as Canon Missioner for the diocese. I am delighted she agreed, and since September she has been working with several congregations as they re-imagine their futures. Cathy is already making a huge contribution to the life of our diocese, as she joins Canons Scott Quinn and Jay Geisler as

part of what I may call my extensive council of advice. There is, actually, no formal designation or boundary to this council of advice, and if you'd like to give me some, all you need do is write me an e-mail or pick up the phone, and you're there.

Father Tim Hushion has taken on the work of Priest-in-Charge here at the Cathedral, and I will be working with him and Chapter over the coming year as we shape the vision for Trinity and prepare to call a Dean.

In other staff changes, our Treasurer and Diocesan Administrator, Carl Hockenberry, left us in the spring to pursue his private practice, and I am happy to introduce, as we did this morning, our new Treasurer, Kathi Workman. I know that by canon there must be a Diocesan Administrator, and I will eventually name someone to that position. However, I want to assure you that all the bases are presently covered, and that the "team approach" to administration adopted under Bishop Price is proving workable. I cannot sufficiently thank the people who make that happen, especially Judi Rogers, my executive assistant; Marlene Rihn, in Finance; Dr. Joan Gundersen; and Rich Creehan, Director of Communication, who has stretched well beyond his job description to help us in the time leading up to this convention. And I'd like to thank our Youth Directors, Vickie O'Brien and Brent Hansen, and our website guru, Andy Muhl. We couldn't get on without them and I'd ask you to acknowledge them with applause.

The gifts and devotion of these folks make the 2014 budget particularly difficult to talk about. I realized even before the "walkabouts" in 2012, as I first got a look at the financials of this diocese, that we would face a day of reckoning in January of 2014, and January of 2014 is here. Knowing this, last January, I asked the Budget and Assessment Working Group, in conjunction with Trustees and Council, to begin immediately the task of crafting a budget that would make substantial inroads on our deficit for this coming year. That budget is before you and it is painful, particularly in the sacrifices it requires of our staff and their families, and I am afraid the pain is not over yet. This work of reduction and consolidation will continue into the budget of 2015. However, I am hopeful that by then we will be in balance and will be also configured in a way most appropriate to accomplishing the ongoing mission of our diocese.

Now, about the mission. I am phrasing that mission, as many of you have heard, in terms of three priorities: Public Gospel, Missional Communities, and Leadership Formation. Three priorities, six words, for the next ten years. And since the first is public Gospel, it is time to talk about that duck.

I was in my office at the Cathedral a couple of weeks ago and had a rare, unplanned hour. I thought I would wander down to the Point and bless the duck. It was a warm and lovely afternoon, and at first I thought that was why people I ran into on the way all had such big smiles on their faces, as they were coming from the direction I was going. But as soon as I saw the duck, I realized it wasn't the weather at all that was making people smile. It was the duck, and I could see why. Childhood associations are a powerful thing, and the moment I saw that duck, something in me went right back to what it felt like when I was six years old in a warm bath, playing with a rubber duck, and talking with my mother. It wasn't just that it was fun, though it was; the feeling that washed over me through the gift of that memory was of a deep sense of safety, security, and peace. As I continued to look at the duck, I realized people around me were having similar associations. I was surprised I didn't really want to leave and they didn't either.

And just as I was looking for someone to take a picture of me, to memorialize the moment, there came along a camera crew from a TV station in Johnstown. You can't make this stuff up. They said they were conducting person-on-the-street interviews and would love to talk to me about the duck. So, I did. I remembered, first of all, the admonition of Scripture to always be ready to give an account of the hope that is in you. And then I started in. I said, "I'm Dorsey McConnell. I'm Bishop of the Episcopal Diocese of Pittsburgh. I had a duck. It was a great duck and I always felt very safe and secure with it.

And when I come down here, I feel that now, deeply and truly. So, I thought I had come down here to bless the duck, but instead I find that the duck is blessing me.” I was going to go on, but the cameraman said, “Thank you very much, Bishop, that’s great. This was the best interview of the day.”

I was just kicking myself. I thought, “You get thirty seconds to glorify Jesus and you say something that stupid. Why not something about the New Testament? The Cross? Maybe John 3:16?” And as I stood there, I heard someone point out to her friend the dozen or so real ducks paddling contentedly in the shadow of the big duck, to which her friend responded, “Do you think they think it’s God?”

Then I realized that, actually, the duck was not a bad place to start. You see, sometimes you can’t start right away with the Cross. The point of a public Gospel is that sometimes you have to start before the Gospel to get to the Gospel.

This point was made for me when I realized how many of this generation have no connection, not only to Christian faith, but to Christian thought forms or even Christian symbols. We have no connection; the culture is slipping away from us.

Some of you know this story: I was in a line for TSA security this summer. I took off my pectoral cross and passed it through the security monitors. On the screen, I could see it, stark as day and night, showing up with the nails and the steel and the chain. Then I heard this conversation between a younger and older member of the TSA. The younger began,

“What is THAT!?!”

“It’s a cross.”

“What’s it doing there?”

“It’s a Jesus thing.”

“God, it looks like it’s made of nails. What’s the story there?”

“That’s how He died. They killed Him by nailing Him to a cross.”

“Ew! That must have hurt.”

“I expect it did. A lot.”

And then they both looked at it. The younger one broke the silence by saying, “Shouldn’t that really be a prohibited item?” The answer: “It’s not, yet.”

I put the duck out there as an image to come back to, an indicator of what I call the public Gospel. That little taste of what it felt like as a child to be safe, secure and at peace, was a small sample of something that every human being is after – an enduring peace. The New Testament talks about this in various ways. The peace of God which passes understanding is a phrase that sums them all up, and the Bible insists this peace is found only in an abiding relationship with Jesus Christ – who is our peace. But like the duck, this peace of God isn’t something bottled up in churches. The taste of it is already out there in all of creation and in the world of human society. Everyone and everything depend for their existence upon this peace that is woven into the fabric of the created order and shimmers just under the surface of all that is. As the Letter to the Colossians puts it, that is because this Jesus Christ, as incarnate word, the logos of God, “is before all things and in Him all things hold together.”

Even as wrong-headed and sinful as we are, as Saint Augustine points out, we yearn for this peace out of the very core of our being, for the simple reason that we can’t do anything else, were made for it. And therefore, nearly everything we do – even in some of our worst moments – is in pursuit of peace, though we do not know, or at least consistently forget, that this peace can fully come to us only through the reconciling blood of Christ’s Cross and the power of His Resurrection. The peace I feel when I look at

the duck, or when I laugh with my son, or when I receive (for the millionth time it seems) forgiveness from my wife, is either foretaste or fruit of the lasting peace of Christ.

A public Gospel means getting the word of this peace out there in as many ways as we can, not simply waiting for people to stumble across the thresholds of our churches but actually enacting this peace in public, through word, sign and action. It may begin with an interview with a film crew from Johnstown that you hope is going to begin to open people's eyes to the great peace that Christ gives absolutely and eternally. It may begin by bringing ashes to distribute in Market Square at the beginning of Lent. It may begin with posting videos on our website that help people see the difference between the Cross and a smiley-face, or between the Resurrection and a butterfly.

The public Gospel begins today with some of our kids from the Pittsburgh Youth Initiative who are out there right now in the streets asking people what they would like prayers for, kids who will bring back those petitions to us and chalk those petitions into the flagstones outside the doors of this Cathedral; petitions we will offer later through the prayers of this assembly. The public Gospel will begin again on November 17th at the Franktuary in Lawrenceville, when I teach at an open forum applying the Gospel of grace to scenes from the AMC series "Breaking Bad."

These may seem like small encounters, like scattering seed on a hard road, but we know there is always fertile soil to be found and God uses any opening to help people begin to move away from the continuing prosecution of their own wars – the war against their children, their spouses, their bosses and co-workers, their enemies of varying descriptions, the war against their own souls, which is always in the end our war against God. A public Gospel announces to the world, in the terms of the world, that we find the path away from these terrors to the only one who can end all our war, Jesus crucified and risen who, as the Letter to the Ephesians reminds us, has broken down the dividing wall of enmity and brought all hostility to an end.

And these apparently small initiatives are foundation stones and precursors to a deeper movement of the Gospel to the healing of greater divisions in Pittsburgh and in southwestern Pennsylvania, which I believe we have been entrusted with. They call us to imagine what the Gospel looks like as it affects not only individual lives, but families, neighborhoods and systems; how this Good News of Reconciliation might actually change the terrible realities that surround us. Those realities are why a public Gospel must be carried out by missional communities – the second priority.

The word "mission" in this context is best understood as the spiritual, social and economic transformation of persons and places, in the name of Jesus and in the power of the Spirit, to look more and more like the Kingdom of God. It is the harbinger of God's fulfillment of the Lord's Prayer, in which we beg that the Father's will be done on earth as in heaven. A public Gospel begins that movement, but missional communities carry it out locally, sustainably and personally, in a way deeper than the mere scattering of Gospel seed in the public square can achieve.

That is the job that local parishes have been fulfilling for over fifteen hundred years. You may not think that is what you are doing, fulfilling the Father's will that the Kingdom come on earth, as you fret about the boiler and the roof. But that is what you have been doing, and it is what we all must learn how to do now in a new key. The stakes are huge. People are dying all around us and don't even know it. They have consigned themselves in many cases to lives in which their only course is to try to make meaning up for themselves, invent and re-invent themselves, become the masters of their own worlds and when that doesn't work out so well, they are left with the option either of resignation or despair.

But the love of God yearns over every one, yearns to reach out to every one, and we are the means, beginning from the 37 Eucharistic communities God has already established in this diocese. The only

question is, can our communities become consciously more missional? Can we begin to change our mindset, so that we live not so much as settled, inward-looking religious families hoping for more people to come to church, but as vigorous, Spirit-filled, apostolic societies moving outward to meet the need of the world and transform it?

How we do it is an open question. There are as many answers as there are parishes, perhaps more, but each place needs a beginning. The Reverend Eric McIntosh, for instance, the new Deacon-in-Charge at St. James in Penn Hills, is beginning just by making contacts in the neighborhoods around the church and starting to form what he calls Holy Ground Block Clubs. That might look initially as just a way for folks to meet each other, but we know and he hopes that it will grow into a mission of God-led, Spirit-filled neighborhood advocacy. And, yes, there are funds available to support this kind of work, especially by means of the Mission Enterprise Zone grants available through the Episcopal Church Center.

The process for becoming more missional is pretty simple, really. I'm going to give you ten steps:

Step One: Pray.

Step Two: Take a look at the needs of the people around you. What are they? Unemployment? Poverty? Drug use? Broken families? Wayward kids? Abandoned seniors? Loneliness? Something else?

Step Three: Pray.

Step Four: Pick one. One need. Something that seems to call forth in your community an anointing to help people meet that need.

Step Five: Pray.

Step Six: Design a strategy to help people around you address that need under the power of God.

Step Seven: Pray.

Step eight: Act on that design.

Step Nine: Pray.

Step Ten: Rethink, revise, pray, and act again.

And if you need help, if you've got an idea, if you want to be in partnership with someone else, if you have questions, pick up the phone and talk to me, or call our Canon Missioner, Cathy Brall, because helping you become a missional community that acts on a public Gospel is what she is all about.

The final piece of this vision lies in the formation of leaders, both lay and ordained, to guide our missional communities in a public Gospel. One of our bishops is fond of saying the Episcopal Church is excellent at preparing cutting-edge leaders for the last generation. We need to be instead about preparing lay and ordained leaders for this coming generation, to work collaboratively in mission. Lay and ordained leaders. May I say that nothing in our parishes is going to change culturally if it is not led by lay leadership. Clergy can help you, pray for you, equip you. But unless it is the laity that is leading this transformation, change is simply not going to happen.

It will mean leadership across the board that is entrepreneurial, highly relational, focused on applying the Gospel to particular local circumstances and opportunities, and adapting the means of delivery of the Church's mission to meet the needs of the world. What this means in practice is a huge question. A

leadership training institute in which lay and ordained leaders are developed together is something I hope will become a reality in this diocese, focusing especially on new modes of training and of training lay leaders, deacons, and priests in the same setting, although perhaps on somewhat different tracks, but in the presence of each others' context so that we are no longer creating silos of ministry but rather one united approach to leadership in the one Body of Christ. And, I hope especially – and you'll see a related resolution coming on this later today – that out of this, we will actually begin to address the serious question of racial inequities and absence of leadership of color in this Church as we orient ourselves to serving and empowering historically underserved communities in this diocese. We will be working with the Dioceses of Northwestern Pennsylvania and West Virginia to develop something in common. We are only beginning this work and ask all of you for your prayers and your input.

So, there are the three priorities, in six words, for the next ten years. Public Gospel. Missional Communities. Leadership Formation. I have called together a rather large team to help develop strategy and support for this work. At last count, there were 26 of us. Part of the job of this group will be following up on and implementing the recommendations of a previous strategic task force, but they will have more to do. So I have called them the Strategic Task Force 2.0 and asked Bob Johnston and Sue DeWalt to co-chair this group. After two meetings, we have divided into three working groups: one to manage our existing physical assets; another to help existing communities develop missionally and to plant new starts in non-traditional modes; and the third to work on the question of leadership formation. This is an open “sandbox.” If you would like to play, then just come on in. Talk to me, talk to Bob or Sue, and you are welcome to play an active part.

A few words about our relationships beyond Pittsburgh. I am very grateful for the privilege of participating in the wider Episcopal Church. It is still news in some quarters that the Episcopal Diocese of Pittsburgh has come roaring back. Whenever I show up at the House of Bishops or in other contexts, and people learn who I am and where I'm from, they are so grateful and so overjoyed to hear what is going on here, and so proud of the work. You give the rest of the Church hope, sisters and brothers, and I couldn't be more proud of you.

I want to let you know that the House of Bishops is meeting next fall in Taiwan, so I ask your prayers for that. I know that is an expensive trip, and yes, I am going to ask the Presiding Bishop's office for some assistance, but it is very important that we are participating in not only all the canonically required aspects of shared leadership in the Episcopal Church, but also in responding to many other invitations as well. I will be preaching at St. Paul's Cathedral in London at Solemn Evensong on December 29 and will be speaking at Duke University in March at its Anglican Episcopal House of Studies.

I also continue to be active in the wider church through my work with Pilgrim Africa, working principally in northeastern Uganda. Now I know that whenever the Church in Uganda is mentioned in this setting, I notice a few people who take a step back and look nervous. I want to assure you that Pilgrim Africa is a pan-Christian, non-denominational relief and development organization working for public health, sustainable agriculture, and education in the northeastern Teso region. We do have wonderful, strong, and cooperative relationships with the Diocese of Soroti and with many other local churches. It is an indigenous organization, alongside of which folks like me come and help with logistical, financial and administrative support. Anyone who is interested in going with Betsy and me this coming July, as we take a team over, is welcome to join us. If any of these priorities of working with war-affected kids, with malaria control, or with sustainable agriculture and food security strike your fancy, please let me know.

I believe we are heading in a great direction. We are being richly blessed. I believe that by 2015, which is our 150th anniversary, the signs of that blessing will be all around us, and we should start planning for it now. Plan for it, as we rethink the vision and funding of this cathedral, as we rethink the vision and funding of our diocese, and as we invite others in the world to join us on the road.

As we do, we're going to need to get the word out. You'll need an elevator speech. I realize those six words – Public Gospel, Missional Communities, Leadership Formation – are not going to win you folks from the world. So here's an elevator speech. If someone says to you, "What's the Episcopal Diocese of Pittsburgh about?" you tell them, "We're about mercy and hope." And if the next question is, "What kind of mercy and hope?" you might say, "The mercy and hope we're about isn't a 'what', it is a 'who.' The mercy and hope we're about, well, His name is Jesus. You may know more about him than you think you do. Come along with me and we will find out the rest together."

To God be the glory, this day and always. Amen.

+ Dorsey McConnell, D.D.

Bishop, Episcopal Diocese of Pittsburgh

Section B

Budget and Financials

Episcopal Diocese of Pittsburgh Proposed 2015 Budget

	Final 2013 Actuals (Cash Basis)	Approved 2014 Budget w/ Council Reallocations	Actual Results through 8/31/2014	Proposed 2015 Budget
ASSESSMENT INCOME (Diocesan Total Only)		514,278	514,278	529,522
INCOME				
Assessments Realized	497,754	437,136	334,411	476,570
TEC Mission Assessments	87,435	83,264	60,055	85,732
Endowment - Episcopacy	166,838	104,571	54,743	104,571
Endowment - Diocesan Mission	16,000	40,990	-	40,990
Community Service Fund - Diocesan Mission	159,017	165,764	41,000	124,764
Other Quasi-Endowments Redesignated by BOT	-	39,037	-	39,037
BOT Unrestricted Distribution	338,273	263,812	220,257	179,757
Chaplaincy Fund Transfer	-	-	9,361	-
BOT - income from St. Christopher's proceeds	-	40,500	-	29,400
Miscellaneous	-	46,819	47,239	3,386
Bishop's Fund Transfers for Reopened Parishes	-	-	-	60,000
Donations	1,265	-	3,275	1,000
Trusts, Foundations, Grants - Unrestricted	103,000	76,000	33,000	76,000
Widow's Corporation - Clergy Conference	-	3,800	-	-
Metcalf Missionary Fund (PNC Bank TTE)	-	10,000	10,000	15,000
TOTAL INCOME	1,369,582	1,311,693	813,341	1,236,207
NORMAL OPERATING EXPENSES				
Congregational Mission	90,186	70,081	47,202	47,000
Beyond the Diocese	153,635	180,253	122,308	176,523
Transformational Networks	108,039	200,482	147,288	190,125
Office of the Bishop	242,963	240,684	168,537	243,900
Administration and Support	385,352	333,191	198,314	313,284
TOTAL NORMAL OPERATING EXPENSES	980,175	1,024,691	683,649	970,831
Balance of Normal Revenues and Expenditures	389,407	287,003	129,692	265,376
Extraordinary Expenses:				
Bishop Search and Transition	750	-	-	-
Reopened Churches	237,038	174,260	137,236	149,241
Returned Property Maintenance	58,545	37,743	49,760	41,135
Legal Expenses	47,790	75,000	12,945	75,000
Total Extraordinary Expenses	344,123	287,003	199,941	265,376
TOTAL EXPENSES	1,324,298	1,311,694	883,590	1,236,207
Balance after Normal and Extraordinary Expenses	45,284	(0)	(70,249)	0
General Fund Balance, Beginning of Year	200,766	254,821	254,821	254,821
General Fund Balance, End of Year/Period	254,821	254,821	184,572	254,821

Episcopal Diocese of Pittsburgh Proposed 2015 Budget

	Final 2013 Actuals (Cash Basis)	Approved 2014 Budget w/ Council Reallocations	Actual Results through 8/31/2014	Proposed 2015 Budget
CONGREGATIONAL MISSION				
Canon to the Ordinary				
Salary	30,000	22,500	11,250	-
Expenses	10,416	3,500	3,411	3,500
SECA	2,295	1,721	861	-
Pension	5,813	4,360	2,180	-
Total Canon to the Ordinary	48,524	32,081	17,702	3,500
Diocesan Missions and Faithful Remnants	42,626	36,500	29,500	42,000
Diocesan Convention	(963)	1,500	-	1,500
TOTAL CONGREGATIONAL MISSION	90,187	70,081	47,202	47,000
BEYOND THE DIOCESE				
National				
TEC Assessment	127,944	150,000	100,000	145,000
General Convention Deputies	15,000	15,000	15,000	15,000
Outside the Diocese Meetings	604	5,000	2,462	5,000
International				
Lambeth .7% Resolution	3,065	3,053	-	3,053
Ecumenical & Other				
Province Dues	2,096	2,100	2,096	2,870
PA Council of Churches	750	750	750	750
Christian Associates	2,000	2,000	2,000	2,000
Other Ecumenical	176	350	-	350
Episcopal Appalachian Ministries	2,000	2,000	-	2,500
TOTAL BEYOND THE DIOCESE	153,635	180,253	122,308	176,523
TRANSFORMATIONAL NETWORKS				
Canon Missioner				
Salary	-	73,250	48,833	73,250
Expenses	1,728	4,431	2,184	4,431
Sabbatical Reserve	-	-	1,000	1,000
Pension	-	13,186	9,889	13,186
Health and Dental	670	8,034	5,322	8,034
Total Canon Missioner	2,398	98,901	67,228	99,901
Canon of Formation				
Salary	20,000	15,000	10,000	17,000
Expenses	4,542	3,450	2,167	4,540
SECA	1,530	1,148	765	1,301
Pension	3,875	2,907	2,180	3,294
Total Canon of Formation	29,947	22,504	15,112	26,135

Episcopal Diocese of Pittsburgh Proposed 2015 Budget

	Final 2013 Actuals (Cash Basis)	Approved 2014 Budget w/ Council Reallocations	Actual Results through 8/31/2014	Proposed 2015 Budget
Diocesan Chaplain				
Salary	-	-	5,333	-
Pension	-	-	2,025	-
Insurance	-	-	1,971	-
Total Diocesan Chaplain	-	-	9,329	-
Youth Ministry				
Salary	20,000	18,000	12,000	9,000
FICA	1,530	1,377	918	689
Benefits and Allowances	-	1,000	-	-
Total for Youth Ministry	21,530	20,377	12,918	9,689
Youth Outreach				
Pittsburgh Youth Initiative	6,058	4,000	2,021	4,000
Sheldon Calvary Camp	4,000	4,000	4,000	4,000
College Ministry	32	-	-	-
Acolyte Festival	513	300	-	300
Total for Youth Outreach	10,603	8,300	6,021	8,300
Community Outreach				
Coal Country Hangout	10,000	10,000	10,000	10,000
Shepherd's Wellness	3,000	3,000	3,000	3,000
Neighborhood Youth Outreach Program	10,000	10,000	10,000	10,000
Total for Community Outreach	23,000	23,000	23,000	23,000
Training				
Clergy Conference	(25)	3,800	-	-
Ministry Leadership Workshops	1,721	1,000	192	1,000
Training on Misconduct Issues	-	500	-	500
Ordinands Training Program	-	500	-	500
EFM	1,500	1,500	1,500	1,500
Total for Training	3,196	7,300	1,692	3,500
Network Support				
Deacon's Ministry	300	500	-	500
Resource Center	3,392	500	-	-
Absalom Jones Celebration or Other Event	1,688	2,000	1,087	2,000
Commission on Racism	2,268	2,900	1,631	2,900
Childrens Ministry Team (formerly Ch. Ed Net)	332	2,500	2,483	2,500
Other Committees	197	700	495	700
Social Justice and Outreach	1,781	2,000	3,050	2,000
Total for Network Support	9,958	11,100	8,746	10,600
Commission on Ministry	7,407	9,000	3,242	9,000
TOTAL TRANSFORMATIONAL NETWORKS	108,039	200,482	147,288	190,125

Episcopal Diocese of Pittsburgh Proposed 2015 Budget

	Final 2013 Actuals (Cash Basis)	Approved 2014 Budget w/ Council Reallocations	Actual Results through 8/31/2014	Proposed 2015 Budget
OFFICE OF THE BISHOP				
Salary	120,000	120,000	80,000	120,000
Other Expenses				
Housing Accomodations/designations	34,852	35,000	23,333	35,000
Pension	27,900	27,900	20,925	27,900
Auto	6,459	5,000	4,126	6,000
Pastoral/travel	15,873	18,000	13,266	16,000
Benefits and allowances	25,106	22,784	17,390	26,000
Sabbatical Reserve	6,000	6,000	6,000	6,000
Hospitality fund	4,673	3,000	1,247	4,500
Education fund	2,100	3,000	2,250	2,500
Total Other Expenses	122,963	120,684	88,537	123,900
TOTAL OFFICE OF THE BISHOP	242,963	240,684	168,537	243,900
ADMINISTRATION AND SUPPORT				
Director of Properties/Archivist				
Salary	50,000	30,000	20,000	8,775
Car Allowance	2,570	3,000	1,394	1,000
FICA	3,825	2,295	1,530	671
Pension	7,500	4,500	3,250	-
Health and Dental	9,289	9,096	6,041	-
Total Archivist	73,184	48,891	32,215	10,446
Archdeacon and Director of Administration				
Salary	-	-	2,122	23,652
Expenses	-	-	-	1,000
SECA	-	-	-	1,810
Pension	-	-	-	4,583
Health and Dental	-	-	-	-
Total Archdeacon and Director of Administration	-	-	2,122	31,045
Financial Administrator/Property Assistant				
Salary	19,248	20,000	12,333	28,736
Car Allowance/Expenses	-	-	-	2,500
FICA	1,472	1,530	944	2,198
Pension	2,660	3,000	1,812	4,310
Dental	1,371	1,298	888	1,298
Total Financial Administrator/Property Assistant	24,751	25,828	15,977	39,042
Treasurer				
Salary	30,308	43,100	26,633	42,900
Expenses	52	1,600	1,032	100
FICA	2,318	3,345	2,038	3,282
Pension	4,390	6,558	3,921	6,435
Dental	355	-	-	-
Total Treasurer	37,423	54,603	33,624	52,717

Episcopal Diocese of Pittsburgh Proposed 2015 Budget

	Final 2013 Actuals (Cash Basis)	Approved 2014 Budget w/ Council Reallocations	Actual Results through 8/31/2014	Proposed 2015 Budget
Executive Secretary				
Salary	35,067	35,067	23,378	35,067
FICA	2,683	2,683	1,788	2,683
Pension	5,260	5,260	3,507	5,260
Dental	1,371	1,298	888	1,298
Total Executive Secretary	44,381	44,307	29,561	44,308
Fundraising Consultant	10,500	-	-	-
Media Relations Director - Contract	45,000	20,000	10,425	17,500
Communications - Publications				
Diocesan Newsletter	191	340	416	340
Webmaster (contract)	35,000	20,000	13,333	17,500
Communication Equipment	-	400	-	400
Total Communications - Publications	35,191	20,740	13,749	18,240
Support				
Annual Audit	13,900	15,000	-	14,000
Archival Storage and Supplies	1,578	2,500	233	2,500
Archival Space at Cathedral	10,000	10,000	7,500	10,000
Background Checks	825	1,000	360	1,000
Bank Service Fees	245	500	56	300
Copier	661	500	289	700
Database	-	2,000	-	500
Internet Expense	948	900	562	950
Liability, Workers, Bond	47,183	42,700	19,263	35,000
Miscellaneous	2,621	2,500	2,136	2,500
Office Furniture/Equipment	419	1,000	-	1,000
Office Supplies	3,261	3,500	1,844	3,500
Payroll Service	548	700	492	700
Postage	1,943	2,150	1,443	2,150
Rent for Offices	28,049	30,372	22,779	15,186
Parking Passes (6 months at Trinity Cathedral)	-	-	-	5,500
Staff Development	150	500	150	1,500
Technology - Support & Training	1,034	1,000	2,563	1,000
Telephones	1,557	2,000	971	2,000
Total for Support	114,922	118,822	60,641	99,986
TOTAL ADMINISTRATION AND SUPPORT	385,352	333,191	198,314	313,284

Proposed 2015 Budget

Comments

1. The balanced budget was presented and approved at the September 8, 2014 Council Meeting.
2. Parish assessment income is computed based on the data from Parochial Reports for 2013, 2012, and 2011. Of the thirty-seven parishes from the diocese, assessment income was calculated based on the lower of the 2013 normal operating income or the average of the 2013, 2012, and 2011 normal operating income. St. Michael's (Wayne Township) did not submit a 2013 parochial report, and their assessment was calculated based on 2012 income. Good Shepherd's 2013 parochial report was completed only for November/December, so an estimated annual number was used in the assessment calculation.
3. The parish assessment formula is the same as the policy that was adopted in 2012 of the first \$35,000 of normal operating income being assessed at 5% and all income above \$35,000 at 11%.
4. For budgeting, the Assessment Income (Diocesan Total) line is reduced by 10% for the Assessments Realized income line and Assessment Income (National Portion) is reduced by 15% for the TEC Mission Assessments income line. This is to allow for situations that might result in the diocese receiving less than full payment, such as when assessment relief is approved for a specific parish. Requests for relief granted in 2013 are not reflected in the calculation of the 2015 proposed assessment amounts.
5. Endowment Transfers are again based on a 4.5% spending policy on average endowment balances over the prior four-year period.
6. Bishop's Fund approved the use of \$30,000 each (\$60,000 total) to support the reopened parishes of St. David's Episcopal Church and St. James Episcopal Church.
7. Budget for rent expense reduced due to anticipated mid-year move of diocesan offices from Monroeville to Trinity Cathedral.

Assessments for Parishes Submitting 2013 TEC Parochial Reports

Episcopal Diocese of Pittsburgh Assessments for Parishes Submitting 2013 TEC Parochial Reports

Parish	Location	Total 2015 Assessment	Diocesan Portion (84%)	National Portion (16%)	Growth Fund (7% of Assessment)
St. Peter's Episcopal Church	Blairsville	\$ 1,001	\$ 841	\$ 160	\$ 70
St. Barnabas Episcopal Church	Brackenridge	1,738	1,460	278	122
St. Peter's Episcopal Church	Brentwood	16,731	14,054	2,677	1,171
All Saints Episcopal Church	Bridgetown	3,043	2,556	487	213
All Saints Episcopal Church	Brighton Heights	2,896	2,433	463	203
St. Thomas Episcopal Church	Canonsburg	9,629	8,088	1,541	674
Church of the Atonement	Carnegie	1,277	1,073	204	89
Church of the Nativity	Crafton	11,587	9,733	1,854	811
St. John's Episcopal Church	Donora	644	541	103	45
Calvary Episcopal Church	East Liberty	148,599	124,823	23,776	10,402
St. Brendan's Episcopal Church	Franklin Park	15,518	13,035	2,483	1,086
Christ Episcopal Church	Greensburg	0	0	0	0
Church of the Good Shepherd	Hazelwood	500	420	80	35
St. Andrew's Episcopal Church	Highland Park	41,812	35,122	6,690	2,927
St. Matthew's Episcopal Church	Homesstead	1,295	1,088	207	91
Church of the Holy Cross	Homewood	11,274	9,470	1,804	789
Christ Episcopal Church	Indiana	14,757	12,396	2,361	1,033
The Church of the Advent	Jeannette	1,054	885	169	74
St. Mark's Episcopal Church	Johnstown	11,089	9,315	1,774	776
St. Paul's Episcopal Church	Kittanning	13,842	11,627	2,215	969
St. Michael's of the Valley Episcopal Church	Ligonier	47,255	39,694	7,561	3,308
St. Stephen's Episcopal Church	McKeesport	8,163	6,857	1,306	571
St. Paul's Episcopal Church	Monongahela	1,124	944	180	79
St. Paul's Episcopal Church	Mt. Lebanon	81,743	68,664	13,079	5,722
Christ Episcopal Church	North Hills	44,302	37,214	7,088	3,101
Emmanuel Episcopal Church	North Side	4,343	3,648	695	304
All Souls Episcopal Church	North Versailles	1,394	1,171	223	98
St. Thomas Episcopal Church	Northern Cambria	261	219	42	18
St. Thomas Memorial Church	Oakmont	29,664	24,918	4,746	2,076
St. James Episcopal Church	Penn Hills	1,071	900	171	75
St. David's Episcopal Church	Peter's Twp	2,534	2,129	405	177
Trinity Cathedral	Pittsburgh	47,445	39,854	7,591	3,321
St. Michael's Episcopal Church	Rural Valley	85	72	13	6
St. Bartholomew's Episcopal Church	Scottdale	772	648	124	54
St. Francis-in-the-Fields Episcopal Church	Somerset	7,602	6,386	1,216	532
Church of the Redeemer	Squirrel Hill	23,172	19,464	3,708	1,622
St. Stephen's Episcopal Church	Wilkinsburg	21,175	17,787	3,388	1,482
Assessments Total		\$ 630,384	\$ 529,522	\$ 100,862	\$ 44,127
Assessments Realized (diocesan portion at 90% of total; national portion at 85% of total)		\$ 562,302	\$ 476,570	\$ 85,732	\$ 37,508

Summary of Pool I Endowment Funds Held at Morgan Stanley For the Year Ended December 31, 2013

2013 ACTIVITY:

Pool I Balance, beginning of year	\$ 20,141,369.01
Additions (includes St. Christopher's sale proceeds)	945,102.66
Income	336,285.55
Realized Gain	942,040.00
Withdrawals	(91,149.33)
Spending Policy	(998,191.79)
Unrealized Gain	1,706,193.91
 Pool I Balance, end of year	 \$ 22,981,650.01

BREAKDOWN OF POOL I ENDING VALUE:

Funds Held for Others	\$ 2,927,841.20
Permanently Restricted	9,337,002.19
Temporarily Restricted	-
Trustee Designated	6,174,323.65
Trustee Undesignated	4,542,482.97
 Pool I Balance, end of year	 \$ 22,981,650.01

Section C

Action Items

ACTION ITEMS

Committee on Constitution and Canons Proposed Amendments in the Constitution and Canons For the Consideration of Diocesan Convention, November 7 and 8, 2014

Article VI Amendment (Second Reading)

The Committee on Constitution and Canons moves to amend Article VI of the Constitution of the Episcopal Diocese of Pittsburgh. This is the second reading and requires passage by the 2014 Annual Convention without any changes to complete the amending process.

