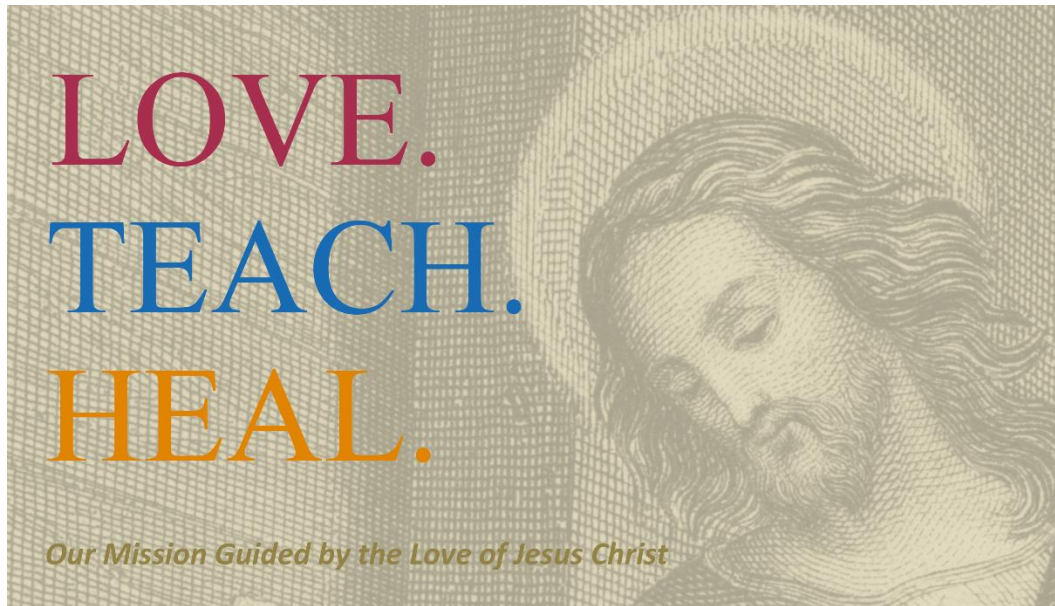


The Diocese of Pittsburgh
The Episcopal Church in Southwestern Pennsylvania



Materials for the
153rd Annual Convention of the Diocese
November 9 and 10, 2018
at
St. Paul's Episcopal Church
1066 Washington Road, Mt. Lebanon, PA 15228

Section A

General Material

**Episcopal Diocese of Pittsburgh
Tentative Convention Agenda**

Love Teach Heal: Who is My Neighbor?

November 9 & 10, 2018
St. Paul's Episcopal Church, Mt. Lebanon

Friday, November 9

Noon to 4:00 p.m. – Exhibit Set-up

- | | |
|---|---|
| 5:00 p.m. Registration Open
Light Refreshments Available | 6:20 p.m. Welcome |
| 6:00 p.m. Call to Order / Opening Prayer
Election of Secretary
Appointment of Parliamentarian
Report on Parish Assessments and Audits
Declaration of Quorum
Approval of Minutes of 152nd Annual Convention
Adoption of Rules of Order | 6:30 p.m. Plenary 1 – The Rev. Raymond Bonwell
7:30 p.m. Closing Prayer
Dinner in Parish Hall –
Pig Roast featuring Beer & Hymns |
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Saturday, November 10

- | | |
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| 8:30 a.m. Registration Continues
Coffee and Refreshments | 1:20 p.m. Café Conversations –
<i>Who is My Neighbor?</i> |
| 9:00 a.m. Convention Reconvenes in Undercroft
Opening Prayer | 2:35 p.m. Election Report, Third Ballot if necessary |
| 9:05 a.m. Report of Nominating Committee
First Ballot | 2:45 p.m. Chancellor's Report |
| 9:20 a.m. Budget Presentation & Adoption | 3:00 p.m. Report of the Committee on Resolutions & Adoption |
| 9:35 a.m. Plenary 2 – Rev. Bonwell | 3:10 p.m. Report of the Compensation Committee & Adoption |
| 10:20 a.m. Election Report and Second Ballot | 3:20 p.m. Bishop's Address |
| 10:50 a.m. Convention Eucharist, including
Commissioning of Lay Leaders | 4:00 p.m. Adjournment and Closing Prayer |
| 12:20 p.m. Lunch, District Meetings & Elections | |

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 hear the Bishop's 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. The Convention also prays for our people, parishes, and communities; worships the Lord during a celebration of The Holy Eucharist; and considers and discusses its role in the mission of Christ's Church.

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.

Name tags – Your name tag identifies your role in convention. Please be sure to wear it at all times.

Seating – Registered deputies will be seated in a designated area.

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.

Love. Teach. Heal. :Who is My Neighbor?

Join the conversation at Diocesan Convention as we examine this and related questions with keynote speaker the Rev. Raymond Bonwell

Mainline denominations have suffered tremendous decline over the past two generations in membership, societal impact, and cultural relevance. If successful ministry is defined solely by counting members and money, then the outlook is grim. But if success is measured by faithful discipleship to Jesus Christ and the ways in which that discipleship has impact, then signs of hope can be seen from individual, congregation, and diocesan points of view. But how do we measure growth in loving, teaching, and healing?

LOVE. Dr. Martin Luther King, Jr. observed that “many continue to knock at the door of church at midnight, even after the church has so bitterly disappointed them, because they know the bread of life is there.” Instead of leaving people knocking alone at the door, what if they were welcomed inside and purposefully gathered where God’s kingdom is demonstrated in love? When were you the one knocking at the door? Who invited you in and loved you? Are you now equipped to invite your friends (and family members, coworkers, or strangers) to come and see what the church has to offer? How might we measure these invitations in love?

TEACH. In his final commission, Jesus announced that Christians are called to teach the self and others “to obey everything that I have commanded of you” (*Mt 28:20*). To teach about Jesus is first to know Jesus. Do you know Jesus the way you know your mother or your best friend? Do you understand Jesus’ hopes for you? Do you know Jesus because of your deep familiarity with the Bible and prayer life? How can resources such as the *Book of Common Prayer* support you in learning Jesus by heart? To know Jesus is to connect Sunday morning with the rest of the week.

HEAL. “Love God and love neighbor,” Jesus says (*Lk 10:27*). How is your church empowering the people Jesus gathers together in your parish, so that what is happening *inside* your church is reflected *outside* your walls? How are you and others in your congregation measuring the ways you love God and neighbor, in both what you say and what you do? Information about the ways we experience healing and bring healing to others builds each of us up with purpose, encouragement, and energy for life in the world God has envisioned since the beginning.

The Reverend Raymond Bonwell

We welcome the Reverend Raymond E. Bonwell, III, as our keynote speaker for Diocesan Convention to help us explore how to measure growth in loving, teaching and healing.

Raymond is the Corporate Secretary of The Board of Pensions for the Presbyterian Church (USA). He is an ordained PC (USA) pastor and a minister member of the Philadelphia Presbytery.

He graduated from the University of Michigan with a degree in economics and had a twelve-year career in finance. While working full-time in finance, he earned the Certified Investment Management Analyst designation from the Wharton School at the University of Pennsylvania.

All through his career, though, Raymond felt the call for a deeper study of faith and theology. So, again while working full-time, the Rev. Bonwell graduated from an intensive two-and-a-half year lay certification program. He still wanted to study theology more intensely and felt God calling him to attend Princeton Theological Seminary as a full-time student. Raymond left his career in finance and relocated to Princeton with his wife and three children.

After graduation from Princeton Seminary, the Rev. Bonwell served as the Director of Programs for the Continuing Education Department, where he coordinated hundreds of conferences for lay and clergy leaders. Raymond has been invited to serve as guest preacher for hundreds of churches and to serve as a keynote or guest speaker in a variety of spaces around the country.

The Rev. Bonwell has a love for explaining things and wants to use his gifts to impact others, especially in the intersection of faith and finance. A few years ago, Raymond found a job where his love of finance and faith found its match. He was hired as an Educational Specialist for the Board of Pensions and has since been promoted to Corporate Secretary. The Rev. Bonwell has had a great impact on others, having had a live call-in radio program, published articles, and receiving awards for his faithful work and ministry.

RECORD OF THE 2017 ANNUAL CONVENTION

Minutes of the 152nd Annual Convention (Unapproved)

The Episcopal Diocese of Pittsburgh of The Episcopal Church in the United States **A.D. November 10-11, 2017**

The 152nd Annual Convention of the Episcopal Diocese of Pittsburgh of The Episcopal Church in the United States (the "Diocese") convened on Friday, November 10th, 2017 at Christ Episcopal Church, North Hills, Pittsburgh, Pennsylvania.

Registration of Convention Deputies began at 4:00 p.m. in order for the necessary certifications to be completed.

The Convention commenced at 6:00 p.m. The Right Rev. Dorsey W. M. McConnell called the Convention to order, and following an opening prayer, the Bishop asked the Rev. Canon James D. Shoucair, Rector of the host parish, to offer a general welcome.

Following the welcome, the Bishop then recognized Ms. Kathy Baird, 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 by acclamation.

The Bishop then announced his appointment of Ms. Betsy Hetzler as parliamentarian for the Convention, Mr. Jon Delano as Judge of Elections, and Dr. Joan Gundersen as Convention Manager. The Bishop directed that any logistical issues or problems be directed quietly to Dr. Gundersen.

The Bishop then appointed Mr. Andy Roman, Mr. Richard Mathews, and Mr. Bruce Quayle to serve on the Committee of Claims of Lay Deputies to Seats; and The Rev. Canon James D. Shoucair, Mr. Andy Roman and Mr. Eric O'Brien to serve on the Committee on Claims of Parishes.

The Bishop then recognized Ms. Sheila Stagnitta, the Judge of Audits, who indicated that all parishes were in compliance with the canonical requirement on assessments and parochial reports for the year. She reported that three parishes (Church of the Good Shepherd, Hazelwood; St Michael's, Rural Valley; and St Bartholomew's, Scottdale) had not begun their audits and accordingly, their deputies would have seat and voice at the convention, but not vote.

The Bishop then recognized the Rev. Scott T. Quinn, who reported on the status of the Cathedral and its efforts to improve its financial health and physical condition.

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

The Secretary reported that there were sixty (60) lay deputies present whose credentials had been received before the Convention. He also reported that there were forty (40) clergy present who duly affirmed that they were ordained and in good standing in The Episcopal Church for the past three months. This brought the total deputies present to one hundred (100), which constituted a quorum for the transaction of business. He also indicated that the Convention would dispense with a formal roll call and accordingly certified the roll of parishes for the Convention.

The Bishop then moved the approval of the minutes of the 151st Annual Convention of the Diocese found in the Preconvention Journal, which were then duly approved and adopted by unanimous vote.

Ms. Kathy Baird, on behalf of Diocesan Council, then moved that the Convention adopt the printed agenda for the Convention. There being no discussion, the motion was passed unanimously.

The Bishop then asked Mr. Russ Ayres and the Rev. Nancy Chalfant-Walker, co-chairs of the Nomination Committee, to make the report of the Committee.

They then reported on each of the offices to be filled and the nominees for such offices. After the report for each office, the Bishop asked if there were any additional nominees from the floor.

Mr. Ayres reported that due to the withdrawal of the Rev. Shawn Malarkey as a nominee for Standing Committee, the committee had received a petition for the Rev. Noah Evans for the clergy position on the Standing Committee. The bishop instructed that the Rev. Noah Evans be added to the ballot as a nominee for the Standing Committee.

Russ Ayres then moved that nominations be closed. He asked that the Secretary of Convention be instructed to cast a unanimous ballot for those offices with uncontested elections; namely the Board of Trustees, the Cathedral Chapter, the Disciplinary Board, the Growth Fund and the clergy positions on the Committee on Constitution and Canons and the Standing Committee. The motion being moved and seconded, it passed by unanimous vote.

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

The Bishop then introduced the keynote speaker, the Rt. Rev. Andrew Doyle and invited him to address the Convention.

At the conclusion of Bishop Doyle's address, the Bishop thanked him for an inspiring and challenging message.

The Bishop then asked the Judge of Elections to report on the results of balloting from earlier in the evening.

Mr. Delano reported as follows (*denotes elected):

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

- *Wesley Fox McCloud
- *James Neral

For the Cathedral Chapter (one clergy one lay):

Clergy:

- *The Rev. Lennel Anderson

Laity:

- *Sig Tragard

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

- The Rev. Howard Gillette 26
- The Rev. Dan Isadore 27
- *The Rev. Eric McIntosh 43

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

Clergy:

*The Rev. Joseph Baird

Laity:

*Courtney Horrigan 54

Kenneth Stiles 43

For the Disciplinary Board (two clergy one lay):

Clergy:

*The Rev. Moni McIntyre

*The Bruce Robison

Laity:

*Courtney Horrigan

For the Growth Fund (one to be elected)

*Gerald Dalton

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

Clergy:

The Rev. Shawn Malarkey (withdrawn)

*The Rev. Noah Evans

Laity:

Michael Donadee 44

*Robert Johnston 52

Following Mr. Delano's report, the Bishop then declared the Convention in recess until the next morning at 9:00 a.m. and invited registered deputies and other attendees to proceed to Holy Trinity Greek Orthodox Church for the Convention dinner.

Saturday, November 11, 2017

The registration of deputies commenced at 8:00 a.m. The Bishop called the Convention to order at 9:00 a.m.

The Bishop then called upon Dr. Joan Gundersen to report on Diocesan Disaster Preparedness efforts.

Following the report, the Bishop then called on Ms. Kathi Workman, Diocesan Treasurer, to present the proposed budget for 2017. The Bishop mentioned that \$40,000 would be available for mission grants in 2018 and underscored the possibility of a joint Mon Valley Mission Initiative with the Bidwell Training Center. He also indicated that the Rev. Ted Babcock would be retiring as Canon for Congregational Development as of First Advent. He thanked him for his service to the Diocese over the course of the past two years.

Following Ms. Workman's report and a motion for approval and discussion, the budget was approved unanimously by Convention.

The Bishop then invited Bishop Doyle to give the second part of his presentation to the Convention. At the conclusion of his address, the Bishop again thanked Bishop Doyle and indicated that the Convention would have an opportunity to reflect on his ideas during small group discussions in the afternoon.

The Bishop then recognized Ms. Nancy Lapp and Ms. Marianne Novy for items of special business. Ms Novy then offered the following resolution for approval by the Convention:

WHEREAS Nancy Lapp has chaired the Diocesan Social Justice and Outreach Committee from 2009 until January 2017, with dedication, diplomacy, and careful thought; and

WHEREAS she organized, through the committee, a Race Against Hunger, which involved people throughout the diocese in helping at the Greater Pittsburgh Community Food Bank, advocating for policies that promote development and fight poverty, watching three documentaries about food and food industries, and raising funds to fight domestic and international hunger; and

WHEREAS she facilitated the committee's provision of grants to help diocesan parishes develop vegetable gardens; and

WHEREAS she twice oversaw, through Habitat for Humanity, a diocesan-wide effort to rehab houses for occupancy by immigrants formerly homeless or living in grossly inadequate housing; and

WHEREAS she continued to educate about Christians in the Middle East and the Israeli-Palestinian conflict by developing a resolution for General Convention and co-teaching a diocesan course, and helped committee meetings provide education about other issues ranging from literacy to air pollution; and

WHEREAS in addition to curating the Pittsburgh Theological Seminary's Kelso Museum of Near Eastern Archaeology for 30 years, she has done archaeological research and writing since the 1960s, publishing two co-edited volumes about research in Jordan in 2015, and impressing the American Schools of Oriental Research so much that they gave her name to the Nancy Lapp Popular Book Award in 2015; be it now therefore

RESOLVED that the Episcopal Diocese of Pittsburgh, meeting here in convention on this 11th day of November in the year of our Lord 2017, does hereby declare our profound gratitude to Nancy Lapp for her faithful ministry.

The Bishop then recognized the Rev. Michael Foley who made the following resolution:

WHEREAS Nancy Travis Bolden has chaired the Diocesan Commission on Race and Reconciliation from close to its beginning until 2015 with dedication, diligence, and careful thought; and

WHEREAS she organized, through said Commission, diocesan trainings using The Episcopal Church curriculum, *Seeing the Face of God in Each Other*, raising awareness of the systemic racism that oppresses people of color; and

WHEREAS she was Administrator of the Pittsburgh Public School's Educational Medical School (for Pregnant Girls and Teenage Parents); and

WHEREAS she reduced the rate of absenteeism at Taylor Allderdice High School by 30 percent in her profession as a School Social Worker and Home and School Visitor; and

WHEREAS she raises awareness through the Episcopal Diocese of Pittsburgh about the pervasiveness of racism by her guidance and mentoring to so many of its members, and through her vigilant respect for sound process and systems in order to effect measurable change; and

WHEREAS she has served effectively as The Episcopal Church's Province III Coordinator for Anti-Racism Ministry and Training for many years, obtaining significant funding through a Constable Foundation grant for the Province's training of trainers and other anti-racism efforts; and

WHEREAS she has served her parish, the Church of the Redeemer in Squirrel Hill, as Senior Warden, and currently as a member of the Worship and Music Committee, and additionally has served as a member of the Episcopal Diocese of Pittsburgh Growth Fund Committee; be it now therefore

RESOLVED that the Episcopal Diocese of Pittsburgh, meeting here in convention on this 11th day of November in the year of our Lord 2017, does hereby declare our profound gratitude to Nancy Travis Bolden for her faithful ministry.

After both motions were moved and seconded, they were passed unanimously by Convention.

The Bishop then called for a short recess before continuing with the Convention Eucharist, lunch and small group discussions, and he asked the Secretary of Convention to instruct the deputies.

Upon reconvening after the small groups, the Bishop called on the Judge of Elections, Mr. Jon Delano, to present the District election results, which he did as follows:

District 1

Chair: Bruce Quayle, Christ Church, North Hills

Vice-Chair: Eric O'Brien, Christ Church, North Hills

Council: Bruce Quayle, Christ Church, North Hills

Trustee: Heather McDonald, Christ Church, North Hills

District 2

Chair: The Rev. Michael Foley, Redeemer, Squirrel Hill

Vice-Chair: Gerald Dalton, St. Stephen's, Wilkinsburg

Council: Frances Dannenberg, Redeemer, Squirrel Hill

District 3

Chair: Amy Shelley, St. David's, Peters Township

Vice-Chair: Bob Johnston, St. Paul's, Mt. Lebanon

Council (2020): Jon Delano, St. Paul's, Mt. Lebanon

Council (2019): Peter Balfe, St. Paul's, Mt. Lebanon

Council (2018): The Rev. Linda Wilson, All Souls, North Versailles

District 4

Chair: The Rev. Nancy Threadgill, St. Mark's, Johnstown

Vice-Chair: Lyssa Nickle-Madden, St. Mark's, Johnstown

Council: The Rev. Joseph Baird, St. Peter's, Blairsville

Trustee: John Hose, Advent, Jeannette

The Bishop then recognized Ms. Diane Duntley, the diocesan coordinator for Episcopal Relief & Development. Ms. Duntley spoke on a desire for parishes to name local ER&D coordinators. The Bishop noted that the plate offering from this morning's Eucharist will be directed to ER&D's hurricane relief efforts in Bishop Doyle's diocese and elsewhere.

The Bishop then called upon the Secretary to Convention, the Rev. Canon James D. Shoucair, to provide notice of proposed changes to the Constitution of the Episcopal Church. Canon Shoucair reported as follows:

“As required by Article XII of the Constitution of the Episcopal Church, each amendment to the constitution of The Episcopal Church which has been passed by one General Convention is to be sent to every diocesan convention secretary so that it can be “made known” to the diocesan convention before General Convention takes up the matter for a second, final reading and passage. There are three amendments due for a second reading at the 2018 General Convention. All are in Section C of our pre-convention materials. You will find them on pages C-1 and C-2. Should you have objections to the changes, you may voice them now or by expressing your concerns to members of the 2018 deputation to General Convention.”

The Bishop then asked whether anyone wished to voice an objection. There being none, he then called on the Rev. Dr. Bruce Robison for the report from the Committee on Constitution and Canons.

Father Robison offered two canonical amendments on behalf of the Committee on Constitution and Canons, as follows:

First, a resolution concerning reorganization of Canons I, II, and III as found in the preconvention journal. He indicated that the changes involved moving materials to more logical placements and that no substantive changes were involved.

Second, he moved the amendment of Canon III.2.b so that the words “Clergy and” were removed from it. He explained that the effect was to prevent a conflict between this canon section and Article III.2 of the Constitution of the Diocese that guaranteed seat and vote to those clergy canonically and physically resident in the diocese and meeting certain other requirements.

Both motions were passed by Convention.

The Bishop then asked the Convention to recognize the following clergy anniversary of ordination milestones:

The Rev. Bruce Robison	30 years
The Rev. Jeffrey Murph	30 years
The Rev. Philip Wainwright	30 years
The Rev. Regis Smolko	35 years
The Rev. Marjorie McCarty	35 years
The Rev. Arthur Dilg	55 years
The Rev. Roger Bell	60 years

After the applause, the Bishop then recognized Ms. Kathy Baird of Diocesan Council.

Ms. Baird moved the following resolution:

Resolution of Thanks and Support for Bishop Doyle, the Diocese of Texas and other Dioceses Recovering from Natural Disasters this Year.

WHEREAS Bishop Andrew Doyle has given us much food for thought and given of his limited time by being with us through two days of convention; and

WHEREAS, the Diocese of Texas and other dioceses in Texas, Florida, Puerto Rico, the Virgin Islands, and California were faced with great challenges following natural disasters from hurricanes and fire; and

WHEREAS the members of the annual Episcopal Diocese of Pittsburgh Convention, its officials, lay and clergy deputies, guests, and staff are aware that recovery and rebuilding in all these places will be a long and difficult path; therefore be it

RESOLVED that we thank Bishop Doyle for his presence and for his diocese in lending him to us during this challenging time; and be it further

RESOLVED that we send our prayers and support to all of the affected dioceses and best wishes for their continued recovery.

The resolution was passed unanimously by Convention.

Ms. Baird then presented the following resolution:

Resolution in Recognition of Volunteers

WHEREAS, this Diocese has been enriched by the gifts of time and talent offered by many volunteers; and

WHEREAS, the work of the Diocese depends on the many hours donated by those who serve on diocesan committees, commissions, and task forces, volunteer in the archives and help with Convention; and

WHEREAS this annual Convention has depended on volunteers to 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 request that all those here present who have provided volunteer service for the diocese since our last Convention stand receive the thanks of the Convention.