Proposed Wording:

Article VI

Secretary of the Convention

At each Annual Convention a Secretary shall be chosen, who shall continue in office until a successor is appointed. The duties of the Secretary shall be to take the minutes of the proceedings, and when approved to see that they are entered in the permanent records of the diocese; to ensure that copies of the minutes and other records are deposited in the diocesan archives; and to attest the public acts of the body; and faithfully to deliver into the hands of successors all books and papers belonging to the Convention in his or her possession.

Current wording:

At each Annual Convention a Secretary shall be chosen, who shall continue in office until a successor is appointed. The duties of the Secretary shall be to take the minutes of the proceedings, and when approved to enter them in a proper book; to preserve the Journal and Records; and to attest the public acts of the body; and faithfully to deliver into the hands of successors all books and papers belonging to the Convention in his or her possession.

Rationale:

The duties of the Secretary as described in Article VI have remained unchanged in the Diocesan Constitution since the first constitution was adopted by the diocese in 1865. At that time the diocese did not have an office, an archives, or an administrative staff. The secretary was literally expected to keep the records of the diocese and pass them on when a new secretary was appointed. The development of the diocesan archives as a secure place to preserve the official records of the diocese changes the place where records should be stored. This amendment leaves responsibility for creating a permanent record of the actions of the diocesan convention in the hands of the secretary but charges the secretary to preserve these records by seeing that they are placed in the archives.

Article IX Section 4 Amendment (Second Reading)

The Committee on Constitution and Canons moves to amend Article IX Section 4 of the Constitution of the Episcopal Diocese of Pittsburgh. This is a second reading and requires passage by the 2014 Annual Convention without any changes to complete the amending process.

Proposed Wording:

Article IX

Standing Committee

Section 4. The Committee, at their first meeting, shall choose a President from among the members, either Clerical or Lay, and a Secretary, either Clerical or Lay. The Secretary shall keep a record of the proceedings of the Committee, and all books and papers in their hands relative to the Church shall be subject to the examination of the Bishop and of the Convention.

Current Wording:

Section 4. *The Committee, at their first meeting, shall choose a President from among the Clerical members, and a Secretary, either Clerical or Lay. The Secretary shall keep a record of the proceedings of the Committee, and all books and papers in their hands relative to the Church shall be subject to the examination of the Bishop and of the Convention*

Rationale:

As the Constitution and Canons of the Episcopal Church allow, in many other dioceses the President of the Standing Committee may be either Clergy or Lay. The present Article IX mandates in section 4 that the President of the Standing Committee of the Diocese of Pittsburgh be a member of the Clergy. This proposed amendment to Article IX will allow future Standing Committees the flexibility to elect either a member of the Clergy or Lay orders to be President. Because this requires an amendment to Article IX of the Constitution of the Diocese, the proposed revision requires passage at two successive annual conventions.

Canon VIII Revision

The Committee on Constitution and Canons moves to amend Canon VIII.

Proposed Wording:

Appointments, Committees and Program Units

Section 1. The Bishop, with the consent of the Diocesan Council, shall have authority to appoint from time to time such individuals, committees and program units, by whatever name called, as the Bishop shall deem necessary or advisable to carry on the work of the Church in this Diocese.

Section 2. The Bishop shall annually appoint a Recorder of Ordinations who shall assist the Bishop by keeping the official lists of those clergy canonically resident in the diocese or licensed in the diocese and also at the direction of the Bishop shall prepare and send notifications to all required parties when the status of an ordained person changes.

Current Wording:

Committees and Program Units

The Bishop, with the consent of the Diocesan Council, shall have authority to appoint from time to time such committees and program units, by whatever name called, as the Bishop shall deem necessary or advisable to carry on the work of the Church in this Diocese.

Rationale:

The bishop is required by the Church Pension Fund to appoint someone to serve as Recorder of Ordinations for the diocese. The diocesan canons make several references to duties of the Recorder of Ordinations, but never defined the office. The proposed addition to Canon VIII provides this definition. The Canon was also amended to allow the appointment of individuals to a specific task.

Rules of Order Amendment to Section B

The Committee on Constitution and Canons moves to amend Section B, item 3.a of the Rules of Order.

Proposed wording:**Rules of Order****B. General Rules****3. Nominations**

a. Parishes and district commissions shall be encouraged to and provided opportunity for recommending to the Nominating Committee persons who are deemed to have appropriate qualifications for the posts to be filled. Deadline for these recommendations shall be each July 1. This deadline may be extended within a reasonable timeframe if deemed necessary by the Chair of the Nominating Committee. At least two months prior to the sitting of the Convention in which an election is to be held, the Nominating Committee, to be constituted as hereinafter provided, shall nominate at least one candidate, for each office to be filled by the Convention by election: provided, however, that in accordance with Canon IV, Section 2, there shall be at least two nominees for each office of Trustee-At-Large, and provided, further, that in accordance with subsection A 4 of these Rules of Order, Diocesan Council shall nominate a person to serve as Secretary of the Convention. The list of such nominations shall be published, including biographical data on each nominee, in an appropriate organ of Diocesan-wide circulation and distributed to each member of the Clergy, the Deputy Leader and the Senior Warden of each Parish at least one month before the sitting of the Convention in which the election is to be held. Except as otherwise provided in the Constitution and Canons, any candidate nominated must be a Communicant in good standing of the Episcopal Church in the Diocese of Pittsburgh.

Current Wording:**3. Nominations**

a. Parishes and district commissions shall be encouraged to and provided opportunity for recommending to the Nominating Committee persons who are deemed to have exceptional qualifications for the posts to be filled. Deadline for these recommendations shall be June 15th each year. At least three months prior to the sitting of the Convention in which an election is to be held, the Nominating Committee, to be constituted as hereinafter provided, shall nominate at least one candidate, for each office to be filled by the Convention by election: provided, however, that in accordance with Canon IV, Section 2, there shall be at least two nominees for each office of Trustee-At-Large, and provided, further, that in accordance with subsection A 4 of these Rules of Order, Diocesan Council shall nominate a person to serve as Secretary of the Convention. The list of such nominations shall be published, including biographical data on each nominee, in an appropriate organ of Diocesan-wide circulation and distributed to each member of the Clergy, the Deputy Leader and the Senior Warden of each Parish at least one month before the sitting of the Convention in which the election is to be held. Except as otherwise provided in the Constitution and Canons, any candidate nominated must be a Communicant in good standing of the Episcopal Church in the Diocese of Pittsburgh.

Rationale:

For many years, nominations for various diocesan offices, given and received by the Nominating Committee, have been submitted to the Nominating Committee after the specified dates for submission under the Rules of Order. The Nominating Committee has found itself with no specific authority to extend those dates. The dates are set to allow the diocesan staff time to publish the many materials, including nominations, for the Diocesan Convention. This change to the Rules of Order would allow more time for the Nominating Committee to collect appropriate nominations for diocesan posts within an acceptable timeframe.

Committee on Compensation

The Compensation Committee moves adoption of the “**2015 Compensation Guide for Clergy and Lay Employees,**” which incorporates changes as outlined below, which were approved by Diocesan Council on October 6, 2014. The complete guide is available as an Appendix to this Preconvention Journal.

1.) Amended description of Parish “Types” found on page 11 of the Compensation Guide.

The objective of this amendment is to provide a clearer rationale for the placement of a parish in a “Type” category.

2.) Amended Appendix A – Register of Parish Types and Ministry Situations, found on page 14 of the Compensation Guide.

Revisions to this chart indicate parishes added or removed from active participation in the diocese in the past year and any substantive changes in congregational or ministry profiles.

3.) Amended Appendix B – Clergy Compensation Minimum and Recommended Guidelines, found on pages 15 and 16 of the Compensation Guide.

Minimums and target ranges in Type 1 and Type 2 categories are increased by 4 percent over 2014 levels. Minimums and target ranges in Types 3, 4, and 5 categories are increased by 2.5 percent over 2014 levels. (Numbers have been rounded up to the next \$25.) There is an increase in the minimum Occasional Supply rate for one Sunday service, though the minimums for two services and for midweek services are unchanged.

4.) Amended Appendix D – Policies Related to Participation in the Denominational Health Plan, found on page 19 of the Compensation Guide.

New language in paragraph six is necessary here because the diocesan menu of health care offerings for 2015 includes higher premium cost and lower premium cost options. While the employee will continue to have the option to enroll in higher cost plan options, the minimum obligation of the parish or other employer is established by the cost of the lowest non-Medicare offering.

With new language in italics, paragraph six now reads:

Insurance Premium Mandatory Minimum Benefit: As a matter of diocesan Minimum Standard, all Clergy and Lay Employees scheduled to work 1,500 hours per year or more shall be provided by the parish or other employing organization full premium coverage for individual benefits, single coverage, without required Employee Contribution, *at the level of the least-expensive non-Medicare option provided in the approved diocesan menu*, in one of the programs designated by the diocese and selected from that menu by the Clergy Person or Lay Employee.

RESOLUTIONS

Resolution 1.

Resolution Concerning Episcopal Relief & Development

Be it resolved, that the 149th Annual Convention of the Episcopal Diocese of Pittsburgh expresses its appreciation for the work of Episcopal Relief & Development for its 75 years of healing a hurting world through its programs of alleviating hunger and improving the food supply, creating economic opportunities and strengthening communities, promoting health and fighting disease, and responding to disasters and rebuilding communities; and be it

Further resolved, that parishes of the diocese be encouraged to make their members aware of the work of Episcopal Relief & Development throughout the year; and be it

Further resolved, that parishes of the diocese be encouraged to promote contributions to the work of Episcopal Relief & Development throughout the year and in response to the need for funds for relief of suffering resulting from particular disasters; and be it

Further resolved, that parishes of the diocese be encouraged to set aside one Sunday during the year as Episcopal Relief & Development Sunday for collection of funds for the overall work of Episcopal Relief & Development.

Explanation:

Episcopal Relief & Development, which traces its history to the Presiding Bishop's Fund for World Relief in 1940, has begun its celebration of 75 years of relieving suffering in the world and helping to build better communities. Although many think of this Episcopal agency as working only in foreign lands, Episcopal Relief & Development also provides relief for domestic emergencies – helping to rebuild in New Orleans after Hurricane Katrina and providing funds for flood recovery for Coal Country Hangout Youth Center in our own diocese, for example. Episcopal Relief & Development is also providing disaster preparedness training in our dioceses. Contributions to Episcopal Relief & Development are an effective form of outreach, both within the United States and elsewhere.

Sponsor: Diane Duntley, Diocesan Coordinator for Episcopal Relief & Development

Resolution 2.

Resolution in Recognition of Volunteers

Whereas this diocese has been enriched by the gifts of time and talent offered by our many volunteers; and

Whereas the office has benefitted from the willingness of volunteers to review documents; file; collate; stamp and stuff mailings; compile data; work with our database; draft letters; answer phones and make calls, and do other office tasks as requested; and

Whereas the work of the diocese depends on the many hours donated by those who serve on diocesan committees, commissions, and task forces; and

Whereas this annual convention has depended on volunteers to feed, entertain, register, guide visitors, count ballots, and lead our worship; be it therefore

Resolved that the Episcopal Diocese of Pittsburgh gratefully acknowledges the many hours of unpaid service offered so willingly and with such good spirit and hereby requests that all those here present who have provided volunteer service for the diocese since our last convention stand and receive the thanks of the convention.

Resolution 3.

Resolution of Thanks to Trinity Cathedral

Whereas Trinity Cathedral and its staff and members have graciously undertaken the many tasks associated with hosting the 2014 Annual Convention of The Episcopal Diocese of Pittsburgh; and

Whereas this convention has been the recipient of the Cathedral's hospitality on both the night of November 7 and the day of November 8, 2014; and

Whereas we have been escorted and directed, and generally welcomed with smiles and helping hands, be it therefore

Resolved that the officers, delegates, bishop, and visitors participating in this convention tender Trinity Cathedral our sincere thanks for the many ways large and small that the people of Cathedral have worked to smooth the course of events and provide us with a welcoming site for our convention.

Section D

Report of the

Nominating Committee

MEMBERSHIP OF CANONICAL BODIES IN 2014

(**Bold type** indicates terms of office that are expiring.)
(All positions are elected by the full Convention unless otherwise noted.)

BOARD OF TRUSTEES

Two laypersons to be elected by Convention for a three-year term ending in 2017.

One layperson each to be elected by Districts 1 and 4 to a three-year term ending in 2017.

DISTRICT REPRESENTATIVES

1 **James Evans** **2014**
 Christ Church, North Hills
 Not eligible

2 Melanie Kurtz 2015
 St. Matthew's, Homestead

3 Joseph Karas 2016
 St. Peter's, Brentwood

4 **John Rogers** **2014**
 St. Mark's, Johnstown
 Eligible

APPOINTMENTS BY ECCLESIASTICAL AUTHORITY

Beth Hardie 2014
St. Stephen's, Wilkinsburg

Robert Eley 2015
Calvary, East Liberty

William Moore 2015
St. Matthew's, Homestead
Resigned 6/2014

Tom Moore 2016
St. Andrew's, Highland Park

Steve Stagnitta 2016
St. Andrew's, Highland Park

ELECTED BY CONVENTION

Lewis Amis **2014**
Trinity, Pittsburgh
Eligible

Michael Donadee **2014**
St. Brendan's, Franklin Park
Eligible

Suzanne DeWalt 2015
Calvary, East Liberty

Leon L. Haley 2015
Holy Cross, Homewood

Robert Johnston 2015
St. Paul's, Mt. Lebanon

Russ Ayres 2016
Calvary, East Liberty

Amy Shelley 2016
St. Thomas, Canonsburg

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to a three-year term ending in 2017.

CLERGY

The Rev. Lynn Edwards **2014**
Retired
Not eligible

The Rev. Michelle Boomgaard 2015
 St. Paul's Mt. Lebanon

The Rev. John Schaeffer 2016
 All Saints, Brighton Heights

LAY

Linda Getts **2014**
St. Matthew's, Homestead
Not eligible

Doug Starr 2015
 St. Paul's, Mt. Lebanon

Michele Baum 2016
 St. Paul's, Mt. Lebanon

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2017.

ELECTED BY CONVENTION

The Rev. Lennel Anderson **2014**
St. Francis, Somerset
Eligible

The Rev. Timothy Hushion 2015
 Trinity Cathedral, Pittsburgh

Carolyn Booker 2016
 St. Stephen's, Wilksburg

APPOINTMENTS BY ECCLESIASTICAL AUTHORITY

The Rev. Louis Hays Chair
 St. Paul's, Mt. Lebanon

The Rev. Kristian McInnes 2014
 St. Paul's, Mt. Lebanon

Stephen Stagnitta 2014
 St. Andrew's, Highland Park

The Rev. Ann Staples 2015
 St. Thomas, Northern Cambria

Daryl Walker 2015
 All Saints, Brighton Heights

The Rev. Lynn Edwards 2016
 Retired

Bethany Hamill 2016
 Christ Church, North Hills

Jessie Hipolit 2016
 Emmanuel, North Side

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to three-year terms ending in 2017.

CLERGY

The Rev. Lou Hays **2014**
St. Paul's, Mt. Lebanon
Not eligible

The Rev. Richard Pollard 2015
 All Saints, Bridgeville

The Rev. Charles Hamill 2016
 Christ Church, North Hills

LAY

Joan Gundersen **2014**
Redeemer, Squirrel Hill
Not eligible

Lewis R. Amis 2015
 Trinity Cathedral, Pittsburgh

Michael Braxton 2016
 Calvary, East Liberty

DISCIPLINARY BOARD

Two clergy and one layperson to be elected to three-year terms ending in 2017.

CLERGY

The Rev. William Geiger **2014**
Christ Church, Indiana
Eligible

The Rev. Carol Henley **2014**
Calvary, East Liberty
Eligible

The Rev. Linda Wilson 2015
 All Souls, North Versailles

The Rev. Ben DeHart 2016
 Nativity, Crafton

The Rev. Kris McInnes 2016
 St. David's, Peters Township

LAY

George Crompton **2014**
St. Peter's, Brentwood
Eligible

Mary H. Craighead 2015
 St. Thomas, Oakmont

Sandy Ludman 2015
 St. Paul's, Mt. Lebanon

Erin Harter Janiak 2016
 St. David's, Peters Township

GROWTH FUND COMMITTEE

Comprised of two members appointed by Diocesan Council, two members appointed by Board of Trustees, and two members elected by Diocesan Convention.

One member to be elected to a term ending in 2017.

Terms expiring 2014

Steve Stagnitta, St. Andrew's, Highland Park – appointed by council
William A. Stevens, Calvary, East Liberty – elected by convention

Eligible

Terms expiring 2015

Michael Donadee, St. Brendan's, Franklin Park – appointed by trustees
Nancy Fincke, St. Paul's, Mt. Lebanon – elected by convention

Terms expiring 2016

Amy Shelley, St. Thomas, Canonsburg – appointed by trustees
Betty Duckstein, St. Paul's, Mt. Lebanon – appointed by council

STANDING COMMITTEE

One clergy and one layperson to be elected to four-year terms ending in 2018.

CLERGY

The Rev. Leslie Reimer **2014**
Calvary, East Liberty
Not eligible

The Rev. Moni McIntyre 2015
Holy Cross, Homewood

The Rev. William Geiger 2016
Christ Church, Indiana

The Rev. Charles Weiss 2017
St. Thomas, Canonsburg

LAY

Annis Rogers **2014**
St. Mark's, Johnstown
Not eligible

Betsy Hetzler 2015
Nativity, Crafton

Dana Phillips 2016
St. Thomas, Oakmont

John Adams 2017
St. Paul's, Mt. Lebanon

**LIST OF NOMINEES
STANDING FOR ELECTION AT DIOCESAN CONVENTION 2014
as of September 19, 2014**

Clergy

Lay

BOARD OF TRUSTEES

Two laypersons to be elected to a three-year term ending in 2017

Gerald W. Dalton
Michael A. Donadee

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to a three-year term ending in 2017

Charles B. W. Hamill

Anne W. Kinsey

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2017

Scott Russell
Gwen Gettemy Santiago

Susan Krouse

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to a three-year term ending in 2017

Bruce M. Robison

Kenneth R. Stiles

DISCIPLINARY BOARD

Two clergy and one layperson to be elected to three-year terms ending in 2017

Herbert T. Daly, Jr.
William L. Geiger

GROWTH FUND COMMITTEE

One member to be elected to a three-year term ending in 2017

Joyce C. Morgan
William A. Stevens

STANDING COMMITTEE

One clergy and one layperson to be elected to a four-year term ending in 2018

Kristian McInnes
James B. Simons

Kathy Baird
Lionel Deimel
Robert Johnston

BIOGRAPHIES OF NOMINEES

BOARD OF TRUSTEES

Two laypersons to be elected to a three-year term ending in 2017

Name: Gerald W. (Gerry) Dalton

Church: St. Stephen's, Wilkinsburg

Occupation: Accountant (Retired)

Service to the church: Present: Vestry member, Treasurer, Chair of Lay Readers, choir member, Altar Guild. Past: Senior Warden, Junior Warden, Secretary, Treasurer of NYOP, Search Committee, Chair of NCD Health Team, Cursillo Team, Lay Deputy.

Statement of interest: Upon moving to Pittsburgh in 1968, I became active with the Church of the Ascension, serving as a Lay Reader, vestry member and youth advisor. For the past 29 years, I have been a member of St. Stephen's, Wilkinsburg. Some of my leadership roles have included Senior Warden, Junior Warden, Secretary, Treasurer of the NYOP, Search Committee, Chair of the NCD Health Team, and Cursillo Team Member. I presently serve as the church Treasurer, vestry member, Chair of the Lay Readers, choir member, Altar Guild member and on the Cursillo Secretariat. During my professional life, I served as the controller and/or financial advisor for several small family-owned companies, retiring in December 2009. In Thanksgiving for the many who have dedicated their time to this diocese during our difficult years and with excitement for our future of continuing to build God's Kingdom, I wish to serve on the Board of Trustees and use my gifts received from God.

Name: Michael A. Donadee

Church: St. Brendan's, Franklin Park

Occupation: Attorney (Retired)

Service to the church: Present: Member, Board of Trustees; Chair, Growth Fund Committee; member of second Diocesan Task Force. Past: Vestry, St. Brendan's Episcopal Church; member of first Diocesan Task Force.

Statement of interest: Although now retired, I formerly worked as a commercial real estate lawyer with the Pittsburgh-based law firm of Buchanan Ingersoll & Rooney. As a member of the Board of Trustees over the past five years, this experience has been very useful in addressing a variety of real estate issues, most of which relate to properties returned to the diocese. Such matters have involved sales of property, leasing and land use. In connection with this role, I have served as a chair of the property subcommittee of both the first and second Diocesan Task Forces. I have also served as a member of the Growth Fund Committee since 2011, and am currently chair of that Committee.

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to a three-year term ending in 2017

Name: The Rev. Charles B.W. Hamill

Church: Christ Church, North Hills

Occupation: Priest

Service to the church: Present: Assistant Rector, Christ Episcopal Church, North Hills; Secretary, Committee on Constitution and Canons; member of Executive Board of Episcopal Clergy Association of the Diocese of Pittsburgh.

Statement of interest: I have been volunteering just about every Monday for the last year to serve as the celebrant of the noon service at the Cathedral. I have really enjoyed being a small part of the Cathedral family, getting to know some of the parishioners, and meeting many of the daily visitors who come on a

fairly regular basis for Eucharist. I have seen and learned of some of the day-to-day business, but would be interested in sitting on the Chapter in order to connect the service I do on Mondays to the wider church and diocesan interests. As a newer priest in the diocese, I hope to be able to bring fresh eyes and ideas to the discussion and play an integral part in keeping our Cathedral healthy and relevant to the city community.

Name: Anne W. Kinsey

Church: St. Peter's, Brentwood

Occupation: Data administrator

Service to the church: Present: Licensed Lay Reader. Past: Licensed Lay Reader, Lay Eucharistic Minister, vestry member, Senior Warden.

Statement of interest: The Episcopal Church has always been an important part of my life, from Girls Friendly Society to being a Senior Warden to supporting my husband's call to the priesthood. As a young person, I joined the GFS, the children's choir and YPF at St. Matthias Church, Whittier, CA. When in college I attended St. Ambrose, Claremont, CA, often bring my grandmother who lived nearby. In my thirties, my joy was being a Lay Reader and a Lay Eucharistic Minister, serving homebound church members and a local nursing home after church. At the age of 31 my priest, Fr. Chet Howe of St. Matthias, asked me to run for the vestry. I was elected and served on the Stewardship Committee. At the beginning of my fourth year of vestry service, Fr. Chet asked me to be his Senior Warden. He told me I was the youngest Senior Warden ever to serve in the Diocese of Los Angeles. I spent many hours listening, asking questions and suggesting possible alternatives to problems. I believe in my Church and I would be honored to serve.

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2017

Name: The Rev. D. Scott Russell

Church: St. Brendan's, Franklin Park

Occupation: Rector

Service to the church: Present: Diocesan Council (appointed to fulfill an unexpired term). Past: Executive Board, Diocese of Southwestern Virginia; co-president, Province III Commission on Higher Education.

Statement of interest: It was my privilege during my years as a university chaplain to mentor seven individuals through the discernment process both on a parish and a diocesan level. I am very conversant with the language of vocational discernment and familiar with many of the responsibilities that serving on the Commission on Ministry would require. I am passionate about raising up new clergy in our diocese, but I am also committed to working with all members of the diocese (clergy and lay), encouraging the discernment of God's call in their lives to service and mission, no matter how that call might be realized.

Name: The Rev. Gwen Gettemy Santiago

Church: St. John's, Donora

Occupation: Priest-in-Charge

Service to the church: Present: President of Clergy Association; Vice-chair of District #4. Past: Deputy to General Convention; member, Board of Trustees; Vice-President, Diocesan ECW.

Statement of interest: I am a former parochial school teacher and small business owner. I was conferred an M.A.R. in 2004, and an M.Div. in 2010 at TESM. I am presently working toward a D.Min. at VTS. Qualifications include: served the Episcopal Diocese of Pittsburgh as a Trustee, Deputy to General Convention, and ECW vice president. I was ordained as a Transitional Deacon, February 2012, by Bishop Ken Price and priested by Bishop Dorsey McConnell, December 2012. Currently, I am

serving as Priest-in-Charge at St. John's Episcopal Church, Donora, and Christ Episcopal Church, Greensburg, and as President of the Clergy Association. I feel called to serve on the Commission on Ministry in order to learn about and participate in how our diocese forms our clergy and lay in order to better serve the future clerical and lay needs of the diocese.

Name: Susan Krouse

Church: Redeemer, Squirrel Hill

Occupation: Physical therapist

Service to the church: Present: Senior Warden 2011-12 and 2012-14 (term ends Feb. 2015). In this capacity, led parish through three-year transition, including numerous clergy changes. Past: Vestry 2007-09; Senior Warden 2007-08; youth group leader 1990-2001; confirmation mentor; parish life committee; worship committee. Past: Member of two ministry discernment committees; diocesan convention deputy, two terms; member of diocesan Transition Committee for new Bishop 2010-11.

Statement of interest: I grew up in the Episcopal Diocese of Texas, where I first experienced Christian community through my years at church camp. My connection with Camp Allen began as a camper, then as counselor, and eventually as paid summer staff. This is where I first worked closely with clergy in planning and implementing summer camp programs, including worship and music. I learned very quickly that there are many different ways to do things, and as many ways to be a priest. Some priests were great at being a camp director, and some struggled. But they were all people! Who knew? I have been at Church of the Redeemer for 28 years. I have been part of two parish discernment committees, and have seen several people through candidacy and ordination. I participated as the primary support person for a postulant recently during the day-long Commission interview process. I have also helped facilitate transitions between Redeemer's past two rectors, and have worked in various capacities as both a vestry member and the Senior Warden. My current term as Senior Warden ends in February 2015, and I seek to contribute my talents and experiences as a member of the Diocesan Commission on Ministry.

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to three-year terms ending in 2017

Name: The Rev. Dr. Bruce M. Robison

Church: St. Andrew's, Highland Park

Occupation: Rector

Service to the church: Present: Deputy to General Convention. Past: Standing Committee, Committee on Compensation, Strategic Planning Task Force, Clergy Association Board.

Statement of interest: I have an interest in governance in parochial, diocesan, and denominational matters, and would be honored to serve on this committee, if elected.

Name: Kenneth R. Stiles

Church: Calvary, East Liberty

Occupation: Attorney

Service to the church: Present: Calvary vestry and Architectural History Committee. Past: Task Force on Collaboration, Dioceses of Pittsburgh and Northwestern PA.

Statement of interest: I am a lifelong Episcopalian who is an attorney who has been practicing civil law in Pittsburgh for 42 years. In those years, I have incorporated many businesses and non-profit corporations, drafted or revised many by-laws governing corporations and acted in various capacities in corporate governance for a variety of for-profit and non-profit corporations. Over the 2003-08 period, I became familiar with the Constitution and Canons of the Episcopal Church (National) and the Constitution and Canons of the Episcopal Diocese of Pittsburgh as part of my work with the Progressive

Episcopalians of Pittsburgh (PEP) of which I was a board member and officer. That experience impressed on me the importance of having well thought out and constructed governing documents for my church. I would be honored to serve on the Committee on Constitution and Canons.

DISCIPLINARY BOARD

Two clergy and one layperson to be elected to three-year terms ending in 2017

Name: The Rev. Herbert T. Daly, Jr.

Church: St. Paul's, Kittanning

Occupation: Clergy

Service to the church: Present: Transitional Deacon, St. Paul's, Kittanning; Music Team, Pittsburgh Episcopal Cursillo

Statement of interest: I am grateful to be considered for a position on the Disciplinary Board. I believe that we are called to use our time and skills to serve the Church and our wider community. This would be an opportunity to participate more fully in the life of the diocese. I hope it will never be necessary for the Disciplinary Board to meet, but if it is, I will strive to maintain the balance of responsibility, discipline and grace that is made manifest in the radical love of Jesus.

Name: The Rev. William L. Geiger

Church: Christ Church, Indiana

Occupation: Priest

Service to the church: Present: Standing Committee 2013-16; Disciplinary Board 2011-14; General Convention 2012 and 2015 Clergy 2nd Alternate Deputy; Rector, Christ Church, 1999-present. Past: Diocesan Council 2009-12, President 2010-11; Misconduct Prevention Training presenter 2001-10.

Statement of interest:

Since 2008, having served on the Bishop Search Committee, on Diocesan Council – two years as President – and currently on the Standing Committee, I have enjoyed coming to know and value so many people of the diocese, lay and ordained, I hadn't really known well before. Thankfully, the Disciplinary Board has not had to convene in the four years I've served, but I would value the opportunity to serve another term to help the Board be better prepared should a need for their service arise.

GROWTH FUND COMMITTEE

One member to be elected to a three-year term ending in 2017

Name: Joyce C. Morgan

Church: All Souls, North Versailles

Occupation: Retired

Service to the church: Present: Senior Warden, Lay Reader, Deputy to Diocesan Convention. Past: Vestry of parish, Junior Warden, Senior Warden, Deputy to Diocesan Convention.