The motion passed unanimously. After the applause, Ms. Baird moved the following resolution:

Resolution of Thanks to Christ Church, North Hills.

WHEREAS Christ Church, North Hills, and its staff and members have hosted the 152nd diocesan annual convention; and

WHEREAS this Diocese has been well fed, escorted, directed and generally welcomed with smiles and helping hands, therefore be it

RESOLVED that the officers, deputies, bishop and visitors participating in this Convention tender Christ Church our sincere thanks for the many ways, large and small, that the people of the parish have worked to smooth the course of events and provide us with a welcoming site for our Convention.

The motion was passed unanimously.

After the applause, the Bishop then called upon Mr. James Neral to present a report from the Diocesan Compensation Committee. Mr. Neral reported that Diocesan Council has already approved the Medical Insurance Guide so that employees could participate during the enrollment period. After reporting on the changes to the medical plans and Compensation Guide, Mr. Neral moved the adoption of the revised

Compensation Guide and all its Appendices as set forth in the preconvention journal. The motion was unanimously approved.

The Bishop then gave his annual address to the Diocese. A copy of his address is attached hereto as Exhibit A.

The Bishop concluded by announcing that the 153rd Diocesan Convention would be held on November 9 and 10, 2018, at a location to be announced. He offered a closing prayer and moved that the Convention be adjourned. The motion, duly moved and seconded, passed unanimously.

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

EXHIBIT A

Bishop's Address to Convention 152nd Annual Convention of the Episcopal Diocese of Pittsburgh November 11, 2017

A transcript of the concluding remarks to Convention delivered by the Right Reverend Dorsey W.M. McConnell, VIII Bishop of Pittsburgh:

I don't know a better place to do this, but, first of all, how were your Bible studies [earlier today]? Good? Excellent! It seems people had a very good experience with it. Take that away with you and use it. You've got the whole leader's guide. Let me ask Natalie to please stand: Pastor Hall, Canon Hall is the major architect, designer, and author of that. She has been helped by staff comments, particularly by Kim Karashin, and the dynamic duo here has come up with that in some wonderful ways, so let's give them some recognition, please (*applause*). And as logical to that, I would like all my staff, please, to stand... (*applause*). Thank you, thank you so much for all you do.

Second, a reminder, as will become probably unavoidably clear to you in the course of this address, this business of living stones: this is you. There are 200 [stones] out there on the table. I prayed over each one of these yesterday as I marked it with a cross and with today's date, and with a citation, 1Peter 2:5: *Like living stones yourself, be built into a holy temple to offer spiritual sacrifices to God.* Just a reminder, my friends, of who you are, and who you lean on, and that you're never alone. So take one with you as you go out. You'll notice that they're a little heavier than the scallop shells which were distributed in McKeesport in February. And if this keeps going, in another five years, I'll be handing out basketballs I imagine, so... (*laughter*).

From one of my favorite letters from Paul: *Put on then, as God's chosen ones, holy and beloved, compassion, kindness, humility, meekness and patience... and above all these put on love, which binds everything together in perfect harmony, and let the peace of Christ rule in your hearts, to which indeed you were called in the one body. (Col. 3:12-15)*

Well, friends, I've been among you for five years, and among all the things I love about being your bishop, foremost among them would have to be your hospitality towards me during my visitations. You are just incredibly welcoming and I am always so grateful to be among you. Even if there's stuff going

on in your parishes that is making you sad or anxious, it never seems to affect the way you greet me. Sometimes it's not just me, but also Betsy; you are always very gracious with her when she is able to come. And many of you have even hosted Charlie, our basset hound mix. I always get the feeling that you pull out all the stops and you'd be ready with anything I could need. There's a beautiful story about Bishop Bill Gordon, who is the famous flying bishop of Alaska. He used to tell about the generosity of his own congregations when he visited. Once he was going way up above the Arctic Circle into a native village up there. There was a rousing service of Confirmation and a big community meal, like they do in Alaska, with the specialty being bowls of moose head soup. You got to eat it, if you haven't! The people were poor but the feast was great, and took place in and around the home of the village's chief elder. During the meal, as the bishop sat in the seat of honor, with his lunch in his hands as he was spooning it up, the family dog sat in front of the bishop staring at him and growling softly. Bill was puzzled, because the dog had been friendly enough when he had entered the house, so he couldn't understand why now the dog's attitude had quickly changed. So he asked the elder, "What's wrong with the dog?" The elder leaned over, pointed to Bill's lunch, and said, "It's 'cause you've got his bowl." (*laughter*). So, I am grateful you've never had to cross that line, but I know if it ever were necessary, your dog wouldn't hesitate!

As I mentioned in my sermon, the world is looking for this sort of kindness I just have described, because it is the sign of the gracious Lord we serve. You grant that kindness to me, and if we are to grant that kindness to the world, then surely we've got to grant it to one another. Indeed, a diocesan budget, which you approved today, is exactly that – an expression of your care for one another, your inter-relatedness, and over the last five years, I want you to know, have seen that become so much more of a reality. The walls that once were among you – of mistrust and hurt, in many cases between small parishes and large ones, urban and rural, Pittsburgh and not-Pittsburgh, barriers even between clergy and laity, barriers of race and class and theology – well, they're not down yet, but they are slowly wearing away as you more deeply live out your connection to each other as members of the Body of Christ charged with a common mission.

And just what is that mission? During my time with you, I have repeatedly phrased it according to three key priorities. You've heard these before: that we proclaim, by word and action, a public Gospel; that we re-invent ourselves as missional communities; and that we focus on the formation of Christian leadership. Public Gospel means the engagement of the society around us with the good news of Jesus Christ. Missional communities means the conversion of our congregations from settled, inward-looking religious societies to outward-focused bands of apostles who engage the real human need in their neighborhoods and beyond, in the power of the Gospel. Leadership formation means what you were doing a few minutes ago in your groups, the intentional development of our people's relationship with Christ through deepening prayer and study of Scripture, which helps us all towards greater maturity in Christ.

I say it every year: three priorities, six words, ten years. And I believe in the content of this, but in my conversations with you all across the diocese during my tenure, I also know that something is not connecting. That is to say, these words fail to achieve the basic function of a mission statement, which is clearly to state a mission without then having to explain it all, the way I just did. Which shows me that these things, as good and as desirable as they may be, are a step away from the core of our mission as Church, as diocese. They are things we need to be about, yes, but there has been something missing, something that, without resorting to a bunch of Church-talk, would describe the essence of who we are and what we do as followers of Jesus Christ, and convey it in a nutshell as our peculiar gift, yours and mine, bishop and priests, deacons and laity, as a diocese knit together in one Body for common witness in southwestern Pennsylvania.

I have prayed long and hard about this, seeking a simple phrase that would express our mission, guided by the love of Jesus Christ. So here it is: We Love. We Teach. We Heal. – Love. Teach. Heal. That's who we are and it's what we do.

So let's take a little time to explore the dimensions of each of these. Love is first. But, of course, as the children in my sermon would have asked, love whom? Well, first God. To love God *with all your heart, soul, strength, and mind* (Luke 10:27). It's an obvious beginning, in the Hebrew Scriptures and quoted again in many places in the New Testament, particularly in Luke 10. It's an obvious beginning, but you'll recall that when Jesus quotes it and emphasized it as the great commandment, he then links it to a second commandment, less well known, that we should love our neighbor as ourselves. So first love God, then the neighbor. But you will recall also, as [Bishop] Andy Doyle was saying last night and again today, that that's a complicated and very challenging proposition. As Jesus tells that story, the one about the good Samaritan, saying that our neighbor is precisely the one most different from us, the one we're afraid of, who causes us trouble, perhaps even the one we hate, and who hates us, and in case we miss the point, he tells us explicitly that we must love even our enemy.

So, if this first mission point is to love, it is to love God, love the neighbor, and love your enemy. God knows we have plenty of opportunities. Start at coffee hour. I'm serious. Look, it's a family, at Thanksgiving, everyone is gathered around, they love each other, and yet also they are troubled by each other. They project stuff onto each other. They image things in their heads. So, it's loving others, not because we expect anything back from them, but because that is how Christ loves us. Love God, love the neighbor, love the enemy. How counter-cultural. How against the world it is. And, how absolutely mainstream to us. Of course, you got to know, it's impossible. As Jesus would say, impossible on a human level, which is why we need to go to the next one, to let the Holy Spirit teach us and others how it is that God makes the impossible commandment to love possible, do-able, normal.

And so, we teach. We teach about God, or we teach God-with-us. *And the Word was made flesh and dwelt among us.* (John 1:14). That is, as Gene Peterson translates it: God has moved in to the neighborhood, in Jesus Christ. And note friends, not just the Church, moved into the neighborhood, into the world you see, in taking on human flesh. So, God with us, God for us. God is on our side. *He who did not spare his own son, but gave him up for us all, how will he not also with him graciously give us all things?* (Romans 8:32). *Through his cross, he has forgiven our sins, and through his resurrection has conquered our mortality.* He is for us and He is in us – God in us. *God has sent the Spirit of his Son into our hearts, crying Abba! Father!* (Galatians 4:6) as Paul puts it in Galatians. God, in other words, is speaking to us, through us and in us, all the time, as he leads us through the Church into the world, and in the world, and through the world He will also speak to us, and in us, as we carry Him in our hearts.

As we learn what the Spirit teaches, and as we teach others, the Church receives power to see and join the work that God is already doing in the world, and power especially to heal the wounds of a beautiful and yet broken creation. And that's the last mission point, to heal. Well, better start simple, with people – heal the person. Again and again in the Gospels, *Great crowds came to [Jesus], and he healed them* (Matthew 15:30). And he didn't heal them by stretching out his hand over 5,000 as if he were Moses parting the sea. He walked among them one by one, one at a time, loving, teaching, healing.

So with us, people carry enormous burdens in their lives. They carry things they can't seem to get over or get beyond. What if all of our churches became known as places where people could safely put those burdens down and grow into the human beings God has always desired them to be?

That's why He wants to heal the Church. We know something about that in this diocese. John 17, the last prayer of Jesus: that his disciples, the Church, his apostles *may become perfectly one, so that the world may know you sent me* (John 17:23). I'm in the habit of saying that God will not heal a divided

world through a divided Church. To the extent that our wounds as Church are healed, He will use us mightily to heal the world. I believe God in this time is breaking down the dividing walls of hostility among the Churches that have shattered the Body of Christ according to doctrine and denominational heritage and ethnicity and race, and He is using us to do so, friends. And what if every one of our churches had a commitment to crossing that barrier, to walking with Jesus across those divisions, to building the bridges of reconciliation in prayer and mission with a congregation of a different brand, a different color? We might be even taken seriously by the world, because that's where our healing is really called.

St. Paul, in Second Corinthians says that He has made us agents of His reconciliation: *We are nothing less than ambassadors for Christ, God making his appeal through us (2 Corinthians 5:20)*. Heavens knows, there is no shortage of brokenness in the world around us – broken lives, broken relationships, broken systems. Here in our region, especially, we see in so many of our neighborhoods the consequences of racism, poverty, violence and particularly addiction, which is a growing epidemic, and at the root of it all a deep hopelessness, a kind of resignation to the assumption that “that’s just the way the world is and there’s no point to thinking that it could be a different place.” Yet we know, it can be a different place. It all seems overwhelming, and yet God has called us and filled us with power in the words of the old spiritual, “to make the wounded whole.” And the efforts don’t have to be huge in worldly terms. They don’t have to have big budgets. They don’t have to have lots of people. They just have to meet, in some small way with the faithfulness of Jesus, the broken-ness of the world with the power of Christ to heal. What if every one of our communities dared to have a single, specific ministry to engage that world in the work of reconciliation and healing?

So there you have it, sisters and brothers, our mission from your bishop’s perspective: love, teach, and heal. To love God, neighbor and enemy. To teach God with us, for us, and in us. To heal the person, the Church, and the world.

And yes, while the content of my old three key priorities are either contained or implied in the words, I love this – love, teach, and heal – because these are English! You see they’re easy to remember, even in their expanded form. In their short form, these three words, you could adapt them as a mission statement for your parish or for your outreach committee, or as a way of introducing your congregation at a public hearing or town meeting, right? “Hi, I’m Nancy from St. Swithin’s. We’re a parish of the Episcopal Diocese. We love, teach and heal.” I’d suggest that the expanded form could be the basis for a whole lot of things, a newcomers’ class, or a Sunday School curriculum. They could be turned into even, God help me, a set of metrics for your vestry. You could visit them as standards from time to time to gauge your progress in moving the Gospel into the lives of your congregants and of the people and institutions around you in your neighborhood. Or they could help you as a filter to judge whether or not to keep a ministry or to start a new one – and we’ll be doing that, believe me, in my office – asking questions like “how will this help us in our mission to love teach and heal?” And, indeed, “if this is not helping us love, teach or heal, then why are we doing it?” These questions will certainly be used to guide my work and the work of our staff.

Now quickly, since this is the basic work of the Gospel, we shouldn’t be surprised to see a lot of this going on already in the diocese. Here’s a quick look back over the last year and a little look forward. And these categories are a little artificial because, in fact, in some ways all of these ministries involve all three of the love, teach, and heal. But let’s have a look at it.

So, in Mt. Lebanon it turns out... did you know that Mt. Lebanon isn’t perfect? I was shocked to find out that 18% of kids in Mt. Lebanon public schools are on assisted- or free lunches. Eighteen percent. So, now, there are some folks at St. Paul’s, Mt. Lebanon, along with other faith communities, churches, and synagogues, the library, and other public institutions who are really saying “you know, we got to actually

talk about race and poverty and justice in Mt. Lebanon. Maybe we can have a way of facilitating a public conversation,” which is a way of *Love*. The Walk-in Ministry at Trinity Cathedral, which has been adopted by this diocese, is *Love*. Laundry Love from St. Peter’s, Blairsville – one of my favorite ministries, good gracious – they just go there and help people get their clothes clean, and pay for it, and talk with folks, and sometimes pray for them. There are Community Gardens – *Love*. Jeremiah’s Place, a crisis ministry – *Love*. The Daughters of the King, which in this diocese are starting up again, their ministries are of service and prayer in the *Love* of Christ – and if you are a priest-in-charge in this diocese, you can expect a call from them in the next few days, as they would ask you to help them identify, perhaps, women in your congregation who might be invited into this ministry of prayer and service.

Teaching: there’s Faith 5, a simple platform for organizing family devotions, moving deeper into love for one another, and in formation in Christ in the Scriptures and in prayer together. There’s the Restoration Project from Christopher Martin. There’s Sheldon Calvary Camp, of course, which teaches more kids and more people in one place than I, frankly, have ever seen over the course of a summer. There are Lenten Learning inquiries with Carrie Headington this year and Scott Gunn of Forward Movement coming next year. There’s Appreciative Inquiry, led by Canon Kim Karashin. By the way, Faith 5 is being moved forward in this diocese by Natalie Hall, our Canon for Evangelism and Faith Formation. Appreciative Inquiry is a powerful way of seeing Gospel principles re-animate a search for purpose and direction in your own parish and leadership. There’s a Himalayan Foundation at St. Peter’s in Brentwood, there is the Neighborhood Youth Outreach Project at St. Stephen’s in Wilkinsburg, there is Godly Play training, there is all these ministries going on all the time, and all of them are teaching the power of Jesus to make people new.

And on the *Healing* side, we have the Mon Valley Mission, which is reaching into the neighborhood around it for those who are most desperate. There’s a Youth Mission from this diocese in West Virginia, spearheaded by St. Paul’s, Mt. Lebanon. There are still outreaches in Uganda, which is a province of the Anglican Church that is among those that been most deeply estranged from us; and yet, both through the work of the Mustard Seed Baby Home in Uganda and through the UTO offering grant through this diocese to St. Andrew’s School in Jinja, and through my own work through Pilgrim Africa, lives are being saved and people are being healed. There is our support for Becca Stevens, who was wonderful when she came here, and there’s so much more.

In the bishop’s office, I want to say, we have resources to help you grow more into the Church that loves, teaches and heals. If you’re looking for assistance in figuring out your mission, or reconfigure it, or if you want to start something new, our Canon for Mission Kim Karashin can help. Kim, why don’t you stand up. And when I call your name out, remain standing if you would... (*applause*). Appreciative Inquiry, strategic support for mission initiatives, she can help you with mission grants, and all kinds of thing. If you are looking for sound practices appropriate to your size and budget that will empower you for the Christian formation of your children and your adults and your families at home, in the church and in the world; or if you feel called to evangelism, but it still scares the heck out of you and you’re shy because you’re Episcopalian, our Canon for Evangelism and Faith Formation Natalie Hall can help. She’s right over there (*applause*). If you are wondering how to connect with the 12-step groups that meet in your church, if you want to join Christ’s mission in healing addiction, if you think the Mon Valley Mission may be a useful model for your community or parishes near you, or if you are interested in exploring what it might mean to be a bi-vocational priest or deacon, you can reach out to Canon Jay Geisler, who’s standing right here (*applause*). And if you’re unsure of what you need, but just want to talk to someone about any possibility whatever, including if you need cell phone numbers for any of the people I just introduced, or you got something to share, including complaints about your bishop, you just connect with Shawn Malarkey... (*applause*), who as Canon to the Ordinary will be not only coordinating

the work of our canons and staff, but also trying to coordinate his bishop, so please pray for him on that one (*laughter*).

One of the major tools for us to connect with one another will be the new website, and we want to introduce this to you. It's an early draft. We're not going to go through it all, so it's a work in progress. There are two goals: obviously to make sure you, as people inside "the box" can find the resources you need to get outside the box; it's also designed to connect seekers with a home – your home. It's designed for new people who are looking for information about the Episcopal Church and just have heard something or are looking and just wandering around and need a portal, and this is it. It will play well on all mobile devices, which is going to be really new. It will also be fully integrated with social media, and parishes can be searched by location and ministry offerings. And we will even have a template for smaller parishes to participate in this, so that your parish can have an active, vibrant website that is linked to the whole. And I got to say, I really like this. I don't know what it's looking like from your point of view, but it's going to be a lot of fun. The idea of playing with this is almost as much fun as the other idea which is coming into fruition, which is that thanks to a very generous grant, the bells at Trinity Cathedral are now being redone. We were hoping that they are going to be done in time for Christmas, but it doesn't look like they'll make it. But you know what, I can sit in my office and run them from my iPad! Be afraid, be very afraid (*laughter*).

Now, I know that some of our parishes are unsure of their future, and some are even unsure whether they can hang on much longer. Sometimes, when you are struggling just to pay the bills, it is hard to imagine what it may mean to be a church devoted to the vision that Bishop Doyle was outlining earlier in the day and that I have described, especially if that means entirely re-assessing who you are, and how you can respond to the needs of the world around you, when you feel you barely have enough just to keep going. I understand that and, again, my office can help you. In that spirit, based on your parochial reports and other data that we have assessed in the past year all 36 parishes, and we've got a very clear idea of how everybody is doing. And thanks to Kathi Workman, who has just done amazing work on this. We got the data spread across about 14 fields. All 36 parishes are categorized across five classes, five being you could actually make some serious mistakes and still come out just fine, going all the way down to one, which is gasping for air. I am happy to report that there is good news, in that more than two-thirds of our parishes are doing either very well or reasonably well, but a lot of the others are under significant stress. In the coming months, I want to dedicate a portion of my time, and also of my office, to be helping several congregations, especially our most vulnerable, reimagine their future. In some cases, this may mean doing something completely different than they've done before, and not just significantly reducing their expenses, which is kind of a negative way of thinking about this; but, finding ways of co-operating with neighboring parishes and community partners, possibly finding other uses and more imaginative uses for their buildings. The purpose of this is not to intervene with a suggestion that people aren't doing the right thing, or have lost, or failed or something. But rather, to remember that we are all connected, sisters and brothers. And that as we bring congregations together, we see possibilities we could not see before – for the Gospel – that provides light ahead.

So, as we bring together these congregations and remember that we're all connected, we can see some models that offer us some hints of success. We're seeing it in The Mon, drawing together with the parishes in Monongahela, McKeesport and Donora, in partnership with Bethlehem Baptist, as I mentioned earlier in the day. There are significant possibilities for building similar relationships in two other parts of our diocese, and in the next year we will be engaging people on the ground to consider what such a relationship might look like. Beyond this, we are looking at new ways of being effective communities for the Gospel that don't have a whole lot to do with traditional church "boxes," like Dan Isadore's. He and Hallie have turned their own home into the House of Life, known as Zoe, the service that's really the gathering of a community with a liturgy of the Table, followed by a meal and then a community study of the Word, and sometimes there are 50 people there. And they are young, like, really

young. I mean young by any scale, not young from your bishop's view, which means under 50, I mean young. And the Gospel is moving.

So what would more of these communities look like? I have asked the Reverend Kris Opat to convene a group that will be looking at new plants over the coming years and just brainstorming about the kind of opportunities we might have, and also thinking about the kind of leadership those communities will need. To help in that, we got a lot of resources. Again, I sit on the board of the Pittsburgh Theological Seminary – yes, your Episcopal bishop is on the board of a Presbyterian seminary – it's just a sign, and there's your sign, all right. It's breaking down, all these barriers. We have submitted a draft of an Episcopal-Anglican track at PTS that is being considered in Academic Affairs, the purpose of which would train candidates not just for holy orders but also for lay leadership, and both in traditional modes and for more adventurous mission. And to help on a practical level, especially for our newly ordained, we've taken what used to be Fresh Start, and Fr. Jonathon Jensen and Fr. Bill Pugliese will be conducting a course for newly ordained clergy that will help them master basic practices of Word and Sacrament, and to help them create a learning community among themselves, beginning in January. So there is so much here.

When I reflect back on all of this, in conclusion, I remember that a little more than a year ago, my whole office was focused on the imminent arrival of the Presiding Bishop. I don't know if you remember my terror, learning just a few weeks before the Convention that he was not only coming to Pittsburgh as part of a series of revivals across the Church, but he had designated us as the pilot for this. It was new. He said, "You take it, bishop," and so we did. By the grace of God, and by the absolutely steely devotion of the diocesan staff and of so many of you, lay and ordained, it was a huge blessing from one end to the other. Just think about it, over those days, from the Friday evening Service of Reconciliation and Repentance at Pittsburgh Theological Seminary; to the next morning celebrating Absalom Jones at Holy Cross, Homewood; to the afternoon, where 200 people got together in that convocation around Bridging Divides and Healing Communities; and then on the Sunday morning, first at that glorious Mass at Calvary in East Liberty, followed by a standing room only service at St. Stephen's, McKeesport. Good gracious. In every place you could see a *loving* Church, a *healing* Church, and a *teaching* Church. And it just keeps going. I think particularly the moment for me was to see at that service at Pittsburgh Theological Seminary, the Greek Orthodox Metropolitan of Pittsburgh, Metropolitan Savas, standing next to the African-American Baptist pastor of Bethlehem Church in McKeesport, Earlene Coleman, and the two of them leading the prayers together. All I could think of was Dr. [Martin Luther] King and Archbishop Iakovos, arm in arm, going across the Edmund Pettus Bridge. And I thought, "My God, this has come here? Maybe God is really up to something."

And it's kept going. In partnership with Dr. Darryl Canady and several other churches, not just Rodman Baptist, we've launched the Church Without Walls and now we have 15 out of 36 parishes participating in 21 racially balanced study groups and prayer groups, with over 170 people. Really, the aim is to become Church Without Walls, and to understand as we do, God is going to turn us into a blessing, not just for the Church, but for the world! So that as the Presiding Bishop has prayed, revival might not be just within the walls of the Body of Christ, but in the society as well, as we break down ancient barriers and heal desperate and ancient wounds. And just maybe, friends, the whole purpose of this is so that we, becoming a Church that together loves, teaches, and heals, might actually be used to fulfill Sam Shoemaker's prophecy of all those years ago – that one day, Pittsburgh will be more famous for God than it ever was for steel.

So as you go out today, take a stone. Take it with you. Be reminded of the ones you are leaning on and who are leaning on you. And together let's trust that God will, more and more, build us into a holy temple, living and precious in His sight, with good news for the world.

In Jesus's name. Amen.

Section B

Budget and Financials

EPISCOPAL DIOCESE OF PITTSBURGH PROPOSED 2019 BUDGET

	Actual 2017 Results (Cash Basis)	2018 Budget w/ Approved Reallocations	Actual Results thru 8/31/2018	Proposed 2019 Budget
INCOME				
Parish Assessments Income	650,286	631,998	400,104	658,469
Endowment - Episcopacy	126,533	109,644	50,000	127,355
Endowment - Diocesan Mission	45,132	41,308	45,657	45,657
Community Service Fund - Diocesan Mission	124,969	124,969	104,343	125,769
Other Quasi-Endowments Redesignated by BOT	18,450	39,163	-	18,596
BOT Unrestricted Distribution	162,747	174,274	100,000	173,450
Bishop's Fund Transfers to Fund Operating Budget	62,000	50,409	37,807	48,359
Campbell Foundation Grant	50,000	50,000	37,500	50,000
Trustee/Council Funding to Operating Budget	-	57,000	57,000	-
Donations	6	-	5	-
Trusts, Foundations, Grants - Unrestricted	68,000	35,000	31,500	35,000
Metcalf Missionary Fund (PNC Bank Trustee)	7,527	8,000	7,723	6,000
TOTAL INCOME	1,315,650	1,321,765	871,639	1,288,655
NORMAL OPERATING EXPENSES				
Beyond the Diocese	168,457	164,595	109,725	165,920
Formation and Mission	318,376	344,453	239,310	350,903
Office of the Bishop	248,535	251,321	163,108	249,521
Administration and Support	326,443	347,842	225,318	363,411
TOTAL NORMAL OPERATING EXPENSES	1,061,811	1,108,211	737,461	1,129,755
Balance of Normal Revenues and Expenditures	253,839	213,554	134,178	158,900
Other Operating Expenses:				
Reopened Churches - Net Expenses	99,995	88,500	60,965	88,700
Returned Properties - Net Expenses	47,978	38,030	17,583	40,200
Legal Expenses	109,235	87,000	64,988	30,000
Total Other Operating Expenses	257,208	213,530	143,536	158,900
TOTAL EXPENSES	1,319,019	1,321,741	880,997	1,288,655
Balance after Normal and Other Oper. Expenses	(3,369)	24	(9,358)	0
General Fund Balance, Beginning of Year	429,639	426,270	426,270	426,294
General Fund Balance, End of Year/Period	426,270	426,294	416,912	426,294

EPISCOPAL DIOCESE OF PITTSBURGH PROPOSED 2019 BUDGET

	Actual 2017 Results (Cash Basis)	2018 Budget w/ Approved Reallocations	Actual Results thru 8/31/2018	Proposed 2019 Budget
BEYOND THE DIOCESE				
National				
TEC Assessment	138,918	137,000	91,160	136,411
General Convention Deputies/1st Alternates	14,000	14,000	10,270	15,000
Regional/National Meetings/Conferences	4,987	5,000	4,124	5,000
International				
Lambeth .7% Resolution	3,881	4,424	-	4,609
Province Dues	2,171	2,171	2,171	2,900
Christian Associates	2,000	2,000	2,000	2,000
Epis. Appalachian Ministries/Highland Educ. Project	2,500	-	-	-
TOTAL BEYOND THE DIOCESE	168,457	164,595	109,725	165,920
FORMATION AND MISSION				
Canon for Mission				
Salary	31,691	32,652	21,768	48,978
Expenses	3,830	4,500	767	4,500
FICA/SECA	2,424	2,498	1,665	3,747
Pension	4,754	4,898	3,265	11,277
Benefits and Allowances	-	-	-	9,924
Total Canon for Mission	42,699	44,548	27,465	78,426
Canon for Ordained Vocations & MVM Chaplain				
Salary	-	31,524		31,524
SECA	-	2,412		2,412
Pension	-	6,108		6,108
Expenses	4,494	4,500	2,453	4,500
Funding to St. Peter's Brentwood for Canon's Compensation	38,871		26,696	
Ttl Canon for Ordained Vocations/MVM Chaplain	43,365	44,544	29,149	44,544
Canon for Congregational Support				
Salary	25,500	-	-	-
Expenses	3,168	-	-	-
SECA	1,951	-	-	-
Pension	2,890	-	-	-
Stipend for medical/dental insurance	4,525	-	-	-
Total Canon for Congregational Support	38,034	-	-	-
Canon to the Ordinary				
Salary	3,167	28,000	18,667	-
Housing	-	10,000	6,667	-
Expenses	159	4,000	2,748	-
SECA	242	2,907	1,938	-
Pension	614	7,363	4,909	-
Stipend for medical/dental insurance	-	8,136	5,424	-
Total Canon to the Ordinary	4,182	60,406	40,353	-

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Canon for Evangelism and Faith Formation				
Salary	3,350	-	-	-
Housing	30,452	34,825	23,217	34,825
Pension	4,648	5,224	3,482	5,224
Expenses	3,155	4,500	2,356	4,500
Total Canon for Evangelism and Faith Formation	41,605	44,549	29,055	44,549
Canon Pastor				
Salary	4,500	4,635	3,090	4,635
Pension	810	835	540	835
Total Canon Pastor	5,310	5,470	3,630	5,470
Clergy Communications Coordinator				
Salary	1,848	-	-	9,000
Pension	333	-	-	1,620
Other Expenses	240	-	-	-
Total Clergy Communications Coordinator	2,421	-	-	10,620
University Chaplain				
Salary	52,350	50,934	35,889	50,934
Health Benefit Stipend	-	2,900		2,900
Pension	9,423	9,690	6,460	9,168
Other Ministry-Related Expenses	5,015	6,000	3,198	6,000
Funding for Campus Ministry Associate	(68,722)	(52,836)	(30,980)	(40,500)
Total University Chaplain	(1,934)	16,688	14,567	28,502
Mon Valley Mission Clergy				
Salary	22,000	24,765	5,573	33,441
SECA	-	-	386	2,315
Pension	-	-	-	6,436
Funding for Mon Valley Mission Clergy	-	-	16,768	(12,000)
Total Mon Valley Mission Clergy	22,000	24,765	22,727	30,192
Children and Youth				
Children and Youth Ministry	3,231	4,000	-	4,000
Sheldon Calvary Camp	4,000	4,000	4,000	4,000
Total for Children and Youth	7,231	8,000	4,000	8,000
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 (funded by Widow's Corp)	(85)	-	1,212	-
Ministry Leadership Workshops	882	1,000	840	1,000
SafeChurch Training	-	1,000	536	1,000
EFM	500	500	1,125	500
Total for Training	1,297	2,500	3,713	2,500

EPISCOPAL DIOCESE OF PITTSBURGH PROPOSED 2019 BUDGET

	Actual 2017 Results (Cash Basis)	2018 Budget w/ Approved Reallocations	Actual Results thru 8/31/2018	Proposed 2019 Budget
Ministry Support				
Deacon's Ministry	300	500	149	500
Absalom Jones Celebration or Other Event	3,000	2,000	1,400	2,000
Commission on Race and Reconciliation	1,870	2,900	1,401	2,900
Other Committees	494	700	71	700
Social Justice and Outreach	1,795	2,000	350	2,000
Total for Ministry Support	7,459	8,100	3,371	8,100
Commission on Ministry	4,122	6,000	2,802	8,000
Mon Valley Mission Expenses	-	1,383	-	5,000
Parish Mission Grant Initiatives	27,500	12,500	-	7,500
Formation for Mission Grants	10,000		-	7,500
Diocesan Missions and Faithful Remnants	40,085	42,000	35,478	39,000
TOTAL FORMATION AND MISSION	318,376	344,453	239,310	350,903
OFFICE OF THE BISHOP				
Salary	122,424	122,424	81,616	122,424
Other Expenses				
Housing Allowance	42,000	42,000	28,000	42,000
Pension	29,596	29,597	19,731	29,597
Auto	5,409	7,500	2,499	10,500
Pastoral/travel	12,478	14,000	6,420	14,000
Benefits and allowances	23,454	25,300	16,379	22,000
Sabbatical Reserve	6,000	-	-	-
Lambeth Conference Reserve	2,500	4,000	4,000	2,500
Hospitality fund	2,174	4,000	2,236	4,000
Education fund	2,500	2,500	2,227	2,500
Total Other Expenses	126,111	128,897	81,492	127,097
TOTAL OFFICE OF THE BISHOP	248,535	251,321	163,108	249,521
ADMINISTRATION AND SUPPORT				
Archives				
Archivist Salary	8,951	1,923	1,923	-
Archivist Car Allowance	144	-	-	-
Archivist FICA	685	147	147	-
Archives - Pitt Intern	500	-	-	-
Total Archives	10,280	2,070	2,070	-
Financial & Property Administrator				
Salary	30,576	32,500	21,667	32,500
Expenses	2,304	2,500	1,231	2,500
FICA	2,339	3,086	2,017	3,362
Pension	4,586	4,875	3,250	4,875
Benefits and Allowances	1,479	9,342	5,706	11,450
Total Financial & Property Administrator	41,284	52,303	33,871	54,687

EPISCOPAL DIOCESE OF PITTSBURGH PROPOSED 2019 BUDGET

	Actual 2017 Results (Cash Basis)	2018 Budget w/ Approved Reallocations	Actual Results thru 8/31/2018	Proposed 2019 Budget
Treasurer & Director of Administration				
Salary	56,011	57,692	38,461	70,000
Expenses	1,407	1,500	912	1,500
FICA	4,285	5,045	3,321	6,114
Pension	8,402	8,654	5,769	10,500
Benefits and Allowances	-	8,250	4,950	9,924
Total Treasurer & Director of Administration	70,105	81,141	53,413	98,038
Executive Assistant				
Salary	35,768	36,841	24,561	36,841
FICA	2,736	2,819	1,823	2,819
Pension	5,365	5,526	3,684	5,526
Benefits and Allowances	1,479	9,342	6,489	11,450
Total Executive Assistant	45,348	54,528	36,557	56,636
Director of External Affairs	16,700	18,950	5,175	18,950
Communications - Publications				
Diocesan Newsletter	966	1,000	-	1,000
Webmaster (independent contractor)	21,010	23,900	13,498	23,900
Website / Database Development	10,669	5,000	4,625	-
Total Communications - Publications	32,645	29,900	18,123	24,900
Support				
Annual Audit	14,375	14,800	11,000	15,000
Archival Storage and Supplies	1,639	500	390	750
Background Checks	-	1,000	55	1,000
Bank Service Fees	150	350	85	350
Copier	409	500	252	500
Diocesan Convention	(553)	1,000	(50)	1,000
Liability, Workers, Bond	31,676	27,000	21,743	27,800
Miscellaneous	2,067	2,500	1,257	2,500
Office Furniture/Equipment	552	1,000	869	1,000
Office Supplies	2,953	3,500	2,199	3,500
Payroll Service	1,830	1,000	334	1,000
Postage	1,387	1,500	800	1,500
Rent for Offices and Archives at Cathedral	35,000	35,000	26,250	35,000
Cleaning for Offices and Archives at Cathedral	2,527	2,800	1,724	2,800
Employee Transportation Expense	8,001	8,000	4,273	8,000
Staff Development	358	-	-	1,500
Technology - Hardware, Support, and Software	7,370	8,000	4,746	6,500
Telephones	340	500	182	500
Total for Support	110,081	108,950	76,109	110,200
TOTAL ADMINISTRATION AND SUPPORT	326,443	347,842	225,318	363,411

2019 PROPOSED BUDGET -- APPENDIX A

	Actual 2017 Results - (Cash Basis)	Original Approved 2018 Budget	Approved 2018 Budget w/ Reallocations	Actual Results thru 8/31/2018	Preliminary 2019 Budget
BUDGET APPENDIX A - REOPENED PARISHES AND RETURNED PROPERTIES					
6150 • Reopened churches net of income					
Total 6150.01 • St. Thomas/ North Cambria	\$ 26,280	\$ 10,000	\$ 15,000	\$ 9,671	\$ 15,000
Total 6150.02 • St. James / Penn Hills	43,854	46,000	46,000	25,001	45,000
Total 6150.03 • St. Barnabas / Brackenridge	7,818	7,500	7,500	6,140	8,700
Total 6150.06 • St. David's / Venetia	23,100	20,000	20,000	20,153	20,000
Total 6150 • Reopened churches net of income	101,052	83,500	88,500	60,965	88,700
6561 • Property Expense, net of income					
Total 6561.13 • Prince of Peace, Aliquippa	3,477	-	-	-	-
Total 6561.12 • St. Andrew's, New Kensington	10,431	20,000	15,000	4,300	15,000
Total 6561.11 • Transfiguration, Clairton	(1,314)	(1,000)	1,000	881	-
Total 6561.01 • Epiphany, Avalon	3,716	5,000	1,000	70	5,000
Total 6561.02 • Donegal	15,086	10,000	10,000	7,745	12,000
6561.03 • Land- Allegheny Township	481	500	500	488	500
6561.04 • Smicksburg Cemetery	(25)	(300)	(300)	685	750
6561.041 Oak Grove Cemetery	241	250	250	(316)	250
6561.05 • Grace Menallan Cemetery	1,515	1,700	1,700	1,594	1,700
Total 6561.07 • Trinity, Freeport	(263)	-	-	-	-
Total 6561.08 • All Saints, Rosedale	(1,285)	-	-	-	-
Total 6561.10 • Good Samaritan, Liberty Boro	(1,812)	1,000	1,000	2,136	-
6561099 - Contingency for Property Repairs	9,623	5,000	7,880	-	5,000
Contingency for Expenses Relating to Sale of Properties	7,240	-	-	-	-
Total 6561 • Property exp, net of income	\$ 47,111	\$ 42,150	\$ 38,030	\$ 17,583	\$ 40,200

PROPOSED 2019 BUDGET

Comments

1. The balanced budget was approved at the September 18, 2018 Council Meeting.
2. Parish Assessments Income is computed based on data from Parochial Reports for 2017, 2016, and 2015. Parish Assessments Income was calculated using the lower of 2017 Normal Operating Income (Line A from Parochial Report) or the average of the 2017, 2016, and 2015 Normal Operating Income.)
3. The formula used to calculate Parish Assessments Income was adopted at the 2009 Annual Convention. The first \$35,000 of Normal Operating Income is assessed at 5% and Normal Operating Income in excess of \$35,000 is assessed at 11%.
4. For budgeting, the total of Parish Assessments Income is reduced by 5% 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. Assessment relief granted in past years is not reflected in the calculation of the 2019 proposed assessment amounts.
5. Endowment Transfers continue to be calculated using a 4.5% spending policy on endowment average balances over the prior four-year period.
6. The Bishop's Fund Board approved the use of \$20,000 each (\$40,000 total) to support two reopened parishes, St. James, Penn Hills and St. David's, Peters Township.
7. The Reopened Parishes budget of \$88,700 continues to fund the ministries of St. James, Penn Hills; St. Thomas, Northern Cambria; St. David's, Peters Township; and St. Barnabas, Brackenridge.
8. The Returned Properties net expense budget of \$40,200 is primarily made up of net expenses from St. Andrew's, New Kensington; Epiphany, Avalon; and the Donegal clergy cottage and barn.
9. The Episcopal Church (TEC) Assessment of \$136,411 reflects the "Asking" approved at General Convention of 15% for 2019.
10. Due to the resignation of Canon Shawn Malarkey for health reasons, the Canon to the Ordinary budget was eliminated (see Bishop's and Canon to the Ordinary's reports in Section E of this 2018 Preconvention Journal). Canon Malarkey remains on staff as Clergy Communications Coordinator. The hours and compensation for both Canon for Mission Kim Karashin and Treasurer & Director of Administration Kathi Workman increase to cover portions of Canon Malarkey's previous responsibilities. The remaining savings reduces the amount of funding required from the Bishop's Fund to balance the 2019 operating budget.
11. Diocesan Mission and Faithful Remnants budget of \$39,000 provides assistance to parishes with significant financial need.
12. Parish Mission Grant budget of \$7,500 provides additional funds for the \$32,900 current balance in the Fund for parishes to design and carry out mission projects.
13. Formation for Mission Grant budget of \$7,500 provides additional funds for the \$8,300 current balance to fund lay and clergy participation in conferences that will prepare them for mission in the community they seek to serve.
14. Outreach budget provides \$10,000 for Neighborhood Youth Outreach Program, \$10,000 for Coal Country Hangout Youth Center, \$4,000 to Shepherd Wellness Community, and \$4,000 to Sheldon Calvary Camp.

ASSESSMENTS FOR PARISHES SUBMITTING 2017 TEC PAROCHIAL REPORTS

Parish	Location	Total 2019 Assessment	Growth Fund (7% of Assessment)
St. Peter's Episcopal Church	Blairsville	1,041	73
St. Barnabas Episcopal Church	Brackenridge	3,220	225
St. Peter's Episcopal Church	Brentwood	17,330	1,213
All Saints' Episcopal Church	Brighton Heights	1,598	112
Church of the Advent	Brookline	3,435	240
St. Thomas Episcopal Church	Canonsburg	4,726	331
Church of the Atonement	Carnegie	1,920	134
Church of the Nativity	Crafton	10,707	750
St. John's Episcopal Church	Donora	730	51
Calvary Episcopal Church	East Liberty	152,934	10,705
St. Brendan's Episcopal Church	Franklin Park	22,517	1,576
Church of the Good Shepherd	Hazelwood	2,495	175
St. Andrew's Episcopal Church	Highland Park	50,521	3,537
St. Matthew's Episcopal Church	Homestead	1,346	94
Church of the Holy Cross	Homewood	17,042	1,193
Christ Episcopal Church	Indiana	17,251	1,208
The Church of the Advent	Jeannette	1,510	106
St. Mark's Episcopal Church	Johnstown	15,349	1,074
St. Paul's Episcopal Church	Kittanning	14,084	986
St. Michael's of the Valley Episcopal Church	Ligonier	44,071	3,085
St. Stephen's Episcopal Church	McKeesport	7,459	522
St. Paul's Episcopal Church	Monongahela	1,414	99
St. Paul's Episcopal Church	Mt. Lebanon	91,623	6,414
Christ Episcopal Church **	North Hills	51,055	3,574
Emmanuel Episcopal Church	North Side	5,261	368
All Souls Episcopal Church	North Versailles	1,173	82
St. Thomas Episcopal Church	Northern Cambria	356	25
St. Thomas Memorial Church	Oakmont	29,462	2,062
St. James Episcopal Church	Penn Hills	3,568	250
St. David's Episcopal Church	Peter's Twp	17,706	1,239
Trinity Cathedral	Pittsburgh	44,242	3,097
St. Michael's Episcopal Church	Rural Valley	129	9
St. Bartholomew's Episcopal Church	Scottdale	952	67
St. Francis-in-the-Fields Episcopal Church	Somerset	6,932	485
Church of the Redeemer	Squirrel Hill	27,973	1,958
St. Stephen's Episcopal Church	Wilksburg	19,993	1,400
Assessments Total		693,125	48,519
Budgeted Assessments (Reduced by 5%)		658,469	

Summary of Pool 1 Endowment Funds Held at Morgan Stanley For the Year Ended December 31, 2017

	YTD 2017 Rollforward
2017 ACTIVITY	
Pool 1 Balance, beginning of year	\$ 22,157,601
Additions	534,306
Income, net of investment fees	433,817
Realized Gain	643,001
Withdrawals	(143,317)
Spending Policy	(905,436)
Unrealized Gain	1,622,542
	\$ 24,342,514
Pool 1 Balance, end of year	\$ 24,342,514
Accrued Interest at 12/31/2017 (See Note 1)	(8,419)
Investments in Pool 1 Ending Balance per audited financial statements	\$ 24,334,095

Note 1: Accrued interest recorded only at 12/31/2017 for financial reporting purposes.

BREAKDOWN OF POOL 1 ENDING VALUE:

Funds Held for Others	\$ 3,230,195
Permanently Restricted	9,438,799
Temporarily Restricted	-
Trustee Designated	7,496,143
Trustee Undesignated	4,177,377
Pool 1 Balance, end of year	\$ 24,342,514

Section C

Action Items

RESOLUTIONS

Resolution 1.

Resolution to Help Those Affected by the Criminal Justice System

Whereas with one in 104 American adults currently incarcerated and one in 28 Pennsylvanians under criminal justice system control, the odds are EVERY congregation has members impacted by crime and the criminal justice system, whether as crime victims, offenders or families; and

Whereas returning citizens often face barriers to employment opportunities, education, housing, public benefits, and other supports needed to boost rates of successful re-entry into community and reduce recidivism; and

Whereas *Healing Communities* is a proven, national model, developed by the Annie E. Casey Foundation with faith leaders from across the theological spectrum to engage congregations in restoration and healing of their own members who have been impacted by crime and the criminal justice system; and

Whereas the *Healing Communities* model equips congregations to become “Stations of Hope” by providing training and support in building relationships of healing, redemption, and reconciliation with individuals and families impacted by the criminal justice system, be it

Resolved that the Episcopal Diocese of Pittsburgh explore ways that it can work to disrupt the high rates of incarceration and recidivism by exploring the roots and causes for these problems within individual parishes and encourage the parishes to explore ways to reach out to the vastly underserved prison/jail populations and their families to make these communities more a part of our community; and be it further

Resolved that the diocese offer financial support to the Pennsylvania Council of Churches for its *Healing Communities* program and ask for the Council to assist us in developing such a program; and be it further

Resolved that the diocese encourage congregations to offer financial and spiritual support through prayer to the prison ministries of *Contemplative Outreach*, *Foundation of Hope*, and *Bars.Can't.Stop.Love*, with Julie Smith.