Statement of interest: I believe the Growth Fund Committee should be responsible to act not only prayerfully but in a manner that meets the financial status and needs of the diocese and of the person or parish requesting a grant or loan. Fiduciary responsibility is a necessary guideline for this committee to serve the diocese. My personal experience as a vestry member and two time senior warden of a small but financially solvent and self-supporting parish has enabled me to make decisions and recommendations that support fiduciary responsibility on a parish level. I believe I can transfer that workable concept of prayer and fiduciary responsibility to serving the diocese on the Growth Fund Committee if elected to serve in that capacity.

Name: William A. Stevens

Church: Calvary, East Liberty

Occupation: Retired real estate agent

Service to the church: Present: Member of the diocesan Growth Fund Committee, deputy to Diocesan Convention, director of the Altar Guild, chalice bearer, lector, acolyte, on the Welcome Committee, and a member of St. Michael's Society at Calvary. Past: Deputy to Diocesan Convention for the past nine years, one term on the diocesan Growth Fund Committee, served on the Search Committee for the new rector at Calvary Church.

Statement of interest: Having just completed my first term, I would be pleased to continue on the Growth Fund, a most important committee for the Diocese. The Growth Fund is one way to make sure the diocese is being a good shepherd of its resources. I understand the importance of being fiscally responsible while my long experience as a real estate agent has taught me about property issues and their priorities. Having followed the changes in the diocese, I appreciate the need to help parishes, whether small or large, established or newly formed, with their critical needs.

STANDING COMMITTEE

One clergy and one layperson to be elected to four-year terms ending 2018

Name: The Rev. Kristian McInnes

Church: St. David's, Peters Township

Occupation: Priest-in-Charge

Service to the church: Present: Commission on Ministry, Disciplinary Board, Strategic Task Force, Alternate Deputy to General Convention (2015). Past: Nominating Committee for Diocesan Convention, Pittsburgh Youth Initiative, Clergy Association Board, Chair of District III, Nominating Committee for Eighth Bishop of Pittsburgh.

Statement of interest: I am currently the Priest-in-Charge of St. David's Episcopal Church in Peters Township. I was born and raised in the South Hills and ordained in the midst of the split in the diocese. I am committed to the life of the Episcopal Church in Southwestern Pennsylvania and feel called to serve more in leadership of the diocese. After prayerful consideration and the encouragement of fellow ministers, I have decided to run for Standing Committee.

Name: The Rev. Dr. James B. Simons

Church: St. Michael's, Ligonier

Occupation: Priest

Service to the church / Statement of interest: I have been a priest in the Diocese of Pittsburgh since 1985. The past 26 years I have served as the rector of St. Michael's of the Valley Ligonier. I served on most every diocesan committee at some point in time including Standing Committee, Chapter, Youth, and Diocesan Council. I will be attending my ninth General Convention as a deputy in 2015. At the National Level, I currently serve on Executive Council and the subcommittee of Local Mission and Ministry which is responsible for awarding grants for Mission Enterprise Zones and New Churches. I have been the Chair of Dispatch of Business for the past two conventions and will serve in this capacity in 2015. I also serve on Planning and Arrangements and the Special Committee on Rules of Order. I was a contributor to "Shared Governance" a collection of essays on Episcopal Church polity (Church Publishing 2012).

Name: Kathy Baird

Church: St. Peter's, Blairsville

Occupation: VP & GM State & Local Ops

Service to the church: Present: Secretary of Vestry since 2009; Diocesan Council (District 4) since 2013 and member of budget committee; Deputy to Diocesan Convention since 2012.

Statement of interest: Raised as a Roman Catholic but away from the church since high school, my life took a turn in 2006. I began attending St. Peter's in Blairsville and shortly after that, at St. Paul's on Nantucket where we have a summer home. In 2008, I was received into the Episcopal Church and was married to Joseph Baird at St. Peter's in 2009. We struggled through the diocesan split and sought counsel from Father Gene McDowell on Nantucket. Not only did he provide us with independent advice and encouragement, he stopped at the rail during communion, put his hands on our heads, blessed us and called us to return to Pittsburgh and help heal the wounds. We have been striving to do that ever since and I am especially incited after attending the memorial service for him last week, after he lost his long battle with cancer. The support, beauty of the liturgy and welcoming spirit from the clergy and laity of the Episcopal Church, at the parish and diocesan levels have been an enormous source of strength for us and I would like to fulfill Father Gene's charge to me. My most recent position, starting 2001 is the VP & GM for a division of a company delivering IT services to state and local governments nationwide, focusing on Children's Protective Services. This role has blessed me with a wide array of experience in leadership, fiscal management/budgeting, interpersonal relationships, negotiations and strategic planning.

Name: Lionel Deimel

Church: St. Paul's, Mt. Lebanon

Occupation: Consultant

Service to the church: Present: Choir member. Past: Parish Worship Commission, audio-visual coordinator, Parish Council, Organist Search Committee, Organ Committee, Alternate Convention Deputy, Convention Deputy, diocesan Committee on Constitution and Canons.

Statement of interest: For nearly two decades, I have been involved in the Episcopal Diocese of Pittsburgh. Since 2003, I have been a chronicler of and commentator on events here and in the wider church via my blog, for Progressive Episcopalians of Pittsburgh (PEP), and for other organizations and publications. I sing in my parish choir, have served on the Worship Commission, on various committees, and as Audio-Visual Coordinator. I have been a diocesan convention deputy and have attended most conventions even when not a deputy. I attended two General Conventions as an exhibitor, representing Via Media USA and the No Anglican Covenant Coalition. As a member and first president of PEP, I worked for a more diverse diocese and, when schism became inevitable, for a healthy and effective mainstream Episcopal diocese. Since the 2008 split, I have served as an elected member of the Committee on Constitution and Canons and as a leader in Pittsburgh Episcopal Cursillo. I hope to serve the diocese in a more direct role that will allow me to support Bishop McConnell's priorities and influence their implementation, working for greater lay participation and for a more just and inclusive church and society.

Name: Robert (Bob) Johnston

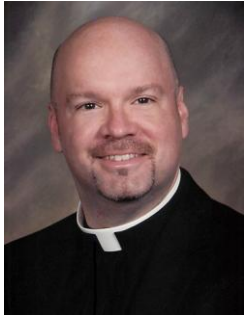
Church: St. Paul's, Mt. Lebanon

Occupation: Self-employed accountant

Service to the church: Present: St. Paul's Vestry, Treasurer, usher, diocesan Board of Trustees, Strategic Planning Task Force. Past: St. Paul's Senior Warden, Junior Warden, Fellowship Chair, Diocesan Council.

Statement of interest: I have served in my parish and the diocese in various capacities and believe I will complement the Standing Committee with my management and financial skills, as well as my love of the Diocese of Pittsburgh and the Episcopal Church. I am able to work well with others because I am open to listening and understanding each person's perspective when it comes to discussing any issue and I tend to be a middle-of-the-road type of person. I believe I will provide good counsel to the Bishop if I am elected to the Standing Committee.

Candidate Gallery – Clergy

		
Herbert T. Daly, Jr.	William L. Geiger	Charles B.W. Hamill
		
Kristian McInnes	Bruce M. Robison	Scott Russell
		
Gwen Gettemy Santiago	James B. Simons	

Candidate Gallery – Lay

			
Kathy Baird	Gerald W. Dalton	Lionel Deimel	Michael A. Donadee
			
Robert Johnston	Anne W. Kinsey	Susan Krouse	Joyce C. Morgan
			
William A. Stevens	Kenneth R. Stiles		

Section E

Reports of

Canonical Bodies

BISHOP'S REPORT

Dear Friends in Christ,

Last November I issued a pastoral letter permitting the use of the provisional rite for the blessing of same-sex unions, and in July I issued a further stipulation requiring clergy who use that rite to do so in conjunction with the revised civil marriage laws in the Commonwealth of Pennsylvania. However, there has clearly been a lot more than this going on in the Diocese of Pittsburgh, particularly in the three strategic priorities I articulated this past year: **Public Gospel, Missional Communities, Leadership Formation**. While I cannot mention all of our significant progress in these areas, here is what some of that has looked like in my own actions and observations as your bishop.

Public Gospel is really a matter of getting the word out into the world. I have talked to civic groups, prayed for labor union breakfasts, and been in the streets with protesting workers. I have made videos about Christmas, Easter, cancer and hope, and led discussions about learning Gospel lessons from *Breaking Bad*. I have administered ashes in Market Square, hung out with the homeless, and washed the feet of a wandering deacon. I have made Trinity Cathedral a priority as it resumes its place as a beacon of hope in the public arena. I have been chaplain to a gathering of state religious leaders and a keynoter at a pastoral care conference. I have joined other judicatory leaders in blessing the city's crèche and skyline. I have begun work with them to take on the twin curse of racism and inequality, and have signed on to help with the governance of prison ministry in Allegheny County.

Missional Communities are *you*, the congregations of the diocese. Weekly visitations remain the greatest joy of my ministry. Every time I walk in the door of a church on a Sunday morning, I am aware that I have been granted the enormous privilege of being welcomed into the inner life of a local family. How generous you have been to me and to Betsy! Every week I discover something new about the ways that you are salt and light for the world around you. If I have two desires for my episcopate, it would be to help you build on what you already do, and help you discover what new thing God would have you be about in the world around you. The Strategic Task Force (2.0) has opened up this field of conversation, and I extend an ongoing invitation to you to contribute ideas for local mission and ministry. We especially want to hear about what you are already doing in your neighborhoods, in the U.S., or abroad in obedience to Jesus command to *go into all the world*. The Task Force is also considering how to strengthen or reposition our assets to enable us best to proclaim the Gospel over the next fifty years.

Leadership Formation is not only the task of training effective clergy; it is also the work of building up lay leadership equipped for mission in their local communities. I still have the dream of a diocesan institute for missional leadership that will form deacons, priests, and lay leaders *together* for the work of the Gospel; the outlines of this are just beginning to emerge, and I am honestly not yet sure how this will look in the end. In addition to exploring further connections with Episcopal seminaries, over the past year I have begun to cultivate relationships with the Pittsburgh Theological Seminary and with the Anglican Episcopal House of Studies at Duke Divinity School; these both hold out great promise for future partnership. Canon Jay Geisler and I are teaching a for-credit introduction to Anglicanism at PTS this fall, and I have visited Duke twice to teach and to assist in the formation of an ongoing community of young ordained leaders called the Scholar Priest Initiative. I ordained Ben DeHart, Eric McIntosh, and William Ogburn to the priesthood and Bert Daly to the transitional diaconate. I am also pleased with the number and quality of individuals in discernment for holy orders. While we all know that the number of full-time positions for clergy is shrinking across the Church, I have been happy to hear the way people who are thinking about ordained ministry are also thinking "out of the box" – bi-vocationally, or contemplating "cluster" ministry and other less traditional forms. Last but not least, I am delighted to have welcomed three new rectors: the Reverend Michael Foley at Redeemer, Squirrel Hill; the Reverend

Jonathon Jensen at Calvary, East Liberty; and the Reverend Scott Russell at Saint Brendan's, Franklin Park. These three colleagues have already thrown themselves wholeheartedly into the life of our diocese and I believe will be a valuable resource in our ongoing task of raising up a new generation of leadership.

In addition to these three emphases, and in fulfillment of my ordination vows to take my place in the councils of the Church, I have been getting out into the wider Episcopal Church and Anglican Communion. I attended semi-annual House of Bishops meetings in Nashville and Navasota, as well as the annual week of continuing education called *Living Our Vows*, a mandatory three-year training program for newly-ordained bishops. I attended the House of Bishops meeting in Taiwan in September, taking an extra few days to visit the Reverend Marc Jacobson, our missionary in the Philippines. I accompanied several of our youth and our youth leaders, Brent Hansen and Vickie O'Brien, to the Episcopal Youth Event in July, joining over a thousand other kids and leaders for a very exciting few days. I then led a team consisting of my wife Betsy, Canon Jay Geisler and Peter Balfe, a Pittsburgh city firefighter and member of the vestry at Saint Paul's, Mt. Lebanon, on mission with Pilgrim Africa (pilgrimafrica.org) to the Teso region of Northeastern Uganda. The team worked with other skilled professionals from London and New York in trauma treatment; with the Beacon of Hope School and the Soroti Fire Brigade in fire prevention and safety; and with local clergy and social workers to develop an AA-based infrastructure for alcoholism treatment and recovery. More on these trips can be viewed on my blog, accessible through the diocesan website.

None of this would have been possible without my colleagues on the diocesan staff: Canon Scott Quinn, formerly Canon to the Ordinary and now Interim Dean of Trinity Cathedral and Canon Pastor for the Diocese; Canon Dr. Jay Geisler, our Canon for Formation; Canon Dr. Cathy Brall, our Canon Missioner; Kathi Workman, our Treasurer; Marlene Rihn, our Financial Assistant; Vickie O'Brien and Brent Hansen, Co-Directors of the Pittsburgh Youth Initiative; Dr. Joan Gundersen, Director of Properties and Archivist; Rich Creehan, our Communications Director, and Andy Muhl, our Webmaster; the Venerable Jean Chess, our newly-appointed Archdeacon and Director of Administration; and our endlessly resourceful, patient and helpful Executive Assistant, Judi Rogers. I am more grateful than I can say for this bank of talent, for the hours they put in on your behalf, for their unflagging support and invaluable counsel.

Above all, however, I return again and again in prayer and thanksgiving for the greatest treasure of this diocese – you, the people of our parishes. Saint Paul writes to the Church in Thessalonica, *"What is our hope or joy or crown of boasting before our Lord Jesus at his coming? Is it not you? For you are our glory and our joy."* (1 Thess. 2:19-20) This verse rings in my head every time I visit you, pray with you, hear from you, preach to you – even when I sit in meetings with you! After nearly two years I can still scarcely believe the abundance of the gift, the extravagant and humbling privilege, God has given me through your calling me to serve you as your bishop. Betsy and I are deeply grateful for you all and pray we may have the pleasure to be in your company on the road with our Lord Jesus for many years to come.

Faithfully,
+Dorsey

Statistics for September 1, 2013 – August 31, 2014

Episcopal Visitations	34	Marriages	0
Confirmations	89	Burials	2
Receptions	19	Ordinations	4
Baptisms	2	(Order of Deacon 1; Order of Priest 3)	
		Renewal of Vows	1

BOARD OF TRUSTEES

The Board of Trustees will have met eleven times since the last Diocesan Convention. At the end of 2013, we said goodbye to Board members Linda Getts and John Adams. Also, although he was re-elected to the Board and continues to serve as a member, Russ Ayres stepped down as Trustee President at the end of 2013. Russ served as President for five years. He demonstrated excellent leadership during a most difficult time, and we are extremely grateful for his service. Bishop McConnell appointed me as President to start 2014, and John Rogers was elected Secretary of the Board. In 2014, we welcomed Amy Shelley and Thomas Moore and said farewell to William Moore who resigned from the Board in June to take a new job in Sarasota, Florida.

Many thanks are owed to the hardworking diocesan staff that supports the work of the Trustees. Kathi Workman does an excellent job keeping track of income and expenditures from the various endowments and managing distributions to the parishes invested in Pool 1. Dr. Joan Gundersen has kept the diocese's surplus properties in good repair and found tenants to occupy those churches while we decide what to do with them. We continue to rely heavily on the wise counsel provided by our Chancellor, Andy Roman.

The Board of Trustees has three standing committees: Finance and Investments, chaired by Bob Johnston; Audit, chaired by Bob Eley; and Property, chaired by Mike Donadee. The hard work of these chairs and their committees is greatly appreciated.

As stated so well in our former president's report to the 2013 Convention, the focus and goal of the Trustees is 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." Highlights of the past year are summarized below.

Diocesan Endowment

The Trustees have continued to rely on the services of Morgan Stanley to assist us in managing the diocesan endowment. Our Finance and Investment Committee oversees the work of Morgan Stanley, meeting with its representatives on a quarterly basis to discuss investment strategies for diocesan held funds. The total endowment, including diocesan funds and funds dedicated to individual parishes and programs, grew from \$22.5 million as reported to the 2013 Convention to \$23.7 million as of the end of August 2014.

Support for Parishes

Since the last Convention, Growth Fund grants and/or loans have been approved by the Trustees for Nativity, Crafton; St. David's, Peters Township; St. Peter's, Brentwood; Church of the Atonement, Carnegie; Emmanuel, North Side; St. Thomas, Northern Cambria; and, All Saints, Brighton Heights. The Trustees also assisted St. Paul's, Kittanning, in the sale of a neighboring property, the proceeds from which will be held in trust for the future benefit of that parish.

Support for Diocesan Mission

In early June, the Trustees met with members of the Budget and Assessments Working Group of Diocesan Council (BAWG) and our Bishop to work on the 2015 Diocesan Budget that is being presented to this Convention. We met in prayer and fellowship at the Clergy House in Donegal. This work involved many hard choices, but we were determined to develop a budget that balances planned

expenditures with all anticipated sources of income. Our thanks go out to Diocesan Treasurer Kathi Workman and BAWG members Joseph and Kathy Baird, Linda Getts, Courtney Harter, Jim Neral and Steve Stagnitta for their time and effort in working through the budget process with us.

Support for Diocesan Properties

The second Strategic Task Force appointed by Bishop McConnell and chaired by Trustees Sue DeWalt and Bob Johnston established a Property Subcommittee. This subcommittee, led by Mike Donadee, was charged with developing recommendations regarding certain underused diocesan properties. In response to those recommendations, the Trustees have taken initial steps toward the possible disposition of the former St. Martin's Church in Monroeville, Epiphany Church in Avalon, and Trinity in Freeport. Additional approvals will be required from the governing bodies of the diocese before any of these properties can be sold or otherwise transferred. In addition, in late 2013 the Trustees approved the offer for sale of vacant property in Allegheny Township near Leechburg, PA.

Support for Sheldon Calvary Camp

In March 2014, the Trustees authorized a contribution of \$100,000 over five years toward Sheldon Calvary Camp's Capital Campaign. As in past years, the Trustees authorized an annual grant from one of the diocesan endowments to support the Camp's scholarship program. Currently, we are working with our Chancellor on a long-term lease between the Trustees and Sheldon Calvary Camp to assure that the camp will continue to have use of Trustee-owned property on the shores of Lake Erie to operate as a mission of the Episcopal Diocese.

Respectfully submitted,

Joseph M. Karas
President, Board of Trustees
September 12, 2014

CANON FOR FORMATION

New Initiatives:

Canon Geisler and Bishop McConnell have begun a pilot class at the Pittsburgh Theological Seminary. The class is on the Anglican Way of Theology in the Episcopal Church. It is an introductory course that is open to both laity and clergy.

Bishop McConnell, with my assistance, reached out to the Anglican Diocese of Soroti in training their Bishop and clergy about alcoholism, addiction and recovery.

I recently facilitated a relationship between the Oasis Recovery Center and Trinity Cathedral to help in developing a “recovery environment” to serve the walk-in population that frequents the downtown area and often the arena during the daytime.

With Bishop McConnell’s guidance, we have forged a relationship with the local organized labor movement in the hopes of training clergy to seek justice and basic fairness for our working parishioners, especially in entry-level positions in the health care industry and in the fast food industry as well as the recent indebted college graduates.

I recently began to work with the Church of the Atonement in Carnegie to help them move towards calling a regular supply priest and then towards calling a priest-in-charge. The goal is to be a completely self-supporting parish with consistent clergy support.

Ongoing:

- Convening “Clergy Support Group North” meetings with recently ordained clergy.
- Coaching Deacon Bert Daly, Deacon Howard Gillette and Trinity graduates Wally LaLonde and Doug Kinsey as well as seminarians at Trinity School for Ministry.
- Attending bi-yearly Clergy Deployment meeting with Transition Officers from the Eastern Seaboard to the Mid-Atlantic Region (from Maine to Georgia, as far west as Chicago). This group looks at local clergy seeking positions and churches seeking candidates for clergy openings in their parishes.

Peace & Prayers,
The Rev. Canon Dr. Jay Geisler

CANON MISSIONER

I began actively serving as the Canon Missioner after Labor Day in 2013. During the past year, my work has had two primary aspects. My main focus has been coming alongside three or four parishes to assist the clergy and lay members in the pursuit of their mission and ministry. These parishes are St. Barnabas, Brackenridge; St. Andrew's, New Kensington; St. James, Penn Hills; and St. Thomas, Canonsburg. Each parish has had differing needs and my role has been adjusted accordingly.

At St. Barnabas, I've been mentoring Deacon Frank Yesko in his formation towards priestly ordination and have worked with him and the Vestry on many nuts-and-bolts details of Episcopal parish life as this parish grows in numbers and spiritual vibrancy. St. Andrew's in New Kensington returned to active participation in the Episcopal Diocese of Pittsburgh in late July 2013. Fr. Norman "Chips" Koehler valiantly assumed the worship and pastoral duties there. I worked with him, the congregation, and other clergy and parishes of the Allegheny Valley to explore options. By late October, it became clear that sufficient resources were not available for St. Andrews to continue as a worshipping parish at this time. Their last service was held on All Saints' Sunday in November 2013. In Penn Hills, the Rev. Eric McIntosh, a newly ordained Episcopal priest with many years experience as a Baptist minister, began a restart of St. James with a unique vision to minister to the community through the parish facilities. I've been blessed to serve as a mentor and sounding board to Eric as this dynamic and culturally-sensitive ministry continues to unfold. St. Thomas in Canonsburg has experienced steady growth in recent years, so that the congregation and its ministries have felt constrained by the limits of their small and challenging physical plant. My role here has been to support the Rector, Chuck Weiss, and the Vestry in analyzing their mission priorities and options for sustained ministry over the long haul.

The second aspect of my ministry as Canon Missioner this past year has been to fill in some of the administrative/functional gaps within the diocesan structure. These have included: assisting and advising other staff members with parish/clergy needs and resources; representing the Bishop at events when he has had scheduling conflicts; and participating in an ex officio capacity in several diocesan committees. With the appointment of our new Director of Administration and Archdeacon, the Venerable Jean Chess, I expect my involvement in such work will lessen in the year ahead.

Finally, as I look with eager anticipation to the future, allow me to share concerning a couple of projects under development. I participate in as many parish visits of the Listening Committee that my schedule permits. I'm starting to process the conversations, data, dreams, and passions to seek ways of better under-girding the mission and ministry of our parishes and the diocese as a whole through sharing resources and best practices. The other project is a diocesan-wide baby shower for Jeremiah's Place, a new crisis-care nursery in East Liberty. This event, scheduled for January 2015, will serve as a model for bringing people of the diocese together in mission and fellowship.

With gratitude for the opportunities to serve Christ with you in mission,
Canon Cathy Brall+

COMMISSION ON MINISTRY

The Commission on Ministry is established pursuant to Title III of the Canons of the Episcopal Church and Canon XXX of the Episcopal Diocese of Pittsburgh in order to advise and assist the bishop “in the determination of present and future opportunities and needs for the ministry of all baptized persons; and in the design and oversight of the ongoing process for recruitment, discernment, formation for ministry, and assessment of readiness therefore.” (Title III, Canon 2, Section 2, Constitution and Canons of the Episcopal Church, 2006)

Since the 2013 Diocesan Convention, the Commission on Ministry will have met eight times, including the winter interview day and the annual ordination exploration day. Highlights of the year include:

- The Commission and Standing Committee had informal interviews with nine individuals in the discernment process and one candidacy interview at the winter interview day.
- The Bishop ordained Ben DeHart and Eric McIntosh to the Sacred Order of Priests at Trinity Cathedral on January 11, 2014; Bert Daly to the Sacred Order of Deacons at Trinity Cathedral on June 21, 2014; and William Ogburn to the Sacred Order of Priests at Church of the Redeemer, Squirrel Hill, also on June 21.
- Three individuals took General Ordination Exams in January.
- With the consent of the Standing Committee, the Bishop granted candidacy to Bert Daly and John Feuerstein. Subsequently, Bert Daly was approved for Ordination to the Diaconate.
- The Commission and Bishop accepted the nominations of Ms. Shana Hutchings of St. Andrew’s, Highland Park; the Rev. Howard Gillette, Deacon; and Ms. Alyse Viggiano of St. Paul’s, Mt. Lebanon, to be considered for postulancy. Subsequently the Bishop, upon recommendation of the Commission, granted Postulancy to the Rev. Mr. Gillette and Ms. Viggiano.
- Ministry Exploration Day was held on April 12, 2014, at St. Paul’s, Mt. Lebanon. This year the name was changed to reflect the broader scope of the event. Approximately 30 people participated, including potential nominees for Holy Orders with spouses and clergy.
- Commission member Jessie Hipolit continued her work on encouraging and supporting lay ministry with the Commission, clergy, and parishes of the Diocese.

Carolyn R. Booker, St. Stephen’s, Wilkinsburg, was elected at Convention to serve a three-year term on the Commission. The bishop appointed Bethany Hamill, Christ Church, North Hills, to serve a three-year term as member of the Commission. We welcomed the Rev. Cathy Brall, Canon Missioner, as staff participant in the Commission. Nancy Lapp and Robert Goode concluded their terms as members of the Commission, and we are grateful for their faithful service.

I thank Bishop McConnell for his leadership and support, and each member of the commission for their service during the year: the Rev. Lenny Anderson, St. Francis-in-the-Fields, Somerset; Carolyn Booker, St. Stephen’s, Wilkinsburg; the Rev. Lynn Chester Edwards, retired priest; Robert Goode, Redeemer, Squirrel Hill; Jessie Hipolit, Emmanuel, North Side; the Rev. Tim Hushion, Trinity Cathedral; Nancy Lapp, Holy Cross, Homewood; the Rev. Kris McInnes, St. David’s, Peters Township; Steve Stagnitta, St. Andrew’s, Highland Park; the Rev. Ann Staples, St. Thomas, Northern Cambria; Daryl Walker, All Saints, Brighton Heights; and ex officio as staff, the Rev. Scott Quinn, Canon to the Ordinary, the Rev. Jay Geisler, Canon for Formation, and the Rev. Cathy Brall, Canon Missioner.

Respectfully submitted,
The Rev. Louis B. Hays, Chairperson

COMMITTEE ON CONSTITUTION AND CANONS

This year, the Committee on Constitution and Canons addressed functional revisions to Canon VIII, pertaining to Appointments, Committees and Program Units; and Rule of Order B.3.a., pertaining to Nominations. These amendments are proposed to this Diocesan Convention.

The Committee also deliberated how to address issues in the canons regarding transitional and mission parishes. In the coming year, the Committee suggests promoting dialogue on the topic within the diocese and among those potentially affected by recommended amendments before formally proposing anything to the Diocesan Convention.

A vacancy on the Committee was created by the resignation of the Rev. Richard Pollard. An appointment will be made to complete Fr. Pollard's term. The completion of the consecutive terms at the end of this year of Dr. Joan Gundersen and the Rev. Lou Hays create a lay vacancy and another clergy vacancy for election at this Convention.

Other members of the Committee include Michael Braxton (chair); the Rev. Charles Hamill (secretary); Randy Amis and Andy Roman (ex officio).

DIOCESAN COUNCIL

The Diocesan Council exists by virtue of Article XI of the Constitution of the Episcopal Diocese of Pittsburgh. Its responsibilities are summarized in Section 1 of Canon V as follows: “The Diocesan Council shall act on behalf of the Convention when the Convention is not in session. In particular, it shall evaluate the policies, programs, and other activities of the Diocese, make recommendations to the Convention, and give general oversight to the work, mission, budget and human resources of the Diocese. The Council shall perform such other functions and tasks as the Convention may assign to it.”

Since the 2013 Annual Convention, Council has met seven times: December 2, February 3, March 3, May 5, June 2, September 8, and October 6. Minutes of these meetings are or will be available from the Diocesan office. In addition, in July Council acted under Section 9 of Canon XVII (electronic voting) to approve the housing allowance for a Diocesan staff member. Meetings consist of reports from the Bishop, Canons to the Bishop, President of the Standing Committee, President of the Board of Trustees, Chancellor, Property Manager, Treasurer, and the chairs of various Diocesan committees and organizations, and action items as needed.

December meeting: The Council approved the hiring and compensation package of the Diocesan Treasurer, Kathi Workman; approved a revised 2013 budget; approved allocation of funds in support of the Millennium Development Goals pursuant to the Lambeth 0.7% resolution; and elected Council officers for 2014.

February meeting: The Council approved two actions recommended by the Budget Assessment and Working Group: to provide a grant to St. David’s, Peters Township, and to reallocate funds to provide the compensation for the Canon Missioner.

March meeting: The Council approved the Treasurer’s reports as submitted.

May meeting: The Council approved the Treasurer’s report as submitted; approved three actions recommended by the Budget Assessment and Working Group, to reduce the assessment for Trinity Cathedral by 25%, a grant to Emmanuel, North Side, and a grant to Church of the Atonement, Carnegie; and appointed Ms. Betty Duckstein to a three-year term on the Growth Fund Committee.

June meeting: The Council approved the Treasurer’s report as submitted and approved an action recommended by the Budget Assessment and Working Group to reduce the assessment for St. Stephen’s, McKeesport.

September and October meetings: Results not available for this report. Minutes will be available from the Diocesan office.

The following Committees have continued to function over the past year: Budget and Assessment Working Group, chaired by Steve Stagnitta of St. Andrew’s, Highland Park; Social Justice and Outreach, chaired by Nancy Lapp of Holy Cross, Homewood; Resolutions, chaired by Jeff Dunbar, St. Paul’s, Mt. Lebanon; Nominations, co-chaired by the Rev. Vicente Santiago, Advent, Jeannette, and Jon Delano, St. Paul’s, Mt. Lebanon; and Compensation, chaired by the Rev. Dr. Bruce Robison, St. Andrew’s, Highland Park. Steve Stagnitta continues to serve as Judge of Assessments, and Linda Getts, St. Thomas, Oakmont, continues to serve as Judge of Audits.

Report of the Social Justice and Outreach Committee

Members of the Social Justice and Outreach Committee include: Jerry Stephenson (Christ Church, North Hills), Marianne Novy (Redeemer, Squirrel Hill), Patricia Eagon (St. Paul's, Mt. Lebanon), Bill Farra (Fellowship of Reconciliation), Elizabeth Duckstein (representing Diocesan Council and ECW), Mark Rust (Calvary, East Liberty), the Rev. Charles Weiss (St. Thomas, Canonsburg), Patricia Kennedy (St. Andrews, Highland Park), and Nancy Lapp, Chair (Holy Cross, Homewood).

Our recommendation for the Diocese 2013 Lambeth Funds, accepted by Diocesan Council, resulted in \$3,065 distributed as follows: \$815 to Episcopal Relief & Development for relief in the Philippines; \$750 to Ghanaian Mothers' Hope (a Jubilee Center of the Episcopal Church working with the needs of mothers and children); \$750 to the Rural and Migrant Ministries (a New York state based ministry administered by the Rev. Richard Witt, formerly of Christ Church, North Hills); and \$750 to the Greater Pittsburgh Community Food Bank.

The work on our second Habitat for Humanity house in Sharpsburg continued. The house was dedicated by the Bishop, and turned over to the refugee family on May 17, 2014. Churches, individuals, and organizations of the Diocese contributed over \$40,000, well over our goal. There were over 110 volunteers from many churches.

The Summer Food Program of the Greater Pittsburgh Community Food Bank was presented to the Committee in the fall, and through the spring we were able to give the program some support and publicity when volunteers were needed. We participated in a packing day at the Food Bank in April. We also provided information about SNAP, formerly known as Food Stamps, to our parish outreach committees, Rectors, and Senior Wardens.