Explanation:

To help the diocese and its member parishes carry out the command from Christ to minister to the imprisoned and help them become part of the Episcopal community.

Originator:

Mr. Tom Slater, Calvary, East Liberty

Second Sponsor:

Social Justice and Outreach Committee, Marianne Novy, Chair, Redeemer, Squirrel Hill

Resolution 2.

Resolution Regarding Protecting the Environment

Whereas there is compelling scientific evidence that climate warming is due to human activity, and humans have the responsibility to protect the environment that God has given us rather than damage it, and

Whereas the effects of climate warming fall more heavily on the poor, both nationally and internationally, and it is unjust that they should suffer for the conveniences made possible by our prosperity, be it

Resolved that the Episcopal Diocese of Pittsburgh commit itself to becoming as thoroughly involved in the larger sacred community of the natural world as possible by promoting environmentally positive actions in its parishes and communities; and be it further

Resolved that we recommend that each parish investigate how to make their buildings as energy-efficient and therefore economical as possible, considering such possibilities as solar panels, LED lighting, and the use of wind energy, and exploring the means for fulfilling these plans through fund-raising and grant writing, for example through The Episcopal Church's Creation Care Fund; and be it further

Resolved that each parish encourage its parishioners to recycle, reuse and reduce their uses of water, electricity, gasoline and other fossil fuels, and plastics, which are polluting the ocean; and be it further

Resolved that each parish explore conditions and needs in their local communities to find ways to contribute to a better environment and cleaner conditions for its neighbors, working with community organizations and already established projects such as Oasis Farm and Fishery in Homewood, Allegheny County Clean Air Now, or the Breathe Project, based in Pittsburgh and southwestern Pennsylvania, when appropriate; and be it further

Resolved, that the diocese and parishes will consider using undeveloped church-owned land for agriculture and biodiversity conservation projects to mitigate climate change and to the extent feasible, parishes will support and encourage locally grown food.

Explanation:

To help the diocese do more to carry out God's command to be good stewards of the earth.

Originator:

Mr. Tom Slater, Calvary, East Liberty

Second Sponsor:

Social Justice and Outreach Committee, Marianne Novy, Chair; Redeemer, Squirrel Hill

Section D
Report of the
Nominating Committee

MEMBERSHIP OF CANONICAL BODIES IN 2018

(**Bold type** indicates seats that are open for election.)

(All positions are elected by the full Convention unless otherwise noted.)

BOARD OF TRUSTEES

Three laypersons to be elected by Convention for three-year terms ending in 2021

One layperson to be elected by District 2 to a three-year term ending in 2021

DISTRICT REPRESENTATIVES (4)

1	Heather McDonald Christ Church, North Hills	2020
2	Mary Roehrich St. Andrew's, Highland Park <i>Eligible</i>	2018
3	Betty Duckstein St. Paul's, Mt. Lebanon	2019
4	Virginia Tuscano St. Michael's, Ligonier	2020

APPOINTMENTS BY ECCLESIASTICAL AUTHORITY (5)

	Robert Eley Calvary, East Liberty	2018
	Jerry Stephenson Christ Church, North Hills	2018
	Tom Moore St. Andrew's, Highland Park	2019
	Steve Stagnitta St. Andrew's, Highland Park	2019
	Daniel Moore St. Brendan's, Franklin Park	2020

ELECTED BY CONVENTION (7)

Suzanne DeWalt Calvary, East Liberty <i>Not Eligible</i>	2018
Anne Kinsey St. Peter's, Brentwood <i>Eligible</i>	2018
Vacancy declared 1/2018	2018
Dana Phillips St. Thomas, Oakmont	2019
Amy Shelley St. David's, Peters Township	2019
Wesley Fox McCloud Holy Cross, Homewood <i>Resigned 2/2018</i>	2020
James Neral Christ Church, North Hills	2020

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to three-year terms ending in 2021

CLERGY

The Rev. Garrett Yates **2018**
St. Paul's, Mt. Lebanon
Eligible

The Rev. Joseph Baird 2019
 St. Peter's, Blairsville

The Rev. Lennel Anderson 2020
 St. Francis, Somerset

LAY

Doug Starr **2018**
St. Paul's, Mt. Lebanon
Not Eligible

Anne Robb 2019
 Calvary, East Liberty

Sig Tragard 2020
 St. Stephen's, Wilkinsburg

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2021

ELECTED BY CONVENTION

The Rev. Michelle Boomgaard **2018**
Resigned 9/2017

The Rev. Charles Hamill 2019
 All Saints, Brighton Heights
Resigned 12/2017

The Rev. Eric McIntosh 2020
 St. James, Penn Hills

APPOINTMENTS BY ECCLESIASTICAL AUTHORITY

The Rev. Kristian Opat Chair
 St. David's, Peters Township

The Rev. Ann Staples 2018
 St. Thomas, Northern Cambria

Daryl Walker 2018
 All Saints, Brighton Heights

Carolyn Booker 2019
 St. Stephen's, Wilkinsburg

The Rev. Jonathon Jensen 2019
 Calvary, East Liberty

The Rev. Lorena Ringle 2019
 Christ Church, North Hills

Stephen Stagnitta 2020
 St. Andrew's, Highland Park

Eileen Sharbaugh 2020
 St. Paul's, Mt. Lebanon

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to three-year terms ending in 2021

CLERGY

LAY

The Rev. Bruce Robison St. Andrew's, Highland Park <i>Eligible</i>	2018	Ansley Westbrook St. Paul's, Mt. Lebanon <i>Eligible</i>	2018
The Rev. Shawn Malarkey Nativity, Crafton	2019	Betsy Hetzler Atonement, Carnegie	2019
The Rev. Joseph Baird St. Peter's, Blairsville	2020	Courtney Horrigan St. Paul's, Mt. Lebanon	2020

DISCIPLINARY BOARD

One clergy and two laypersons to be elected to three-year terms ending in 2021

CLERGY

LAY

The Rev. Linda Wilson All Souls, North Versailles <i>Not Eligible</i>	2018	Elizabeth Duckstein St. Paul's, Mt. Lebanon <i>Eligible</i>	2018
The Rev. Catherine Brall St. Thomas, Canonsburg	2019	James Kraus St. Peter's, Brentwood <i>Eligible</i>	2018
The Rev. Jean Chess St. Andrew's, Highland Park	2019	Jean Adams Calvary, East Liberty	2019
The Rev. Moni McIntyre Calvary, East Liberty	2020	Courtney Horrigan St. Paul's, Mt. Lebanon	2020
The Rev. Bruce Robison St. Andrew's, Highland Park	2020		

DIOCESAN COUNCIL

Election by respective districts for three-year terms ending in 2021 unless otherwise noted

DISTRICT 1

One clergy to be elected

The Rev. Howard Gillette **2018**
St. Paul's, Kittanning
Eligible

Kevin Hipolit 2019
Emmanuel, North Side

Bruce Quayle 2020
Christ Church, North Hills

DISTRICT 3

One clergy to be elected

The Rev. Linda Wilson **2018**
All Souls, North Versailles
Eligible

Peter Balfe 2019
St. Paul's, Mt. Lebanon

Jon Delano 2020
St. Paul's, Mt. Lebanon

DISTRICT 2

One clergy to be elected

The Rev. Carol Henley **2018**
Calvary, East Liberty
Not Eligible

Sheila Stagnitta 2019
St. Andrew's, Highland Park

Frances Dannenberg 2020
Redeemer, Squirrel Hill

DISTRICT 4

One layperson to be elected

Duwayne Ladd **2018**
St. Peter's, Blairsville
Eligible

Kathy Baird 2019
St. Peter's, Blairsville

The Rev. Joseph Baird 2020
St. Peter's, Blairsville

LIST OF NOMINEES
STANDING FOR ELECTION BY DIOCESAN CONVENTION 2018
Nominations received by the publication deadline of Oct. 9 are reflected below.

Clergy

Lay

BOARD OF TRUSTEES

Three laypersons to be elected to three-year terms ending in 2021

N/A

Florence Atwood
Kathleen Farrington

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to three-year terms ending in 2021

Kathy Baird

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2021

Gloriana St. Clair

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to three-year terms ending in 2021

Joan Gundersen

DISCIPLINARY BOARD

One clergy and two laypersons to be elected to three-year terms ending in 2021

Michael Foley

Sandra Collins

GROWTH FUND

One member to be elected to a three-year term ending in 2021

Nancy Bolden
Dawna Byrom
Thomas Koehler

STANDING COMMITTEE

One clergy and one layperson to be elected to four-year terms ending in 2022

Don Block
Lisa Brown

BIOGRAPHIES OF NOMINEES

BOARD OF TRUSTEES

Three laypersons to be elected to three-year terms ending in 2021

Name: Florence Atwood

Church: Calvary, East Liberty

Occupation: Home business and property manager

As a life-long Episcopalian, graduate of Sewanee, and member of Calvary and the Diocese of Pittsburgh for the past 27 years, I have been involved in almost all aspects of parish life and governance. Initially at Calvary, I served as a choir member, pastoral care committee member, and on the board of Beginnings preschool, eventually serving as its president. Subsequently, I completed the EfM course and began to serve as a lay reader, chalice bearer, and altar guild member. I have served as chair of the Stewardship Committee; as president of Parish Council; as a delegate to the Consortium of Endowed Episcopal Parishes and to Diocesan Convention; as a member of the Endowment Committee and Finance Committee; on three separate search committees, including that of the most recent rector search; as a member of the vestry; and as senior warden. Outside of the church, I have served as a board member of Pittsburgh Pastoral Institute (PPI) and in various volunteer positions within my school district.

I believe I can be of service to the diocese, bringing a variety of experiences and a common sense approach to current and future challenges.

Name: Kathleen Farrington

Church: Calvary, East Liberty

Occupation: Retired

We moved back to Pittsburgh from Dublin, Ireland, in 2005, and I have been a member of Calvary Episcopal Church for nine years. During that time, I have served as chair of the Women of Calvary Steering Committee, volunteer at the church bookstore and am on the Counting Team (tabulating the Sunday collections and preparing them for a bank deposit). I was also a member of the Calling Committee, which helped select our current rector, Jonathon Jensen. I am a member of the church vestry. I have just completed the four-year Education for Ministry program.

Although I am now retired, my background is in civil and software engineering. I was born in New York, but I have moved several times and have lived in San Francisco and Sonoma, California; upstate New York; and Dublin, Ireland. I am widowed and now regard Pittsburgh my home as my daughter, son-in-law, and grandchildren live nearby.

I feel I am qualified to serve on the Board of Trustees as I have some experience in finance in nonprofit groups and have a MPM from Carnegie Mellon (1994). Thank you for your prayerful consideration.

CATHEDRAL CHAPTER

One clergy and one layperson to be elected to three-year terms ending in 2021

Name: Kathy Baird

Church: St. Peter's, Blairsville

Occupation: Retired

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. After long and serious consideration, Joe answered the call to the diaconate and then

priesthood and I took on a new and fulfilling role as a clergy spouse in 2017. I continue to serve St. Peter's as a lay deputy to convention, vestry secretary, District 4 representative to Diocesan Council, chair of the Budget and Assessment Working Group, was past Judge of Audits, and will complete my term on the Standing Committee at the end of 2018. After a long search for a local mission that our very small parish could support, I founded the first Laundry Love mission in western Pennsylvania, where we provide quarters, detergent, dryer sheets and Christian fellowship to Blairsville residents who struggle financially to keep clean clothes and bedding for their families.

I retired in 2015 as 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.

I am looking to continue to serve the diocese that has served us so well, in whatever capacity is most needed and appropriate for my skills.

COMMISSION ON MINISTRY

One member to be elected to a three-year term ending in 2021

Name: Gloriana St. Clair

Church: Redeemer, Squirrel Hill

Occupation: Retired

I am an active member of Redeemer's progressive book group, have also served on its vestry, in its choir, and as a lay reader. I am the Dean Emerita of Carnegie Mellon University's Libraries (not the Carnegie Public Library) and advocate for a digital future for knowledge. An early tug towards ordained service ceded to a stronger call into lay ministry, both pointed towards an inclusive community. When I am, at last, freed from my electric wheelchair, I will join my beloved in the Chapel of the Good Shepherd at Chautauqua Institute. When listening to others, I am sensitive to what is helpful and will move people to live into their gifts. Currently, I am working to strengthen my prayer muscle.

COMMITTEE ON CONSTITUTION AND CANONS

One clergy and one layperson to be elected to three-year terms ending in 2021

Name: Joan Gundersen

Church: Redeemer, Squirrel Hill

Occupation: Retired professor and archivist

A lifelong Episcopalian, active in parishes around the country, I have been on three vestries (doing stints as parish treasurer and vestry clerk), worship committees, taught Sunday School, sung in and directed church choirs, and organized events. When I came to Pittsburgh in 2000, I joined Church of the Redeemer. After several years of trying to prevent the split that occurred in 2008, I spent the next eight years working for the diocese as it rebuilt. Now retired from all diocesan assignments, I serve Redeemer as parish archivist, choir member, lector, and member of a team that has provided a midweek worship service for a decade at UPMC Heritage Place. I also volunteer as the parish financial person for St. James, Penn Hills.

As a college professor I taught courses in legal and constitutional history for 30 years, and wrote extensively on the Episcopal Church. From 2009 to 2018, I've been a deputy or alternate to the General Convention. Having served on the Committee on Constitution and Canons from 2009 to 2015, I am willing to serve again if the diocese needs me.

DISCIPLINARY BOARD

One clergy and two laypersons to be elected to three-year terms ending in 2021

Name: Michael B. Foley

Church: Redeemer, Squirrel Hill

Occupation: Priest

I have served as the rector of the Church of the Redeemer, Squirrel Hill, for five years, and prior I had a career in mental health, serving adults, children, and families for twenty-two years. I have always sought a ministry of healing in people's lives. When issues arise that require the Title IV Canons of The Episcopal Church, I would seek the balance between justice and mercy to address the situation. I have professional skills in conflict resolution and systems theory, which will help me in understanding the nature of the disciplinary processes and outcomes.

I am married to Chad Tanaka Pack, an ordained minister in the Reformed Church in America, and we belong to our dog, Buster.

Name: Sandra Collins

Church: Christ Church, North Hills

Occupation: Faculty

I have a Ph.D. in religion from the University of Pittsburgh. I also have a library degree as well as an M.A. from Pittsburgh Theological Seminary. I currently serve as Professor of Sacred Scripture as well as Director of Information Services at the Byzantine Catholic Seminary of Ss. Cyril and Methodius in Pittsburgh.

I am a cradle Episcopalian, raised in high church Illinois but now a member of Christ Church, North Hills, for 20 years (Calvary, Shadyside, the ten years prior to that). I taught in the diocese's Deacon Formation program in the 1990s. I have served on the vestry at Christ Church as well as volunteering for various church groups like the rummage sale and cooking for the Jubilee Soup Kitchen.

I want to help the diocese by providing service through the various committees. The Disciplinary Board interests me as this is a key issue in my workplace, one that is constantly evaluated and discussed in faculty meetings. For that reason, I believe I have a modicum of perspective on church discipline. However, my time can be wide open sometimes, incredibly constrained at others. Since the Disciplinary Board meets only when necessary it further seemed a good place to start.

GROWTH FUND

One member to be elected to a three-year term ending 2021

Name: Nancy Travis Bolden

Church: Redeemer, Squirrel Hill

Occupation: Retired social worker

At Redeemer, I have served on vestry (two terms), senior warden, Music and Worship Committee, Search Committee (Rector), Social Justice Committee, usher, deputy or alternate to Diocesan Convention (several times), and member of Book Group. At the diocesan level, I have served on the Growth Fund twice and am the former chair of the Commission on Race and Reconciliation. At the provincial level, I am the Province III Coordinator of Anti-Racism Ministry.

I have served as a member of the Growth Fund twice, and have always and continue to be impressed with the commitment and ability of the members of this committee to help parishes with solving problems regarding their places of worship. The problems that parishes bring to the Growth Fund in some instances may affect their ability to function. I am grateful for the opportunity to continue to be a part of the ministry for another three-year term.

Name: Dawna Byrom

Church: St. Andrew's, Highland Park

Occupation: Retired registered nurse

I believe that in my nursing career, I have developed a clear understanding of responsibility and accountability, as well as compassion to assess the needs of others. I am currently in charge of collecting sets of bath and kitchen towels for Off the Floor Pittsburgh for our St. Andrew's Outreach Committee. I am a member of St. Andrew's Music guild, and have served as a lay deputy to Diocesan Convention since 2016. In the past, I have been in the choir, served a three-year term on vestry, and was an alternate lay deputy to Diocesan Convention in 2015. I am the spouse of the pastoral assistant for our rector.

I have attended St. Andrew's since 2011 and was confirmed in 2012. I have been a United Methodist pastor's wife for more than 32 years. As a pastor's wife, I taught adult Sunday School, was in charge of summer Bible school, led the children's choir and sang in the choir in multiple churches, and was on multiple church committees and organizations.

I understand the need for grants and loans requested by churches struggling to meet their individual needs for ministry and growth. I understand why small and/or struggling parishes, in order to assist with physical repairs or improvements with current structures, make financial requests to assist them in ministry.

Name: Thomas Koehler

Church: Christ Church, North Hills

Occupation: Accounting/finance, semi-retired

At Christ Church, North Hills, I currently serve as an acolyte and on the Rectory Development Committee. In the past, I have served on the vestry and as a lay deputy to the 2012 special diocesan convention. In the Diocese of Maryland from 1987 until 2007, I served on the vestry of two parishes as well as on the finance, endowment, outreach, columbarium, and building and grounds committees. At the diocesan level, I served two terms on the board of trustees of the Bishop Claggett Center (ECCC) and also on their building and grounds committee during the construction of two new buildings. I was also a member of the Crozier and All Saints Societies. From 1977 to 1982, I was an acolyte at Calvary, East Liberty.

I have a background in banking, accounting and hotel development. I also oversee a family fund at the Pittsburgh Foundation in memory of my mother, Dr. Lucille M. Koehler, a long-time member of Calvary, East Liberty. She taught me the importance of giving back – financially and with your time and talents. I would be honored to serve the diocese on the Growth Fund Committee if elected.

STANDING COMMITTEE

One clergy and one layperson to be elected to four-year terms ending 2022

Name: Don Block

Church: St. Stephen's, Wilkinsburg

Occupation: Nonprofit executive

I have been a member and lay leader at St. Stephen's, Wilkinsburg, for over 30 years. I have served as a vestry member and senior warden. I have served on two search committees for rectors, including acting as chair for the search that brought the Rev. Nancy Chalfant-Walker to the parish. I have led a weekly Bible study at the church for over 25 years. I volunteer in other capacities, including choir member, lay Eucharistic minister, and lay preacher. I have also served on discernment committees that helped to bring the Rev. Anne Bump and the Rev. Eric McIntosh into the ordained ministry. I carried out audits of parish finances in the past. I hold a B.A. degree from Yale University and an M.A. from Indiana University, Bloomington. I have been active locally and nationally as a trainer on issues of nonprofit management.

My retirement from a career as a nonprofit executive allows me the time to serve the diocese for the first time. The work of the Standing Committee is similar in some ways to the work of the board of directors that I have supported in my career. It would be an honor to serve in this role.

Name: Lisa Brown

Church: St. Paul's, Mt. Lebanon

Occupation: Director of Digital Ministry, Membership Vision

My service to the church includes: deputy to General Convention (2018); Province III Council (2018); Evangelism Revival Team (2016-2017); Children's Ministry Team (2009-2016); St. Paul's Director of Children's Ministry/Communications Coordinator (2009-2016), Nursery School Board (2000-2005; 2009-2016), and Vestry (2017-present).

Through my professional and personal experiences, I have a unique depth and breadth of perspective which I would be honored to use in service to the diocese. I bring awareness of the broader church as well as opportunities to promote our diocese, thereby magnifying our influence. My experience includes participation in many conferences where I have taught formation and digital ministry workshops: Forma, (2016, 2017, 2018); Consortium of Endowed Episcopal Parishes (CEEP) (2017, 2018); Kanuga Formation (2016, 2017, 2018); eFormation (2016, 2017); Diocesan Convention (2016), Lenten Learning Day (2017), Diocese of Pittsburgh; and learning days for the Dioceses of Alabama (2017), Massachusetts, Western Massachusetts (2018), Virginia (2018), and Georgia (2019). I am the author of *The Best VBS Workbook Ever!*; and a contributor to Building Faith (formation website); the Facilitator's Guide for the Anglican Communion's *Thy Kingdom Come* Prayer Initiative; John Roberto's *Faith for a New Generation*; and InsideOut Camp Curriculum. I grow in personal faith through Education for Ministry and hold a Certificate in Leadership in Lifelong Faith Formation from Virginia Theological Seminary.

CANDIDATE GALLERY

			
Florence Atwood	Kathy Baird	Don Block	Nancy Bolden
			
Lisa Brown	Dawna Byrom	Sandra Collins	Kathleen Farrington
			
Michael Foley	Joan Gundersen	Thomas Koehler	Gloriana St. Clair

Section E

Reports of

Canonical Bodies

BISHOP'S REPORT

The past year has been eventful. Following the introduction of a new vision statement at last year's convention, your bishop and staff have been acting on the mission **to love, teach and heal**. Here are a few of the highlights:

- An historic agreement was reached with several ACNA parishes regarding unresolved property matters, guaranteeing that our interests would be protected and that all involved might go forward with mutual respect as we follow our understanding of God's call to us. This agreement was nearly ten years in the making, and guided throughout by the good graces of our Chancellor, Andy Roman. We all owe Andy, and those who assisted him along the way, our gratitude beyond measure.
- The Church Without Walls continued to meet regularly, bringing together dozens of racially diverse Christians from several denominations for prayer, study, and fellowship to discern how God would have us further influence the world with Christ's love.
- We laid the groundwork for a compelling lay training initiative – the Love+Teach+Heal Academy, to strengthen lay formation, equip leaders in our parishes and build capacity for mission.
- We continued to develop an Anglican Track at Pittsburgh Theological Seminary, following the complete revision of the school's curriculum. After final refinements that will occur this fall, we hope to announce it formally in January.
- The Standing Committee and I, with participation from the Trustees and Council, are embarking on an evaluation process for the diocese, and we have retained Ms. Judy Stark as our consultant. The goals are to increase trust and collaboration among our parishes, to streamline our governance structures and to clarify the roles of the bishop and diocesan staff in helping our congregations thrive.
- The Trinity Cathedral Working Group has continued to meet in an effort to move the mission of the cathedral forward. We are being assisted by Ms. Marilyn Coleman, an experienced consultant for Pittsburgh non-profits, as we explore the next steps on our way to becoming a cathedral bringing the love of Christ to the whole city through arts, education, and social empowerment. As part of this work we will be examining the use of all our facilities. This past year already, Trinity brought civic and religious leaders together for well-received services that variously marked the 50th anniversary of Martin Luther King's assassination, honored the victims of overdose and addiction, and rededicated the cathedral's tower bells as symbols of its service to the city. Trinity's partnership with the Cultural Trust took a major step forward with the widely acclaimed production of Peter Ackroyd's *Chatterton* this fall.
- Canon Jay Geisler is helping the congregation of St. Paul's in Monongahela to explore re-purposing part of its facilities to accommodate a recovery house, helping to address the epidemic of opioid addiction in the Mon Valley.
- New initiatives in evangelism have included Dan Isadore's ongoing outreach to students at the University of Pittsburgh and Chatham University, and Dan and Hallie's modeling the life of Christian community through regular gatherings of Zoe, an evening of word, sacrament, fellowship and food at their home. Additionally, Canon Natalie Hall has launched an afternoon church plant, to be called the Congregation of Saint Mary Magdalene, at St. Stephen's Church in Wilkinsburg, with the encouragement of the rector and vestry.
- Three regional clergy Bible studies with the bishop were held across the diocese, with three more planned for the coming year, offering times of study, prayer and fellowship with my ordained colleagues.

- We *finally* launched our new website – only a few months late. I apologize for the delay, but rejoice in the product. Please let us know if you find it useful, or have any suggestions for its improvement.

This year the 79th General Convention of the Episcopal Church took place in Austin, Texas. My several years’ service on the Standing Commission of Liturgy and Music resulted in an appointment to this General Convention’s Legislative Committee 13, which was charged with considering all resolutions related to the possible revision of the prayer book. I helped develop the resolution adopted by Convention to chart a course for liturgical changes that will also promote the unity of the Church. Part of our original draft became a separately adopted resolution to establish a Task Force on Communion Across Difference that will do very important work on the way to the next Lambeth Conference of Anglican Communion bishops in 2020.

My further travels included ten days in Uganda – partly in support of the United Thank Offering Grant through this diocese for Saint Andrew’s school in Buwologoma – and a mission trip to the Holy Land with five other bishops and several clergy on behalf of the peace-making work of Fair Witness.

Finally, a note about my health. In short, I’m fine. The small stroke I had in the spring has produced no further symptoms and resulted in no permanent sensory damage. My stamina has largely recovered, although I have to be a bit careful of overwork. Aside from that, I am on a permanent prescription of a low-dose aspirin once a day and compression socks when I fly. Betsy and I know that we were upheld by the prayers of many during that time, and we are more grateful than we can say.

In regard to our staff, we note two stalwarts who have retired – the Reverend Canon Ted Babcock and Dr. Joan Gundersen. I am thankful for their service and jealous of their leisure! We all remain deeply prayerful in regard to the health of my Canon to the Ordinary, Shawn Malarkey, diagnosed in July with multiple sclerosis. After due discernment, he and Jolean have thought it best that he lay down this burden of serving as Canon, though he will continue as Coordinator of Clergy Communications. My colleagues and I have expanded our own portfolios to make sure that Canon Shawn’s work in support of our parishes and clergy continues, though we miss him more than we can say, and are very glad that he will continue as Rector of the Church of the Nativity in Crafton. In addition to Shawn, I am personally grateful for the work this year of the entire staff: Rich Creehan, Canon Jay Geisler, Canon Natalie Hall, Canon Kim Karashin, Andy Muhl, Canon Scott Quinn, Marlene Rihn, Judi Rogers, and Kathi Workman.

Faithfully, your bishop,
+Dorsey

Statistics for September 1, 2017 – August 31, 2018

Episcopal Visitations	34	Marriages	1
Confirmations	47	Burials	1
Receptions	18	Ordinations	1
		(Order of Deacon 0; Order of Priest 1)	
Baptisms	5	Renewal of Vows	1

BOARD OF TRUSTEES

The focus of the Board of Trustees is the management of the financial and real property of the Diocese to the glory of God and for furtherance of the mission and ministry of the Episcopal Church in southwestern Pennsylvania. Highlights of its activities since last year's report are summarized below.

The board welcomed five new members this year. Heather McDonald (District 1), Jim Neral and Wesley Fox McCloud were elected at the 2017 Diocesan Convention. Unfortunately, Wesley had to resign her position because of pressing family needs. Additionally, Bishop McConnell appointed Dan Moore to the board, and the Standing Committee approved Virginia (Jinny) Tuscano as the District 4 representative.

The board gratefully acknowledges the service of John Hose (Secretary), Canon Kimberly Karashin, Gerald Dalton, Lew Davis (former Secretary) and Mike Donadee (former Chair of the Property and Growth Fund Committees) who completed their terms at the end of 2017. The trustees asked Mike Donadee to stay on as Assistant Secretary so that he can continue to represent the Diocese at property closings and advise the Property Committee and the Trustees regarding real estate and other property matters.

The board's internal committees are chaired by Tom Moore (Finance/Investments), Bob Eley (Audit) and Amy Shelley (Property). Heather McDonald graciously accepted her election as Secretary. Steve Stagnitta and Amy Shelley serve as the board's representatives to the Growth Fund Committee, which Amy chairs.

The trustees find the counsel of Chancellor Andy Roman invaluable on many legal issues. In particular, the trustees valued his expertise in the process of developing an agreement between the diocese and nine parishes that identified themselves as part of the ACNA Diocese, resolving disputed questions over the ownership and use of the church properties. His guidance enabled the trustees to readily approve the agreement on behalf of the diocese. The trustees are also deeply indebted to Kathi Workman (Diocesan Treasurer & Director of Administration) and Marlene Rihn for managing all the diocesan financial and property business so expertly.

Diocesan Endowment

Under the continued management by Morgan Stanley, with oversight by Tom Moore's Finance/Investment Committee, the total value of all the individual funds held in the diocesan endowment pool has grown to \$23.6 million on June 30, 2018, from a year-ago value of \$23.1 million. The current asset allocation is approximately 62% equities, 26% fixed income, 8% alternatives and 4% cash.

The trustees continue to use the long-standing distribution policy of calculating the yearly distribution as 4.5% of the prior 48-month average market value of the pooled endowment. Distributions from individual funds in the pool are used to fund the operating budget; distributed quarterly to third-party beneficiaries; transferred to other designated accounts; or, reinvested in the funds.

Support of Trinity Cathedral

The Cathedral Working Group, which is composed of several key cathedral stakeholders and several trustees, continues its task of reimagining the mission and ministry of the Cathedral, acknowledging that some aspects of its life are diocesan-driven versus parish-related. In light of Trinity Cathedral's recent overwhelming maintenance expenses, the board continued its support by funding \$53.2k for additional staff salaries (a building supervisor and a part-time office administrator) for the second half of 2018. This funding comes from proceeds from the sale of the St. Andrew's, New Kensington, rectory.

Support for Parishes

Since the last Convention, the trustees have approved Growth Fund grants and/or loans as recommended by the Growth Fund Committee for these parishes: Advent, Brookline; Advent, Jeannette; All Saints, Brighton Heights; Good Shepherd, Hazelwood; Redeemer, Squirrel Hill; St. Brendan's, Franklin Park, St. David's, Peters Township; St. John's, Donora; St. Peter's, Brentwood; and Trinity Cathedral.

Disposition of Underused Property

The trustees have completed the sale of the following church buildings that no longer had Episcopal congregations:

- Church of the Good Samaritan, Liberty Borough to Victory of God Free Methodist Church
- Church of the Transfiguration, Clairton to Ebenezer Christian Worship Center

Per our policy, the net proceeds from these sales have been deposited into endowment funds designated for new or existing ministry/mission in the corresponding region of the Diocese.

Support for Diocesan Mission

Since the diocesan budget is funded in large part from endowment funds controlled by the trustees, the Board met with members of the Budget and Assessments Working Group (BAWG) of Diocesan Council and Bishop McConnell in June to review the preliminary version of the 2019 diocesan budget that will be presented for approval at this Convention. The trustees thank Kathi Workman, the BAWG members, chair Kathy Baird, and council president Jon Delano for their work in developing the budget.

Support for Sheldon Calvary Camp

The trustees paid the final \$20,000 installment of our \$100,000 commitment to Sheldon Calvary Camp's capital campaign made back in 2014. As in previous years, the trustees authorized an annual grant from the Emma Locke Memorial Fund to support the camp's scholarship program.

Respectfully submitted,
Jerry L. Stephenson
President, Board of Trustees

CANON FOR EVANGELISM & FAITH FORMATION

With gratitude I submit this report to my sisters and brothers in Christ in the Episcopal Diocese of Pittsburgh. You who serve in the diocese in a diversity of roles, lay and ordained, strive for faithful, sustainable, and creative means of serving Jesus Christ. I am grateful to serve alongside you.

A principle aspect of my ministry is providing concrete support for households as the primary source of faith leadership. I continue to develop relationships with congregations throughout the diocese to introduce at-home faith formation, which encourages households to become the substantive location of faith practice and conversation. While every parish naturally encourages members to attend worship regularly, what about the days in between?

My role is to help households initiate daily faith practices that require nothing more than a faithful heart. Namely, I teach a practice called FAITH5 which is a cost-free, 10-15 minute practice that anyone can participate in regardless of background, household demographic, or education. Learning FAITH5 involves a preparatory meeting with parish leadership, an initial presentation, a follow-up gathering, and continuing assistance in supporting participants. I am available to any interested parish and household. More parishes have joined in learning about FAITH5 during the past year and my schedule is always open to those who seek an introductory presentation or support session. Additionally, starting in November 2018, there will be a FAITH5 support tool via social media available to the diocese. I am also available to congregations seeking to identify ways to organize cross-generational aspects of regular worship, meaning that people of all ages and experiences gather together to influence, care for, and love one another in the name of Jesus.

In addition to this primary goal and purpose, during the past 2017-18 year I have also focused efforts on developing an Anglican Track of study at Pittsburgh Theological Seminary, soon to be formally announced. The Anglican Track will assist students preparing for leadership in the Episcopal Church in organizing a directed course of study from within the excellent academic offerings of Pittsburgh Theological Seminary. There are highlighted components that lift up building relationships with the local diocese, clergy, and laypeople to connect the academic theological experience with realities in the community, parish, and wider church.

Music That Makes Community (MTMC) is a national organization that assists parishes, organizations, and communities to connect through song. The group encourages singing as a way to establish and prosper community identity and purpose, as the Christian church has intuited since its inception. MTMC fosters musical expression ranging from traditional to the newly-composed, with dynamic options available for both musical settings and lyrics. Nearly 30 people within our diocese gathered for a MTMC workshop in June 2018. With new ideas and skills for a diversity of church settings and uniformly positive feedback from those who attended, I anticipate organizing a follow-up event in the upcoming year for new and returning participants.

Lastly, and perhaps most notably, I have developed the LOVE+TEACH+HEAL LEADERSHIP ACADEMY set to begin in November 2018. This diocesan initiative will focus on small groups throughout the diocese that develop faith practices and formative conversation among interested laypeople in an effort to discern and develop lay leadership throughout our region. The Academy is designed to serve as an adjunct to the excellent ministries already being led throughout our diocese, aimed to support current clergy and congregations, inspire creativity, and connect people and congregations to one another.

It is my goal and abiding hope that 100% of all parishes throughout the Diocese of Pittsburgh would aim to energetically participate in faith formation and evangelism development, both internally and in ways connected to the diocese and wider church body. Not every initiative, program, and offering will move our LOVE+TEACH+HEAL mission forward, and yet when we show up to both succeed and fail – and always grow – together, we faithfully serve our Lord, Jesus Christ.

It is a great blessing to work with our bishop, canons, members of the diocesan staff, clergy, and parish leaders and membership. Furthermore, I am humbled and grateful to serve in a diocese where so many diligently work to make the Gospel of Jesus Christ real among the congregations and communities of our region.

Respectfully submitted,

The Rev. Natalie L.G. Hall
Canon for Faith Formation and Evangelism

CANON FOR MISSION

I continue to be blessed by the opportunity to serve Bishop McConnell and the Episcopal Diocese of Pittsburgh as canon for mission. Being in this role while also discerning about, and preparing for, my future in ordained ministry has been an exciting, yet challenging, venture – and an experience for which I am immeasurably grateful.

Early this year, I led the planning and coordination of our 2018 Lenten Learning Day, during which we explored more deeply the meaning of our mission: to love, teach, and heal. Approximately 70 people from 22 parishes gathered at St. James, Penn Hills, to worship and learn together. Thanks to all who helped make the event possible, and to all who participated!

Working with Treasurer Kathi Workman and under the guidance of Diocesan Council, we revised the criteria for the Parish Mission Grant and made available the new Formation for Mission Grant. We are pleased with the number and quality of the applications that we have received, and with the mission initiatives that we have been able support through these grants. If your parish is considering applying for one of these grants, but you have questions about the process or criteria, please don't hesitate to contact me.

As I write this, I am close to completing the Appreciative Inquiry (AI) process at St. Andrew's, Highland Park. AI encourages a parish to (1) look at itself with an "appreciative eye," identifying the gifts that lie within and around it, and (2) discern how God is calling the parish to use its gifts as it joins in His mission. At St. Andrew's, AI is being considered part of the foundation of a larger, more detailed strategic planning process that the parish will launch in the fall.

Throughout the year, I have also continued to provide support for the Mon Valley Mission (see separate report) and have been involved in discussions and planning around:

- The mission of Trinity Cathedral,
- New ministry initiatives,
- The formation and ministry needs of our smaller parishes, and
- Practices of a "vital" church.

It is a challenging time for Christ's Church, across *all* denominations. I am certainly looking forward to discovering what God is up to in our neighborhoods, and working alongside you to join in His mission!

Prayerfully and respectfully submitted,
Kimberly Karashin
Canon for Mission

CANON FOR ORDAINED VOCATIONS

As Canon for Ordained Vocations, I have focused on working with the Commission on Ministry on recruiting, preparing, and examining those who believe they have been called to the diaconate and priesthood. By God's grace we continue to be blessed and have had several ordinations in the last few years with other women and men moving toward that possibility.

I continue to work with the seminarians at Trinity School for Ministry in Ambridge and at Pittsburgh Theological Seminary (PTS). Last year, Bishop McConnell and I taught a course at PTS: the "Anglican Way of Theology." Canon Cathy Brall continues to work with Episcopal students (as well as Presbyterian) at PTS as the Director of Field Education.

We have been blessed by many seminarians in the last ten years in the rebuilding of our diocese. I am concerned, however, with the "boomer" generation of clergy beginning to retire and the lack of young clergy and seminarians in the Church overall. The amount of debt that students take on in college, and then the additional debt from seminary, has caused the "seminary bubble." This educational debt and the lack of full-time clergy positions have caused a perfect storm. I believe our diocese is entering this bubble now: Not enough full-time positions and not enough younger clergy willing to work part-time. We are entering a period of clergy shortages in our diocese. We will need to be creative. For an interesting article, follow these links to the Rev. Jerry Bowyer's articles on the seminary bubble in *Forbes* magazine.

<https://www.forbes.com/sites/jerrybowyer/2011/04/20/the-seminary-bubble/>

<https://www.forbes.com/sites/jerrybowyer/2011/05/11/bursting-the-seminary-bubble-part-ii/>

We will need to rely on our clergy even more as a result of the clergy shortage. Some parishes may need to have lay-led Morning Prayer on occasion rather than the traditional Sunday Communion Service.

We are hoping that more laity will be able to attend the Pittsburgh Pastoral Care Conference, which is held each April or May. This annual training conference for both clergy and lay leaders has successfully completed its eighteenth year. Dates for the upcoming 2019 conference will be announced soon.

If anyone has any comments, ideas, or suggestions for improving the formation of the people of God, please contact me at 412-414-3337 or send me an email at jgeisler@episcopalpgh.org.

Peace & Prayers,
The Rev. Canon Dr. Jay Geisler
Canon for Ordained Vocations

CANON TO THE ORDINARY

The past year has been a busy one, both for our diocese and The Episcopal Church as a whole. In my role as Canon to the Ordinary, I've had the honor and pleasure of cooperating with the lay and ordained leaders of our parishes as they have worked to live out their mission.

In July, after experiencing troubling neurological symptoms, I was diagnosed with multiple sclerosis. After a difficult summer filled with much prayer and discernment, my family and I have decided that my focus needs to be on my health. With that in mind, it is with a heavy heart that I lay down the responsibilities of Canon effective September 30, 2018. While attending to my health, I will remain engaged in parish ministry at Nativity, Crafton, and assisting with the communications efforts of the diocese.

MS is a long-term fight, and so is our common call to share the love of our God in Christ. My disappointment is tempered by hope, as our Resurrection faith is rooted in the sure knowledge that endings are often beginnings. I remain deeply grateful to Bishop McConnell for his trust and confidence, and to our excellent diocesan staff who have made the work of the last year a true joy.

Faithfully yours,
The Rev. Canon Shawn Malarkey

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.”

Since the 2017 Diocesan Convention, the Commission on Ministry will have met ten times, including the annual Winter Interview Day and Ministry Exploration Day.

Highlights of the year include:

- The Bishop granted Postulancy to Paul Barker of St. Paul’s, Mt. Lebanon. Paul is discerning a call to the Diaconate.
- The Bishop granted Candidacy to Kim Karashin of St. Peter’s, Brentwood, and Julie Smith of Redeemer, Squirrel Hill.
- One individual took the General Ordination Examinations in January 2018.
- A practicum for newly-ordained priests began under the leadership of the Rev. Jonathon Jensen.
- The Annual Winter Interview Day was held on January 20, 2018, and featured interviews with two individuals.
- Ministry Exploration Day was held on April 21, 2018, at Calvary, East Liberty.
- The Rev. Lorena Ringle organized an overnight retreat for individuals in the process, which was held at the Kearns Spirituality Center on May 11-12.

The Rev. Eric McIntosh of St. James, Penn Hills, was re-elected at last year’s convention to serve a second three-year term on the commission. Ms. Eileen Sharbaugh was appointed in February 2018 to serve a three-year term ending in 2020.

The Rev. Lou Hays, chair of the Commission on Ministry, resigned from the commission in October 2017. The Rev. Michelle Boomgaard of St. Paul’s, Mt. Lebanon, resigned from the commission in September 2017. Ms. Bethany Hamill resigned from the commission in January 2018. The Rev. Charlie Hamill resigned from the commission in January 2018.

I thank Bishop McConnell for his leadership and support, and each member of the Commission for their service during the year: Ms. Carolyn Booker, St. Stephen’s, Wilkinsburg; the Rev. Jonathon Jensen, Calvary, East Liberty; the Rev. Eric McIntosh, St. James, Penn Hills; the Rev. Lorena Ringle, Christ Church, North Hills; Ms. Eileen Sharbaugh, St. Paul’s, Mt. Lebanon; Mr. Steve Stagnitta, St. Andrew’s, Highland Park; the Rev. Ann Staples, retired Deacon; Ms. Daryl Walker, All Saints, Brighton Heights; and ex-officio as staff, the Rev. Scott Quinn, Canon Pastor; the Rev. Jay Geisler, Canon for Ordained Vocations; and the Rev. Shawn Malarkey, Canon to the Ordinary.

Respectfully submitted,
The Rev. Kris Opat
Chair

COMMITTEE ON CONSTITUTION AND CANONS

The Committee on Constitution and Canons (the Rev. Dr. Bruce Robison, chair; Ansley Westbrook, secretary; the Rev. Joseph Baird, Betsy Hetzler, Courtney Horrigan, the Rev. Shawn Malarkey, and, *ex officio*, Chancellor Andy Roman) met through the past year to discuss proposals from its members and from others within the diocese regarding changes to the Constitution and Canons that might better serve our diocese.

The committee has been engaged in an extensive study and conversation on the topic of parish governance. Specifically, we have been invited to explore whether policies and procedures in our congregations are developed and implemented in conformity with current parish bylaws, and whether those bylaws have themselves been reviewed and updated as necessary to conform with the Constitution and Canons of the Episcopal Diocese of Pittsburgh and other relevant policies and guidelines of the diocese and of The Episcopal Church. While this project is still in early stages of development, we hope to develop resources to facilitate this process in congregational and diocesan contexts.

At the invitation of the Standing Committee, our committee has also begun to study questions related to the organization of diocesan governance. There is a desire to streamline, right-size, and refresh our governing bodies, and our committee in particular is in the process of identifying the constitutional and canonical concerns that would need to be addressed in this process.

While the committee will not be bringing any proposals to the 153rd Convention of the Episcopal Diocese of Pittsburgh on either of these topics, we do hope to continue our conversations – both within the committee and in collaboration with others – in the coming year.

Faithfully,
The Rev. Dr. Bruce M. Robison
Chair

DEPUTIES TO GENERAL CONVENTION

The General Convention of the Episcopal Church met for nine legislative days from July 5 to 13, 2018, in Austin, Texas, although much of the work of convention began several days in advance. The Diocese of Pittsburgh was well represented by our deputation consisting of the Rt. Rev. Dorsey McConnell, the Rev. Nancy Chalfant-Walker, the Rev. Dr. Jim Simons, the Rev. Kris Opat, the Rev. Jeffrey Murph, Mr. Jon Delano, Mr. Michael Braxton (Chair), Ms. Lisa Brown, and Mr. Jamie McMahan. Alternates who attended were the Rev. Nancy Threadgill, Mr. Steve Stagnitta, and Dr. Joan Gundersen. We were sorry that the Very Rev. Scott Quinn was unable to attend due to illness.