Participation in the Pennsylvania Interfaith Impact Network (PIIN) continued, particularly at their Public Action meeting in November attended by approximately 1,000 people, a forum on the living wage for UPMC employees in February with a panel that included our Bishop, and the Annual Banquet in May where we placed an ad of support from our Diocese in their program. Marianne Novy continues as our representative to PIIN.

Last summer and fall saw a very successful season for our community Gardens projects. Those who received grants reported great results. Grants were again offered for 2014. With additional contributions from the Outreach Committee of St. Paul's and another donor in Mt. Lebanon, we were able to fulfill all requests: St. Brendan's, \$500; Shepherd's Heart, \$200; Spring Street (Community of Celebration), \$500; St. Stephen's, Wilkinsburg, \$500; Holy Cross, \$500; and Calvary Camp, \$400.

The Committee is considering ways of supporting Jeremiah's Place, a crisis care shelter housed in the Kingsley Center offering shelter to children birth-age through six for up to 72 hours with the possibility of multiple stays. It can house approximately twelve children at a time. There is no fee for services; this ministry is supported by private donations.

On October 25 we will present a program, "Peace be with You," a respectful conversation on preventing gun violence from a variety of perspectives. Chuck Weiss is leading this activity and has obtained panel speakers from Cease Fire PA and the Pittsburgh police, with other possibilities.

Report of the Resolutions Committee

Prior to last year's Annual Convention, the Resolutions Committee reviewed and submitted to Convention a resolution proposed by the Commission on Racism to encourage diversity among lay and

ordained leadership. The resolution was adopted. The Committee will take appropriate action on any resolutions submitted after the date of the submission of this report.

Report of the Budget Assessment and Working Group

This group meets regularly to evaluate requests from parishes for reduced assessments or grants funded by the Diocesan operating budget. It then recommends action to be taken by Diocesan Council. Members also work with the Bishop, Treasurer, and Board of Trustees to develop the Diocesan budget for submission to Annual Convention. On occasion, members of the group work with parishes to assist with financial issues. Current members of this committee include: Steve Stagnitta, St. Andrew's, Highland Park, Chair; Joe Baird and Kathy Baird, St. Peter's, Blairsville; Linda Getts, St. Thomas, Oakmont; Courtney Harder, St. David's, Peters Township; the Rev. Lou Hays, St. Paul's, Mt. Lebanon; and Jim Neral, Christ Church, North Hills.

I would like to thank all members of Diocesan Council for their faithful service since last year's Annual Convention, and those who regularly attend and participate in Council meetings. It has been a privilege serving as President of Council and with Terlene Brown, Vice President and Carol Henley, Secretary.

Respectfully submitted,
The Rev. Lou Hays
President of Diocesan Council

DIRECTOR OF ADMINISTRATION AND ARCHDEACON

I began my work as Director of Administration on August 1, 2014. Bishop McConnell charged me with the following areas of responsibility:

- a) oversee the day-to-day functions of the diocesan office;
- b) review the communications infrastructure and organizational design of the diocese to bring our structures more fully into alignment with our mission;
- c) assist the Rev. Canon Dr. Cathy Brall and the Rev. Canon Dr. Jay Geisler with the duties of the Canon to the Ordinary; and
- d) assist the Bishop and the Canons with clergy deployment.

As I write this report in mid-August, I am in the process of meeting with staff and discovering and documenting the details of these functions. I welcome your questions and input. I am working on a half-time basis and the best way to reach me is via email at jchess@episcopalpgh.org.

I look forward to sharing a report of findings and planned next steps with you in the future.

The Ven. Jean Chess, Archdeacon
Director of Administration

GROWTH FUND COMMITTEE

The Growth Fund Committee consists of six persons, two each appointed by the Board of Trustees and by Diocesan Council, and two elected at Convention. In addition, the Bishop, a designated Assistant to the Bishop and the Chancellor are ex officio members.

The Board of Trustees is the custodian of the Fund. Administration of the Fund is governed by a Declaration of Trust and Guidelines. Under the Declaration of Trust, the objectives of the fund are, in summary, (1) to assist in the establishment of new church work, (2) to revitalize existing church work, and (3) to alleviate emergencies, all within the Diocese. As a practical matter, most Growth Fund grants and loans are used for renovations and improvements.

The principal of the Fund (now approximately \$1.5 million) may be loaned to Parishes of the Diocese, and granted only in emergencies if approved by the Bishop. Earnings of the Fund, which are determined based upon the income distribution percentage approved by the Board of Trustees, are available for grants. Grant funds are, of course, limited.

Funds are awarded based upon an application, the form of which is available on the Diocesan website. Although each application is considered individually, as a general rule, the Committee will consider stand alone grant requests not exceeding \$5,000; suggested guidelines for grant requests in connection with larger applications should not exceed 1/3 of the project cost, with the balance coming from a loan and funds raised by the Parish.

During the past two years, the Growth Fund has approved financial assistance to the following parishes: Nativity, Crafton; St. Peter's, Brentwood; St. David's, Peters Township; Emmanuel, North Side; St. Paul's, Kittanning; All Saints, Brighton Heights; St. Peter's, Blairsville; St. Thomas, Northern Cambria; and Church of the Atonement, Carnegie.

Michael A. Donadee
Chairperson

THE STANDING COMMITTEE

This report covers business of the Standing Committee from November 2013 through August 2014. In accordance with the canons of the Episcopal Church and the Diocese of Pittsburgh, the Standing Committee took the following actions:

Granted consent for Episcopal elections to be held in the following dioceses:

- Diocese of Southwest Florida for a Bishop Coadjutor
- Diocese of West Texas for a Bishop Coadjutor
- Diocese of the Dominican Republic for a Bishop Coadjutor

Gave consent to the Episcopal elections of:

- Matthew Alan Gunter as Bishop Diocesan of the Diocese of Fond du Lac
- Allen K. Shinn as Bishop Suffragan of the Diocese of New York
- Alan M. Gates as Bishop Diocesan of the Diocese of Massachusetts

Approved for Candidacy for Holy Orders:

- Herbert Daly, Jr.
- John Feuerstein

Approved for Ordination to the Diaconate:

- Herbert Daly, Jr.

Approved for Ordination to the Priesthood:

- Benjamin DeHart
- Eric McIntosh
- William Ogburn

Filled the following vacancies in diocesan offices:

- Courtney Harter, District 3 representative to Diocesan Council
- John Adams, Standing Committee

Other actions:

- Consented to the restoration of the Rev. Andrew Ray as a priest of the Diocese of Pittsburgh
- Consented to the reinstatement of the Rev. Dr. Jonathan A. Linebaugh to ministry in the Episcopal Church
- Consented to the release of the Rev. Dr. Peter Davids from ordination vows in the Episcopal Church

Respectfully submitted,
The Rev. Leslie G. Reimer, President
Annis Rogers, Secretary

TREASURER

It has been my privilege to serve as Treasurer since November 2013. My first official duty was to attend the 2013 Convention. Since then, I've worked diligently overseeing the accounting systems, ensuring that all financial transactions were and are properly recorded (the Treasurer's position was vacant from June, 2013 through October, 2013), and providing financial assistance to parishes and other organizations within the diocese.

Accomplishments since the 2013 Convention include:

- The audit of the 2013 financial statements has been completed and an unqualified opinion rendered by our auditors, Maher Duessel.
- Disbursed Growth Fund grants of \$46,383 for 2013 grants and \$30,160 for 2014 grants. Disbursed Growth Fund loan of \$5,000 in 2014.
- Applied for and received \$6,500 from the Society for the Advancement of the Episcopal Church for the Advancement of Christianity in Pennsylvania to defray the cost of two Growth Fund grants awarded in 2014.
- Implemented a stock donation liquidation process through Morgan Stanley whereby stock donations are liquidated for parishes with no commission fees.
- Assisted parishes experiencing financial difficulty by offering recommendations and requesting competitive bids for cost savings to lower operating expenses.
- Completed review of diocesan comprehensive insurance by property resulting in savings of \$7,000 for 2013 and 2014.
- Added the Empire High Option Medicare Secondary Payer Plan to the diocesan menu to enable diocesan employers and eligible employees to take advantage of cost savings associated with the MSP plan.
- Provided \$203,000 in financial support to seven diocesan parishes in need of aid.
- Provided \$27,000 in Community Outreach Grants as well as \$20,000 to Sheldon Calvary Camp Capital Campaign.
- Visited four parishes to discuss financial concerns and determine how the diocese can best assist parishes who are experiencing temporary or long-term financial hardship.

Current projects include:

- Creation of a Treasurer Training program to include topics such as financial reporting, clergy compensation, parochial report preparation, planned giving, etc.
- Develop and adopt formal written policies and procedures relating to accounting and fiscal matters, employee handbook, investment policy, and fraud.
- Update the *Parish Guide to Grants and Loans* to assist parishes in locating funding for building projects, mission projects, and new programming.
- Financial Software survey to determine what software best meets the needs of small, medium, and large parishes.

Respectfully submitted,
Kathi Workman

Section F

Other Reports

ADMINISTRATOR FOR PROPERTY AND ARCHIVIST

This is my last report to you as Property Administrator. My duties as archivist will continue. Throughout 2014 I continued to deal with tenants, repairs, assorted legal/financial matters for the properties without Episcopal congregations, rebuilding congregations, and congregations that had resumed participation in the Episcopal Church.

The brutal winter months in early 2014 resulted in heavy costs for heat and plowing, and for a major insurance claim related to burst heating pipes at one of the buildings. I continued to deal with construction and repair projects at five buildings, including steeple repairs, two roofing jobs, a basement waterproofing, and interior repairs covered by insurance on a building with a leaky roof. There were a number of changes of tenants requiring new use agreements. I also served as financial overseer for bank accounts at three closed congregations and as treasurer of one rebuilding congregation.

As archivist, I continued the process of transferring boxes of records and artifacts from closed buildings to the archives preliminary to processing those materials. Until the archives has more space, transfer of the remaining records is problematic. During 2014 I had the help of three volunteers from the University of Pittsburgh graduate programs in information science. They helped with processing records and in beginning a catalog of the archive book collection.

I continued to develop the diocesan archive web pages by posting the first on-line parish register (from St. Michael's, Wayne Township) covering the years 1848-1943. The archives was also able to supply requested prayer books and Bibles to parishes, redistribute some Eucharistic vestments and linens to parishes in need of these, and provide furnishings to several parishes doing refurbishment projects.

In addition, the archives responded to at least one research request a week, helping family researchers, providing certificates of sacramental events, and scholars who needed access to the collection. I also attended the joint annual meetings of the National Episcopal Historians and Archivists and the Episcopal Women's History Project in Salt Lake City and the annual meeting of the Historical Society of the Episcopal Church in Claremont, CA.

Joan R. Gundersen

ANGLICAN FELLOWSHIP OF PRAYER 2014

The Anglican Fellowship of Prayer, an international prayer ministry founded in Pittsburgh in 1958, is listed in the Episcopal Church Annual, where our mission reads as follows: “To serve the church by encouraging, facilitating, and promoting the understanding and discipline of prayer in the Anglican Communion. We especially emphasize the value of small group prayer and the parish as a center of prayer.”

We have a national board, and our board members and advisors come from the dioceses of Virginia, Idaho, Upper South Carolina, Western Louisiana, Pittsburgh, and Central New York (our newest member, the Rev. John Throop). Unfortunately, our president for many years, Dr. Will Williams, has had to retire due to illness in his immediate family.

We were very grateful to Bishop Dorsey McConnell for participating in a web seminar at our last full board meeting, April of 2013 in Richmond, Virginia. Since that time, another board member has had to go inactive due to illness.

We put out a newsletter to all members three times a year, and maintain a website: www.afp.org. One of the sidebars on the home page has a link to Prayer Requests. People can also write prayer requests and news on the Anglican Fellowship of Prayer Facebook Group Page. As with other Facebook Group Pages, it is necessary to “friend” a member of the group, and then to ask to join. The website also includes links to past newsletters, the Lectionary, and other items. Please pay us a visit.

This March, three members of the Anglican Fellowship of Prayer attended the Anglican Women at Prayer conference at Virginia Theological Seminary. It was organized by Phoebe Griswold and members of the Society of Companions of the Holy Cross (of which Helen Shoemaker and Polly Wiley, AFP co-founders, had been members), and the Center for Anglican Communion Studies at VTS. I represented AFP US. We sponsored Gillian DeLancey from Turks and Caicos. AFP Canada was represented by Jane Jensen.

We are recognizing our Pittsburgh roots in the near future by contributing books and other items associated with co-founder Helen Shoemaker to Calvary Episcopal Church, Shadyside, for their Shoemaker Room, a meeting room which commemorates former Calvary rector the Rev. Dr. Samuel Shoemaker, Helen’s husband.

We also maintain a working relationship with AFP Canada, which has a new executive director, Archdeacon Paul Feheley.

Please don’t hesitate to contact us via the website if you are interested in joining the AFP, or if you have any questions.

Respectfully submitted,
Mrs. Celinda C. Scott
Corresponding Secretary and Website Coordinator
Anglican Fellowship of Prayer, US Council
Parishioner, Christ Episcopal Church, Indiana, PA

CHAPLAIN TO RETIRED CLERGY

Over the years (more than ten), I have had the privilege of serving as chaplain to retired clergy and surviving spouses. Primarily, that means two things. First, to assist the bishop in planning and scheduling an annual luncheon, usually held at a restaurant. Recently, however, Bishop McConnell has encouraged not one, but two yearly luncheons. They provide great social occasions whereby we bring one another up to date with any significant events. The bishop and Betsy share in that time together as well. Lately, we have had the privilege of meeting in the home of a clergy couple, which has provided a relaxed way to meet and eat.

A second part of this ministry centers on greeting cards. Recognizing the birthdays of clergy retirees and spouse or surviving spouse, includes mailing cards to some 170 persons on our list. These include those canonically resident in the diocese as well as those from other dioceses living in the Pittsburgh region. A number of cards are mailed to those no longer living in the Pittsburgh area, but in places such as California, Kansas, and Indiana. In turn, there have been many expressions of gratitude from those receiving cards. It should be noted that diocesan funds support this ministry with the purchase of greeting cards and postage. Cards are mailed for other occasions, in addition, such as in cases of hospitalization or the death of family members.

This chaplaincy also allows me to attend Province III meetings, organized by the Church Pension Group, and to be in contact with chaplains in other dioceses of the Episcopal Church.

I am most grateful to serve in this capacity.
(The Rev.) Arthur C. Dilg

CHILDREN'S MINISTRY TEAM

- 1.) The Children's Ministry Team held a three day Godly Play Core Training for people from our Diocese and other parts of Western Pennsylvania and New York. This was the first time that the Godly Play Foundation has sent trainers to Pittsburgh in order to teach people how to be Godly Play Storytellers and set up their programs.
- 2.) The Children's Ministry Team led a Saturday morning Godly Play Materials workshop for parishes in our Diocese who have started to use Godly Play or want to know more about it. Participants took home materials for eight different stories to use with children in their parishes.
- 3.) The Children's Ministry Team produces the *Feed My Sheep* newsletter for people who minister to children in our Diocese. Over 12 people in children's ministry have contributed to one or more issues.
- 4.) The Children's Ministry Pinterest boards are often upgraded so that people can visually share ideas for ministry with children. Our Pinterest boards include ideas for crafts, games, prayer, Godly Play, Advent, Lent, and books for adults and children.
- 5.) The Children's Ministry Team started an Episcopal Diocese of Pittsburgh Children's Ministry Facebook page in order for people to post ideas, questions, and share suggestions with each other.
- 6.) The Children's Ministry Team meets monthly to share ideas, support each other's ministries, and strategize how to help other parishes. Everyone who is involved in children's ministry in the Diocese is invited to attend.
- 7.) The Children's Ministry Team conducted a Diocesan survey to assess the state of children's ministry in parishes and to better understand the needs of individual parishes. As a result of the survey, parishes that expressed a desire to have financial assistance to purchase art and craft materials, were given financial support. Another response to the survey is that more Godly Play workshops are being planned. As a response to the need for people who want mentoring, a Children's Ministry Team Facebook presence was started. The team is continuing to look at the survey results to address more needs in the future.

Joyce Donadee
Children's Ministry Team Coordinator

CHRISTIAN ASSOCIATES OF SOUTHWEST PENNSYLVANIA

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*A Unifying Voice in the name of Jesus Christ for the Mission of the Gospel
and the Wholeness of Communities • Serving 10 Counties and 15 Faith Traditions
in 26 Judicatories, with 2,000 Congregations and 1,000,000 members*

Grace and peace to you, brothers and sisters of the Episcopal Diocese of Pittsburgh, and blessings as you gather for Convention! I look forward to joining you for this special occasion to bring our greetings and gratitude in person.

Christian Associates remains committed to its three core values: Collegiality, Connectedness, and Collaboration. We bring together the bishops and judicatory executives of 26 church bodies – Anglican, Catholic, Orthodox, and Protestant – to build relationships of trust, common purpose, and true friendship. Conversations that begin around our Council table lead to initiatives that change lives for the better. In my term as Executive Minister, I hope to widen our circle to reflect better the full diversity of the Christian community, reaching out to African American churches, to independent evangelical churches, and to other fellowships not well represented among us.

We also continue our shared ministries and community collaborations. Our partner in ministry, the Foundation of HOPE, provides faith-based pre- and post-release training and mentoring for incarcerated men and women, dramatically reducing recidivism rates. Soon, HOPE will also take responsibility for our chaplaincy programs at Allegheny County Jail and Shuman Center. Working with our community partners, we help to organize the Pittsburgh Pastoral Care Conference and the Returning Military Conference, and we play a part in organizations that assist in local and statewide disaster response, emergency food and shelter, and interfaith cooperation. This fall, we are helping to launch the Greater Pittsburgh Interfaith Coalition, a new, grassroots initiative seeking to nourish healthy neighborhoods through interfaith dialogue and education.

Christian Associates also publishes a newsletter, *The Call*, which reaches more than 5,500 readers. In the months to come, we plan to reinvigorate our communications ministries: look out for us on social media!

It is my hope to serve as a resource for our congregations and their leaders as they work toward Christian unity in their own neighborhoods. If Christian Associates can help you to revitalize a local ministerium, offer a confirmation class program, or plan an ecumenical worship event, please give us a call. Personally, I enjoy visiting our congregations and sharing the message of Christian unity; let me know when I can come to your church to preach, assist in leading worship, teach a Bible study, or simply join you in prayer.

Encountering our Christian brothers and sisters deepens our own understanding and practice of faith, and helps us to recognize that despite all of our differences, we truly are one body. May the spirit of unity, friendship, and reconciliation be with you all, and thank you again for your support of Christian Associates.

Your sister in Christ,
The Rev. Liddy Barlow
Executive Minister

COAL COUNTRY HANGOUT YOUTH CENTER

Coal Country Hangout Youth Center (CCHYC) has weathered the storms of the past two years. It is thanks to each one of you that CCHYC's presence in the rural area encompassing Cambria, Indiana, and Clearfield counties has grown stronger with each year. You are vital to CCHYC's success – here's how:

The Daycare has 55 children enrolled. The Preschool just graduated eight students. During the past six months, all have enjoyed field trips to the circus and Tanoma Wetlands.

The Teen Center has completed two community projects: washed windows of 14 downtown businesses and scrapped, sanded and repainted Northern Cambria's Memorial Park Gazebo. In July they were off to Pittsburgh CLO to see the musical *Cats*. The Teen Center reopened officially with the start of school in August.

Cambria Re-Coal-lections, the experiential educational component of CCHYC's overall program proudly unveiled the third monument marking the Kittanning Path (1710-1776) across Cambria County. It is located on 219 North at Emeigh Road and was designed and created by students at Purchase Line High School and Admiral Peary Vo-Tech.

Deacon Ann Staples

COMMISSION ON RACISM

The Commission on Racism of the Episcopal Diocese of Pittsburgh is called to work for the annihilation of racism in our church and communities while fostering the healing of all persons.

General Convention Resolution A062 (1982) requests that Dioceses and Congregations form committees on Racism to study, identify and confront the causes of racism.

GC Resolution B049 (2000) mandates anti-racism training for all in leadership positions both lay and clergy. These workshops provide the opportunity for studying and attempting to root out the causes of racism. The fall workshop was held on October 3 and 4 at the Church of the Redeemer, Squirrel Hill. The spring workshop will be April 24 and 25, 2015.

GC Resolution A127 (2012) adds that training should be continued on an on-going basis. A variety of formats are being used to provide additional educational experiences both to those who have attended the workshops and those who have not.

2014 emphases of the COR were:

- 1.) An increase in the number and variety of educational experiences; and
- 2.) Further exploration of recruitment of minorities for ordained ministry.

Educational experiences:

In November 2013, one member of the COR and one member of the Standing Committee represented the Diocese at the Episcopal Church Forum “50 Years Later: The State of Racism in America” held in Jackson, Mississippi. In March 2014, one member of the Commission represented the Diocese at the Annual White Privilege Conference held in Madison, WI. In each instance reports from those events were presented to the Commission and we also recognize the need for a plan that provides the opportunity for conference and workshop attendees to share what they have experienced and learned with others in the Diocese.

The COR was represented at the Province III gathering of representatives from the Anti-racism/Reconciliation Committees/Commissions of the 13 dioceses in the Province. At these meetings, attendees exchange ideas, share and learn from each other. This year there was also a presentation made based on the presenters’ research. The second meeting of the group was a conference call on March 31, 2014.

Within the Diocese time was provided at Diocesan Convention at each District meeting for a discussion of two questions: What is your ethnic/cultural heritage? What are you most proud of from that heritage?

As part of the Absalom Jones Day Celebration there was a return to offering the opportunity to attend a focus group rather than having one panel discussion. There were four focus groups, each discussing a different topic related to Race. Although they were scheduled for one and a half hours, most extended to two hours.

The COR is now on Facebook and this provides an additional opportunity to share information both educational and experiential. The COR is also investigating the creation of a COR webpage.

In May 2014, COR was invited and agreed to become a co-sponsor of a series of meetings in the community. The title is “Race and Racism: A Conversation in Five Parts.” These moderated panel

discussions, which began in June and continued once a month through October, were offered by Freedom Unlimited, Inc. and were held at The Neighborhood Academy on Aiken Avenue.

Exploration of recruitment of minorities for ordination:

At the request of the Bishop, a letter was drafted and sent to him expressing the Commission's concerns. In response to this letter, a meeting was held between members of the COR Diversity Sub-committee and the Commission on Ministry. A second meeting was to follow but has not been scheduled.

At the 2013 Diocesan Convention, the COR submitted a Resolution that was adopted. The title was "Resolution to encourage diversity among lay and ordained leaders in the Episcopal Diocese of Pittsburgh."

The COR has an annual workday for reviewing and planning. The emphases for 2015 will be on:

- 1.) Creation or management of a COR webpage;
- 2.) Continue to work with Commission on Ministry to develop a plan for recruitment of minorities for ordained ministry; and
- 3.) Work to recruit Parish Communicators. They will receive COR communications and be responsible for distributing that information within their parish.

Respectfully submitted,
Nancy Travis Bolden, Chair

CURSILLO

The mission of the National Episcopal Cursillo, an organization of The Episcopal Church under the authority of the Presiding Bishop and Diocesan Bishops, is “Growing Christ-Centered Leaders.” It is for both clergy and the laity. The bishop of our diocese, the Rt. Rev. Dorsey McConnell is a “Cursillista,” that is, he participated in the three-day introductory program, and is supportive of Cursillo.

The Cursillo steering committee which formed and met with Bishop Price in March of 2010 is now considered the Secretariat, and has added two members. Our goal has been to build up the Servant Community, and it is our hope eventually to become strong enough to offer the three-day introductory weekend. There are presently no dioceses near us which participate in Cursillo; the closest ones are the Dioceses of Philadelphia and of Central New York.

Since 2010 we have offered several Ultreyas: that is, a coming together of Cursillistas and friends of Cursillistas for sharing of plans and experiences, usually accompanied by music. All Episcopalians may attend, whether Cursillistas or not.

Since the 2013 Diocesan Convention there have been three Ultreyas: Saturday, November 16, 2013 at St. Paul’s, Mt. Lebanon; Sunday, May 18, 2014 at St. Stephen’s, Wilkinsburg; and Saturday, September 20, 2014 at St. Paul’s, Mt. Lebanon.

Our next Ultreya will be Sunday, November 23, 2014 (location to be announced).

Respectfully submitted,
Mrs. Celinda C. Scott
Member, Cursillo Secretariat
Parishioner, Christ Episcopal Church, Indiana, PA

EPISCOPAL RELIEF & DEVELOPMENT

As the new diocesan coordinator for Episcopal Relief & Development (ER&D), this has been a year of rebuilding a diocesan structure and becoming familiar with the computer, print, and human resources offered by ER&D. The expectation is that each parish be represented by at least one person on a diocesan ER&D committee who will work to “help heal a hurting world.” The membership for our diocese’s ER&D committee is open to volunteers.

At the diocesan level, a focus will be on helping children and adults use the Gifts of Life program during the fall to promote the satisfaction of giving to meet the needs of “the hurting world” rather than only on the “I want ... this ... and that ... and more” of a self-centered commercialized Christmas. Catalogs will be provided for each parish. The ER&D committee will offer ideas for implementing this approach.

Across the Episcopal Church during 75 weeks of 2014-2015, there will be many ways of celebrating the 75th anniversary of Episcopal Relief & Development from its founding as the Presiding Bishop’s Fund for World Relief. While the organization has always been concerned with meeting needs resulting from poverty and disasters, ER&D has become a world leader in addressing long-term needs through a sophisticated model of development of sustainable projects using community assets and training local leadership.

Episcopal Relief & Development is 75 years old. A cornerstone of the Anniversary Celebration is a touring exhibit of iconic photographs from programs around the world, leading the viewer through exploration of the history and highlights in the faces and stories behind these images. More information about the ER&D story and the schedule of the nationwide exhibition tour can be found at www.episcopalrelief.org/75exhibition. For more information about the 75 weeks of celebration, visit www.episcopalrelief.org/75.

At the 2014 meeting of the ER&D Network of diocesan coordinators that met in Atlanta in early May, we had opportunity to preview resources and plans, which were also shared with youth attending the Episcopal Youth Event (EYE) this summer. An inventory of 75th anniversary resources will be distributed as available.

As your diocesan coordinator, I am available for consultation and presentations. The first parish presentation in the diocese was in March 2014 for the ECW in Somerset. For further information, contact Diane Duntley at (724) 349-2718 or diane.duntley@gmail.com.

FRESH START

Fresh Start is a two-year program geared to clergy in transition: from seminary to ordination, from one parish in a diocese to another, from one diocese to another. Over the course of the program, the participants engage in various and sundry issues dealing with the transition process in the hope that it will make their transition and, thus, their ministry, easier. It also helps the participants form a collegial bond and support group.

The first *Fresh Start* group concluded the program this past May. They are The Revs. Michelle Boomgaard, Charlie Hamill, Tim Hushion, John Schaffer, and Gwen Santiago.

Many of the *Fresh Start* modules are applicable to address issues that arise within congregations: *Conflict Awareness*, *Role Clarity*, *Dialogue: Searching for Common Ground*, *Decision-Making: Style and Clarity* and others.

The *Fresh Start* team consists of The Rev. Lou Hays, Ms. Jessie Hipolit, Ms. Dana Phillips and The Rev. Dr. William J Pugliese. We are ready and willing to assist clergy and congregations in any way we can.

Respectfully submitted,
The Rev. Dr. William J. Pugliese

ORDER OF THE DAUGHTERS OF THE KING

The Pittsburgh Assembly of The Order of the Daughters of the King continues to flourish in the Diocese of Pittsburgh, adding two new chapters since the 2013 Preconvention Report – the Verna Dozier Chapter at Emmanuel, North Side, in November 2013, and the Daughters of Advent Chapter at Church of the Advent, Jeannette, in August 2014. All Daughters serve our Lord through vows of prayer, service and evangelism. Daughters keep their commitment strong through an annual Renewal of Vows service during the Pittsburgh Assembly's Spring Assembly, one of two presented each year.

The Fall 2013 Assembly was hosted by the Daughters of Grace at Trinity Church, Beaver, on October 26. The Pittsburgh Assembly was privileged to be able to view the new DOK international DVD, "Looking to Jesus, Spreading His Love around the World," which gave rise to the Assembly theme of "Stretching Our Borders." Speaker, Dr. Theresa Newell, not only told the Assembly of her own endeavors in helping to start and encourage international chapters, but also challenged Daughters to expand personal involvement with the Order.

For the Spring 2014 Assembly, The Holy Comforter Chapter in Fox Chapel was the host on May 3. Departing from traditional speakers, the Assembly's new Evangelism Chair, Jessie Hipolit, led a spirited workshop on the third portion of the Order's vows. Entitled "Redeeming the 'E' Word," the workshop, which was interactive, gave Daughters a strong start in becoming "an everyday evangelist in every way."

In 2014, the Pittsburgh Assembly was grateful to be able to present its third annual Lenten Quiet Day on March 8, the first Saturday after Ash Wednesday, at Shepherd's Heart Fellowship in Uptown. Through readings, prayer and meditation, participants focused on the theme, "Faithful Women of the New Testament." Each of the 12 chosen New Testament women was selected on the basis of what she can teach contemporary Christians today. Daughters in the Pittsburgh Assembly were grateful that the open invitation to the Christian community in Pittsburgh provided participants beyond just the Daughters in the Order.

In response to the Order's vow of evangelism, and at the request of the Province III Board, the Pittsburgh Assembly developed a program on evangelism in Spring 2014, through the efforts of the Assembly's Evangelism Chair. This program was presented to Province III at its annual Retreat, which was held in Williamsburg, VA, in early June 2014. The plan now is being disseminated to other dioceses and chapters to encourage and inspire their evangelism efforts.

As part of the Order's vow of prayer, and as a result of the Fall 2013 Assembly focus on International Daughters, the Pittsburgh Assembly became the International Prayer Partner of the Daughters of Jerusalem in Jerusalem, Israel. All Daughters in the Pittsburgh Assembly are praying for them, and chapters are taking turns writing to them via email.

Respectfully submitted,
Gail Simpson
President, Pittsburgh Assembly

PITTSBURGH YOUTH INITIATIVE

The Pittsburgh Youth Initiative had a year full of outreach, service, and worship opportunities.

Prayers on the Wall – during last year’s convention, youth offered a chance for passersby to write their prayers on the gate wall of Trinity Cathedral. The prayers remained on the wall for nearly a week before rain washed them away. It was a great way to share faith with the community as diocesan business was done inside.

Shepherd’s Heart – In December, youth from Christ Church, North Hills; St. Brendan’s, Franklin Park; St. Thomas, Oakmont; and St. Peter’s, Brentwood served a Sunday night dinner to the less fortunate at Shepherd’s Heart in Uptown. This is a popular service project we wish we could do more often, but the schedule at the shelter fills up quickly each year.

Snow Camp – In February, there was an option to attend Snow Camp, an event hosted by Teen Quest in Somerset, PA. Several of our young people attended and had such a great time with other youth from around the area.

Heinz Chapel worship – Some of our older teens went to worship at Heinz Chapel in March. Fr. Philip Wainwright leads a weekly worship service for the college students in the chapel. This gave the teens a taste of worship options during their upcoming college years.

Senior Send-off – Bishop McConnell honored eight high school graduates during a dinner held at Christ Church, North Hills, in May.

L.O.C.A. party – The League of Christian Avengers, made up of youth at Calvary, East Liberty, invited youth from throughout the diocese for a pizza party and discussion of topics affecting teens today.

Highland Educational Project – St. Paul’s, Mt. Lebanon youth went on their annual trip to “HEP” in June. The project is an ecumenical outreach agency in McDowell County, West Virginia, serving families and individuals requiring multiple types of assistance.

E.Y.E. – Five youth, two adults and Bishop McConnell attended the Episcopal Youth Event in Philadelphia in July. Youth from 81 dioceses attended, trading pins and developing friendships; worshipping with the Presiding Bishop, and touring historic parishes in the city. Pittsburgh’s delegation was unable to stay for the “Three Days of Urban Mission” option.

Calvary Camp Work Weekend – PYI kicks off the program year with the annual trip to Calvary Camp to prepare the facilities for the winter. Work weekends aren’t only about “work” but also getting to know one another and worshipping together.

Calvary Camp/PYI at the Pirate Game – On September 21, the two organizations gathered for the final home game in the Pirates season.

Finally, it should be noted that Victoria O’Brien has left her position as co-director of youth ministry for the diocese. She was a founding member of PYI and co-director for three years. Vickie has done a great deal for youth around the diocese and at her home parish of Christ Church, North Hills, and we owe her a debt of gratitude. Thanks Vickie!

Submitted by:
Brent Hansen and Victoria O’Brien
Co-Directors, Pittsburgh Youth Initiative

SHELDON CALVARY CAMP

Imagine a glorious sunset over Lake Erie and young people with their eyes turned toward the wonder of creation. Imagine campers at the camp farm, collecting eggs from the chickens, picking and tasting strawberries and blueberries. Imagine freshly harvested beans, lettuce, kale, carrots, and potatoes passed around the dinner table. Imagine words of encouragement shared with a friend learning to play a new game. Imagine the raucous cheering in a dining hall filled to capacity. Imagine a quiet conversation between a camper and a counselor walking back from the beach. Imagine the voices of young people singing together in the chapel at the end of the day. Imagine families and lifelong friends together around a campfire. Imagine the faithfulness of Fr. Charles Martin, at camp for his 75th consecutive summer. These are some of the moments experienced by people who spent time at Sheldon Calvary Camp in our seventy-eighth year.

In 2014, the camp served over 1,000 children in our summer programs: Coed Camp; Ready, Set, Camp; and Day Camp. One in five campers receives some financial assistance. Family Camp and Labor Day camp brought another 350 people to Calvary Camp this year. Extended season programs continue to serve the local community into September and beyond.

Sixty-five gifted young adults served selflessly as members of the summer staff, developing their own sense of vocation as they engaged deeply with campers. Leadership comes from Tim Green, Executive Director, supported by year-round Assistant Directors P.J. Williamson and Samantha Borkovic, as well as Susan Roth, Staff Development Director, and the Rev. Leslie Reimer, Director of Spiritual Life.

We are grateful for the tireless work of the Calvary Camp Board: Sue Carenbauer, President, the Rev. Charles Weiss, Mr. David Sharbaugh, Mrs. Rebecca Randall, Mr. Doug Strott, Mr. Lawrence Knapp, Mrs. Amy Bojarski, the Rev. Gary Taylor, Dr. Lynne Curtis, Ms. Normandie Fulson, Mr. Gregory Green, Mr. Eric Linn, the Rev. Jeffrey Murph, Mrs. Trudy O'Nan, the Rev. William Pugliese, Mr. James Strong, and our chancellor, Mr. Kenneth Argentieri.

Bishop McConnell's presence was a particular gift to our community this summer. He visited us to commission the staff, and again to preach at a chapel service during Coed Camp.

A Capital Campaign is underway to provide for physical improvements – a dining hall large enough to accommodate our camp family, an improved sand beach and access to the lake, an amphitheater overlooking the water, a year-round office, housing to accommodate both summer staff and year-round meetings and retreats, and an endowment to continue camp scholarships and to enable good stewardship of the facilities we build. The results so far are encouraging. We are especially thankful for a significant gift from the Board of Trustees of the Diocese. Watch for more information about how you can help.

As a ministry of the Diocese, we invite everyone to look with us toward a future beyond our imagining. Visit us in person next summer – or on-line anytime at www.calvarycamp.org.

Respectfully submitted,
Tim Green
Executive Director

SHEPHERD WELLNESS COMMUNITY

Founded in 1987 by Fr. Lynn C. Edwards, Shepherd Wellness Community (SWC) is the only AIDS Community Center in Western Pennsylvania, offering support and assistance to people affected by HIV/AIDS. Our mission affirms that “Shepherd Wellness Community is a safe, supportive community empowering people affected by HIV/AIDS to live with dignity.” SWC is a supported ministry of the Episcopal Diocese of Pittsburgh.

In December we were pleased to welcome Bishop and Mrs. McConnell to our annual Holiday Dinner. Our staff and members were grateful for the opportunity to visit with our bishop and deepen our connection with the Diocese. It was meaningful for our members to know that the bishop took time from his busy schedule to be with us.

We want to thank the Diocese for providing Green Grants in 2013 and 2014 which enabled SWC to create a raised-bed herb and vegetable garden. This project provides an opportunity to teach our members how to use herbs to flavor meals and improve nutrition. Herbs from our garden are also used in our Wellness Dinners. We look forward to expanding the garden each year.

For the past nine months, SWC has been working with consultants on a strategic planning project to assess the changing healthcare environment, determine where we fit into the continuum of health care and human services, and identify new strategies of innovation and collaboration to meet client needs. We expect to complete the project this fall with revised mission and vision statements, updated core values and exciting strategic initiatives to guide us for the next five years.

Our 2013-2014 services:

- **Wellness Dinners** improve nutrition, reduce isolation and provide social support.
- **Peer Counseling** phone calls connect members with HIV/AIDS services and offer a lifeline of help, support and hope.
- **Support Groups** boost mental and physical health. Groups guide members through the challenges of living with HIV/AIDS and help participants to deal with anxiety, depression and other relevant issues.
- **Health Education Programs** offer health and wellness guidance and provide information about HIV/AIDS treatment, HIV medications and the latest medical advances.
- **Complementary Therapy Classes** teach members how to improve health and wellness and strengthen their immune systems.
- **Treatment Adherence and Risk Reduction Programs** advise members on how to effectively maintain their HIV medical regimen and ways to decrease the risk of HIV transmission and reinfection.
- **Spiritual Life Programs** presented in an interfaith format offer insight, encouragement, inspiration, direction and guidance.
- **Social and Recreational Outings** combat isolation and loneliness and provide supportive community.
- **Wellness Classes** improve quality of life by addressing the Six Dimensions of Wellness (social, occupational, spiritual, physical, intellectual and emotional).
- **Transportation Assistance**, in the form of bus tickets or mileage reimbursement, helps our members attend programs and access services.

The Board of Directors, staff and members of Shepherd Wellness Community express our gratitude to the Episcopal Diocese of Pittsburgh for many years of support.

Sincerely,
B. Scott Peterman
Executive Director

STRATEGIC PLANNING COMMITTEE

The Strategic Planning Committee is working with Bishop McConnell to strengthen and support the Diocese's parishes and ministries, as well as to explore new ministries and the formation of new parishes. Formed by Bishop McConnell in the fall of 2013 and comprising over thirty lay and clergy members, the Committee is both implementing and broadening the work of a task force that set a preliminary course for the Diocese during Bishop Price's service as provisional bishop of the Diocese. Informally referred to as "Task Force 2.0," the Strategic Planning Committee divided its work into four sub-groups:

- ❖ The Listening Committee (TLC) – Charged with gathering detailed information about each parish in the Diocese so that parishes can be better supported in their ministries. (Co-chaired by Lou Hays and John Hose)
- ❖ Leadership Formation Committee – Charged with finding ways to enhance the development of lay and clergy leadership in the Diocese. (Co-chaired by Cathy Brall and Bill Pugliese)
- ❖ Property Committee – Charged with supporting the Board of Trustees in matters relating to real estate and the maintenance of Diocesan properties. (Chaired by Mike Donadee)
- ❖ Missional Communities – Charged with recommending ways to encourage parishes and ministries to become more missional and focused upon a public gospel and with developing new approaches to ministry. (Chaired by Kris McInnes)

The sub-groups have been meeting regularly and making good progress on their appointed scopes of work. The chairs of each of the four sub-committees meet monthly with Bishop McConnell and the Task Force 2.0 co-chairs, Bob Johnston and Sue DeWalt, to track and coordinate the sub-committees' work.

Respectfully submitted,
Sue DeWalt and Bob Johnston
Co-chairs

TRINITY CATHEDRAL CHAPTER

Cathedral Chapter members were joined by a number of interested parishioners at the 2014 “Chapter Retreat.” Three themes emerged as our focus for the year.

- Increased involvement in the life of the city
- Improved communication
- Financial stewardship

Community: In addition to annual traditions (Blessings of the Marathoners, the Fleet and Animals; Ashes to Go; Light Up Night; concerts by various choral groups) the first annual Blessing of Educators, an ecumenical service led by Bishop McConnell and other religious and civic leaders was hosted by the Cathedral in September.

Our Outreach committee served an additional 173 families by our participation in the Walk-In Week ministry. They served five dinners at Shepherd’s Heart, and prepared breakfast egg casseroles.

A project has been launched to form a Boy Choir, composed of ages 8 to 14, from the community at large, which would train and be in residence at the Cathedral.

Diocese: The Cathedral hosted the Absalom Jones commemoration, and diocesan ordinations.

Parish: Following an extended period of neglect of the Cathedral’s aging infrastructure, Fr. Hushion, working closely with outside contractors, guided us in replacing an obsolete fire and security alarm system, a dysfunctional telephone system, and upgrading our HVAC equipment. This will be an ongoing effort in future years.

We continued to receive new members again in 2014.

Efforts to improve communication, both among the Cathedral family and with the larger world are underway.

To paraphrase Heraclitus, “The only thing constant in life is change.” In July, we bade farewell to Franktuary and its gourmet hot dogs. We welcomed Canon Scott Quinn as our Interim Dean.

Respectfully submitted,
Dorothy Amis
Executive Committee Chair

TRINITY SCHOOL FOR MINISTRY

The 2013-2014 academic year saw movement toward the exploration and piloting of a number of strategic partnerships between Trinity and specific churches and organizations. The three pilot programs currently underway are:

The Coalition for Christian Outreach – Trinity and the CCO have signed an agreement whereby CCO staff can take Trinity classes for credit through their regularly scheduled staff seminar times three times a year. The classes will be taught specifically for CCO staff by Trinity faculty. This will allow CCO staff to work toward a graduate degree while remaining on college campuses. The first offering provided two classes and combined included more than 65 students, about half whom were taking the class for Trinity credit.

The Ridley Institute, St. Andrew's, Mt. Pleasant, SC – Trinity and St. Andrew's will pilot a program beginning this fall whereby students may take a Trinity class both onsite in SC and online. This hybrid class will begin at St. Andrew's with a Trinity professor present and then the class will continue online. One of the goals is allow the students to remain at home, be able to gather as a cohort as possible, and still enjoy the benefits of a Trinity class.

St. Peter's, Tallahassee, FL – Trinity and St. Peter's will pilot an onsite January Term in Tallahassee this January whereby students will have the opportunity to take several, week-long intensive courses offered by a variety of local professors and also choice of two Trinity courses taught locally by Trinity professors.

Trinity is also exploring a number of other possible partnerships.

Plans for Trinity's residential January Term, 2015 include in Week 1 (January 5-9, 2015): Formation and Catechesis, taught by the Rev. Dr. Leander Harding; Advanced Homiletics with the Very Rev. Dr. Peter Moore; Ministry in Missiological Perspective, with Dr. Bill Taylor, Theology and Writing of Martin Luther (Lutheran Track) with Dr. James Nestingen; and The Reformation and Ministry with the Rev. Dr. Ashley Noll and the Rev. Rob Sturdy.

Week 2 (January 12-16, 2015) include Bible and Ministry and Mission, taught by the Rev. Dr. Rod Whitacre; Old Testament Writings, with Dr. Erika Moore; Sacred Space, with the Rev. Dr. Arnie Klukas; Lutheran Preaching (Lutheran Track), with the Rev. Dr. Amy Schiffrin; and the Modern Church (Lutheran track), with Dr. James Nestingen.

Respectfully submitted,
Archdeacon Mark Stevenson, Ph.D.
Academic Dean

Section G
Parochial &
Diocesan Statistics

DISTRICT CHART WITH ALLOCATION OF DEPUTIES FOR 2015

as determined by 2013 Parochial Report
(Any participating parish not submitting a parochial report receives two deputies)

Total Lay Deputies eligible to vote: 99

District 1

All Saints, Brighton Heights	2
St. Barnabas, Brackenridge	2
St. Brendan's, Franklin Park	3
St. Paul's, Kittanning	2
Christ Church, North Hills	8
Emmanuel, North Side	2
Trinity Cathedral, Pittsburgh	2
Total	21

District 3

St. Peter's, Brentwood	3
All Saints, Bridgeville	2
Atonement, Carnegie	2
St. Thomas, Canonsburg	2
Nativity, Crafton	3
St. Stephen's, McKeesport	2
St. Paul's, Mt. Lebanon	9
All Souls, North Versailles	2
St. David's, Peters Township	2
Total	27

District 2

Calvary, East Liberty	7
Good Shepherd, Hazelwood	2
St. Andrew's, Highland Park	4
St. Matthew's, Homestead	2
Holy Cross, Homewood	2
St. Thomas, Oakmont	4
St. James, Penn Hills	2
Redeemer, Squirrel Hill	2
St. Stephen's, Wilkinsburg	2
Total	27

District 4

St. Peter's, Blairsville	2
St. John's, Donora	2
Christ (TEC), Greensburg	2
Christ Church, Indiana	2
Advent, Jeanette	2
St. Michael's, Ligonier	2
St. Mark's, Johnstown	2
St. Paul's, Monongahela	2
St. Thomas, Northern Cambria	2
St. Bartholomew's, Scottdale	2
St. Francis, Somerset	2
St. Michael's, Wayne Twp.	2
Total	24

**PARISHES IN UNION WITH AND PARTICIPATING
IN THE EPISCOPAL DIOCESE OF PITTSBURGH**

as of October 1, 2014

BLAIRSVILLE

St. Peter's Episcopal Church

36 W. Campbell St., Blairsville, PA 15717

724-459-8804

The Rev. Arthur Dilg, Priest-in-Charge

BRACKENRIDGE

St. Barnabas Episcopal Church

989 Morgan St., Brackenridge, PA 15014

724-224-9280

The Rev. Frank Yesko, Deacon-in-Charge

BRENTWOOD

St. Peter's Episcopal Church

4048 Brownsville Rd., Pittsburgh, PA 15227

412-884-5225

The Rev. Canon Dr. W. Jay Geisler, Rector

BRIDGEVILLE

All Saints Episcopal Church

850 Boyce Rd., Bridgeville, PA 15017

412-551-5055

The Rev. Richard Pollard, Rector

The Rev. John Schaeffer

BRIGHTON HEIGHTS

All Saints Episcopal Church

3577 McClure Ave., Pittsburgh, PA 15212

412-766-8112

The Rev. John Schaeffer, Priest-in-Charge

CANONSBURG

St. Thomas Episcopal Church

139 N. Jefferson Ave., Canonsburg, PA 15317

724-745-2013

The Rev. Charles Weiss, Rector

CARNEGIE

Church of the Atonement

618 Washington Ave., Carnegie, PA 15106

412-279-1944

CRAFTON

Church of the Nativity

33 Alice St., Pittsburgh, PA 15205

412-921-4103

The Rev. Canon Scott T. Quinn, Rector

DONORA

St. John's Episcopal Church

998 Thompson Ave., Donora, PA 15033

724-379-8871

The Rev. Gwen Santiago, Priest-in-Charge

EAST LIBERTY

Calvary Episcopal Church

315 Shady Ave., Pittsburgh, PA 15206

412-661-0120

The Rev. Jonathon W. Jensen, Rector

The Rev. Leslie Reimer, Associate Rector

The Rev. T.J. Freeman, Curate

The Rev. Carol Henley, Assisting Priest

The Rev. John J. Fetterman, Theologian in
Residence

FRANKLIN PARK

St. Brendan's Episcopal Church

2365 McAleer Rd., Sewickley, PA 15143

412-364-5974

The Rev. D. Scott Russell, Rector

GREENSBURG

Christ Episcopal Church TEC

(Faithful Remnant, House Church)

132 Sherwood Dr., Greensburg, PA 15601

724-493-6545

The Rev. Vicente Santiago, Supply

The Rev. Gwen Santiago, Supply

HAZELWOOD

Good Shepherd Episcopal Church

P.O. Box 55054, Pittsburgh, PA 15207

100 Second Avenue, Pittsburgh, PA 15207

412-421-8497

The Rev. Huett M. Fleming, Jr., Rector

HIGHLAND PARK

St. Andrew's Episcopal Church

5801 Hampton St., Pittsburgh, PA 15206
412-661-1245

The Rev. Dr. Bruce Robison, Rector
The Rev. Dr. C. Don Keyes, Priest Associate
The Rev. William Marchl III, Priest Associate
The Rev. Philip Wainwright, Priest Associate
The Rev. Jean Chess, Deacon

HOMESTEAD

St. Matthew's Episcopal Church

336 East Tenth Ave., Homestead, PA 15120
412-461-5291

The Rev. Ray Ursin (ELCA), Regular Supply

HOMEWOOD

Church of the Holy Cross

7507 Kelly St., Pittsburgh, PA 15208
412-242-3209

The Rev. Dr. Moni McIntyre, Rector

INDIANA

Christ Episcopal Church

902 Philadelphia St., Indiana, PA 15701
724-465-6129

The Rev. William L. Geiger, Rector

JEANNETTE

Church of the Advent

51 S. First St., Jeannette, PA 15644
724-523-9390

The Rev. Vicente Santiago, Rector

JOHNSTOWN

St. Mark's Episcopal Church

335 Locust St., Johnstown, PA 15901
814-535-6797

The Rev. Martin L. Wright III, Regular Supply

KITTANNING

St. Paul's Episcopal Church

112 N. Water St., Kittanning, PA 16201
724-543-5402

The Rev. Dr. William Pugliese, Priest-in-Charge

LIGONIER

St. Michael's of the Valley Episcopal Church

P.O. Box 336, Ligonier, PA 15658
2535 Route 381, Rector, PA 15677

724-238-9411

The Rev. Dr. James B. Simons, Rector

MCKEESPORT

St. Stephen's Episcopal Church

220 Eighth Ave., McKeesport, PA 15132
412-664-9379

The Rev. David Else, Regular Supply

MONONGAHELA

St. Paul's Episcopal Church

130 W. Main St., Monongahela, PA 15063
724-258-7792

The Rev. Dr. Teresa G. Hunt, Priest-in-Charge

MT. LEBANON

St. Paul's Episcopal Church

1066 Washington Rd., Pittsburgh, PA 15228
412-531-7153

The Rev. Louis B. Hays, Rector

The Rev. Michelle Boomgaard, Associate Rector

The Rev. Kristian McInnes, Assisting Priest

NORTH HILLS

Christ Episcopal Church

5910 Babcock Blvd., Pittsburgh, PA 15237
412-364-2442

The Rev. Canon James D. Shoucair, Rector

The Rev. Charles Hamill, Assistant Rector

The Rev. Christine McIlvain, Deacon

The Very Rev. George Werner, Priest-in-Residence

NORTH SIDE

Emmanuel Episcopal Church

957 W. North Ave., Pittsburgh, PA 15233
412-231-0454

The Rev. Don C. Youse, Jr., M.D., Priest-in-Charge

NORTH VERSAILLES

All Souls Episcopal Church

215 Canterbury Ln., North Versailles, PA 15137
412-823-1440

The Rev. Linda T. Wilson, Deacon-in-Charge

NORTHERN CAMBRIA

St. Thomas Episcopal Church

P.O. Box 1125, Northern Cambria, PA 15714
1201 Chestnut Ave., Northern Cambria, PA 15714
814-290-9380
The Rev. Ann Staples, Deacon-in-Charge

OAKMONT

St. Thomas Memorial Episcopal Church

378 Delaware Ave., Oakmont, PA 15139
412-828-9680
The Rev. Jeffrey D. Murph, Rector
The Rev. Norman Koehler III, Priest Emeritus
The Rev. Gilbert Watt, Priest Associate

PENN HILLS

St. James Episcopal Church

11524 Frankstown Rd., Pittsburgh, PA 15235
412-242-2300
The Rev. Eric McIntosh, Priest-in-Charge

PETERS TOWNSHIP

St. David's Episcopal Church

905 East McMurray Rd., Venetia, PA 15367
724-941-4060
The Rev. Kristian McInnes, Priest-in-Charge

PITTSBURGH

Trinity Cathedral

328 Sixth Ave., Pittsburgh, PA 15222
412-232-6404
The Rev. Canon Scott T. Quinn, Interim Dean
The Rev. Timothy Hushion, Vicar

SCOTTDALE

St. Bartholomew's Episcopal Church

149 Walnut Ave., Scottdale, PA 15683
724-887-5110
The Rev. Charles P. Martin, Priest-in-Charge

SOMERSET

St. Francis-in-the-Fields

2081 Husband Rd., Somerset, PA 15501
814-445-7149
The Rev. Lennel Anderson III, Rector

SQUIRREL HILL

Church of the Redeemer

5700 Forbes Ave., Pittsburgh, PA 15217
412-422-7100
The Rev. Michael B. Foley, Rector

WAYNE TOWNSHIP (RURAL VALLEY)

St. Michael's Episcopal Church

P.O. Box 218, Rural Valley, PA 16249
274 St. Michael's Rd., Wayne Twp., PA 16222
The Rev. Arthur C. Dilg, Regular Supply

WILKINSBURG

St. Stephen's Episcopal Church

600 Pitt St., Pittsburgh, PA 15221
412-243-6100
The Rev. Nancy Chalfant-Walker, Rector

CLERGY OF THE DIOCESE

In the order of date of Canonical Residence

As of October 1, 2014

BISHOPS

2012 The Right Reverend Dorsey W. M. McConnell, D.D.

PRIESTS

The Reverend

1949 Gilbert Merwin Watt, St. Thomas, Oakmont
1955 Richard Wood Davies, Old St. Luke's, Woodville
1955 Charles Percy Martin, St. Bartholomew's, Scottsdale
1962 David Cameron Casto, Bonita Springs, FL
1962 Arthur Charles Dilg, St. Peter's, Blairsville
1963 Roger Craig (Jude) Bell, OSB, St. Gregory's Abbey, Three Rivers, MI
1965 John David Else, Center for Spirituality in 12-Step Recovery, Pittsburgh
1966 Lynn Chester Edwards, Pittsburgh, PA
1974 Robert Lee Kooser, Connellsville, PA
1977 Jared Judd Jackson, Th.D., Gibsonia, PA
1977 Leslie Graf Reimer, Calvary, East Liberty
1978 Christopher Haskins Barker, Ph.D., Gibsonia, PA
1979 George Louis Werner, D.D., Sewickley, PA
1981 Patricia King Carnahan, D.Min., Murrysville, PA
1982 Scott Thomas Quinn, Nativity, Crafton/Trinity Cathedral, Pittsburgh
1982 Christine Elizabeth Visminas, Christian Education Consultant/Teacher, Framingham, MA
1984 John Hayes Park, Ambridge, PA
1984 Diane Elise Shepard, Pittsburgh, PA
1985 James Burdette Simons, D.Min., St. Michael's of the Valley, Ligonier
1986 Charles Michael Starr, D.Min., Chaplain, Bakerstown, PA
1987 Elizabeth Mary Weatherwax, Pittsburgh, PA
1989 John Anthony Golden, Jr., Lawrenceville, NJ
1993 William Warner Haslett III, Johnstown, PA
1994 Jeffrey David Murph, St. Thomas, Oakmont/Hospital Chaplain
1994 Bruce Monroe Robison, D.Min., St. Andrew's, Highland Park
1995 Cynthia Bronson-Sweigert, Minneapolis, MN
1995 Don C. Youse, Jr., M.D., Emmanuel, North Side
1996 Catherine Mary Brall, D.Min., Canon Missioner, Diocese of Pittsburgh
1996 Harold Thomas Lewis, Ph.D., Pittsburgh, PA
1997 William J. Geisler, D.Min., St. Peter's, Brentwood/Canon for Formation, Diocese of Pittsburgh
1998 Carol Eileen Henley, Calvary, East Liberty
1998 James Douglas Shoucair, Christ Church, North Hills
1999 Mabel Matheny Fanguy, Monroeville, PA
1999 William Linwood Geiger, Christ Church, Indiana
1999 Stephen Mark Smalley, D.Min., Cranberry Township, PA
1999 Philip Wainwright, Ph.D., St. Andrew's, Highland Park/Campus Chaplain
2000 Judith Marie Gentle, Ph.D., Fatima, Portugal
2000 Moni McIntyre, Ph.D., Holy Cross, Homewood
2001 Daniel Emerson Hall, M.D., Surgeon/First English Evangelical Lutheran, Pittsburgh, PA
2001 Agustin Teodoro Zubieta, Fairfax, VA

2002 Norman E. Koehler III, Ph.D., Pittsburgh, PA
 2002 Richard Peter Pocalyko, Sandy Springs, GA
 2002 Martin Luther Wright III, St. Mark's, Johnstown/Chaplain
 2003 Nancy O. Chalfant-Walker, St. Stephen's, Wilkesburg
 2004 Marc Ray Jacobson, SIL, Inc., Philippines
 2004 Richard Allen Pollard, All Saints, Bridgeville
 2004 Vicente C. Santiago, Advent, Jeannette
 2005 Richard Lyon Stinson, D.Min., Front Royal, VA
 2006 Paul Martin Johnston, Pittsburgh, PA
 2007 Louis Bradshaw Hays, St. Paul's, Mt. Lebanon
 2007 Charles Sumner Weiss, St. Thomas, Canonsburg
 2008 Kristian Kinol Opat McInnes, St. David's, Peters Township
 2010 Todd Hamilton Brewer, St. Peter's, Morristown, NJ
 2010 Lloyd Phillip Whistler Hays, Ambridge, PA
 2011 Lennel V. Anderson III, St. Francis, Somerset
 2011 John J. Fetterman, Calvary, East Liberty
 2011 Kamila Blessing, Ph.D., Wilmington, NC
 2011 Kathryn Newman LaLonde, Pittsburgh, PA
 2011 Michelle C. Boomgaard, Ph.D., St. Paul's, Mt. Lebanon
 2012 Timothy Valentine Hushion, Jr., Trinity Cathedral, Pittsburgh
 2012 Teresa Gioia Hunt, Ph.D., St. Paul's, Monongahela
 2012 Charles Brent Wagner Hamill, Christ Church, North Hills
 2012 Terence Lee Johnston, Grace, St. Francisville, LA
 2012 Gwendollynn Gettemy Santiago, St. John's, Donora
 2012 John Robert Schaeffer, All Saints, Brighton Heights
 2012 William Charles Miller, Ph.D., Consultant, Olathe, KS
 2013 Huett Maxwell Fleming, Good Shepherd, Hazelwood
 2013 Daniel Scott Russell, St. Brendan's, Franklin Park
 2013 Keith A. Pozzuto, Christ Church, Tyler, TX
 2014 Benjamin Robert DeHart, Calvary-St. George's, New York, NY
 2014 Eric McIntosh, St. James, Penn Hills
 2014 Jonathon W. Jensen, Calvary, East Liberty
 2014 Andrew M. Ray, Aubrey, TX
 2014 Thomas M. Prichard, Sudan Sunrise, Reston, VA
 2014 Austin Avery Hurd, Jr., Cabot, PA
 2014 Michael Brian Foley, Redeemer, Squirrel Hill
 2014 Jean M. DeVaty, Beaver PA
 2014 William Lewis Ogburn, St. Paul's, North Kingstown, RI

DEACONS

The Reverend

1984 Ann McDonald Staples, St. Thomas, Northern Cambria
 1985 Randy J. Younkin, Warren, OH
 1998 Jean Christine McIlvain, Christ Church, North Hills
 2000 Jean Dawson Chess, St. Andrew's, Highland Park/Dir. of Administration, Diocese of Pittsburgh
 2003 Sandra Lawrence Ritchie, Huntertown, IN
 2009 Linda Tardy Wilson, All Souls, North Versailles
 2012 Howard Dennis Gillette, St. Peter's, Brentwood
 2013 Francis Michael Yesko, Ph.D., St. Barnabas, Brackenridge
 2014 Jonathan Andrew Linebaugh, Knox Theological Seminary, Ft. Lauderdale, FL
 2014 Herbert Thaddeus Daly, Jr., Ambridge, PA

RELEASE AND REMOVAL

March 10, 2014 Peter H. Davids

REMOVAL AND DEPOSITION

December 19, 2013 Stacy Kenney

RESTORATION AND RESCISSION OF RELEASE

October 24, 2013 Huett Maxwell Fleming, Jr.
December 19, 2013 Keith A. Pozzuto
January 13, 2014 Andrew M. Ray
May 12, 2014 Jonathan Andrew Linebaugh

LETTERS DIMISSORY ACCEPTED

December 11, 2013 Daniel Scott Russell – Diocese of Southwestern Virginia
February 24, 2014 Jonathon W. Jensen – Diocese of Arkansas
March 17, 2014 Thomas Morgan Prichard – Diocese of Columbia
March 24, 2014 Austin Avery Hurd, Jr. – Diocese of Central Florida
April 16, 2014 Michael Brian Foley – Diocese of Los Angeles
May 12, 2014 Jean M. DeVaty – The Episcopal Church in South Carolina

LETTERS DIMISSORY ISSUED

December 5, 2013 Todd Thomas Schmidtetter – Diocese of Central Florida
March 6, 2014 Ruth E. Correll – Diocese of Virginia

ORDINATIONS

Order of Deacon

June 21, 2014 Herbert Thaddeus Daly, Jr., Trinity Cathedral, Pittsburgh, PA

Order of Priest

January 11, 2014 Benjamin Robert DeHart, Trinity Cathedral, Pittsburgh, PA
January 11, 2014 Eric McIntosh, Trinity Cathedral, Pittsburgh, PA
June 21, 2014 William Lewis Ogburn, Church of Redeemer, Pittsburgh, PA

DEATHS

February 6, 2014 David Leon Kinsey, St. Stephen's, McKeesport, PA

CLERGY LICENSED TO SERVE IN THE DIOCESE

The Reverend

Susan Davies Buell
Charles Don Keyes
Will M. Lawbaugh
William Henry Marchl III
Marjorie McDonall McCarty
Steven McKeown
William Joseph Pugliese
Walter Syzmanski
Rebecca Denise Toalster
Rodgers Taylor Wood
Benjamin Rush Wright