As the governing body of The Episcopal Church, General Convention meets every three years and is ordered in two houses, the House of Bishops (all bishops, active and retired) and the House of Deputies (up to four elected laity and four elected clergy from every diocese). These two houses meet and act separately at the General Convention, and both houses must concur to adopt a particular piece of legislation. Part of this process is the use of Legislative Committees, made up of members from both houses, which sit together to debate, amend, and hear testimony on all legislation that has been proposed.

Several members of our deputation served on a legislative committee: Dorsey McConnell (Committee to Receive the Report on Resolution A169 – Prayer Book Revision), Michael Braxton (Ministry), Jim Simons (Dispatch of Business – Chair), Nancy Chalfant-Walker (Rules of Order), Jon Delano (Social Justice & United States Policy), and Jamie McMahan (Stewardship & Socially Responsible Investing). Two alternates also assisted with committee work as legislative aides: Steve Stagnitta (Evangelism and Church Planting) and Kris Opat (Christian Formation and Discipleship). All deputies and alternates attended various legislative committee hearings and many provided testimony to those committees on issues facing the convention. During the course of General Convention, Michael Braxton was elected as a trustee of The General Theological Seminary in New York.

With over 500 resolutions proposed, amended, and debated, it would be challenging to summarize everything that occurred at General Convention. Some highlights were the re-admission of the Diocese of Cuba as a full member of The Episcopal Church; and resolutions in support of evangelism, against racism, in support of women in the church, for the care of the environment, for support of transgender persons, and for just treatment of immigrants. In addition, convention approved a three-year operating budget for The Episcopal Church of \$133.8 million.

Of particular note was discussion around a potential revision of the *Book of Common Prayer 1979*. The General Convention decided not to undergo full-scale revision at this time, but to form a task force to study what that might look like to begin the process in the future, as well as to memorialize the current *Book of Common Prayer*. Convention also authorized, for trial use, several revised Eucharistic prayers that take into account inclusive and expansive language. In addition, as part of what some called a “grand compromise,” a provision was made to extend the use of the rites to bless same-sex marriages to all dioceses in The Episcopal Church, including those whose bishops have theological objections.

For full coverage of events and resolutions at the General Convention, see www.episcopalnewsservice.org. For more specific information and the full text of resolutions, see www.vbinder.net. News from the House of Deputies can be found at houseofdeputies.org.

The deputation was honored to represent the Diocese of Pittsburgh. General Convention will next meet in Baltimore, Maryland, in 2021.

Jamie McMahan
Deputy to General Convention

DIOCESAN COUNCIL

What exactly is the mission of Diocesan Council? That was my first question when I was asked to chair a body on which I had never had the privilege of serving. In 2017, Council's president, the Rev. Lou Hays, resigned to move to Canada and shortly thereafter the new president, the Rev. Charlie Hamill, announced he was being called to be a rector in Connecticut and would be unable to serve in 2018. I had just been elected by my district (District 3) to serve on Council, so I was shocked, to say the least, to get a call from Charlie and the nominating committee, asking me to step into the role of president of Diocesan Council. While I have served on Standing Committee, have been a long-time deputy to diocesan convention, district chair, and senior warden and vestry member at my parish (St. Paul's, Mt. Lebanon), this was totally new territory for me.

This past year has been an amazing learning experience, but thanks to some terrific colleagues on Council and the never-ending assistance of the Rev. Jean Chess (Council secretary), Kathi Workman and Judi Rogers, I can report that Diocesan Council has fulfilled its canonical responsibilities while beginning to redefine its own role in this diocese.

Created by Article XI of the Constitution of the Episcopal Diocese of Pittsburgh, the mission for Diocesan Council is set forth in Section 1 of Canon V. Read it carefully.

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.

The 18-member Diocesan Council is "convention in recess," empowered to do what the convention may do in the months between our annual diocesan gathering. Council is comprised of twelve lay and clergy deputies to diocesan convention elected by the four districts of our diocese and six others by virtue of their positions within the diocese.

The twelve elected members of Council are Kathy Baird (District 4), the Rev. Joseph Baird (District 4), Peter Balfe (District 3), Frances Dannenberg (District 2), Jon Delano (District 3), the Rev. Howard Gillette (District 1), the Rev. Carol Henley (District 2), Kevin Hipolit (District 1), Duwayne Ladd (District 4), Bruce Quayle (District 1), Sheila Stagnitta (District 2), and the Rev. Linda Tardy Wilson (District 3). The six members by virtue of their diocesan positions are Russ Ayres (President of the Standing Committee), Betsy Hetzler (President of the Episcopal Church Women), the Rt. Rev. Dorsey McConnell (Bishop), Andrew Roman (Chancellor), the Rev. Canon James Shoucair (Secretary of Convention), and Jerry Stephenson (President of the Board of Trustees). Together, all 18 of us are your Diocesan Council. The Rev. Joseph Baird is vice president. Council reached beyond its elected and *ex officio* membership to appoint the Rev. Jean Chess as secretary.

A number of other diocesan leaders are also invited to attend our meetings, including the canons, diocesan staff, chairs of diocesan organizations and committees (like the Committee on Constitution and Canons, the Commission on Ministry, Social Justice and Outreach Committee, etc.). This year, I also extended invitations to the chairs and vice-chairs of each of our four districts.

So what did Diocesan Council do this year? Part of our goal this year has been to review and renew the way we do business. Over the years, I believe Council has become a venue for hearing reports and more of a super budget committee, reallocating resources throughout the year after convention adopts a budget. I don't minimize this role. It is absolutely essential because of changing circumstances and personnel

within the diocese. But the focus on dollars has overtaken the equally important need of Council to “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.”

Given its very broad membership, Council is the most representative body in the diocese, so it makes sense that it is charged with evaluation, recommendation, and oversight. In my view, Council has not yet developed the mechanisms to do that effectively. Moreover, as a key church body, we need to spend more time on how to meet our Christian call and Bishop McConnell’s goal of becoming a diocese that “loves, teaches, and heals.” I fear we often get bogged down in multiple reports to the exclusion of what should be our greater mission. I am pleased to report that we on Council have begun to take baby steps to move beyond past practice with more general discussions of broader topics important to this diocese.

Since the last convention, Council has met six times: December 12, 2017, and January 23, March 20, May 1, June 19, and September 18, 2018. At this writing, we have meetings yet scheduled for October 23 and December 4th. Standard business at each of these meetings includes a written and/or oral report from the bishop and the canons, from the presidents of the Standing Committee and the Board of Trustees, from the chancellor, from the president of ECW, from the treasurer (both the treasurer’s report and a property report), from the chair of the budget and assessment working group (BAWG), and then various diocesan committees and organizations like the Growth Fund and the Social Justice and Outreach Committee. Unless expeditiously handled, you can see how there would be no time left at Council meetings for anything else.

This year, after prayer and approval of the minutes, I changed the order of business to begin with a discussion of a particular topic important to Council and the diocese. For example, in January we had a lengthy discussion about the role of Council. It was an excellent conversation, covering a range of issues from mission and ministry to districts and communication, and how we might better serve the diocese. As part of this, Council scheduled a diocesan-wide forum last spring for local Episcopalians to meet with our deputies to General Convention, the once-every-three-years convention of bishops and national church leaders. It was a good session that allowed those attending to express their views on everything from prayer book revision to social justice issues. As a follow-up, I also invited the chair and vice-chair of our General Convention deputation (Michael Braxton and the Rev. Nancy Chalfant-Walker) to lead a discussion at our June meeting about convention.

At our May meeting, we had a discussion about the role of our four diocesan districts with opinions offered from the chairs and vice chairs of each of our districts. Does it make sense to have districts? What do they do between conventions? Are the right parishes in the right districts? The healthy discussion led to the appointment of a Task Force on Districts, chaired by Council member and District 1 chair Bruce Quayle.

One over-arching theme this year has been concerns about the governance structure of our diocese, which in many ways has so many elected bodies and committees that too many priests and lay people are doing double and triple duty, serving on multiple organizations. It is a governance structure designed for a much larger diocese than the 36 parishes we represent. At our September meeting, Council considered the question of how we might think about “right-sizing” our governance structure. Do we need so many elected bodies? How might we make our governance more meaningful and key to the ministry we seek to carry out as a diocese? These are not easy questions.

Coincidentally, the Standing Committee has been thinking along the same lines, and Bishop McConnell (using his discretionary funds) has opted to bring in a consultant (Judy Stark) to help us in this evaluation process. Russ Ayres, president of Standing Committee, debriefed the Council on its vision of this

process: redesigning the structures of governance, getting clarity on the role of the bishop and diocese and staff, and building trust and relationships across the diocese. Council debated this at length with concerns expressed that this process be inclusive and expansive, that full communication with every stakeholder in the diocese is essential, and that the key to success is managing expectations. Ultimately, Council voted unanimously to go forward and a subsequent small group organizing meeting was scheduled for Ms. Stark to meet with the Bishop and two representatives of each of the three principal elected bodies (Council, Standing Committee, and Board of Trustees) to discuss how to get started.

Obviously, Council did much more over the year past year, especially with respect to all the canonically required measures and appointments that come before the body. This includes approving necessary clergy housing resolutions, reallocating dollars in the budget, and awarding a variety of Formation for Mission Grants and Parish Mission Grants and granting relief (at various levels) from diocesan assessment, as recommended by BAWG, expertly chaired by Kathy Baird.

As someone new to Diocesan Council this year (as it was for a number of our members), I admit that this was year of learning for me. We are blessed with some terrific diocesan staff and clergy who eased the process. I want to thank them and all the members of Council and the many others who attend our meetings so faithfully. It has been a privilege to serve as president of Council in 2018, and I look forward to a revitalized and reinvigorated role for Council in the years ahead as part of a growing diocese that seeks to be God's Church here in our corner of Pennsylvania.

Respectfully submitted,
Jon Delano
President, Diocesan Council

THE STANDING COMMITTEE

This report covers the business conducted by the Standing Committee from September 2017 through August 2018. The Committee met every month except for October 2017 and August 2018.

Episcopal Consents

- Diocese of Delaware (the Rev. Kevin Brown)
- Diocese of East Tennessee (the Rev. Brian Cole)
- Diocese of Bethlehem (the Rev. Canon Kevin Nichols)
- Diocese of Rio Grande (the Rev. Canon Michael Buerkel Hunn)
- Diocese of Newark (the Rev. Carlye J. Hughes)
- Diocese of Western Kansas (the Rev. Mark A. Cowell)
- Diocese of Virginia (consent to holding an election for a Suffragan Bishop)

Approval for Admission as Candidates for Holy Orders

- Kim Karashin
- Julie Smith

By-law Revisions

- St. Michael's of the Valley, Ligonier
- Church of the Advent, Jeannette
- St. Thomas, Canonsburg

Vacancies on Diocesan Boards and Committees

- Committee on Constitution and Canons (the Rev. Bruce Robinson)
- District 1 vacancy on Diocesan Council (the Rev. Howard Gillette)
- District 4 vacancy on Board of Trustees (Virginia Tuscano)
- Judge of Elections for 2018 Diocesan Convention (Jon Delano)

Title III Return to Ordained Episcopal Ministry

- The Rev. Simon Barnes

Property Issues

- Agreement regarding use of parish property, between the Episcopal Diocese of Pittsburgh and nine parishes currently participating in the Anglican Diocese of Pittsburgh
- Christ Church, North Hills – sale of rectory
- Church of the Transfiguration, Clairton – sale of church building
- Calvary Episcopal Church, East Liberty – grant of driveway easement to residential neighbors

The Standing Committee continues to take seriously its responsibility as Council of Advice to the bishop and understands that this must be a two-way street. In addition, the Standing Committee has begun the process of organizing a mutual ministry review for the diocese as a whole, after learning about similar programs in other dioceses. An outside consultant has been identified.

The agreement mentioned above with the nine Anglican parishes was finalized in October 2017 and signed by all parties in February 2018. We believe that it represents a model for mutually productive ministry and ongoing dialogue, and that it could be a milestone not only for our diocese, but for the wider Episcopal Church. I would like to thank the other members of the negotiating team on which I was grateful to serve: Jerry Stephenson, the Rev. James Simons, the Rev. Leslie Reimer, and the Rev. Kris

Opat; our counterparts on the Anglican side (whose names have not been made public); our Chancellor, Andy Roman; the Board of Trustees as a whole; our mediators, Mark Nordenberg and David McClenahan; and not least of all, our Bishops Ken Price and Dorsey McConnell for spiritual counsel and support over many years.

It is a joy and a privilege to serve on the Standing Committee, and I would like to thank former members John Adams and the Rev. James Simons, current members Kathy Baird, Bob Johnston, Darrell Powell, the Rev. Noah Evans, the Rev. Eric McIntosh, the Rev. Kris Opat and the Rev. Leslie Reimer, Bishop McConnell, the Rev. Canon Shawn Malarkey and Andy Roman for their unflagging wisdom, humor and support.

Respectfully submitted,
Russell Ayres
President

TREASURER & DIRECTOR OF ADMINISTRATION

Responsibilities include overseeing the diocesan accounting system, serving as financial liaison to the Board of Trustees, Diocesan Council, Property Committee, Growth Fund Committee, Audit Committee, Budget and Assessments Working Group, and Compensation Committee; providing financial and employee benefit assistance to parishes and diocesan staff; handling of administrative matters and employee benefits for the diocese; and overseeing the returned properties with assistance from the Trustee Property Committee.

Updates since the 2017 Convention include:

- The 2017 audit was completed and an unqualified opinion rendered by Maher Duessel (see Appendix section of this Preconvention Journal).
- Assisted four parishes in obtaining \$14k in grants from The Advancement Society to defray costs for various building maintenance projects.
- Diocese provided payroll processing through ADP to six parishes at reduced rates (annual cost ranges from \$150 to \$225). Contact Marlene Rihn for information.
- Organized volunteer audit teams to assist numerous parishes with their annual audits.
- Of 34 clergy/lay employees who enrolled in ECMT health plans for 2018, 14 (41%) selected Consumer Directed Health Plans (CDHP) with Health Savings Accounts (HSA). Bishop McConnell donated \$500 to each employee's HSA. All PPO health plans currently offered by the ECMT will be discontinued in 2019 with new, comparable plans offered in their place. The current CDHP plans will continue to be offered in 2019 (see 2019 Compensation Guide in the Appendix section of this Preconvention Journal).
- Two returned church properties were sold. Proceeds from the sale of the former Church of the Good Samaritan, Liberty Borough, were deposited to Morgan Stanley Pool 1 in funds for new church plants/mission in the Mon Valley. A loan for \$32k was approved for the sale of the former Church of the Transfiguration, Clairton, property to Ebenezer Christian Worship Center.
- Received second installment of \$50k from Campbell Foundation (total grant \$150k over three-year period) designated for ministry to senior adults.
- Received notice of ~ \$1 million distribution to be received from the Francis William Swem Trust pending Attorney General approval of the Trust's termination (50% designated for Growth Fund and 50% designated for Diocesan Endowment Fund).
- Received final principal prepayments totaling \$154k in 2018 from St. Philip's Church for balance of \$623k mortgage on the 2011 sale of the Moon Township property.
- Approved Growth Fund grants of \$76k and Trustee Renovation Grants of \$34k to parishes with urgent building maintenance projects. Approved Growth Fund loans totaling \$15k (\$6k to All Saints, Brighton Heights, and \$8.7k to St. Peter's, Brentwood).

- 2018 Operating Budget provides \$152k in financial support to reopened parishes/parishes in need of financial assistance and \$27k in Community Outreach Grants to Coal Country Hangout Youth Center, Neighborhood Youth Outreach Project (NYOP), Shepherd Wellness Center, and Sheldon Calvary Camp.
- Funding of \$45k for Parish Mission Grants and \$9k for Formation for Mission Grants remains available for 2018. Both applications are available on the diocesan website.
- 2018 Trustee grants provided \$20k to Sheldon Calvary Camp Capital Campaign, \$19.4k to Sheldon Calvary Camp for scholarships, and \$121k to Trinity Cathedral for additional 2018 staffing.

Faithfully,
Kathi Workman

Section F

Other Reports

CAMPUS MINISTRY

The 2017-2018 year was encouraging to me as the Episcopal University Chaplain. The partnership with Cornerstone campus ministry out of Bellefield Presbyterian Church in Oakland continues to deepen. In addition to participating in Cornerstone's Wednesday night worship gathering for students each week, I became a regular contributor to weekly leadership planning meetings, chaperoned the fall retreat for Cornerstone students, hosted the University of Pittsburgh ministry suite for the 2018 Jubilee Conference, and met frequently with individual students for purposes of discipleship.

During the past year, many of the students involved in Cornerstone also became regular participants in a monthly home Eucharist called "Zoe." On the second Friday of each month, my wife Hallie and I welcome an average of 15 to 25 folks from around the Pittsburgh area into our North Hills home to receive the Life that Jesus desires to give the world by celebrating the Lord's Supper together, eating a common meal, dwelling in the Word, and praying conversationally. November of 2018 will mark the two-year anniversary of this monthly gathering where young and old join with one another to be formed more deeply into the image of Christ.

During the 2017-2018 school year, the Episcopal University Chaplaincy also expanded to include Chatham University. In partnership with the Coalition for Christian Outreach (CCO) at Chatham and Chatham Christian Fellowship, I co-led a weekly Bible study through the book of Romans for between six and fifteen college students. Duplicating the work I've been involved in at Pitt, I also began meeting regularly with a handful of Chatham students for purposes of discipleship at the Squirrel Hill campus as well as at the Eden campus. The year also marked the inaugural Easter Vigil Eucharist held at Chatham University, at which Bishop Dorsey McConnell was the Celebrant and Preacher.

I was elected vice-president of the University of Pittsburgh Association of Chaplains in 2018 as well. I will begin to serve in this role at the start of the 2018-2019 academic year.

I can't emphasize enough how much of a snapshot this report is of the work being done under the umbrella of the Episcopal University Chaplaincy. The stories of how students are being transformed by the Spirit are too many to recount in the space of this brief review. Please, don't hesitate to reach out to me to learn more about how God is working in the lives of students at the University of Pittsburgh and Chatham University.

In Christ,
Dan Isadore
Episcopal University Chaplain

CHAPLAIN TO RETIRED CLERGY AND SPOUSES

The title of this report could read, “Chaplain to Retired Clergy, Spouses and Surviving Spouses,” as that is the title the Church Pension Fund uses for this position. I have been serving for many years, and find it most satisfying for myself and those being served.

Principally, my work is recognizing birthdays of those whose ministry included service in the Diocese of Pittsburgh, past and present. Through the year, some 170 greeting cards are mailed to those in the Pittsburgh area, as well as those now living in places other than Pennsylvania. In addition, cards are mailed and phone calls made to those experiencing illness and those who have lost a spouse or son or daughter.

We are blessed in enjoying the company of others when Bishop McConnell hosts a luncheon twice each year. The Church of the Atonement, Carnegie, provides the winter event and the Church of the Redeemer, Squirrel Hill, the spring event. This becomes an opportunity to check in with one another, learn what we are doing in family and parish ministry, and receive words of appreciation from the bishop. We are always pleased when Betsy McConnell can be with us, and diocesan clergy and staff also attend as their calendars allow.

Since 2016, the Rev. Scott Quinn and the Rev. Carol Henley have assisted with this ministry. Scott assists with home visits and at hospitals, and Carol works to recognize significant clergy anniversaries for those active as well as those retired. We meet on occasion to coordinate our efforts as we work to serve those who serve the Lord and our church.

Diocesan funds provide the greater part of the cost of postage, greeting cards and mailing. Funds are also available for the twice each year luncheon.

With this chaplaincy, Marilyn and I have been able to attend the Provincial Retiree Gathering, when possible, which is usually held in Colonial Williamsburg, Virginia. We are grateful to the Church Pension Fund for making that possible.

Respectfully submitted,
The Rev. Arthur C. Dilg

CHILDREN'S MINISTRY TEAM

The Children's Ministry Team continued to meet during the past year to share ideas, brainstorm challenges, and support one another in our common mission to minister to the children and families of our diocese. As part of our mission to support ministry to children, packages of children's Bible story books were purchased, compiled, and handed out at last year's convention. The package of books contained titles by Desmond Tutu, Tim Ladwig and others. Packages contained board books and beautiful picture books for early readers. Calvary Book Store was a vital part of this endeavor.

In the coming year, the focus of our team is to reach out to leaders and volunteers throughout the diocese in thanks for their service and in partnership for continued growth and care of all who serve in this important lay ministry. In an effort to develop a sense of community and connection, parish Christian education leaders will be personally contacted to discuss their challenges and needs. These conversations will guide how we use resources to develop and support children's ministry.

Respectfully Submitted,

Jennifer Yoon
Chair of the Children's Ministry Team
and Director of Children's Ministry
St. David's Episcopal Church, Peters Township

CHRISTIAN ASSOCIATES OF SOUTHWEST PENNSYLVANIA

*A Unifying Voice in the name of Jesus Christ
for the Mission of the Gospel and the Wholeness of Communities*
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Dear friends of the Episcopal Diocese of Pittsburgh: Grace and peace to each of you as you gather for Annual Convention. In your worship and deliberations, your learning and your fellowship, may this time provide opportunities for new and renewed connections to one another, to the Church, and to God.

Just as the Annual Convention serves as a yearly reminder of the breadth of the Episcopal Church in southwest Pennsylvania, so Christian Associates is a vibrant manifestation of the unity of the whole church of Jesus Christ, in all its fascinating and complicated diversity. Guided by our core values of collegiality, collaboration, communication, and connectedness, Christian Associates of Southwest Pennsylvania brings together 28 Catholic, Orthodox, and Protestant church bodies to be a unifying voice for the mission of the Gospel and the wholeness of our communities.

Since your last Convention, we have been working with energy and creativity to make the unity of Christ's church more visible in the ten counties of Southwest Pennsylvania. Here are just a few of the projects that your support has made possible this year:

- We launched our new series, *The Word in Our Voices*, which collects and publishes sermons and essays by our region's clergy. The first volume, *I Was a Stranger and You Welcomed Me*, focused on immigration; the second, *Blessed Art Thou Among Women*, focused on Mary, Mother of Jesus; and the third, *Who Is My Neighbor?* focused on racial justice. Each of these volumes may be downloaded at our website, www.casp.org. I hope you will consider submitting your sermons on baptism for publication in the next volume, coming next spring.
- We developed a partnership with the Jewish Community Center of Greater Pittsburgh's new Center for Loving Kindness and Civic Engagement, cosponsoring a series of community forums and clergy breakfasts bringing faith perspectives to public issues. Each event includes inspiring preaching, compelling first-person stories, and opportunities to move into action. We invite you to join us at our upcoming events in 2019, including forums on community development and mass incarceration.
- We launched a new, modern database of our region's clergy and congregations, maintaining up-to-date information on thousands of churches throughout southwestern Pennsylvania. Not only will this project enable us to streamline our own communications, both paper and electronic, it will propel our efforts to build connections between Christians who share common roles and interests.