2013 PAROCHIAL STATISTICS -- MEMBERSHIP & ATTENDANCE

Parish	City	Members Last Year	Increases	Decreases	Members This Year	Communicants	Communicants Under 16	Others In Congregation	Sunday Attendance	Easter Attendance
St Peters	Blairsville	23	1	0	24	16	0	3	10	23
St. Barnabas	Brackenridge	129	2	51	80	48	2	10	23	47
St Peters	Brentwood	369	15	4	380	360	34	10	92	121
All Saints	Bridgeville	66	4	11	59	59	0	0	22	36
All Saints	Brighton Heights	65	26	0	91	91	10	30	31	45
St Thomas	Canonsburg	110	12	6	116	67	14	5	44	99
Atonement	Carnegie	23	8	4	27	27	5	0	23	30
Nativity	Crafton	263	24	24	263	263	63	0	70	133
St Johns	Donora	23	7	1	29	29	3	1	13	10
Calvary	East Liberty	1639	62	171	1530	1031	101	158	342	1142
Christ	Greensburg	34	4	4	34	30	3	0	3	0
Good Shepherd	Hazelwood	32	1	8	25	0	4	3	18	0
St Andrews	Highland Park	460	17	12	465	420	65	5	128	333
St Matthews	Homestead	68	2	7	63	63	2	2	16	53
Holy Cross	Homewood	131	2	14	119	99	16	14	93	142
Christ Church	Indiana	118	6	10	114	114	11	9	39	97
Advent	Jeannette	58	0	22	36	36	3	0	17	33
St Marks	Johnstown	151	2	8	145	108	8	3	45	95
St Pauls	Kittanning	102	9	2	109	71	2	0	33	55
St Michaels	Ligonier	247	7	9	245	188	4	104	105	211
St Stephens	McKeesport	238	3	163	78	78	5	0	55	97
St Pauls	Monongahela	38	4	0	42	42	1	0	27	31
St Pauls	Mt. Lebanon	1484	73	114	1443	1404	165	33	275	739
Christ	North Hills	1377	68	20	1425	1242	159	3	289	520
All Souls	North Versailles	23	4	1	26	26	7	1	25	29
St Thomas	N. Cambria	23	1	4	20	20	8	1	13	12
St Thomas	Oakmont	672	20	6	686	434	67	40	129	255
St James	Penn Hills	18	0	0	18	6	0	0	6	7
Emmanuel	Pittsburgh	204	2	2	204	180	22	20	47	54
Trinity	Pittsburgh	151	4	1	154	92	6	40	56	177
St Michaels	Rural Valley	11			11				10	
St Bartholemew	Scottdale	35	0	7	28	28	0	0	10	17
St Brendans	Sewickley	262	38	49	251	228	63	1	95	185
St Francis	Somerset	56	4	1	59	59	3	3	33	57
Redeemer	Squirrel Hill	229	10	8	231	125	15	5	66	153
St Davids	Venetia	78	70	14	134	114	28	17	55	89
St Stephens	Wilksburg	130	2	4	128	78	9	10	53	79
Totals		9140	514	762	8892	7276	908	531	2411	5206

2013 PAROCHIAL STATISTICS -- MEMBERSHIP & ATTENDANCE

Parish	City	Sat Sun Eucharists	Weekday Eucharists	Private Eucharists	Sunday Offices	Weekday Offices	Marriages	Burials	Baptisms 16 Up	Baptisms Under 16	Confirmations 16 Up	16	Received Church School Students	Adult Education	
St Peters	Blairsville	23	4	13	29	0	3	0	0	1	1	0	0	2	0
St. Barnabas	Brackenridge	95	4	1	8	0	0	2	0	1	0	0	0	2	1
St Peters	Brentwood	104	52	0	0	0	4	4	0	4	0	1	0	52	1
All Saints	Bridgeville	52	5	4	0	0	2	2	0	2	0	0	0	0	1
All Saints	Brighton Heights	52	3	0	0	52	1	0	0	4	0	0	3	8	1
St Thomas	Canonsburg	52	12	25	0	1	0	4	0	1	0	0	1	10	1
Atonement	Carnegie	59	5	0	0	0	0	1	0	2	0	0	0	0	0
Nativity	Crafton	103	6	0	1	0	1	3	1	3	3	8	0	30	1
St Johns	Donora	52	3	17	0	0	0	1	0	0	0	0	0	0	0
Calvary	East Liberty	156	155	6	4	223	5	5	0	16	4	1	2	70	1
Christ	Greensburg	52	0	5	0	480	0	0	0	2	0	0	0	0	0
Good Shepherd	Hazelwood	9	2	1	1	1	0	0	0	0	0	0	0	4	1
St Andrews	Highland Park	83	44	0	18	10	2	3	1	15	3	0	1	49	1
St Matthews	Homestead	53	5	2	0	0	3	4	0	2	0	0	0	0	0
Holy Cross	Homewood	98	18	2	2	0	1	17	1	1	1	0	0	15	1
Christ Church	Indiana	96	51	15	6	0	0	4	0	2	0	2	0	8	1
Advent	Jeannette	48	4	55	4	1	0	3	1	2	0	0	0	0	1
St Marks	Johnstown	97	4	0	0	0	1	6	0	2	1	2	3	8	1
St Pauls	Kittanning	45	0	0	7	0	5	2	1	8	0	0	0	0	0
St Michaels	Ligonier	102	21	13	3	15	5	4	0	1	4	2	1	28	1
St Stephens	McKeesport	104	6	27	0	0	3	8	1	2	0	0	0	4	1
St Pauls	Monongahela	27	4	15	0	0	1	0	0	0	1	1	1	0	1
St Pauls	Mt. Lebanon	206	69	78	0	0	3	11	0	13	6	10	4	202	1
Christ	North Hills	103	62	74	0	0	5	8	2	17	4	14	0	84	1
All Souls	North Versailles	4	3	0	49	0	0	0	0	0	0	0	0	5	1
St Thomas	N. Cambria	2	4	11	3	0	1	2	0	1	0	0	2	8	0
St Thomas	Oakmont	106	45	49	2	60	2	6	0	1	1	8	0	20	1
St James	Penn Hills	27	0	0	0	0	0	0	0	0	0	0	0	0	0
Emmanuel	Pittsburgh	104	2	1	8	1	0	3	0	1	0	0	0	4	1
Trinity	Pittsburgh	104	358	35	0	207	8	2	1	0	2	0	1	0	1
St Michaels	Rural Valley		9												
St Bartholemew	Scottdale	52	1	41	0	0	0	2	0	5	0	2	0	0	0
St Brendans	Sewickley	104	63	33	0	3	1	0	0	9	4	0	1	31	1
St Francis	Somerset	50	7	0	39	37	0	0	1	0	2	0	1	12	1
Redeemer	Squirrel Hill	110	26	20	0	26	2	4	0	0	2	0	2	12	1
St Davids	Venetia	52	4	4	0	0	1	2	0	6	1	1	1	45	1
St Stephens	Wilkinsburg	100	7	0	2	53	2	3	1	0	0	0	0	12	1
Totals		2686	1068	547	186	1170	62	116	11	124	40	52	24	725	27

2013 PAROCHIAL STATISTICS -- INCOME

Parish	City	Pledge Cards	Amount Pledged	Plate Pledge	From Investments	Other Income	Bequests	Operating Income	Assistance From Diocese	Operating Revenues
St Peters	Blairsville	8	14,000	15,417	0	4,606	0	20,023	0	20,023
St. Barnabas	Brackenridge	10	8,500	29,402	2,444	3,930	0	35,776	19,943	55,719
St Peters	Brentwood	37	72,052	136,295	28,859	10,071	0	175,225	4,054	179,279
All Saints	Bridgeville	20	33,410	46,757	0	0	0	46,757	0	46,757
All Saints	Brighton Heights	20	12,000	22,852	13,100	14,848	0	50,800	205	51,005
St Thomas	Canonsburg	19	55,000	54,549	49,852	2,221	0	106,622	0	106,622
Atonement	Carnegie	0	0	25,256	0	299	0	25,555	0	25,555
Nativity	Crafton	0	67,595	72,989	34,500	16,936	0	124,425	35,500	159,925
St Johns	Donora	0	0	12,872	0	0	0	12,872	0	12,872
Calvary	East Liberty	341	984,048	1,094,494	251,785	23,714	0	1,369,993	0	1,369,993
Christ	Greensburg	0	0	5	0	0	0	5	0	5
Good Shepherd	Hazelwood	5	700	3,652	2,925	200	0	6,777	0	6,777
St Andrews	Highland Park	119	265,685	298,635	90,787	14,175	0	403,597	0	403,597
St Matthews	Homestead	19	19,500	24,257	609	1,046	0	25,912	0	25,912
Holy Cross	Homewood	0	0	107,549	0	14,031	0	121,580	0	121,580
Christ Church	Indiana	15	51,630	132,482	15,859	4,900	0	153,241	0	153,241
Advent	Jeannette	0	0	16,334	4,743	0	0	21,077	0	21,077
St Marks	Johnstown	32	68,194	89,903	30,000	0	0	119,903	0	119,903
St Pauls	Kittanning	0	0	78,640	58,870	19,067	5,000	161,577	0	161,577
St Michaels	Ligonier	108	280,165	390,543	116	58,017	0	448,676	0	448,676
St Stephens	McKeesport	36	46,465	73,456	19,846	0	0	93,302	0	93,302
St Pauls	Monongahela	13	16,480	26,228	0	2,000	0	28,228	1,417	29,645
St Pauls	Mt. Lebanon	232	586,393	709,964	5,542	58,970	0	774,476	26,165	800,641
Christ	North Hills	149	348,000	368,583	33,482	19,776	0	421,841	0	421,841
All Souls	North Versailles	12	20,900	24,183	0	2,690	1,000	27,873	0	27,873
St Thomas	N. Cambria	0	0	3,902	365	1,442	0	5,709	26,280	31,989
St Thomas	Oakmont	71	170,171	217,861	34,919	35,989	0	288,769	0	288,769
St James	Penn Hills	0	3,000	3,647	729	31,031	0	35,407	84,131	119,538
Emmanuel	Pittsburgh	37	40,000	48,766	3,762	6,042	0	58,570	22,000	80,570
Trinity	Pittsburgh	50	100,239	130,288	287,804	38,242	51,913	508,247	2,529	510,776
St Michaels	Rural Valley			1,177	669			1,847		1,847
St Bartholemew	Scottdale	0	0	8,437	7,000	0	0	15,437	0	15,437
St Brendans	Sewickley	56	110,393	121,518	64	40,613	0	162,195	0	162,195
St Francis	Somerset	0	0	48,119	31,006	7,825	1,254	88,204	0	88,204
Redeemer	Squirrel Hill	45	134,000	152,092	0	89,666	3,164	244,922	0	244,922
St Davids	Venetia	21	26,428	44,769	0	16,035	0	60,804	21,518	82,322
St Stephens	Wilkinsburg	40	147,474	188,270	7,931	15,385	0	211,586	0	211,586
Totals		1515	3,682,422	4,824,143	1,017,568	553,767	62,331	6,457,810	243,742	6,701,552

2013 PAROCHIAL STATISTICS -- OTHER REVENUE

Name	City	Capital Funds	Additions To Endowment	Outreach Mission Revenue	Transmittal Revenue	Non Operating Revenues	Total Revenues
St Peters	Blairsville	6,000	0	0	0	6,000	26,023
St. Barnabas	Brackenridge	3,850	0	0	0	3,850	59,569
St Peters	Brentwood	6,890	2,170	719	5,324	15,103	194,382
All Saints	Bridgeville	0	0	0	0	0	46,757
All Saints	Brighton Heights	0	0	468	0	468	51,473
St Thomas	Canonsburg	170	0	2,697	834	3,701	110,323
Atonement	Carnegie	19,153	0	225	0	19,378	44,933
Nativity	Crafton	0	0	0	0	0	159,925
St Johns	Donora	0	0	0	0	0	12,872
Calvary	East Liberty	36,352	46,990	168,500	8,365	260,207	1,630,200
Christ	Greensburg	0	0	0	0	0	5
Good Shepherd	Hazelwood	0	0	0	0	0	6,777
St Andrews	Highland Park	256,440	0	1,790	11,356	269,586	673,183
St Matthews	Homestead	0	0	0	3,079	3,079	28,991
Holy Cross	Homewood	19,895	0	0	0	19,895	141,475
Christ Church	Indiana	0	0	0	732	732	153,973
Advent	Jeannette	2,000	0	0	0	2,000	23,077
St Marks	Johnstown	0	10,357	0	4,953	15,310	135,213
St Pauls	Kittanning	17,602	0	0	0	17,602	179,179
St Michaels	Ligonier	0	0	56,570	0	56,570	505,246
St Stephens	McKeesport	0	0	929	65	994	94,296
St Pauls	Monongahela	1,182	5,981	0	0	7,163	36,808
St Pauls	Mt. Lebanon	155,768	0	10,900	46,844	213,512	1,014,153
Christ	North Hills	4,981	45,205	9,945	1,722	61,853	483,694
All Souls	North Versailles	0	0	0	414	414	28,287
St Thomas	N. Cambria	4,000	0	0	0	4,000	35,989
St Thomas	Oakmont	85,985	5,000	0	0	90,985	379,754
St James	Penn Hills	0	0	0	0	0	119,538
Emmanuel	Pittsburgh	0	0	0	0	0	80,570
Trinity	Pittsburgh	5,000	0	6,432	9,227	20,659	531,435
St Michaels	Rural Valley					0	1,847
St Bartholemew	Scottdale	0	1,958	0	0	1,958	17,395
St Brendans	Sewickley	7,275	0	0	0	7,275	169,470
St Francis	Somerset	5,720	0	0	0	5,720	93,924
Redeemer	Squirrel Hill	0	0	0	943	943	245,865
St Davids	Venetia	0	0	0	0	0	82,322
St Stephens	Wilkinsburg	62,240	38,107	750	252	101,349	312,935
Totals		700,503	155,768	259,925	94,110	1,210,306	7,911,858

2013 PAROCHIAL STATISTICS -- EXPENSES

Parish	City	To Diocese	Outreach	Other Expenses	Operating Expenses	Improvements	Mission Outreach Expense	Seminary Contribution Expense
St Peters	Blairsville	936	1,362	16,623	18,921	9,800	600	0
St. Barnabas	Brackenridge	1,548	545	50,754	52,847	4,368	0	0
St Peters	Brentwood	13,548	4,568	160,724	178,840	690	3,645	0
All Saints	Bridgeville	2,628	200	47,545	50,373	0	0	0
All Saints	Brighton Heights	2,041	755	34,947	37,743	7,495	0	0
St Thomas	Canonsburg	10,056	1,688	98,038	109,782	0	0	0
Atonement	Carnegie	0	296	27,217	27,513	22,090	225	535
Nativity	Crafton	12,360	0	147,683	160,043	0	0	0
St Johns	Donora	0	0	11,500	11,500	0	250	0
Calvary	East Liberty	157,572	0	1,214,949	1,372,521	38,328	206,259	0
Christ	Greensburg	33	0	150	183	0	0	0
Good Shepherd	Hazelwood	0	0	16,200	16,200	0	0	0
St Andrews	Highland Park	38,028	15,004	379,570	432,602	591,129	64	500
St Matthews	Homestead	2,796	1,111	25,863	29,770	0	0	0
Holy Cross	Homewood	14,220	1,794	112,004	128,018	52,457	0	0
Christ Church	Indiana	15,468	1,720	135,639	152,827	0	0	0
Advent	Jeannette	848	0	27,517	28,365	3,500	0	0
St Marks	Johnstown	12,648	400	106,655	119,703	0	3,616	0
St Pauls	Kittanning	10,157	4,086	154,919	169,162	7,987	0	0
St Michaels	Ligonier	44,079	43,690	396,894	484,663	0	0	0
St Stephens	McKeesport	6,212	0	122,180	128,392	0	0	0
St Pauls	Monongahela	0	0	34,464	34,464	1,417	0	0
St Pauls	Mt. Lebanon	66,360	2,000	705,920	774,280	227,741	7,722	0
Christ	North Hills	43,154	6,000	354,068	403,222	17,752	11,566	0
All Souls	North Versailles	1,464	800	23,167	25,431	0	0	0
St Thomas	N. Cambria	218	0	32,165	32,383	3,415	0	0
St Thomas	Oakmont	25,728	18,432	0	44,160	230,009	0	0
St James	Penn Hills	180	0	119,399	119,579	0	0	0
Emmanuel	Pittsburgh	5,040	3,475	69,933	78,448	0	0	0
Trinity	Pittsburgh	23,397	6,000	425,482	454,879	15,837	6,580	0
St Michaels	Rural Valley	50		4,360	4,410			
St Bartholemew	Scottdale	2,149	0	17,489	19,638	0	0	0
St Brendans	Sewickley	16,692	12,716	143,023	172,431	7,275	0	0
St Francis	Somerset	5,819	1,825	80,365	88,009	5,720	0	0
Redeemer	Squirrel Hill	20,400	1,718	155,259	177,377	0	0	0
St Davids	Venetia	0	0	72,197	72,197	0	0	0
St Stephens	Wilkinsburg	21,084	11,970	187,343	220,397	131,816	1,500	0
Totals		576,913	142,155	5,712,205	6,431,273	1,378,826	242,027	1,035

2013 PAROCHIAL STATISTICS -- OTHER EXPENSES AND ASSETS

Parish	City	Transmittal Expense	Non Operating Expenses	Total Expenses	Total Cash	Total Investment
St Peters	Blairsville	0	10,400	29,321	9,259	0
St. Barnabas	Brackenridge	0	4,368	57,215	28,617	69,702
St Peters	Brentwood	6,503	10,838	189,678	76,377	451,537
All Saints	Bridgeville	0	0	50,373	1,864	0
All Saints	Brighton Heights	0	7,495	45,238	43,295	298,491
St Thomas	Canonsburg	834	834	110,616	13,172	236,861
Atonement	Carnegie	0	22,850	50,363	13,673	0
Nativity	Crafton	0	0	160,043	74,907	852,098
St Johns	Donora	150	400	11,900	13,000	0
Calvary	East Liberty	7,760	252,347	1,624,868	148,159	5,637,659
Christ	Greensburg	0	0	183	33	0
Good Shepherd	Hazelwood	0	0	16,200	765	0
St Andrews	Highland Park	10,037	601,730	1,034,332	420,471	1,691,254
St Matthews	Homestead	3,079	3,079	32,849	51,042	17,983
Holy Cross	Homewood	0	52,457	180,475	18,706	0
Christ Church	Indiana	732	732	153,559	75,360	553,407
Advent	Jeannette	0	3,500	31,865	8,286	149,939
St Marks	Johnstown	1,357	4,973	124,676	11,614	667,573
St Pauls	Kittanning	0	7,987	177,149	104,423	1,420,262
St Michaels	Ligonier	0	0	484,663	281,597	2,262,019
St Stephens	McKeesport	0	0	128,392	36,180	264,155
St Pauls	Monongahela	0	1,417	35,881	14,181	0
St Pauls	Mt. Lebanon	47,861	283,324	1,057,604	361,934	58,578
Christ	North Hills	4,491	33,809	437,031	269,442	80,750
All Souls	North Versailles	624	624	26,055	32,351	7,100
St Thomas	N. Cambria	0	3,415	35,798	2,441	23,606
St Thomas	Oakmont	0	230,009	274,169	51,733	779,015
St James	Penn Hills	0	0	119,579	5,504	14,432
Emmanuel	Pittsburgh	0	0	78,448	47,057	96,322
Trinity	Pittsburgh	9,227	31,644	486,523	124,145	5,151,751
St Michaels	Rural Valley		0	4,410	5,007	241,589
St Bartholemew	Scottdale	200	200	19,838	1,587	118,292
St Brendans	Sewickley	0	7,275	179,706	104,133	21,020
St Francis	Somerset	0	5,720	93,729	30,727	225,028
Redeemer	Squirrel Hill	943	943	178,320	348,880	0
St Davids	Venetia	0	0	72,197	23,085	0
St Stephens	Wilkinsburg	252	133,568	353,965	35,051	211,108
Totals		94,050	1,715,938	8,147,211	2,888,058	21,601,531

PARISHES NOT SUBMITTING A 2013 TEC PAROCHIAL REPORT

The Savior	Ambridge
Trinity	Beaver
Seeds of Hope	Bloomfield
Advent	Brookline
Christ Church	Brownsville
St. Peter's	Butler
St. Mary's	Charleroi
Transfiguration	Clairton
Charis247	Coraopolis
St. Christopher's	Cranberry
Fox Chapel Episcopal	Fox Chapel
St. Luke's	Georgetown
St. Thomas in the Fields	Gibsonia
Our Saviour	Glenshaw
Christ Church	Greensburg
Prince of Peace	Hopewell
Holy Innocents	Leechburg
Good Samaritan	Liberty Boro
St. Martin's	Monroeville
Grace	Mt. Washington/ Edgeworth
St. Alban's	Murrysville
Christ Church	New Brighton
St. Andrew's	New Kensington
Ascension	Oakland
Sts. Thomas and Luke	Patton
St. Mary's	Red Bank
All Saints	Rosedale
St. Stephen's	Sewickley
Grace	Slippery Rock
St. Peter's	Uniontown
Trinity	Washington
St. George's	Waynesburg

Appendix

2015 Compensation Guide for Clergy and Lay Employees

Episcopal Diocese of Pittsburgh



**Approved by Diocesan Council
October 6, 2014**

Episcopal Diocese of Pittsburgh

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TABLE OF CONTENTS

Introduction	<i>Page 3</i>
Definitions and Policies	<i>Pages 4-10</i>
<ul style="list-style-type: none">• Total Compensation, Clergy• Housing Allowance• Self-Employment Tax Allowance• Equity Allowance• Compensation, Lay Employee• Other Allowances (Travel, Relocation, Continuing Education)• Sabbatical Leave• Advocacy in Negotiation• Letters of Agreement• Definitions of Additional Terms	
Clergy and Congregations: Situations of Ministry and Deployment	<i>Pages 11-13</i>
<ul style="list-style-type: none">• “Types” of Congregational Ministry Settings• Categories of Clergy Deployment (Settled Full Time, Settled Part Time, Assistants, Supply)	
Appendix A: Register of Congregational Ministry Settings by Type	<i>Page 14</i>
Appendix B: Clergy Compensation	<i>Pages 15-17</i>
Appendix C: Pension Benefits, Clergy and Lay Employees	<i>Page 18</i>
Appendix D: Denominational Health Plan Benefits, Clergy and Lay Employees	<i>Pages 19-20</i>
Appendix E: Resource: Clergy Housing Allowance Designation Language	<i>Page 21</i>
Appendix F: Resource: Clergy Housing Allowance Documentation	<i>Page 22</i>
Appendix G: Resource: Mileage and Transportation Expense Documentation	<i>Page 23</i>

INTRODUCTION

The purpose of this Compensation Guide is to provide – for the **Bishop’s Wellness Committee, the diocesan Personnel Committee, Parish Vestries, and Institutional Boards** – standards for the proper compensation, including cash salary, allowances, and benefits, of clergy and lay employees in the Episcopal Diocese of Pittsburgh.

The Guide is applicable to the diocese, to all congregations in the diocese, and to any other institution under the authority of the Constitution and Canons of the Episcopal Diocese of Pittsburgh.

The terms of compensation of the **Bishop** are to be reviewed annually and recommended to the Diocesan Council for the Budget of the Diocese by a **Bishop’s Wellness Committee**. The Committee is to be comprised of the President of the Standing Committee, President of the Board of Trustees, and the President of Diocesan Council. The Committee is to meet with the Bishop semi-annually to review compensation and wellness issues with the Bishop.

The terms of compensation of **other clergy and of lay employees serving in the Diocesan Office** are recommended to the **Diocesan Council** by the Bishop for inclusion in the annual diocesan budget. This recommendation takes place in the context of consultation with a **Diocesan Personnel Committee** appointed by the Bishop and in conformity with minimum guidelines for clergy and for lay employees established in the annual Compensation Guide.

For parishes, other congregations, and other institutions under diocesan authority it is the responsibility of each **Vestry, Board, or similar governing body** to use these minimum and recommended Compensation Guidelines, approved by Diocesan Council and authorized by the Annual Convention of the Diocese, in determining the compensation levels for **clergy and for lay employees** for whom that body may be responsible.

Both clergy and vestries or similar bodies have access to the Bishop’s Office and to the Compensation Committee of Diocesan Council to seek clarification of elements of the guide or to seek resolution of conflicts that may arise in applying the guide to particular situations.

Respectfully Submitted,

The Compensation Committee of Diocesan Council:

Mr. Stuart Fox
The Rev. William Geiger
Mr. James Neral
The Rev. Leslie Reimer
The Rev. Dr. Bruce Robison (Chair)

Ex officio: The Ven. Jean Chess; The Rev. Lou Hays; The Rt. Rev. Dorsey McConnell; and
Ms. Kathi Workman

CLERGY AND LAY EMPLOYEE COMPENSATION: DEFINITIONS AND POLICIES

TOTAL COMPENSATION, CLERGY

Clergy Compensation is appropriately guided by the resources available in the ministry situation in which the ministry is offered and by the level of responsibility and commensurate skill and experience required.

Clergy Compensation Letters of Agreement and subsequent specification of clergy compensation will specify and limit the figure of **Total Compensation** to include **only** those elements of compensation subject to assessment by the Church Pension Fund – the total of: (1) Cash Salary, (2) Housing/Utility Allowance or the amount specified in this guide to calculate the value of Housing/Utilities Provided (with additional Housing/Utility Allowance, (3) Equity Allowance, and (4) recommended Self-Employment Tax Allowance, as described and treated in this Guide.

Additional elements of compensation, such as the costs of pension assessments and contributions, health insurance, travel and professional allowances, and discretionary and benevolent funds are not included in the Total Compensation calculation.

TOTAL COMPENSATION: CASH SALARY

For the purposed of this Guide “Cash Salary” refers to that portion of Total Compensation in addition to provided Housing and Utilities, Housing Allowance, Equity Allowance, and/or Social Security/Medicare Self-Employment Tax Allowance.

TOTAL COMPENSATION: HOUSING AND HOUSING ALLOWANCES

When church-owned housing and utilities are provided for the use of ordained clergy the Internal Revenue Service currently allows their value to be excluded from the calculation of income subject to Federal Income Tax.

When church-owned housing and utilities are provided for the use of ordained clergy, the Minimum and Recommended amounts designated in this Guide for Total Compensation may be reduced by 25%.

When church-owned housing and utilities are not provided, clergy are permitted to designate in advance a portion of their income no greater than the fair market rental value of house, furnishings, and utilities, as a Housing Allowance, and this designated portion of their income is not subject to Federal Income Tax. A Designated Housing Allowance must be recorded in the official records of the congregation or other employer and should be identified on budget forms. When housing and utilities are provided, an additional amount of Clergy Compensation may be designated as Housing Allowance (see below) to the extent allowable by the Tax Code. A model Housing Allowance designation is provided in this Guide, Appendix E. *It is important to remind*

Clergy that the fair market rental value of provided furnished housing and utilities, and/or of any Housing /Utility Allowance, are subject to Self-Employment Tax and are to be reported on Schedule SE of IRS Form 1040.

TOTAL COMPENSATION: OTHER INCLUDED ALLOWANCES **SOCIAL SECURITY SELF-EMPLOYMENT TAX ALLOWANCE**

For the purposes of Payroll Taxes related to Social Security and Medicare, all ordained clergy are considered self-employed. When desired and by negotiation, an allowance equal to half of the clergy's social security self-employment tax (SECA), currently 15.3%, may be paid directly to the member of the clergy as an additional compensation. **NOTE: This income is fully taxable and reportable as income to the clergy. The amount of any Self-Employment Tax Allowance is included within, not in addition to, the Minimum and Recommended Total Compensation figures in this Guide.**

EQUITY ALLOWANCE

The 133rd Annual Convention of the Diocese of Pittsburgh adopted a resolution stating that effective January 1, 1999, Letters of Agreement *for all clergy living in church-provided housing* shall include an additional category of compensation entitled "Housing Equity Allowance," and it was further resolved that the specific amount of the Housing Equity Allowance shall be calculated by using a percentage of the value designated for housing on the assessment form of the Church Pension Fund (30 percent of cash stipend plus utilities) or an amount agreed upon between the clergy and the parish. **NOTE: This income is fully taxable and reportable as income to the clergy. The amount of any Equity Allowance is included within, not in addition to, the Minimum and Recommended Total Compensation figures in this Guide.**

LAY EMPLOYEE COMPENSATION

Canonically mandatory pension benefits for lay employees regularly scheduled to work 1,000 hours per year or more are described in Appendix F of this Guide. Canonically mandatory Denominational Health Plan benefits for lay employees regularly scheduled to work 1,500 hours per year or more are described in Appendix G of the Guide.

Parishes and other employers subject to the authority of the Episcopal Diocese of Pittsburgh shall comply with applicable Federal and State employment law, including Federal, State, and Local Minimum Wage and Occupational Health and Safety regulations. The National Association of Episcopal Christian Education Directors, the Episcopal Church Youth Ministry Network, the American Guild of Organists, the Association of Anglican Musicians, and other organizations serving Lay Professional Ministers of the Episcopal Church may offer recommended guidelines for Lay Professional compensation. The United Way of Allegheny County compiles a survey of compensation practices in non-profit organizations in our region. A recent edition may be found here:

<http://bcnm.rmu.edu/ProgramsServices/cmp-media/docs/BayerCenter/wbsurvey2012.pdf>

**MANDATORY ALLOWANCES
NOT INCLUDED WITHIN “TOTAL COMPENSATION”
FOR CLERGY AND LAY EMPLOYEES**

TRAVEL (JOB-RELATED)

Each congregation or other institution subject to this Guide shall provide clergy and lay employees either a monthly, job-related Travel Allowance or an accountable reimbursement plan utilizing the IRS per mile reimbursement rate set annually by the Diocesan Council. It is recommended that the vestry adopt an accountable reimbursement plan. Reimbursements paid under an accountable plan are not reportable by the employer or employee as taxable income, unlike the monthly allowance which is taxable. The accountable plan is a significant advantage to the clergy. Note: When the accountable reimbursement plan is adopted by the vestry it applies to all employees – clergy or lay.

If employees are paid at a rate in excess of the IRS per mile reimbursement rate, under IRS revenue ruling 84-127, the **entire reimbursement** must be added to the wages reported on form W-2. The clergy can then claim a deduction of the IRS per mile rate on IRS Form 2106 for the business mileage. This is not recommended.

Clergy and lay employees should keep in mind that travel expenses either reimbursed as an allowance or under an accountable reimbursement plan **must** be documented. See APPENDIX G for a sample documentation form. In the event of an audit the IRS will request the documentation of these expenses.

RELOCATION (MOVING) ALLOWANCE

When a congregation or other institution issues a call following the election of a clergy person to a full-time, settled position of ministry, the calling congregation or other institution is to pay the expenses associated with the relocation. Clergy who have been called and the leadership of the congregations to which they have been called are encouraged to discuss and negotiate the anticipated expenses in advance.

CONTINUING EDUCATION ALLOWANCE

All clergy, as required by canon and all lay ministry professionals are encouraged to engage in regular continuing education to strengthen their ministries. Parishes are expected to provide both time and money to make such study possible. Continuing education should be focused on vocational development, workshops, courses or intentional study in areas that undergird present or future ministry and develop or strengthen talents and skills. This time is not to be used as additional vacation or leisure time.