None of this good work would be possible without your support. The Episcopal Diocese has been an essential partner to Christian Associates since our beginnings, nearly fifty years ago. Today you continue to support us financially, and you share your skills and energy with us as well. This year, Bishop Dorsey McConnell serves as President of our Council of Bishops and Judicatory Executives, leading his peers with faithfulness and creativity.

Although the gifts we receive from judicatories such as the diocese are vitally important to our work, we also look to individual, congregational, corporate, and foundation donors to support our mission. We are especially grateful to the members of the John 17 Society, who support our work with gifts of \$250 or

more each year. For more information about the Society, or to make your own gift of any size to Christian Associates, visit www.casp.org/donate.

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 at this year's Convention and in the coming days. Thank you again for your support of Christian Associates.

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

COAL COUNTRY HANGOUT YOUTH CENTER

Deacon Ann Staples has finally retired (!) from active parish ministry, most recently at St. Thomas Church in Northern Cambria. After 33 years of parish ministry, she felt tired but good, and still able to understand that deacons never actually *retire*, just shift emphasis.

With that in mind, she is still serving as Executive Director for Coal Country Hangout Youth Center (CCHYC), the full-service youth center that began in 1996 as a response to the educational, human services, and social needs of children and their families in northern Cambria County. The center targets a population of approximately 6,000 boys and girls, from infants to age 18, living in rural locales within four area school districts, eight boroughs, and seven townships that extend from northern Cambria County into northeastern Indiana County and southwestern Clearfield County.

The goals of CCHYC are:

- To provide affordable and accessible child care to all families in our community;
- To emphasize that families can forever influence their children and that we support families to the greatest extent possible in the promotion of healthy behaviors among their children; and
- To provide a holistic approach to educational, cultural, and spiritual devastation experienced by families in the region.

Under Deacon Staples' direction, the center's experiential educational component has explored local history, and participants have constructed large ceramic and stone monuments at crucial places along the Kittanning trail across Cambria County. Between 2011 and 2016, the local school districts served by CCHYC designed, created and constructed four large monuments.

Now in 2018, with the 32nd experiential education component, participants continue to delve into the region's past. ARTzKAMP 2018 explored 300 years of the Kittanning Path through puppetry. Students in grades four through six created puppets depicting the French and Indian wars in a two-week long trek involving history and art. They reenacted the story of the conflict between the native Lenape people and the British settlers that took place in our backyard over 260 years ago. They created a variety of different types of puppets such as shadow puppets, hand puppets, stick puppets, and masks, to bring history to life. Performances scheduled during the 2018 Heritage Day represented the results of their efforts.



COMMISSION ON RACE & RECONCILIATION

The Commission on Race and Reconciliation continues to serve the diocese offering its prayers, healing, and training to raise the awareness of systemic racism, as well as an annual book study. We consult with the bishop to identify leaders in our diocese that will increase ethnic diversity reflective of our society.

In the last year, new initiatives through the commission include presenting through *Grace Happens* an offering of prayers by famous people of color, and the introduction of the first annual diocesan-wide book study on race, which began with *Waking Up White* by Debby Irving.

Trainings to address racism were offered this year at St. Andrew's, Highland Park, and St. James, Penn Hills. These trainings, *Seeing the Face of God in Each Other*, increase the desire to break down the systemic walls of racism that oppress and divide, and promote the vision for the Beloved Community addressed as one pillar of our Presiding Bishop Michael Curry's ministry goals. The anti-racism training central to our ministry grows out of the resolutions of several General Conventions, and is required of, but not limited to, all leaders and employees of our diocese.

The end of racism is an infinite work. We invite everyone to come and begin a deeper journey in the work toward that Beloved Community.

Faithfully,
The Rev. Michael Foley
Chair, Commission on Race & Reconciliation

DEACONS

The Diocese of Pittsburgh has seven vocational deacons actively leading others in the care of the poor, sick, lonely and needy and in the advocacy for those who have no helper. They also serve in many common ministries throughout the diocese and as parish deacons. In addition, one transitional deacon, Brandon Mozingo, serves as Deacon-in-Charge at St. Stephen's, McKeesport.

In Service to the Diocese

Deacons Linda Wilson and Jean Chess serve on the Disciplinary Board for the diocese. Deacon Christine McIlvain serves as a Title IV Intake Officer. Deacons Ann Staples and Lorena Ringle serve on the Commission on Ministry. Deacon Jean Chess serves as secretary for Diocesan Council and Deacon Linda Wilson serves as a clergy member of Council.

In Service to Parishes and the Community

Deacon Jean Chess continues at St. Andrew's, Highland Park, as parish deacon, with a focus on pastoral care of parishioners in need who have no family in the area.

Deacon John Mark Feuerstein continues to serve every Sunday at Good Shepherd, Hazelwood.

Deacon Wade Lawrence served every Sunday at All Saint's Brighton Heights, faithfully visiting the sick at home, in hospitals, and in nursing homes until his retirement from that position earlier this year. Currently, he is serving as Deacon at Trinity Cathedral under the direction of Dean Scott Quinn, where he had previously served for 12 years, from 1992 to 2005.

Deacon Christine McIlvain, Christ Church, North Hills, continues to lead the Women in Discipleship group. Each October she leads the parish in prayer for those who suffer with cancer, and each spring she leads a Woman's Retreat.

Deacon Lorena Ringle, Christ Church, North Hills, continues to serve as Director of Christian Formation; with literacy initiatives; and serves as a Court Appointed Special Advocate (CASA) for children who are abused and neglected.

Deacon Linda Wilson serves as Pastor-in-Charge of All Souls, North Versailles.

Deacon Ann Staples has finally retired after 33 years in active parish ministry, most recently at St. Thomas, Northern Cambria. But recognizing that Deacons never actually retire, but rather just shift emphasis, she is still serving as executive director for Coal Country Hangout Youth Center (see separate report).

Respectfully submitted,
The Rev. Lorena Ringle, Deacon

EPISCOPAL CHURCH WOMEN

In December 2017, the Episcopal Church Women's yearly "Christmas on the River" Pack and Play, held at St. Paul's, Mt. Lebanon, was well attended. Volunteers packed Christmas gifts for crew members that would be away from home during the holiday on the boats and tugs plying the Ohio and Mississippi Rivers. This is part of the ministry of the Seaman's Church Institute. The chaplain took the packed boxes to be distributed to the crews. ECW's Pack and Play event is scheduled again this year in December at St. Paul's.

The spring Episcopal Church Women/United Thank Offering Ingathering was held at Christ Church, North Hills, on Saturday, May 5, 2018. An informative program on the Mustard Seed Project, stressing ministry to the street children of Kilgali, Rwanda, was presented by Deacon Christine McIlvain and Joyce Wingett. Many attendees showed their support for the Mustard Seed Project by purchasing artworks and cards.

The ECW business meeting followed, with Janet Stephenson, Chair of the Finance Committee, recommending the following ECW grants that were subsequently approved:

- Bishop's Discretionary Fund \$1,000
- Sheldon Calvary Camp Fund \$1,000
- HEARTH: a safe place that matters \$2,000
- Shepherd Wellness Community, art therapy program \$1,500
- St. Michael's of the Valley, Ligonier
Neighborhood Academy Backpack Program \$600
- St. Peter's, Brentwood
ministry to Sudanese and Bhutanese Refugees \$1,500
- Coal Country Hangout Youth Center \$1,500
- St. Paul's Episcopal Church, Mt. Lebanon
St. Paul and Rose Orphan Care Center, Uganda \$1,000
- Episcopal Relief & Development \$524.80

Memorial Scholarship Chair Betty Duckstein reported three \$1,200 scholarship recipients: Bradley Cooper, Michelle Yang and Bradley Oglie. UTO Chair Darrell Powell presented her report.

A buffet lunch by the women of Christ Church followed. Afterward, a service was held in the sanctuary, where the Rt. Rev. Dorsey McConnell celebrated the Eucharist.

At the July Triennial meeting in Austin, Texas, the ECW of Pittsburgh was represented by UTO Chair Darrell Powell, Church Periodical Club Chair and Treasurer Linda Getts, and immediate Past President and Memorial Scholarship Chair Betty Duckstein. They will present their reports at the Fall ECW/UTO Ingathering, scheduled to be held at St. Thomas, Oakmont, on Saturday, October 13, 2018.

The following are officers of the 2018-19 ECW board:

Betsy Hetzler, President; Gina Brownfield, Vice President; Louise Cannon, Secretary; Linda Getts, Treasurer; Darrell Powell, UTO Chair; Janet Stephenson, Finance Chair; and Betty Duckstein, Memorial Scholarship Chair.

Respectfully submitted,

Betsy Hetzler

President, Episcopal Church Women of the Diocese of Pittsburgh

EPISCOPAL HEALTH MINISTRIES

The new activity for the diocesan Episcopal Health Ministries (EHM) in 2018 centered on the Pittsburgh Mercy Parish Nurse and Health Ministry exploration workshop, held at St. Andrew's Episcopal Church on February 3, 2018. Eleven people attended with six churches represented – three Episcopal parishes and three of other faith traditions. This event was publicized in *Grace Happens* as well as *Faith Connection*, the newsletter of the Pittsburgh Mercy Parish Nurse and Health Ministry.

Faith community nurses fulfill various responsibilities in congregations. Among them are participation on lay pastoral care teams in capacities such as lending a listening ear; establishing support groups, such as Grief Share; personal health counseling; referrals for social needs, such as Meals on Wheels; providing necessary resources for individual and family care; and making hospital and home visitations.

Health ministry is not a program but a relationship connection with parishioners. A faith community nurse utilizes his or her nursing skills from a holistic care approach (whole person health of body, mind and spirit), and most serve in a volunteer capacity. They can provide an aspect to healing, faith (with prayer) and health that the world does not offer but the Church can – in keeping with the diocesan mission statement of “Love, Teach, Heal.”

With the ongoing mission of the Downtown Ministerium walk-in ministry, there is an opportunity in the future for enhancement of meeting the needs of the community through assistance from faith community nurses and those interested in health ministry.

For more information about hosting a health ministry workshop in your parish or about volunteer opportunities, contact Amy Armanious, Health Ministry Specialist at Pittsburgh Mercy Parish Nurse and Health Ministry at aarmanious@pittsburghmercy.org.

Currently, the national Episcopal Health Ministries organization is on hiatus, pending discernment of its future role. Updates on this volunteer ministry will be forthcoming. Until then, my prayer for you is:

Dear friend, I pray that you may enjoy good health and that all may go well with you, even as your soul is getting along well. (3 John 1:2)

Respectfully submitted;
Paula Wasko
Diocesan Coordinator
Episcopal Health Ministry

THE MON VALLEY MISSION INITIATIVE

On September 13, 2017, when Mon Valley Missioners met at St. Stephen's, McKeesport, to participate in a healing service and discussion, we were pleasantly surprised to be joined there by over twenty members of neighboring Bethlehem Baptist Church (BBC). Sensing the Holy Spirit at work on that evening, we made the burgeoning partnership between St. Stephen's and BBC the focus of the Mon Valley Mission in late 2017 and through 2018. The partnership has grown and strengthened under the joint leadership of Deacon Brandon Mozingo and BBC's Reverend Cheryl Coleman. On the first Monday of each month, members of both congregations, and some from our other Mon Valley parishes, gather for worship, prayer, discussion, and a shared meal, with an eye toward discerning together God's will for Christ's Church in the Mon Valley.

While the monthly gatherings in McKeesport will continue, beginning this fall we will also be working to encourage greater cooperation, sharing, and support among our clergy throughout the Mon Valley. The clergy will meet regularly to discuss their Ministry in the Mon, the difficulties that they encounter, and the opportunities present. We are hopeful that, with God's help, new ideas and energy will emerge.

Other highlights from the Mon Valley Mission in 2018 include:

- St. John's, Donora, has grown under the leadership of pastoral associate Michael Singer, and has been renovating the building and reaching out to the community.
- St. Paul's, Monongahela, has moved to two evening services, one (traditional) on Saturday and one (contemporary) on Sunday, as a way of reaching others in the community for whom attending a Sunday morning service is not feasible. They are also exploring the possibility of converting some of their building's extra space into a recovery home for those suffering amidst the opioid epidemic.
- Church of the Good Shepherd, Hazelwood, is looking into the future and discerning their mission after the retirement of its long-time pastor, Fr. Huett Fleming.

Please keep the Mon Valley Mission in your prayers in the year ahead.

In Christ,

The Rev. Canon Dr. Jay Geisler, Chaplain to the Mon Valley Mission Initiative
Kimberly Karashin, Canon for Mission

THE ORDER OF THE DAUGHTERS OF THE KING

The Order of the Daughters of the King is a Christian order of women and girls, ages seven and older, lay and ordained, all over the world, who desire a deeper walk with our Lord. We have a Rule of Life, vow a lifetime of Prayer, Service and Evangelism and enjoy the companionship of other Daughters to strengthen our life of faith.

Our assembly currently consists of Daughters from the Episcopal Diocese of Pittsburgh and the Anglican Diocese of Pittsburgh. One Daughter is trying to get a Catholic chapter started. We invite all women to pray and consider if God may be calling her to join the Order. New chapters in any parish may be started with only three Daughters. We include Daughters who are no longer connected to a parish chapter, called Daughters-at-Large (DAL's). New leadership is elected every three years and includes members from both dioceses.

At our Spring and Fall Assemblies, all the chapters and DAL's come together to celebrate our common commitment to Christ. After the business meeting, there is an inspirational program and women share how they are living their vows as Daughters. We end with a fellowship lunch.

The assembly sponsors a reflective retreat during Advent and Lent every year which is open to all women of the church.

Officers

President: Jessie Hipolit
1st Vice President: Barb McMillen
2nd Vice President: Carolyn Booker
Daughters-at-Large: Mary Beth Middleton
Secretary: Nan Neureither
Treasurer: Jan Murtha
Junior DOK Directress: N/A
Publicity Chair: Nan Neureither
Evangelism Chair: Jessie Hipolit
Webmaster: Liz Delgado
Facebook: Kate Geiger



Chaplain

The Reverend Don C. Youse, Jr., Emmanuel Episcopal Church, North Side

Total Membership: 66

Number of Chapters: 5

(Chapter Name, Parish, President)

- Daughters of Advent, Episcopal Church of the Advent, Jeannette – Jan Murtha
- Deborah Chapter, Christ Episcopal Church, Indiana – Kate Geiger
- Holy Comforter, Fox Chapel Anglican – Lois Folino
- Song of Victory, St. George Anglican, Waynesburg – Barb McMillen
- Verna Dozier, Emmanuel Episcopal Church, North Side – Carol Veal
- Daughters-at-Large

Theme for the Year

“Growing in Divine Love”

Fall Assembly

October 21, 2017, at Shepherd’s Heart Fellowship

“How Does Your Relationship with Christ Nourish You?”

Advent Day of Reflection

Saturday, December 9, 2017, at Shepherd’s Heart Fellowship

“Are You Rooted and Grounded in Christ?”

Lenten Retreat

“Weeds in the Garden,” reflecting on the Stations of the Cross, at Carolyn Booker’s home
Led by our Assembly Chaplain, the Rev. Don Youse

Spring Assembly

April 28, 2018, at Fox Chapel Church

“Are You Living the Abundant Life? Living in the Power of the Holy Spirit”

Led by Carolyn Booker

Province III Retreat

Saturday, April 15, 2018, at Claggett Center, Adamstown, Maryland

Martha Johnson Bourlakas on “Our One Word”

Projects / Plans

Electing new officers in September 2018 for three-year terms

Continuing efforts to get DAL’s connected to chapters

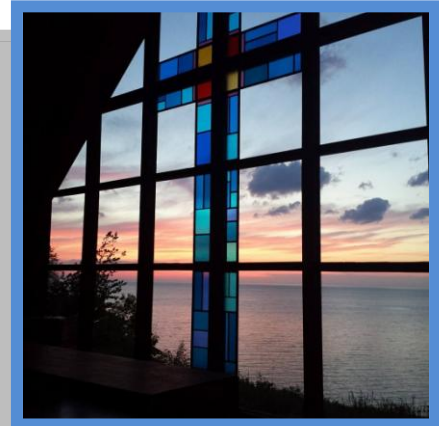
Planning ways for Daughters to experience Christ at a deeper level in chapters and assemblies

The Order of the Daughters of the King®

Prayer and Service for the Spread of Christ’s Kingdom

SHELDON CALVARY CAMP

Bishop Thomas Chapel at Sheldon Calvary Camp sits on a bluff overlooking Lake Erie, with a view of water and sky and spectacular sunsets through a stained glass cross that rises to the full height of the chapel. Panes of glass of many different sizes and varying shades of blue make up this cross. In the same way, the lives of a wide variety of people are joined together each summer to form the Christian community we know as Calvary Camp. In a time when divisions are acutely felt, and common ground is difficult to find, we draw people together in the love of Christ. Calvary Camp is a sacred place for conversation, relationship, and transformation. We intentionally work to develop children and young adults who have faith, hope, and a deep appreciation of our common humanity.



Well over 1,000 campers experienced Calvary Camp in the summer of 2018, many for more than one camping session. Those campers were cared for by a staff of 70 young adults, plus maintenance, kitchen, and health care staff. The camping program includes seven different sessions of overnight camping for children ages 8 to 16, and a week of day camp for local campers ages 6 to 12.

Bishop McConnell's visit this summer was particularly memorable, as he brought along his faithful canine companion Charlie to be part of his chapel talk to the campers. Singing together, praying Compline, and celebrating the Eucharist are at the heart of our life as we gather in the chapel.

Through the generosity of donors to our capital campaign and annual appeals, we are continually at work on facility improvements to support our ministry. The Dining Hall project is nearing completion. We look forward to meals in this simple, fresh space built to accommodate the 270 people who make up the summer camp community. We will live into the possibilities of a building that can be used year round. This fall, as soon as our Labor Day weekend camp ends, we will begin construction of a year-round office building to replace the Director's Cottage. The infrastructure for this new construction will also allow for the development of other all-season buildings in the future, as we continue to look for opportunities to serve.

We are grateful for the resources which are entrusted to us – solid finances, beautiful land, and, above all, the gift of human lives. In all that we do, our hope is to send into the world people who will become, as Pope Francis has called them, “artisans of the common good.”

Tim Green, *Executive Director*
The Rev. Leslie Reimer, *Director of Spiritual Life*
Susan Roth, *Staff Development Director*

Sheldon Calvary Camp Board:

The Rt. Rev. Dorsey McConnell, *ex officio*; Ms. Margaret Balch; the Hon. Cathy Bissoon; the Rev. Cathy Brall; Mr. Steven Conomikes; Dr. Lynne Curtis, *Vice-President*; the Rev. T.J. Freeman; Mr. Gregory Green; Dr. John Hoza, *Treasurer*; Mr. Neil Johnston; the Rev. Moni McIntyre; Mr. Lawrence Knapp; Ms. Trudy O’Nan, *Secretary*; Mr. Joe Ryan; Mr. David Sharbaugh, *President*; Mr. Doug Strott; the Rev. Gary Taylor; and Mr. Kenneth Argentieri, Esq., *Chancellor*

SHEPHERD WELLNESS COMMUNITY

Founded in 1987 by Fr. Lynn C. Edwards, Shepherd Wellness Community (SWC) is the only HIV/AIDS community in western Pennsylvania. Our mission is helping people living with HIV/AIDS improve their wellness. SWC is an affiliate organization of the Episcopal Diocese of Pittsburgh.

This year we were pleased to have Bishop McConnell appoint the Rev. Michael Foley to our board of directors as a representative of the Episcopal Diocese.

On June 3, we celebrated our 30th anniversary with a reception at our center. Fr. Foley led a blessing and rededication of our recently renovated dining room, which was renamed “The Fr. Lynn Edwards Dining Room.” A plaque in memory of Fr. Lynn proclaims, “Dedicated to the memory of our beloved founder, for thirty years of tireless love and devotion to people living with HIV/AIDS.”

We are grateful for the support of our work provided by the Episcopal Diocese, Bishop McConnell, individual parishes, the Episcopal Church Women and the Women of Calvary, which enables us to continue our ministry.

Our 2018 HIV/AIDS wellness programs include:

- **Wellness Dinners** to improve nutrition reduce isolation and provide social support
- **Peer Counseling** phone calls to connect members with HIV/AIDS services and offer a lifeline of help, support and hope
- **Support Groups** which 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** to provide information about HIV/AIDS treatment, HIV medications and the latest medical advances
- **Complementary Therapy Classes** to teach members how to improve health and wellness and strengthen their immune systems
- **Treatment Adherence and Risk Reduction Programs** to 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 which offer insight, encouragement, inspiration, direction and guidance
- **Social and Recreational Outings** to combat isolation and loneliness and provide supportive community and respite for families
- **Wellness Classes** to help 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, which 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 thirty years of ministry to people living with HIV/AIDS.

Sincerely,
B. Scott Peterman
Executive Director, Shepherd Wellness Community

SOCIAL JUSTICE AND OUTREACH COMMITTEE

Members of the Social Justice and Outreach Committee include: Elizabeth Duckstein, St. Paul's, Mt. Lebanon; Patricia Eagon, St. Paul's, Mt. Lebanon; Bill Farra, Community of Celebration; Duwayne Ladd, St. Peter's, Blairsville; Nancy Lapp, Holy Cross, Homewood; Marianne Novy, Redeemer, Squirrel Hill; Anne Robb, Calvary, East Liberty; Wesley Rohrer, St. Andrew's, Highland Park; Linda Schneider, St. Brendan's, Franklin Park; and Tom Slater, Calvary, East Liberty. The Rev. Michael Foley of Redeemer, Squirrel Hill, and Lawrence Wray, St. Andrew's, Highland Park, were members until May and June, respectively.

We recommended, and Diocesan Council approved, the disbursement of the 2017 diocesan Lambeth funds, totaling \$3,881, as follows:

International

- American Friends of the Episcopal Diocese of Jerusalem, \$1000

Regional

- PA Refugee Resettlement Program (after hearing from us, they asked us to direct it to a local organization working with refugees, and we chose Jewish Family and Children's Services), \$1000

Local

- Garden of Peace project (works with transgender youth), \$627
- Living in Liberty (works with victims of human trafficking), \$627
- Allegheny County CASA (Court Appointed Special Advocates, works to help children in need of representation in the legal system), \$627.