Congregations and other institutions shall designate a stated allowance amount in the annual budget (in previous years the Continuing Education Subcommittee of the Commission on

Ministry recommended \$500 to \$1,000 for each full-time clergy person or lay employee) toward the expenses of continuing education.

SABBATICAL LEAVE

After five years of continuous service in a parish or in the service of the Diocese, clergy in full-time ministry appointments are eligible for a period of paid sabbatical leave, accrued at the rate of two weeks per year of service, up to a maximum of three months (14 weeks) of paid leave. (Some slightly longer sabbaticals have been negotiated, with the additional leave paid or unpaid, depending on terms of the negotiation.) It is recommended that full-time lay ministry professionals be offered a similar sabbatical opportunity. Parishes shall build provision into their budgets to cover the expenses of a sabbatical, which include program and travel costs as well as liturgical and pastoral care coverage for the parish. Limited diocesan aid may be available to help defray the cost of supply clergy and other expenses for the parish during the priest's sabbatical. The purposes of the sabbatical are to promote personal, spiritual, professional, and academic enrichment for continued ministry. A written description of the sabbatical plan should be submitted to the Bishop no less than 90 days before it commences.

DESCRIPTION OF MANDATORY AND RECOMMENDED BENEFITS: CLERGY AND LAY EMPLOYEES

*Note that any costs to the parish or other employer of the mandatory and recommended benefits required below are **not** included in the calculation of Minimum or Recommended "Total Clergy Compensation."*

CHURCH PENSION FUND: CLERGY AND LAY EMPLOYEES

Title I, Canon 8, Section 3 of the Constitution and Canons of the Protestant Episcopal Church in the United States of America requires the diocese, parish, mission, and other ecclesiastical organizations to pay the Church Pension Fund Assessment for the Bishop and clergy, and for lay employees scheduled to work 1,000 hours or more each year.

DENOMINATIONAL HEALTH PLAN: CLERGY AND LAY EMPLOYEES

Medical/Dental group insurance as provided by the Denominational Health Plan of the Episcopal Church is required for clergy and lay employees scheduled to work 1,500 hours or more each year.

EXTENDED SICK LEAVE/SHORT-TERM DISABILITY

Effective January 1, 2004, as a benefit of the Church Pension Fund, all clergy actively participating in and fully covered by the Clergy Pension Plan will be enrolled in a Short-Term Disability Benefit Program at no additional pension assessment cost. In cases of extended serious illness, clergy are to be provided with sick leave at full pay, supplemented by short-term disability payments of 70 percent of compensation from the Pension Fund, up to \$1,000 per week, for a maximum period of 52 weeks.

If the illness is prolonged beyond 360 days, the clergy should initiate the Long-Term Disability Benefit through the Pension Fund. Prior to or during a term of office, clergy are expected to inform the congregation and diocesan office of any health factors, which may interfere significantly with effective fulfillment of responsibilities.

Effective January 1, 2005, as a benefit of the Church Pension Fund, all clergy actively participating in and fully covered by the Clergy Pension Plan will be enrolled in a new Long-Term Disability Benefit Program at no additional pension assessment cost. Clergy should contact the CPG to verify inclusion in this plan and to obtain description of plan benefits.

Congregations and other employers within the diocese are *encouraged* to provide extended sick-leave, short-term, and long-term disability insurance benefits for full-time lay employees.

SUPPLEMENTAL LIFE INSURANCE BENEFITS

All clergy listed in Active Status with the Church Pension Fund are provided with a Group Term Life Insurance Benefit equal to four times total annual compensation, up to \$100,000. Clergy and their spouses have the ability to purchase additional insurance coverage from the Church Life Insurance Corporation and the Pennsylvania Widows Corporation. Please contact the diocesan office for additional information. Supplemental Life Insurance may be included as an additional negotiated benefit in Clergy or Lay Employee Letters of Agreement. Congregations and other employers within the diocese are *encouraged* to provide life insurance benefits for full-time lay employees.

ADVOCACY FOR CLERGY AND LAY EMPLOYEES DURING COMPENSATION/BENEFIT NEGOTIATIONS

At the time of determining the annual budget in congregations, clergy and lay employees often find it difficult to negotiate for an adjustment in compensation and benefits. Negotiation is not a skill that everyone possesses. In response to this reality, the Compensation Committee proposes that clergy and lay employees may ask an advocate to represent his or her needs and desires to the vestry or budget committee. This section of the Guidelines proposes a method for finding and making use of an advocate.

1. Let the vestry or budget committee know well in advance that you will be asking someone to represent you at the budget meeting.

2. When deciding on an advocate, choose someone who cares about you within the parish community, but not the Treasurer (the Treasurer would be put in an untenable position as your advocate). The advocate does not have to be a member of the parish, but needs to be someone with credibility in the community. The advocate should have an understanding of the covenant between the cleric or lay employee and the parish and also have a sense of advocacy as a ministry that may serve both the cleric or lay employee and the parish. Write or call this person and outline what you are asking him or her to do. For example, you would like an advocate:
 - a) To represent you and your needs to the vestry or budget committee.
 - b) To discuss with you what your hopes are for the next year regarding your package.
 - c) To meet with you one or two times before the budget meeting.
 - d) To be an advocate for one or two years.

3. Meet with the person you've chosen to be your advocate at least one week before the budget committee meets.
 - a) Give the person a sense of the role of an advocate. That an advocate should
 - have a sense of this ministry as a way of caring for the parish cleric who comes to the parish as servant;
 - understand that vestry and cleric have entered into a mutual covenant of care giving. As the cleric cares for the people, the people must care for the cleric. This is important for the parish as well as for the cleric; and
 - speak for the cleric when he or she may not be in a position to speak for him or herself.
 - b) Use the Diocesan or recommended Lay Professional Compensation Guidelines as focus for the meeting and go through them carefully.
 - c) Note all the categories of the covenant between the cleric or lay employee and the vestry.
 - d) Note that it is reasonable for the parish to support these categories.
 - e) When you come to the financial section, note that the recommended amounts are minimums, not maximums.
 - f) Ask if the advocate can accept the principles of the categories.
 - g) Have an annual meeting with the advocate to review your needs and expectations.
 - h) Assure the person that you are depending on him or her to represent your needs.
 - i) Don't be afraid to articulate your needs.

LETTERS OF AGREEMENT

For Clergy it is *required* that prior to beginning a compensated ministry within the Diocese of Pittsburgh, a **Letter of Agreement**, specifying Terms of Call and Compensation, has been signed by the Clergy Person, the Senior Warden or other officer of the Parish or employing Organization, and the Bishop. An original, signed copy of the Letter of Agreement is to be maintained in the files of the Diocesan Office. Terms of compensation within the Letter of Agreement are to be reviewed annually, and the entire Letter of Agreement should be reviewed and updated periodically.

It is strongly recommended that similar, periodically updated Letters of Agreement be for all Lay Employees as well.

DEFINITION OF ADDITIONAL TERMS

Associate	Settled Clergy on staff with delegated responsibilities under the supervision of a primary clergy person.
Primary	Settled Clergy on staff entrusted with supervisory responsibility over all aspects of parish life according to canon.
Complex Program	A parish with multiple daily demands on clergy including several week-day services, board meetings and multiple staff (clergy & lay) to administer a consistent, growing number of programs.
Smaller Parish	A parish (typically under 50 ASA) with one primary clergy person and rarely additional paid staff (clergy & lay) to administer a consistent, limited number of programs.
Cluster	A group of smaller parishes, missions, and/or lay-led parishes sharing one or more clergy person and (rarely) additional paid staff to administer a few programs.
Mission	A smaller gathering of Christians under the supervision of the bishop, the assistance of an appointed primary clergy person and lay leadership with the intent of forming an established parish.
Lay-Led Parish	An established smaller parish depending predominantly on lay leadership for the daily functioning of the parish.

CLERGY AND CONGREGATIONS: SITUATIONS OF MINISTRY AND DEPLOYMENT

PARISH “TYPE” DESCRIPTIONS

The descriptions of each congregational situation, and particularly of the clergy responsibility level, are provided to help the congregation assess their level of functioning and ministry development. The “types” are determined by a mix of factors, including size of active congregation, available financial resources, and style of ministry.

TYPE 1 – May include lay-led parishes, diocesan church plants or “restart” congregations, and missions utilizing full-time clergy, part-time clergy, shared clergy, supply clergy, or deacons

TYPE 2 – Smaller parishes with settled full or part-time clergy and lay volunteers filling most other staff roles

TYPE 3 – Mid-sized parishes with settled full-time clergy and a mix of paid and volunteer staff

TYPE 4 – Larger parishes with complex programming and some paid lay and clergy staffing

TYPE 5 – Larger parishes with complex programming

CLERGY MINISTRY DEPLOYMENT DEFINITIONS

CLERGY DEPLOYED IN FULL-TIME MINISTRY SITUATIONS

Full-Time clergy may either hold canonically elected and tenured positions (Rectors) or be non-tenured Priests-in-Charge. Appendix B of the Compensation Guide relates the five patterns or “types” of deployment situations with minimum and recommended Total Compensation guidelines for full-time ministry in these situations. The location of a ministry situation within these guidelines is somewhat flexible and takes into account a number of factors including the size of the active congregation, available resources (both human and financial), and the scope and complexity of the ministry and parish programs. Parishes and settled full-time and part-time clergy are to have a signed Letter of Agreement that is regularly updated. Clergy serving in a shared situation shall be paid as full-time if their time commitment total among all participating parishes is 100% or 48 hours per week.

FULL TIME CALCULATION, DAYS OFF, AND VACATION

For the purposes of this Guide, a **work week for full-time clergy** will average approximately 48 hours.

Full-time clergy are expected to have at least one continuous 24-hour period each week reserved for personal and family use. Full-time clergy shall have a minimum of one full month of paid vacation time per year, to include at least four Sundays. Arrangements for designated days-off and paid vacation time for Settled Part-Time Clergy are to be negotiated and included in the Letter of Agreement.

CLERGY DEPLOYED IN PART-TIME MINISTRY SITUATIONS

Time Commitment Calculations for Part-Time Clergy Appointments:

1/4 Time	Sermon Preparation, Sunday Service, plus equivalent of 7-8 hours/week pastoral care/groups/meetings/other services
1/2 Time	Sermon Preparation, Sunday Service, plus equivalent of 18-20 hours/week pastoral care/groups/meetings/other services
3/4 Time	Sermon Preparation, Sunday Service, plus equivalent of 28-30 hours/week pastoral care/groups/meetings/other services

CLERGY ASSISTANTS (FULL- AND PART-TIME)

Parishes with a full-time Rector or Priest-in-Charge may also be served by additional stipendiary clergy on a full- or part-time basis. Minimum Compensation for Full-Time Assistant Clergy shall conform to the minimum stipend levels established for Full-Time Clergy in Type I Parishes in Appendix B and shall include mandatory health and pension benefits. Part-Time Clergy Assistants shall receive a Letter of Agreement defining their duties and specifying the “percentage of full time” of the ministry appointment.

Minimum compensation for Part-Time Assistant Clergy shall be calculated on a percentage basis using the Minimum Full Time Compensation standard for each Parish Type. If the percentage assignment meets qualifying hours, such clergy shall also be accorded health and pension benefits.

SUPPLY CLERGY

Supply Clergy provide liturgical leadership on occasional instances – as when parish clergy may be away on vacation or study leave – or during short-term intervals when there is a vacancy in a parish. Supply Clergy provide liturgical leadership and preaching at Sunday or designated weekday services only, and are not expected to attend to additional or on-going pastoral or administrative duties. If a Supply position is expected to extend beyond a single three-month period or to involve duties beyond liturgical leadership and preaching, the position should be redefined as Settled Part-Time.

APPENDIX A

REGISTER OF PARISH TYPES AND MINISTRY SITUATIONS

The location of a parish situation within these guidelines may be somewhat intuitive, taking into account a number of factors including the size of the active congregation, available resources (both human and financial), and the scope and complexity of the ministry and parish programs.

Type 1

Blairsville, St. Peter's
Brackenridge, St. Barnabas
Bridgeville, All Saints
Brighton Heights, All Saints
Carnegie, Atonement
Donora, St. John's
Greensburg, Christ Church
Hazelwood, Good Shepherd
Homestead, St. Matthew's
Jeannette, Advent
Monongahela, St. Paul's
North Versailles, All Souls
Northern Cambria, St. Thomas
Penn Hills, St. James
Scottdale, St. Bartholomew's
Wayne Township, St. Michael's

Type 2

Brentwood, St. Peter's
Canonsburg, St. Thomas
Homewood, Holy Cross
Indiana, Christ Church
Johnstown, St. Mark's
Kittanning, St. Paul's
McKeesport, St. Stephens
North Side, Emmanuel
Peters Township, St. David's
Somerset, St. Francis
Squirrel Hill, Redeemer
Wilkesburg, St. Stephen's

Type 3

Crafton, Nativity
Franklin Park, St. Brendan's
Highland Park, St. Andrew's
Ligonier, St. Michael's
Oakmont, St. Thomas
Pittsburgh, Trinity Cathedral

Type 4

North Hills, Christ Church

Type 5

East Liberty, Calvary
Mt. Lebanon, St. Paul's

**APPENDIX B
CLERGY COMPENSATION
MINIMUM AND RECOMMENDED GUIDELINES**

Clergy in Settled Appointments, Full Time

Guideline figures include **ONLY**: Cash Stipend and Allowances designated for Housing, Utilities, Housing Equity, and Self-Employment Tax. If Housing and Utilities are supplied by the parish, the Guideline figures may be reduced by 25%. (Figures are for Compensation as defined in the Rules of the Church Pension Fund and do not include allowances for Travel, Professional Expenses, Benevolence and Discretionary Funds, and Continuing Education or Sabbatical allowances.)

Guideline figures ranging above the Minimum/Initial figures at each level represent a standard of normal compensation for full-time clergy with good performance. When resources are available and in accordance with advancing tenure and performance clergy are appropriately compensated above the indicated Guideline figures at each level. Compensation for clergy in parishes shall not fall below the Minimum/Initial range for the designated Parish Type (see Appendix A) and the Minimum “Type 1” figure shall be an **Absolute Minimum for all full-time clergy**, including those who are Assistants, Associates, or who have positions in other diocesan institutions or ministries.

ABSOLUTE MINIMUM COMPENSATION, BY PARISH TYPE (See pg. 11)

PARISH TYPE	FULL TIME PRIMARY	FULL-TIME ASSOCIATE	OCCASIONAL SUPPLY
TYPE 1	\$48,000	N/A	\$125 for one Sunday service; \$25 increments for each additional Sunday service; \$50 for a Mid-Week service
TYPE 2	\$51,125	\$51,125	\$125 for one Sunday service; \$25 increments for each additional Sunday service; \$50 for a Mid-Week service
TYPE 3	\$59,575	\$51,125	\$125 for one Sunday service; \$25 increments for each additional Sunday service; \$50 for a Mid-Week service
TYPE 4	\$68,700	\$51,125	\$125 for one Sunday service; \$25 increments for each additional Sunday service; \$50 for a Mid-Week service
TYPE 5	\$94,700	\$51,125	\$125 for one Sunday service; \$25 increments for each additional Sunday service; \$50 for a Mid-Week service

**RECOGNITION OF EXPERIENCE:
MINIMUM AND TARGET RANGES, BY PARISH TYPE**

It is appropriate to recognize experience of clergy by **increasing the minimum for clergy serving in each “Parish Type”** by a percentage figure depending on the amount of additional clergy experience.

Guideline figures for each experience level in the Table below show **two** Compensation figures: a lower, **minimum** figure and a somewhat larger figure representing a **target**, generally based on experience in the diocese, for normal compensation for Full-Time Clergy with good performance.

When resources are available and in accordance with advancing tenure and performance clergy are appropriately compensated above the indicated target figures at each level.

	0-4 Years (Absolute Minimum)	5-9 Years	10-14 Years	15-19 Years	20+ Years
Type 1 Minimum Target	\$48,000	\$49,425	\$50,850	\$52,400	\$53,975
Type 2 Minimum Target	\$51,125	\$52,650 \$57,050	\$54,200 \$62,975	\$55,725 \$80,875	\$57,250 \$83,300
Type 3 Minimum Target	\$59,975	\$61,350 \$68,075	\$61,600 \$77,000	\$63,350 \$96,250	\$65,075 \$99,150
Type 4 Minimum Target	\$68,700	\$70,750 \$80,225	\$72,800 \$91,750	\$74,875 \$114,700	\$76,925 \$118,150
Type 5 Minimum Target	\$94,700	\$97,500 \$106,925	\$100,350 \$121,025	\$103,200 \$151,250	\$106,025 \$155,775

Clergy in Settled Appointments, Part-Time

Clergy serving congregations by diocesan appointment as “clergy-in-charge,” with pastoral and administrative duties, and other clergy serving parishes or other diocesan institutions as Parish Assistants in **long-term, part-time positions** shall have a Letter of Agreement defining the position as a percentage of full-time (e.g., 25%, 50%, 75%), and with a narrative description outlining the extent of ministerial responsibilities. See Table on Page 12 for specific guidance. Minimum Compensation in these positions will apply the percentage of full-time service to the figure for the diocesan Absolute Minimum for the Parish Type. (Thus, e.g., a long-term 25% position in a “Type 2” Parish would have a Minimum Compensation of \$12,781 (51,125 x .25) in 2015.

Clergy in Supply Appointments, Single-Event or Short-Term

Clergy **Minimum Supply Compensation Rates** are intended to apply to occasional instances – as when parish clergy may be away on vacation or study leave – or short-term intervals when there is a vacancy in a parish. “Supply Rates” are intended to apply to liturgical leadership and preaching at Sunday or designated Weekday services only, and do not include additional on-going pastoral or administrative duties. If a Supply position is expected to extend beyond a single three-month period or to involve duties beyond liturgical leadership and preaching, the position should be redefined as Part-Time, with Compensation Guidelines as indicated above.

1. One Sunday Service, with Sermon – \$125
2. Two Sunday Services, with Sermon – \$150
An additional \$50 is to be paid for each additional service on the same weekend.
3. Midweek Service, with Informal Homily – \$ 50

Supply Clergy are to be reimbursed for round-trip travel costs from their home to the Church at the current IRS reimbursable mileage rate.

APPENDIX C

2014 PENSION BENEFITS POLICY CLERGY AND LAY EMPLOYEES

Clergy Pensions

In all cases parishes and other employers under the authority of the Episcopal Church shall comply with the canons of the Episcopal Church and of the Episcopal Diocese of Pittsburgh by enrolling all eligible Clergy in the Clergy Pension Plan of the Church Pension Fund of the Episcopal Church and by paying all Pension Fund assessments in a timely manner. Treasurers and other Administrators are encouraged to consult with the Director of Administration to assure compliance.

Lay Employee Pensions

As of January 1, 2013, parishes and other employers under the authority of the canons of the Episcopal Church and of the Episcopal Diocese of Pittsburgh shall enroll all Lay Employees scheduled to work 1,000 hours per year or more in the Lay Employee Pension Plan of the Church Pension Fund of the Episcopal Church and shall pay all Pension Fund assessments in a timely manner.

While it is not canonically mandatory, parishes and other employers are encouraged to provide Lay Employee Pension Benefits as well to those Lay Employees scheduled to work fewer than 1,000 hours per year. Treasurers and other Administrators are encouraged to consult with the Director of Administration to assure compliance.

Note: Participation in the Lay Employee Pension Plan of the Church Pension Fund was mandated by the 76th General Convention of the Episcopal Church in 2009, Resolution A138, amending Canon I.8. The Plan includes two programs – one “Defined Benefit” and the other “Defined Contribution.” Each employing parish or organization determines which one of these two programs to provide for all its employees. The Defined Benefit program requires an Employer Contribution of 9% of the employee’s compensation. The Defined Contribution program requires a base Employer Contribution of 5% of the Employee’s compensation. Employees are able to contribute to their account as well in the Defined Contribution program, and the employer is required to match the employee’s contribution up to an additional 4% of the employee’s compensation. If the employee contributes 4% or more of total compensation to the Pension account, the maximum mandatory Employer contribution is 9%. Experience to date indicates that most Employers and Employees prefer the Defined Contribution program.

APPENDIX D

2015 POLICIES RELATED TO PARTICIPATION IN THE DENOMINATIONAL HEALTH PLAN OF THE EPISCOPAL CHURCH CLERGY AND LAY EMPLOYEES

Participation in the Denominational Health Plan of the Episcopal Church provided by the Medical Trust of the Church Pension Fund of the Episcopal Church was mandated by the 76th General Convention of the Episcopal Church in 2009, Resolution A177, amending Canon I.8. The effective date of the canonical mandate for participation in the Denominational Health Plan is January 1, 2013.

As of January 1, 2013, all parishes, dioceses, and other organizations and institutions subject to the authority of the Constitution and Canons of the Episcopal Church and of the Episcopal Diocese of Pittsburgh are required to offer medical benefits on an equal basis to all Clergy and Lay Employees scheduled to work 1,500 hours per year or more through the Denominational Health Plan, and may not contract to offer such benefits through other providers.

While it is not canonically mandatory, parishes and other organizations under the authority of the Episcopal Diocese of Pittsburgh are encouraged to provide Clergy and Lay Employee Health Plan Benefits as well to those Clergy and Lay Employees scheduled to work fewer than 1,500 hours per year but at least 1,000 hours per year.

Each year the Diocesan Administrator, with the advice of the Committee on Compensation, appointed by the President of Diocesan Council, will select from the Denomination Health Plan offerings one or more programs offered within the DHP. Each eligible participant, clergy or lay, may select during the Open Enrollment period from that diocesan “menu” the program he or she prefers. The parish or other employing organization or institution receives and pays the Insurance Premium invoice.

Individual Clergy and Lay Employees scheduled to work 1,500 hours per year or more (but not parishes or other organizations) may choose to “opt out” of participation in the Denominational Health Plan if they are currently receiving similar medical benefits through dependent coverage in a parent or spouse’s plan or through another employer or retirement benefit (e.g., Tricare). Each “opt out” must be approved annually by the Diocesan Administrator. Employing parishes or other organizations may provide a financial “premium offset” when eligible Clergy or Lay Employees choose to decline the DHP benefit because they are otherwise covered.

Insurance Premium Mandatory Minimum Benefit: As a matter of diocesan Minimum Standard, all Clergy and Lay Employees scheduled to work 1,500 hours per year or more shall be provided by the parish or other employing organization **full premium coverage for individual benefits, single coverage, without required Employee Contribution**, at the level of the least-expensive non-Medicare option provided in the approved diocesan menu, in one of the programs designated by the diocese and selected from that menu by the Clergy Person or Lay Employee.

All Clergy and Lay Employees scheduled to work 1,500 hours per year or more shall be provided access to the Denominational Health Plan programs designated in the diocesan “menu” for the additional coverage of any eligible dependents. Diocesan Council has determined that eligible clergy and lay employees who have partners in same-sex relationships, and the dependent children of that couple or of either member of that couple, shall be eligible for dependent benefits in the diocesan offering of the Denominational Health Plan on the same basis as the spouses and dependent children of eligible married clergy and lay employees. Each parish or other employing organization may elect to provide full premium coverage for all eligible dependents, or it may negotiate with Clergy and Lay Employees a cost-sharing arrangement for the additional premium to cover eligible dependents as a part of the larger compensation agreement.

Insurance Premium Recommended Benefit: Parishes and other employing organizations **are encouraged to provide full coverage** of Denominational Health Plan benefits for all eligible Clergy and Lay Employees and for their eligible dependents. In those cases where the parish or other institution has provided full individual and dependent Medical Benefit coverage to Clergy and/or Lay Employees prior to January 1, 2013, no reduction in benefit coverage or additional contribution to premium cost may be instituted without the written permission of the Bishop.

APPENDIX E
SUGGESTED INSERT FOR MINUTES OF VESTRY
FOR DESIGNATION OF CLERGY HOUSING ALLOWANCE

The Vestry has received a statement from the Rev. _____ detailing the amounts that (he) (she) expects to spend in 20____ to provide a home for (himself) (herself) and (family).

A copy of this statement is attached to and forms a part of the original minutes of this meeting.

After consideration, on motion duly made and seconded, the following resolution was adopted:

BE IT RESOLVED that the Rev. _____'s compensation for the year 20____ be set at \$_____, of which \$_____ is designated as an allowance for the expenses of providing a home, based upon the attached statement of the Rev. _____'s estimated housing expenses for the year 20_____.

(If the clergy person is provided with the rent-free use of a house, the following should be added.)

The Rev. _____ shall also be provided with the rent-free use of the house located at _____ for the year 20____ in consideration of (his) (her) services as _____ of _____ Church, _____, Pennsylvania.

(The clergy person should retain a copy of the minutes containing this notice with his or her IRS records.)

**APPENDIX F
SUGGESTED FORMAT FOR
DOCUMENTATION OF CLERGY HOUSING ALLOWANCE**

TO: _____
(Vestry)

(Name of church)

(Address of church)

FROM: _____
(Clergy person)

SUBJECT: Housing Allowance for 20_____

The following amounts are estimates of the costs I expect to pay during 20_____ to provide a home for myself (and family):

- | | | |
|-----|---|-----------------|
| (1) | House
<i>The lowest of mortgage, fair rental value, or rent on leased premises</i> | \$ _____ |
| (2) | Utilities | \$ _____ |
| (3) | Taxes | \$ _____ |
| (4) | Insurance | \$ _____ |
| (5) | Repairs and maintenance | \$ _____ |
| (6) | Furnishings | \$ _____ |
| (7) | Other housing expenses: | |
| | _____ | \$ _____ |
| | _____ | \$ _____ |
| | TOTAL | \$ _____ |

Clergy Person's Signature: _____

Date: _____

APPENDIX G MILEAGE & TRANSPORTATION REPORT

Name: _____

Date	Location To/From	Purpose of Travel	Miles	Toll/Parking

Number of miles _____ X current IRS Rate = \$ _____

Total amount of other expenses \$ _____

Total mileage and transportation expenses \$ _____

Communication to Those Charged with Governance

Diocesan Council and Board of Trustees
The Episcopal Diocese of Pittsburgh

We have audited the financial statements of The Episcopal Diocese of Pittsburgh (Diocese) for the year ended December 31, 2013, and have issued our report thereon dated September 3, 2014. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our conversations with the Board of Trustees President, Audit Committee Chair and Finance Committee Chair about planning matters on January 23, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated February 27, 2014, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In addition, our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the Diocese. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Diocese are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the Diocese during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

The Diocese is a beneficiary of ten irrevocable charitable remainder trusts. The estimation of the fair value of the Diocese's interest in these trusts is subjective and requires significant judgment.

Management's valuation of investments is based on the investment's fair value. The Diocese's investments are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that significant changes in risks in the near-term may materially affect the amounts reported in the financial statements. We evaluated the key factors and assumptions used to develop the valuation of investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of the allowance for uncollectable assessments and allowance for loan loss are based on past history with the related organizations and the Diocese's expectations of future payments. The allowance estimates are reviewed and approved by management of the Diocese. We evaluated the key factors and assumptions used to develop the allowances for uncollectable assessments and loan receivable in determining that they are reasonable in relation to the financial statements taken as a whole.

The Diocese and various parishes have pooled their investments in order to obtain a better rate of return on the investments. The Diocese calculates a net asset value and per share price for the pooled investments and allocates on a per share basis the income, realized and unrealized gains and losses to the individual accounts held by the Diocese and the various parishes.

Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The Diocese's investments and their valuation in Note 5;
- The Diocese's guarantee of parish loans and their commitment to make a parish's loan payments in Note 9;
- The Diocese's assumed payments for a guaranteed mortgage in Note 10; and
- The Diocese's legal matters in Note 17.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Our audit did not result in the identification of any material adjustments or any significant waived adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 3, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Diocese's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Diocese's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We have also performed agreed upon procedures with respect to the reasonableness of Pool 1 investment allocations and issued our report thereon dated September 3, 2014.

Matters involving internal control and other operational matters are communicated in our management letter dated September 3, 2014.

* * * * *

This information is intended solely for the use of the Diocesan Council, Board of Trustees, and management of the Diocese and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Maher Duessel

Pittsburgh, Pennsylvania
September 3, 2014

The Episcopal Diocese of Pittsburgh

Financial Statements

Years Ended December 31, 2013 and 2012
with Independent Auditor's Report

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

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THE EPISCOPAL DIOCESE OF PITTSBURGH

YEARS ENDED DECEMBER 31, 2013 AND 2012

TABLE OF CONTENTS

Independent Auditor's Report

Financial Statements:

Statements of Financial Position	1
Statements of Activities	2
Statements of Cash Flows	3
Notes to Financial Statements	4

Independent Auditor's Report

Diocesan Council and Board of Trustees
The Episcopal Diocese of Pittsburgh

We have audited the accompanying financial statements of The Episcopal Diocese of Pittsburgh (Diocese), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Diocese as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Maher Duessel

Pittsburgh, Pennsylvania
September 3, 2014

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2013 AND 2012

	2013	2012
Assets		
Cash and cash equivalents	\$ 517,022	\$ 356,905
Investments at fair value	24,606,679	21,796,930
Assessments receivable:		
Parishes	3,628,389	3,094,113
Less allowance for doubtful accounts	(3,608,883)	(2,994,249)
Total assessments receivable, net	19,506	99,864
Loans receivable:		
Parishes and missions - growth fund	1,218,023	1,120,319
Bishop's residence fund	27,000	12,000
Less allowance for loan losses	(540,782)	(543,663)
Total loans receivable, net	704,241	588,656
Note receivable	543,907	578,686
Fixed assets (net of accumulated depreciation)	1,717,879	1,804,858
Property held for sale	85,031	960,031
Trusts held by others at fair value	4,007,894	3,367,918
Accrued interest receivable	58,091	76,456
Prepaid expenses	3,728	22,983
Total Assets	\$ 32,263,978	\$ 29,653,287
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 208,397	\$ 116,135
Mortgage payable	919,375	952,631
Funds held for others	2,975,096	2,711,977
Total Liabilities	4,102,868	3,780,743
Net Assets:		
Unrestricted:		
Undesignated	3,863,294	2,642,312
Board-designated	10,865,331	11,264,048
Total unrestricted	14,728,625	13,906,360
Temporarily restricted	684,497	531,681
Permanently restricted	12,747,988	11,434,503
Total Net Assets	28,161,110	25,872,544
Total Liabilities and Net Assets	\$ 32,263,978	\$ 29,653,287

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Unrestricted Revenues and Expenses:		
Operating revenues and other support:		
Parish assessments	\$ 565,189	\$ 565,885
Investment returns designated for current operations	680,128	864,284
Contributions and grants	122,353	107,632
Total operating revenues and other support	1,367,670	1,537,801
Operating expenses:		
Office of Administration	386,627	434,802
Legal expense	37,252	123,030
Office of the Bishop	241,192	279,336
Reopened parish, property, and other expenses	326,306	416,816
Beyond the Diocese	153,635	158,521
Transformational networks	108,635	129,494
Congregational mission	90,187	85,862
Real property third party consulting expenses	3,400	47,936
Total operating expenses	1,347,234	1,675,797
Net gain (loss) from operations	20,436	(137,996)
Other revenues (expenses):		
Transfer in of parish property	-	875,000
Spending policy transfers	177,035	141,818
Released from restriction	84,803	7,854
Other revenues	42,693	69,495
Grants and contributions to others	(320,812)	(610,456)
Investment (loss) income	836,827	102,975
Loss on assumption of mortgage	-	(1,005,781)
Gain (loss) on sale of property	65,380	64,283
Bad debt recovery	2,882	-
Depreciation	(86,979)	(88,150)
Total other revenues (expenses)	801,829	(442,962)
Change in Unrestricted Net Assets	822,265	(580,958)
Temporarily Restricted Net Assets:		
Contributions and grants	78,497	-
Investment (loss) income	126,422	53,635
Spending policy transfers	32,700	-
Released from restriction	(84,803)	(7,854)
Change in Temporarily Restricted Net Assets	152,816	45,781
Permanently Restricted Net Assets:		
Spending policy transfers	(209,735)	(141,818)
Investment (loss) income	1,523,220	666,491
Change in Permanently Restricted Net Assets	1,313,485	524,673
Total Change in Net Assets	2,288,566	(10,504)
Net Assets:		
Beginning of year	25,872,544	25,883,048
End of year	\$ 28,161,110	25,872,544

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Cash Flows From Operating Activities:		
Change in net assets	\$ 2,288,566	\$ (10,504)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Transfer in of parish property	-	(875,000)
Parish mortgage assumed by Diocese	-	1,005,781
Gain on sale of asset held for sale	(64,570)	-
Realized (gains) loss on investments	(2,952,792)	(963,643)
Allowance for uncollectible assessments	614,634	722,731
Allowance for loan loss	(2,881)	(57,917)
Depreciation expense	86,979	88,150
Change in operating assets and liabilities:		
Assessment receivables	(534,276)	(806,430)
Prepaid expense	19,255	(17,686)
Accrued interest receivable	18,365	15,976
Accounts payable and accrued expenses	92,262	(22,344)
Net cash provided by (used in) operating activities	(434,458)	(920,886)
Cash Flows From Investing Activities:		
Net proceeds from sale of investments	143,043	886,450
Change in trusts held by others	(639,976)	(311,856)
Increase in Growth Fund loans receivable	(97,704)	(155,051)
Payments received on Bishop's Fund loan receivable	-	109,630
Issuance of Bishop's Fund loan receivable	(15,000)	(12,000)
Payments received on note receivable	34,779	33,701
Sale of asset held for sale	939,570	-
Net cash provided by (used in) investing activities	364,712	550,874
Cash Flows From Financing Activities:		
Change in funds held for others	263,119	66,843
Payments on mortgage	(33,256)	(53,150)
Net cash provided by (used in) financing activities	229,863	13,693
Net Increase (Decrease) in Cash and Cash Equivalents	160,117	(356,319)
Cash and Cash Equivalents:		
Beginning of year	356,905	713,224
End of year	\$ 517,022	\$ 356,905
Schedule of Non-Cash Activities:		
Mortgage payable assumed by Diocese	\$ -	\$ 1,005,781
Property held for sale - parish transfer	\$ -	\$ 875,000

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

1. NATURE OF OPERATIONS

The Episcopal Diocese of Pittsburgh (Diocese) is a nonprofit diocese of the Episcopal Church in the United States of America in support of member parishes located in Southwestern Pennsylvania and faith communities. The Diocese, through its parishes, provides worship services for its members. In addition, the Diocese provides various social services to the community. The Diocese is supported primarily through assessments from its parish congregations and through investment income.

Parish churches and the capital assets of affiliated institutions are not included in the Diocese financial statements, with the exception of when a parish closes. At that time the parish property is recorded on the books of the Diocese. Land, buildings, and equipment, including property recorded by the Diocese from closed parishes are recorded at cost or appraised value at the date of donation or return to the Diocese (for closed parishes). Fixed assets include the Allegheny Township property, the Donegal property, and the Avalon property, equipment, leasehold improvements, and furniture. Closed parishes that the Diocese intends to sell are recorded as property held for sale.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements of the Diocese reflect the combination of Operating and Program Funds, Trust and Endowment Funds, and the Plant Fund.

The Operating and Program Funds finance the operations of the Diocese and include the General Budget and Budget Reserve Funds, Bishop's Residence Fund, Diocesan Growth Fund, Designated Funds, Reserve Funds, and Undesignated Funds.

Trust and Endowment Funds represent accumulated gifts, bequests, and donations that are invested in income-producing securities. These funds have varying degrees of restriction on income and/or principal usage and types of investment options available. The Board of Trustees (Board) must consider these factors in the administration of the affairs of the Diocese.

Method of Accounting

The financial statements of the Diocese are presented on the accrual basis of accounting and are prepared in conformity with accounting principles generally accepted in the United States

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

of America (GAAP) as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the accompanying financial statements are prepared using the accrual basis of accounting and include the assets, liabilities, net assets, and financial operations of the activities of the Diocese. Accordingly, revenues are recorded when earned and expenses are recognized when the liabilities are incurred. The financial operations of individual parishes and institutions distinct from the Diocese are not reflected in these financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Net Assets

Contributions received, including unconditional promises to give, are recognized as increases in net assets in the period received at their fair values. The Diocese displays its activities and net assets into three classes as follows: unrestricted, temporarily restricted, and permanently restricted.

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations over which the Board has discretionary control.

Temporarily Restricted Net Assets – Net assets that are subject to donor-imposed stipulations that may or will be met either by actions of the Diocese and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

Permanently Restricted Net Assets – Net assets that are subject to donor-imposed stipulations that must be maintained permanently by the Diocese. Generally, the donors of these assets permit the use of all or part of the income earned and capital gains, if any, on related investments for general or specific purposes.

The statements of activities present changes in unrestricted net assets from operations separately from other changes in unrestricted net assets. Changes in net assets from operations include revenues and expenses for which the Diocese prepares its operating budget. The operating budget is prepared on a cash basis and does not include items such as grants paid directly from endowments or other restricted non-operating accounts, provisions for loan losses, investments income, depreciation, and releases from restrictions on net assets.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets, that is, the donor-imposed stipulated purposes have been accomplished and/or the stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Contributions to give that are scheduled to be received after the financial position date are shown as increases in temporarily restricted net assets and are reclassified to unrestricted net assets when the purpose or time restrictions are met. Contributions to give subject to donor-imposed stipulations that the corpus be maintained permanently are recognized as increases in permanently restricted net assets. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year, if any, are discounted at the appropriate rate commensurate with the risks involved.

Statements of Cash Flows

For purposes of the statements of cash flows, cash and cash equivalents include all highly liquid instruments with maturities of three months or less when purchased.

Investments, Risks, and Uncertainties

Investments are carried at fair value and consist primarily of equity and fixed income securities. Gains and investment income are recognized in the period earned and are classified as unrestricted, temporarily restricted, or permanently restricted with respect to stipulations by the donor at the date of the donation.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements and the accompanying notes. The Diocese mitigates this risk by engaging a professional third-party investment manager of its investments, whose advice and activities are regularly monitored by the Finance Committee of the Board.

Concentrations

Deposits maintained by the Diocese at institutions at any one time during the year could exceed FDIC limits; however, management does not believe that this represents a significant risk.

Fixed Assets

Property and equipment are recorded at cost. The Diocese capitalizes all new assets with a value over \$5,000 and a useful life over three years. Land, buildings, and equipment transferred onto the books of the Diocese from closed parishes are recorded at appraised value at the date recorded.

Provision for depreciation is based on the estimated useful lives of the respective assets and is computed using the straight-line method.

The estimated useful lives are as follows:

Building	20 Years
Vehicles	5 Years

Repairs and maintenance that do not extend the lives of the applicable assets are charged to expense as incurred. Gains or losses resulting from retirement or other disposition of assets are included in the change in net assets.

Property Held for Sale

The Diocese has recorded property from closed parishes that are being held for sale at net realizable value, which represents the estimated fair value of the properties less estimated costs to sell at \$85,031 and \$960,031 as of December 31, 2013 and 2012, respectively.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Absent donor stipulations regarding how long those donated assets must be maintained, the Diocese reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Diocese reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment when circumstances indicate the carrying value of an asset may not be recoverable. For assets that are to be held and used, impairment is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value. Fair values are determined based on quoted market values, discounted cash flows, or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value. The Diocese did not recognize impairment of any of their long-lived assets in 2013 and 2012.

Trusts Held by Others

The Diocese has been designated the beneficiary for certain income from funds held in trust, the assets of which are neither in the possession of, nor under the control of, the Diocese. The estimated portion of the fair value of the underlying assets of these trusts and the net realized and unrealized gain (loss) of funds held in trust by others are reported as permanently restricted net assets. Under the terms of these split-interest trust agreements, the Diocese receives periodic payments from the trusts.

Income Taxes

The Diocese is exempt from federal income tax under the provisions of Section 501(a) of the Internal Revenue Code. In addition, the Diocese qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a Diocese that is not a private foundation under Section 509(a)(2).

Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Diocese, but which will only be resolved when one or more future events occur or fail to occur. Management of the Diocese and its legal counsel assess such

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to any legal proceedings that are pending against the Diocese or unasserted claims that may result in such proceedings, the Diocese's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the financial statements. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Fair Value Measurement

The Diocese has adopted the Fair Value Measurement topic of Accounting Standards Codification (ASC), including all applicable updates, which establish a framework for measuring fair value under accounting principles generally accepted in the United States of America and expanded disclosure about fair value measurement (see Note 5).

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. PARISH ASSESSMENTS AND LOAN LOSSES

The provision for parish assessment and loan losses, which is charged to current operations, reflects the amount necessary, in management's judgement, to establish an adequate allowance to absorb possible losses on assessments and loans. Management's judgement is based on a continuing review of the parish assessments and loan portfolios, past collection experience, and current economic conditions. While management uses available information to recognize losses, future additions to the allowance may be necessary based on changes in economic conditions. No interest had been accrued on assessments or loans receivable balances as of December 31, 2013 and 2012.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

4. NOTE RECEIVABLE

In August 2011, the Diocese finalized a court-approved agreement with an unaffiliated congregation to sell a parish property in exchange for a promissory note. The sale was recognized in 2011 and the resulting note receivable held is due in 120 monthly installments of \$4,307 each, which includes interest at the rate of 3.0% per annum, followed by 60 installments of \$4,415 each, which includes interest at the rate of 4.0% per annum. The final payment is due in August 2026. The balance outstanding is \$543,907 and \$578,686 at December 31, 2013 and 2012, respectively.

5. INVESTMENTS

Investments consist of the following at December 31:

	2013	2012
	<u> </u>	<u> </u>
Cash and cash equivalents	\$ 2,261,803	\$ 1,321,020
Certificates of deposit	288,375	294,388
Mutual funds, fixed income	1,138,212	3,033,594
Equity securities:		
Basic materials	1,822,486	775,222
Consumer goods	990,734	1,005,775
Energy	1,764,575	950,735
Financial	2,153,135	1,037,361
Healthcare	1,736,384	1,071,749
Industrial goods	1,441,757	811,763
Materials	1,235,280	588,002
Technology	2,222,844	1,452,118
Telecommunication services	117,838	76,895
Utilities	176,474	125,744
Other	122,820	437,661
Corporate debt securities	2,499,757	2,848,178
U.S. government obligations	3,226,542	4,552,670
Limited partnership	1,407,663	1,414,055
	<u> </u>	<u> </u>
Total investments	<u>\$ 24,606,679</u>	<u>\$ 21,796,930</u>

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

Investments were held in the following accounts at December 31:

	<u>2013</u>	<u>2012</u>
Morgan Stanley, Pool 1	\$ 22,986,525	\$ 20,070,992
Morgan Stanley, Pool 2	1,351,901	1,453,487
Ameriserv	209,211	210,988
Mellon Pooled Income Fund	47,255	49,201
Mellon Seed Account	11,787	12,262
	<u>\$ 24,606,679</u>	<u>\$ 21,796,930</u>

Investment income consists of the following for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Interest and dividend income	\$ 405,234	\$ 723,742
Net realized and unrealized (losses) gains	<u>2,825,646</u>	<u>963,643</u>
Total	<u>\$ 3,230,880</u>	<u>\$ 1,687,385</u>

The Fair Value Measurements topic (topic) of the ASC establishes a fair value hierarchy that prioritizes the inputs used to determine fair value and requires the Diocese to classify assets and liabilities carried at fair value based on observability of these inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by the topic are:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reported date. Financial assets utilizing Level 1 inputs include active exchange-traded equity securities.

Level 2: Pricing inputs are other than the quoted prices in active markets, which are either directly or indirectly observable as of the reported date. The nature of these assets and liabilities includes items for which quoted prices are available but traded less frequently and items that are fair-valued using other financial instruments, the parameters of which can be directly observed.

Level 3: Assets and liabilities that have little to no pricing observability as of reported date. These items do not have two-way markets and are measured using management's best estimate of fair value, where the inputs into the determination of fair value require

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

significant management judgment or estimation. Level 3 inputs include all inputs that do not meet the requirements of Level 1 or Level 2.

Determination of Fair Value

The Diocese measures fair value based upon market price, where available. For Level 3 items, the Diocese's valuation is determined in good faith by the General Partner of the custodian and information from the limited partnership as provided by the custodian and the limited partnership and by the market value of the underlying investments for interests in charitable remainder and perpetual trusts provided by the trustee as they have no significant observable inputs. For the limited partnership, fair value is based on the best information available and is determined by reference to information including, but not limited to, the following: projected sales, net earnings, earnings before interest, taxes, depreciation and amortization, balance sheets, public or private transactions, valuations for publicly-traded comparable companies, and/or other measures, and consideration of any other pertinent information including the types of securities held and restrictions on disposition. Quantitative unobservable inputs of Level 3 items are not developed by the Diocese for measuring fair value. Due to the absence of readily determinable fair values and the inherent uncertainty of valuations, the estimated fair values for private investments may differ significantly from values that would have been used had a ready market for the securities existed. For Level 2 items, fair value estimates include (1) the market approach, (2) the income approach, and (3) cost for a period of time after an acquisition. These valuation methodologies involve significant degree of judgment.

The following represents the fair value hierarchy of the Diocese's financial assets that were recognized at fair value on a recurring basis as of December 31, 2013:

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

	Fair Value Measurements at Reporting Date Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Investments:				
Cash and cash equivalents	\$ 2,261,803	\$ -	\$ -	\$ 2,261,803
Certificates of deposit	288,375	-	-	288,375
Mutual funds, fixed income	1,138,212	-	-	1,138,212
Equity securities	13,784,327	-	-	13,784,327
Corporate debt securities	-	2,499,757	-	2,499,757
U.S. government obligations	-	3,226,542	-	3,226,542
Limited partnership	-	-	1,407,663	1,407,663
Total investments:	<u>\$ 17,472,717</u>	<u>\$ 5,726,299</u>	<u>\$ 1,407,663</u>	<u>\$ 24,606,679</u>
Trusts held by others:				
Beneficial interest in remainder trusts	\$ -	\$ -	\$ 597,535	\$ 597,535
Beneficial interest in perpetual trusts	-	-	3,410,359	3,410,359
Total trusts held by others:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,007,894</u>	<u>\$ 4,007,894</u>

The following represents the fair value hierarchy of the Diocese's financial assets that were recognized at fair value on a recurring basis as of December 31, 2012:

	Fair Value Measurements at Reporting Date Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs Level 3	
Investments:				
Cash and cash equivalents	\$ 1,321,020	\$ -	\$ -	\$ 1,321,020
Certificates of deposit	294,388	-	-	294,388
Mutual funds, fixed income	3,033,594	-	-	3,033,594
Equity securities	8,333,025	-	-	8,333,025
Corporate debt securities	-	2,848,178	-	2,848,178
U.S. government obligations	-	4,552,670	-	4,552,670
Limited partnership	-	-	1,414,055	1,414,055
Total Investments	<u>\$ 12,982,027</u>	<u>\$ 7,400,848</u>	<u>\$ 1,414,055</u>	<u>\$ 21,796,930</u>
Trusts held by others:				
Beneficial interest in remainder trusts	\$ -	\$ -	\$ 500,943	\$ 500,943
Beneficial interest in perpetual trusts	-	-	2,866,975	2,866,975
Total Trusts held by others:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,367,918</u>	<u>\$ 3,367,918</u>

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

A reconciliation for years ended December 31 of fair value measures categorized as Level 3 follows:

	2013	2012
Fair value, beginning of year	\$ 4,781,973	\$ 3,965,895
Unrealized (loss) gain on limited partnership	(6,392)	504,222
Investment income from beneficial interest in remainder and perpetual trusts	203,728	99,927
Distributions from beneficial interest in remainder and perpetual trusts	(203,728)	(99,927)
Valuation (loss) gain, beneficial interest in remainder trusts	96,592	52,118
Valuation (loss) gain, beneficial interest in perpetual trusts	543,384	259,738
Balance, end of year	<u>\$ 5,415,557</u>	<u>\$ 4,781,973</u>

The valuation (loss) gain on the trusts held by others is included in the statements of activities.

The carrying amounts of cash and cash equivalents, which are included in investments, approximate fair value due to the short-term nature of these instruments.

Certificates of deposit, which are included in investments, are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

Mutual funds and equity securities, which are included in investments, are valued at fair value, which are the amounts reported in the statements of financial position, based on quoted market prices for identical securities in active markets that the Diocese has the ability to access at the measurement date.

Corporate debt securities and U.S. government obligations, which are included in investments, are valued at fair value, which are the amounts reported in the statements of financial position, based on quoted market prices for similar securities in active markets that the Diocese has the ability to access at the measurement date.

The beneficial interest in the remainder trusts are valued at fair value, which is the amount reported in the statement of financial position, based on the Diocese's beneficial interest in the closing prices of the underlying assets of the trusts, with incorporation of the donor's life expectancy in the calculation used to discount the future benefit to present value.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

The beneficial interest in perpetual trusts are valued at fair value, which are the amounts reported in the statement of financial position, based on the Diocese's interest in the fair value of the assets held by the trusts.

The limited partnership is valued at net asset value based on the Diocese's ownership interest and audited financial statements of the partnership at year-end.

The limited partnership investment represents an interest in Emerging CTA Portfolio, L.P. investment fund, which is a commodity pool limited partnership formed under the laws of Delaware. The partnership does not engage directly in trading activities, but invests substantially all of its assets with various trading companies (trading companies), all of which are Delaware limited liability companies organized to invest and trade in futures interests. The trading companies will engage in the speculative trading of commodity contracts including, but not limited to, domestic and foreign commodity futures contracts, forward contracts, swap contracts, futures contracts, foreign exchange commitments, and options on physical commodities, whether traded on an organized exchange or otherwise. These contracts and commodities are collectively referred to as futures interests. The limited partnership investment also represents an interest in LIN Media LLC, which is a limited liability company that owns television stations and formed under the laws of Delaware.

Investments in the managed futures are speculative and involve a high degree of risk. Risks arise from changes in the value of these contracts and the potential inability of counterparties to perform under the terms of the contracts. There are numerous factors which may significantly influence the market value of these contracts, including interest rate volatility. These factors were considered by the Diocese prior to making this investment and it was determined that the investment would be beneficial to leverage risk in the other areas of the investment portfolio.

6. ENDOWMENTS

Endowments consist of various investment funds established primarily for operating needs of the Diocese and includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on Pennsylvania state law and the existence or absence of donor-imposed restrictions.

Investment Return Objectives, Risk Parameters, and Strategies - The Diocese has adopted written investment and spending policies, approved by the Board, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

term. Investment risk is measured in terms of the total endowment fund. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. Endowment assets are managed by a committee of the Board and are invested in a well-diversified asset mix, which includes equity and debt securities.

Spending Policy - The Diocese is governed by the Commonwealth of Pennsylvania's Act 141. Act 141 is a total return policy that allows a nonprofit to treat a percentage of the average market value of the endowment's investments as income each year. The Diocese established a policy of appropriating for distribution each year 4.5% of the average monthly value of the endowment assets over the prior four years. In establishing these policies, the Diocese considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation.

The following schedules represent the change in donor restricted endowment funds by net asset type for the years ended December 31, 2013 and 2012:

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year	\$ -	\$ -	\$ 8,567,528	\$ 8,567,528
Investment return	-	-	979,836	979,836
Amounts appropriated for expenditures	209,735	-	(209,735)	-
Amounts expended	(209,735)	-	-	(209,735)
Endowment assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,337,629</u>	<u>\$ 9,337,629</u>
	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year	\$ -	\$ 4,946	\$ 8,302,593	\$ 8,307,539
Investment return	-	-	406,753	406,753
Amounts appropriated for expenditures	141,818	-	(141,818)	-
Amounts expended	(141,818)	(4,946)	-	(146,764)
Endowment assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,567,528</u>	<u>\$ 8,567,528</u>

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

7. FIXED ASSETS

Fixed assets as of December 31, 2013 and 2012 include:

	2013	2012
Land and buildings	\$ 2,328,414	\$ 2,328,414
Vehicles	11,715	11,715
	2,340,129	2,340,129
Accumulated depreciation	(622,250)	(535,271)
	<u>\$ 1,717,879</u>	<u>\$ 1,804,858</u>

8. BISHOP'S RESIDENCE

During 2007, the Diocese constructed a residence for its then incumbent Bishop, and entered into an agreement with that Bishop and his wife, which provides that the residence may be utilized by the Bishop and his wife until death. The agreement contains provisions requiring the Bishop to make 360 monthly payments of \$1,597, which began on December 16, 2007. The agreement is being accounted for as an operating lease. The agreement contains put and call provisions that give the Bishop the right and option to require the Diocese to reimburse certain amounts if he and his wife vacate the property prior to 2037.

9. COMMITMENTS

The Diocese guaranteed multiple debts in the original principal amount of \$4,710,000 for certain parishes within the Diocese. These notes mature through 2031 and interest rates range from approximately 5% to 7%. Each parish's building serves as underlying collateral for the loans. The amount of guaranteed debt outstanding as of December 31, 2013 and 2012 is \$2,233,393 and \$2,287,364, respectively. The Diocese is liable to the third party lenders related to the guarantees in 2013 and 2012. Beginning in April 2012, the Diocese came forward to make the monthly payments for a guaranteed mortgage; during the time that the parish was unable to make the payments directly. As required by accounting principles generally accepted in the United States of America, the Diocese recorded that debt on its balance sheet as described in Note 10.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

10. MORTGAGE PAYABLE

During 2012, the Diocese began to make the payments on a parish's mortgage with a balance of \$1,005,781 that is payable to First National Bank. The interest rate on the mortgage was 5.06% and the principal balance was \$952,631 at December 31, 2012. However, the debt was refinanced in March 2013 when the principal amount owed was \$947,246. The interest rate is 3.90% and monthly payments are \$5,718. As of December 31, 2013, the principal balance is \$919,375. The future scheduled debt payments (which the Diocese expects the parish to resume as soon as it is able to do so) are as follows:

2014	\$	33,304
2015		34,626
2016		36,001
2017		37,431
2018		38,917
Thereafter		<u>739,096</u>
Total	\$	<u><u>919,375</u></u>

11. OPERATING LEASE

In July 2011, the Diocese entered into an operating lease for office space for a term of six months, expiring January 31, 2012. The lease has continued on a month-to-month basis. Rental expenses for the years ended December 31, 2013 and 2012 were \$27,872.

The Diocese also leases four vehicles under non-cancelable operating leases, which require monthly payments. Future minimum rentals under the non-cancelable operating leases are as follows:

2014	\$	3,718
2015		3,718
2016		<u>1,737</u>
	\$	<u><u>9,173</u></u>

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

12. FUNCTIONAL EXPENSES

The Diocese's expenses are summarized on a functional basis as follows:

	2013	2012
Program	\$ 657,999	\$ 803,008
Administrative	689,235	872,789
Total functional expenses:	<u>\$ 1,347,234</u>	<u>\$ 1,675,797</u>

The costs of providing the various programs and other activities have been allocated among program and administrative based primarily upon direct charges.

13. PENSION PLANS

The Diocese contributes to a church-wide defined benefit pension plan for eligible lay employees called The Episcopal Church Lay Employees' Retirement Plan (Plan). The Plan's EIN number is 13-5562193 and does not have a separate plan number. A funded status ratio under 100% indicates there are insufficient reserves as of the reporting date to pay currently accumulated benefits. The Diocese contributes 15% of the participant's eligible compensation. Pension expense under this plan was \$21,557 and \$22,338 for the years ended December 31, 2013 and 2012, respectively, which does not exceed the 5% of total plan contributions from all employers.

Actuarial Valuation *:	March 31, 2014	March 31, 2013
Actuarial Value of Assets	\$ 146,000,000	\$ 122,000,000
Actuarial Accrued Liability	\$ 163,000,000	\$ 160,000,000
Excess of Assets Over Liabilities	\$ (17,000,000)	\$ (38,000,000)
Funded Ratio	89%	76%
Expiration of Collective-bargaining Agreement	N/A	N/A
Implemented rehabilitation plan	No	No
Employer surcharge	No	No
Future minimum contributions	15% of salary annually 15% of salary annually	

* - Amounts represent The Episcopal Church Lay Employees' Retirement Plan

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

The Diocese also contributes to a church-wide defined benefit pension plan for the clergy called the Church Pension Fund Clergy Pension Plan. This Plan's EIN number is 13-5562193 and does not have a separate plan number. A funded status ratio in excess of 100% indicates that there are sufficient reserves as of the reporting date to pay currently accumulated benefits. The Diocese contributes 18% of the clergy's eligible compensation. Total pension expense under this plan, as assessed by the administrator of the church-wide plan, was \$54,199 and \$61,996 for the years ended December 31, 2013 and 2012, respectively, which does not exceed 5% of total plan contributions from all employers.

Actuarial Valuation *:	March 31, 2014	March 31, 2013
Actuarial Value of Assets	\$ 8,600,000,000	\$ 7,600,000,000
Actuarial Accrued Liability	\$ 5,800,000,000	\$ 6,000,000,000
Excess of Assets Over Liabilities	\$ 2,800,000,000	\$ 1,600,000,000
Funded Ratio	148%	126%
Expiration of Collective-bargaining Agreement	N/A	N/A
Implemented rehabilitation plan	N/A	N/A
Employer surcharge	N/A	N/A
Future minimum contributions	18% of salary annually	18% of salary annually

* - Amounts represent the Church Pension Fund Clergy Pension Plan

Participation in multi-employer benefit plans includes the risk that the Diocese contributions could be used to provide benefit payments of other participating employers or for unfunded obligations of the plan.

Additional information for The Episcopal Church Lay Employees' Retirement Plan and Church Pension fund is available in The Church Pension Group Annual Report - 2013 at: <https://www.cpg.org>.

14. BOARD-DESIGNATED NET ASSETS

Board-designated net assets and certain income derived therefrom have been designated by the Board or General Convention for the following purposes at December 31:

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Community Service Fund	\$ 3,114,616	\$ 2,834,133
Plant Fund	2,346,817	3,343,576
Growth Fund	2,268,451	2,293,306
Bishop's Fund	1,528,424	1,397,108
Church Multiplication Fund	482,467	418,641
Bishop's Residence Fund	419,251	364,706
Clergy Relief	239,001	210,676
Seminarian Aid	105,296	89,984
Other	361,008	311,918
Total	<u>\$ 10,865,331</u>	<u>\$ 11,264,048</u>

15. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2013</u>	<u>2012</u>
Beneficial interest in charitable remainder trusts	\$ 597,535	\$ 500,943
Bishop's discretionary and other funds	50,725	29,946
Other mission support	36,237	792
	<u>\$ 684,497</u>	<u>\$ 531,681</u>

16. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are restricted to investment and reinvestment in perpetuity, and certain portions of the income are available to support various programs. Permanently restricted net assets are held to support the following purposes:

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Episcopal support	\$ 5,284,804	\$ 4,641,441
Parish and mission support	3,548,592	3,204,764
Bishop's Fund	759,776	703,747
Chaplaincy programs	645,091	584,226
Episcopal Church Women	595,730	544,180
Parish and mission grants and loans	572,372	509,950
Seminarian support	339,715	314,828
Charitable and religious purposes	319,939	297,162
Other	681,969	634,205
	<u>\$ 12,747,988</u>	<u>\$ 11,434,503</u>

17. LEGAL MATTERS

In October 2008, a vote led by certain former leaders of the Diocese at the annual Diocesan convention resulted in resolutions to amend the Diocesan constitution and canons to withdraw the Diocese from The Episcopal Church and align it with the Anglican Province of the Southern Cone. The validity and legal effect of this withdrawal vote remains in dispute. The former leaders, identifying themselves as the Anglican Diocese of Pittsburgh, a member of the Anglican Church in North America (ACNA Diocese), retained control of Diocesan assets and asserted their position that a 2005 stipulation required the ACNA Diocese to continue to hold and administer the Diocesan property even though its members had left The Episcopal Church. In October 2009, the Court of Common Pleas of Allegheny County, Pennsylvania disagreed with the ACNA Diocese's contention and ruled that the Episcopal Diocese of Pittsburgh of The Episcopal Church of the United States of America is the rightful trustee of the stipulated property and ordered the appointment of a special master to identify the real and personal property subject to the stipulation. The court did not need to rule on the validity or legal effect of the 2008 withdrawal vote, but did rule that even if the withdrawal vote was valid, it could not extinguish the diocese created and recognized by the Episcopal Church. On January 27, 2010, the Court of Common Pleas of Allegheny County, Pennsylvania accepted and adopted the report of the special master regarding the scope of the property to be held and administered by the Diocese.

The ACNA Diocese filed an appeal with the Commonwealth Court of Pennsylvania and on February 2, 2011, the Commonwealth Court of Pennsylvania affirmed the order of the Court of Common Pleas of Allegheny County, Pennsylvania in all respects. The ACNA Diocese filed a petition for re-argument which the Commonwealth Court of Pennsylvania denied on March 29, 2011. On April 28, 2011, the ACNA Diocese filed a petition for allowance of an

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

appeal to the Supreme Court of Pennsylvania, which that Court denied by an order dated October 17, 2011. There are no further rights of appeal.

These now final court rulings apply, among other property, to the real property used by 23 congregations that had identified themselves as part of the ACNA Diocese rather than the Diocese. In 2011 and 2012, the Diocese and two of these 23 congregations signed agreements for the acquisition of the property from the Diocese on terms reviewed by the Office of the Attorney General and approved by the Board and the Court of Common Pleas. In 2012, three parishes returned to active participation in the Diocese. The Diocese has encouraged the rest of the affected congregations to remain in the property pending further study, but some have elected to leave. In several locations where this has occurred, the Diocese is financially supporting the rebuilding of the parish as an active parish of the Diocese. In other locations where this has occurred, the Diocese is seeking alternative short-term uses of the property. In addition, there are approximately 15 parishes that have identified themselves as part of the ACNA Diocese where the existing court rulings are not fully dispositive because the real estate was titled in the name of the respective parish. The Diocese maintains that these parishes and each of these properties remains with the Episcopal Diocese of Pittsburgh, and that both the parishes and the properties (real and personal) are subject to the authority and canons of the Diocese and a trust interest for the benefit of the Diocese and Episcopal Church. The Diocese has extended a "without prejudice" invitation to these congregations to negotiate regarding the parish property and has entered into a standstill and tolling agreement with the majority of the congregations to facilitate such discussions. Currently, management is unable to evaluate the likelihood of an unfavorable outcome to these negotiations regarding parish property or the possibility that litigation will become necessary in the future.