The committee encourages service, education, and advocacy with regard to social justice issues. We want to learn from and, when appropriate, work with other faith groups in Pittsburgh and elsewhere as well as with other parts of the wider Episcopal Church.

Our service now includes working with Andy Muhl in coordinating Trinity Cathedral's hosting of a walk-in ministry that rotates weekly among the five churches of the Downtown Ministerium. We have a team of about 20 volunteers that provides food, toiletries, transportation and referrals. We serve an average of 60 people each month, with especially high demand in winter months. We have received substantial funding for food from PittsburghGives and large in-kind donations of items such as diapers from St. Paul's, Mt. Lebanon; St. Brendan's, Franklin Park; and Calvary, East Liberty. Those parishes, as well as the Trinity Cathedral parish and Redeemer, Squirrel Hill, provide regular volunteers.

We also offer grants for vegetable gardens. This year, we received applications and gave grants to the Community of Celebration; St. Andrew's, Highland Park; and St. David's, Peters Township. Here, too, our funds were supplemented by some church donations. Another area of service concerning food is in helping the Greater Pittsburgh Community Food Bank. We publicized and participated in a food packing day there on March 24.

As part of our education program, we sponsored an illustrated lecture by Tina Whitehead, held last December at Calvary, East Liberty, on the history of Jerusalem and current issues in Palestinian-Israeli relations. Ms. Whitehead lives part of the year in Israel and works with Sabeel, a Palestinian-Christian peace and justice organization.

We worked together with the Committee on Race and Reconciliation to arrange a facilitated discussion of short films on residential segregation (*The Delmar Divide*) and parents' talks with African-American children about racism (*The Talk*). Held on Sunday, March 11 at St. Andrew's, Highland Park, this was

well-attended and had good participation. These films have been used by the Pittsburgh Interfaith Impact Network (PIIN), which trained the facilitators, Ben Rumbaugh and Lauren Enty Rumbaugh.

We have been investigating justice and service issues related to incarceration. In April, Scilla Wahrhaftig, of Pittsburgh Friends Meeting, told us about activism against solitary confinement in Pennsylvania and also about the Healing Communities Program, which trains congregations to help currently or formerly incarcerated members and their families. She stressed the leadership of the PA Council of Churches, especially through Sandy Strauss.

Protecting the environment has been a continuing concern. In February, we wrote to Jerry Stephenson, president of the Board of Trustees, noting that the General Convention of 2015 passed a resolution urging all dioceses and parishes of The Episcopal Church to engage the topic of divestment from fossil fuels and reinvestment in clean energy within the coming year. The response was that the Trustees had a committee that was considering the general issue of socially responsible investments.

We studied other General Convention resolutions and discussed with invited clergy how to promote goals such as divestment from fossil fuels, reduction of energy and carbon usage both personally and institutionally, and stopping construction of new, highly polluting petrochemical plants such as Shell's. We support the statewide conference of Pennsylvania Interfaith Power and Light, scheduled to be held in Pittsburgh for the first time on October 27 at St. Paul's, Mt. Lebanon.

At our July meeting, Jon Delano gave us an extensive report on the General Convention, especially the resolutions from the Domestic Social Justice Committee. Nancy Lapp described the resolutions that supported human rights in Israel and Palestine.

This is a time of multiple justice concerns in the U.S. and internationally, and accordingly, much local justice work. As committee chair, I frequently inform parish outreach coordinators and contacts about diocesan service, education, and advocacy events related to social justice. The committee would like to recognize the many ways in which diocesan members are contributing, especially through outreach to refugees and immigrants at St. Paul's, Mt. Lebanon; St. Brendan's, Franklin Park; Redeemer, Squirrel Hill; and Calvary, East Liberty; and at St. Andrew's, Highland Park, through the organization *Hello Neighbor*.

As a committee under the auspices of Diocesan Council, we are grateful, as always, to Council for its support.

Respectfully submitted,
Marianne Novy, Chair

UNITED THANK OFFERING

When it comes to the United Thank Offering, Pittsburgh has two reasons to celebrate!

The first reason occurred nearly 130 years ago when Pittsburgher Mrs. Ida Soule was instrumental in introducing a resolution at the 1889 Women's Triennial to create a "United Offering," now known as the United Thank Offering (UTO). It was at this triennial that the first United Offering Ingathering was conducted. A total ingathering of \$2,188.64 was used to build a church in Anvik, Alaska, and send a woman missionary to Japan. This was the birth of the UTO Ingathering tradition.

UTO Ingatherings are typically held twice a year in participating congregations and dioceses throughout the nine provinces and other Episcopal groups not associated with a province. A UTO coordinator, in turn, sends the donations to the national UTO Board. Qualified grants are awarded each year, per the available ingathering total. The UTO, through its Blue Boxes and ingatherings, has become the single most important extra-budgetary source for the funding of specific missionary projects in The Episcopal Church. **Every cent collected is granted!**

At the most recent 79th General Convention / Episcopal Church Women (ECW) Triennial, held in Austin, Texas, the 2017 UTO Ingathering total was \$1,069,512.49. Adding to this, \$213,703.72 (from trust funds and returned grant monies) enabled UTO to give out \$1,283,316.21 in 47 grants. The dollar amount granted since the 2015 Triennial was \$3,738,989.47. Unfortunately, some qualified grant requests could not be awarded, because there just wasn't enough money. The 2018 Grant Awards booklet provides pictures and detailed descriptions of this year's grant recipients.

The second reason for Pittsburgh to celebrate occurred this July at the 2018 ECW Triennial. During the UTO report, the Diocese of Pittsburgh was recognized as the **ONLY** diocese that increased their UTO donations each year of this triennium:

2015: \$6,593.81 2016: \$7,134.06 2017: \$13,747.06.
THANK YOU, PITTSBURGH!

You continue to demonstrate: "Gratitude" leads to "Abundance" which leads to "Generosity."

So, what are you grateful for today? Your morning coffee? A parking space? Good test results? A new job? To express your gratitude, remember to drop a coin into your blue UTO box. The new UTO Blue Box Smart Phone App allows you to donate your gratitude on the spot, wherever you are.

Many free resources are available to help share UTO with your congregation. As your diocesan UTO coordinator, I am available and eager to assist you.

Darrell Powell
UTO Coordinator



Section G
Parochial &
Diocesan Statistics

DISTRICT CHART OF PARTICIPATING PARISHES WITH ALLOCATION OF DEPUTIES FOR 2019

as determined by 2017 Parochial Report
(Any participating parish not submitting a parochial report receives two deputies)

Total Lay Deputies eligible to vote: 97

District 1

All Saints, Brighton Heights	2
St. Barnabas, Brackenridge	2
St. Brendan's, Franklin Park	2
St. Paul's, Kittanning	2
Christ Church, North Hills	8
Emmanuel, North Side	2
Trinity Cathedral, Pittsburgh	2
Total	20

District 3

St. Peter's, Brentwood	3
Advent, Brookline	2
St. Thomas, Canonsburg	2
Atonement, Carnegie	2
Nativity, Crafton	2
St. Stephen's, McKeesport	2
St. Paul's, Mt. Lebanon	7
All Souls, North Versailles	2
St. David's, Peters Township	3
Total	25

District 2

Calvary, East Liberty	9
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	29

District 4

St. Peter's, Blairsville	2
St. John's, Donora	2
Christ Church, Indiana	2
Advent, Jeanette	2
St. Michael's, Ligonier	3
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	23

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

as of August 31, 2018

BLAIRSVILLE

St. Peter's Episcopal Church

36 W. Campbell St., Blairsville, PA 15717

724-459-8804

The Rev. Arthur Dilg, Vicar

The Rev. Joseph Baird, Curate

BRACKENRIDGE

St. Barnabas Episcopal Church

989 Morgan St., Brackenridge, PA 15014

724-224-9280

The Rev. Frank Yesko, Priest-in-Charge

BRENTWOOD

St. Peter's Episcopal Church

4048 Brownsville Rd., Pittsburgh, PA 15227

412-884-5225

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

BRIGHTON HEIGHTS

All Saints Episcopal Church

3577 McClure Ave., Pittsburgh, PA 15212

412-766-8112

The Rev. Dan Isadore, Priest-in-Charge

The Rev. Aidan Smith, Assisting Priest

BROOKLINE

Church of the Advent

3010 Pioneer Ave., Pittsburgh, PA 15226

412-561-4520

CANONSBURG

St. Thomas Episcopal Church

139 N. Jefferson Ave., Canonsburg, PA 15317

724-745-2013

The Rev. Canon Dr. Catherine Brall, Priest-in-Charge

CARNEGIE

Church of the Atonement

618 Washington Ave., Carnegie, PA 15106

412-279-1944

The Rev. Benjamin Wright, Regular Supply

CRAFTON

Church of the Nativity

33 Alice St., Pittsburgh, PA 15205

412-921-4103

The Rev. Shawn Malarkey, Rector

The Rev. Doug Kinsey, Assisting Priest

DONORA

St. John's Episcopal Church

998 Thompson Ave., Donora, PA 15033

412-969-6427

EAST LIBERTY

Calvary Episcopal Church

315 Shady Ave., Pittsburgh, PA 15206

412-661-0120

The Rev. Jonathon W. Jensen, Rector

The Rev. Leslie Reimer, Sr. Associate Rector

The Rev. Neil Raman, Associate Rector

The Rev. Charles Esposito, Assisting Priest

The Rev. Carol Henley, Assisting Priest

The Rev. Moni McIntyre, Assisting Priest

The Rev. Ruth Bosch Becker (ELCA) Assisting
Pastor

FRANKLIN PARK

St. Brendan's Episcopal Church

2365 McAleer Rd., Sewickley, PA 15143

412-364-5974

The Rev. Regis Smolko, Priest-in-Charge

HAZELWOOD

Good Shepherd Episcopal Church

Mail: 5200 Gertrude Ave., Pittsburgh, PA 15207

124 Johnston Avenue, Pittsburgh, PA 15207

412-421-8497

HIGHLAND PARK

St. Andrew's Episcopal Church

5801 Hampton St., Pittsburgh, PA 15206

412-661-1245

The Rev. Dr. Bruce Robison, Rector

The Rev. Jean Chess, Deacon

The Rev. Dean Byrom (UMC), Pastoral
Assistant

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. Torrey O. Johnson (ELCA), Priest-in-Charge

INDIANA

Christ Episcopal Church

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

The Rev. William L. Geiger, Rector

The Rev. Arlene Schweitzer (ELCA)

The Rev. Arthur Dilg, Rector Emeritus

JEANNETTE

Church of the Advent

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

The Rev. Vicente Santiago, Priest-in-Charge

JOHNSTOWN

St. Mark's Episcopal Church

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

The Rev. Nancy L. Threadgill, Priest-in-Charge

KITTANNING

St. Paul's Episcopal Church

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

The Rev. Howard Gillette, Interim Rector

LIGONIER

St. Michael's of the Valley Episcopal Church

Mail: 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. Brandon Mozingo, Deacon-in-Charge

MONONGAHELA

St. Paul's Episcopal Church

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

The Rev. Charles Schaller (ELCA), Regular Supply

MT. LEBANON

St. Paul's Episcopal Church

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

The Rev. Noah H. Evans, Rector

The Rev. Garrett Yates, Assistant Rector

NORTH HILLS

Christ Episcopal Church

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

The Rev. Canon James D. Shoucair, Rector

The Rev. Christine McIlvain, Deacon

The Rev. Lorena Ringle, Deacon

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, Pastor-in-Charge

NORTHERN CAMBRIA

St. Thomas Episcopal Church

Mail: P.O. Box 1125, Northern Cambria, PA 15714
1201 Chestnut Ave., Northern Cambria, PA 15714
814-290-9380

The Rev. Annis Rogers, Vicar

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 Opat, Priest-in-Charge

PITTSBURGH

Trinity Cathedral

328 Sixth Ave., Pittsburgh, PA 15222

412-232-6404

The Very Rev. Canon Scott Quinn, Interim Dean

The Rev. Philip Wainwright, Priest Associate

The Rev. Wade Lawrence, Deacon

SCOTTDALE

St. Bartholomew's Episcopal Church

149 Walnut Ave., Scottsdale, PA 15683

724-887-5110

The Rev. Lennel Anderson III, Regular Supply

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

The Rev. Diane Shepard, Assistant Priest

WAYNE TOWNSHIP (RURAL VALLEY)

St. Michael's Episcopal Church

Mail: 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

The Rev. Natalie Hall (ELCA), Missionary
Associate

CLERGY OF THE DIOCESE

In the order of date of Canonical Residence as of August 31, 2018

BISHOP

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

PRIESTS

The Reverend

1949 Gilbert Merwin Watt, St. Thomas, Oakmont
1955 Richard Wood Davies, Pittsburgh, PA
1962 David Cameron Casto, Bonita Springs, FL
1962 Arthur Charles Dilg, St. Peter's, Blairsville/St. Michael's, Wayne Twp.
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
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., Shallott, NC
1981 Patricia King Carnahan, D.Min., Murrysville, PA
1982 Scott Thomas Quinn, Trinity Cathedral, Pittsburgh
1982 Christine Elizabeth Visminas, Framingham, MA
1984 Diane Elise Shepard, Redeemer, Squirrel Hill
1985 James Burdette Simons, D.Min., St. Michael's of the Valley, Ligonier
1986 Charles Michael Starr, D.Min., UPMC Shadyside, 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., Pittsburgh Theological Seminary/St. Thomas, Canonsburg
1996 Harold Thomas Lewis, Ph.D., Pittsburgh, PA
1997 William J. Geisler, D.Min., St. Peter's, Brentwood/Canon for Ordained Vocations, 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., Trinity Cathedral, Pittsburgh
2000 Judith Marie Gentle, Ph.D., Fatima, Portugal
2000 Moni McIntyre, Ph.D., Duquesne University/Calvary, East Liberty
2001 Daniel Emerson Hall, M.D., Surgeon/First English Evangelical Lutheran, Pittsburgh
2001 Agustin Teodoro Zubieta, Fairfax, VA
2002 Norman Elias Koehler III, Ph.D., St. Thomas, Oakmont
2002 Richard Peter Pocalyko, Sandy Springs, GA
2002 Martin Luther Wright III, Hospice Chaplain, Irwin, PA
2003 Nancy Oliver Chalfant-Walker, St. Stephen's, Wilkinsburg
2004 Marc Ray Jacobson, SIL, Inc., Philippines

2004 Richard Allen Pollard, Pittsburgh, PA
 2004 Vicente C. Santiago, Advent, Jeannette
 2005 Richard Lyon Stinson, D.Min., Front Royal, VA
 2007 Louis Bradshaw Hays, Burlington, ON, Canada
 2008 Kristian Kinol Opat, St. David's, Peters Township
 2010 Todd Hamilton Brewer, New York, NY
 2010 Lloyd Phillip Whistler Hays, Winchester, VA
 2011 Lennel V. Anderson III, St. Francis, Somerset/St. Bartholomew's, Scottdale
 2011 Kamila Blessing, Ph.D., Wilmington, NC
 2011 Kathryn Newman LaLonde, Las Cruces, NM
 2012 Teresa Gioia Hunt, Ph.D., Spiritual Director, Bethel Park, PA
 2012 William Charles Miller, Ph.D., Consultant, Olathe, KS
 2013 Huett Maxwell Fleming, Pittsburgh, PA
 2014 Michael Brian Foley, Redeemer, Squirrel Hill
 2014 Austin Avery Hurd, Jr., Cabot, PA
 2014 Jonathon W. Jensen, Calvary, East Liberty
 2014 Eric McIntosh, St. James, Penn Hills
 2014 Thomas Morgan Prichard, Sudan Sunrise, Reston, VA
 2014 Andrew Michael Ray, Amazon.com, Cashmere, WA
 2015 Howard Dennis Gillette, St. Paul's, Kittanning
 2015 Walter Joseph LaLonde, St. Andrew's, Las Cruces, NM
 2015 Tina Lynn Lockett, Trinity Cathedral, Columbia, SC
 2015 Shawn O. Malarkey, Nativity, Crafton/Canon to the Ordinary, Diocese of Pittsburgh
 2015 Walter Lee Szymanski, D.Min., Pittsburgh, PA
 2015 Nancy Lee Threadgill, St. Mark's, Johnstown
 2015 Francis Michael Yesko, Ph.D., St. Barnabas, Brackenridge
 2016 Theodore S. Babcock, Pittsburgh, PA
 2016 Daniel Joseph Isadore, Campus Ministry/All Saints, Brighton Heights
 2016 Christopher Garrett Yates, St. Paul's, Mt. Lebanon
 2017 Joseph Paul Baird, St. Peter's, Blairsville
 2017 Noah H. Evans, St. Paul's, Mt. Lebanon
 2017 Sara H. Irwin, St. John Evangelical Lutheran, Carnegie, PA
 2017 Douglas A. Kinsey, Nativity, Crafton/St. Matthew's Lutheran, Crafton
 2017 Annis Elizabeth Humphries Rogers, St. Thomas, Northern Cambria
 2017 Henry L. Thompson III, Trinity School for Ministry, Ambridge, PA
 2017 Alyse Elizabeth Viggiano, St. Paul's, Alexandria, VA
 2018 Simon Barnes, Bath, England

DEACONS

The Reverend

1984 Ann McDonald Staples, Coal Country Hangout Youth Center, Northern Cambria, PA
 1985 Randy John Younkin, Warren, OH
 1998 Jean Christine McIlvain, Christ Church, North Hills
 2000 Jean Dawson Chess, St. Andrew's, Highland Park
 2003 Sandra Lawrence Ritchie, Huntertown, IN
 2009 Linda Tardy Wilson, All Souls, North Versailles
 2015 John Mark Feuerstein, Pittsburgh, PA
 2015 Lorena May Ringle, Christ Church, North Hills
 2016 Wade William Lawrence, Trinity Cathedral, Pittsburgh
 2017 Brandon Thomas Mozingo, St. Stephen's, McKeesport

RESTORATION AND RESCISSION OF RELEASE

August 13, 2018 Simon Barnes

LETTERS DIMISSORY ACCEPTED

November 29, 2017 Henry L. Thompson III – Episcopal Church in South Carolina

LETTERS DIMISSORY ISSUED

October 3, 2017 Herbert T. Daly, Jr. – Diocese of Florida
November 1, 2017 Michelle C. Boomgaard – Diocese of Niagara, Anglican Church of Canada
May 9, 2018 William Lewis Ogburn – Diocese of New York
May 30, 2018 Charles B.W. Hamill – Diocese of Connecticut

ORDINATIONS

Order of Priest

September 17, 2017 Annis Elizabeth Humphries Rogers, St. Mark's, Johnstown

DEATHS

February 16, 2017 Charles Percy Martin

CLERGY LICENSED TO SERVE IN THE DIOCESE

The Reverend

Cynthia Byers Walter
Charles Don Keyes
Will M. Lawbaugh
Elizabeth Locher
William Marchl
Marjorie McDonall McCarty

Steven McKeown
John Hayes Park
William Joseph Pugliese
Aidan Smith
Rodgers Taylor Wood
Benjamin Rush Wright

2017 PAROCHIAL STATISTICS

Short Name	City	Members Last Year	Increases	Decreases	Members This Year	Communicants 16 Up	Communicants Under 16	Total Communicants	Others In Congregation
St. Peter's	Blairsville	19	1	2	18	15	3	18	2
St. Barnabas	Brackenridge	114	14	2	126	76	6	82	10
St. Peter's	Brentwood	401	1	0	402	262	50	312	0
All Saints	Brighton Heights	50	6	0	56	30	0	30	0
Advent	Brookline	23	7	2	28	24	4	28	0
St. Thomas	Canonsburg	60	9	8	61	47	3	50	9
Atonement	Carnegie	21	5	5	21	19	2	21	1
Nativity	Crafton	248	5	127	126	100	26	126	0
St. John's	Donora	32	1	0	33	26	0	26	0
Calvary	East Liberty	1,566	37	15	1,588	1,393	54	1,447	0
St. Brendan's	Franklin Park	229	27	10	246	150	20	170	1
Good Shepherd	Hazelwood	38	0	1	37	31	0	31	0
St. Andrew's	Highland Park	459	16	40	435	400	35	435	3
St. Matthew's	Homestead	65	0	0	65	64	1	65	10
Holy Cross	Homewood	117	4	6	115	101	10	111	5
Christ Church	Indiana	97	1	7	91	79	5	84	12
Advent	Jeannette	50	7	4	53	35	4	39	4
St. Mark's	Johnstown	139	6	3	142	95	4	99	8
St. Paul's	Kittanning	114	2	2	114	102	12	114	4
St. Michael's	Ligonier	260	19	16	263	194	24	218	84
St. Stephen's	McKeesport	66	0	0	66	45	5	50	0
St. Paul's	Monongahela	50	0	3	47	14	1	15	3
St. Paul's	Mt. Lebanon	1,506	58	372	1,192	952	240	1,192	82
Christ	North Hills	1,360	52	36	1,376	1,059	160	1,219	0
Emmanuel	North Side	196	3	2	197	165	11	176	27
All Souls	North Versailles	22	2	11	13	10	3	13	1
St. Thomas	Northern Cambria	24	0	3	21	18	3	21	1
St. Thomas	Oakmont	708	6	3	711	455	36	491	32
St. James	Penn Hills	52	8	2	58	50	8	58	0
St. David's	Peter's Township	267	49	23	293	132	72	204	3
Trinity	Pittsburgh	103	11	14	100	91	8	99	4
St. Bartholemew	Scottdale	30	1	2	29	12	1	13	1
St. Francis in the Fields	Somerset	70	2	2	70	44	12	56	6
Redeemer	Squirrel Hill	117	11	2	126	112	10	122	0
St. Michael's	Wayne Township	10			10				
St. Stephen's	Wilksburg	125	2	4	123	53	14	67	32
Total		8,808	373	729	8,452	6,455	847	7,302	345

2017 PAROCHIAL STATISTICS

Short Name	City	Sunday Attendance	Easter Attendance	Sat Sun Eucharists	Weekday Eucharists	Private Eucharists	Sunday Offices	Weekday Offices	Marriages
St. Peter's	Blairsville	10	14	41	1	13	10	0	0
St. Barnabas	Brackenridge	25	65	104	0	40	0	51	3
St. Peter's	Brentwood	90	180	106	50	0	0	0	1
All Saints	Brighton Heights	23	52	53	0	0	0	50	0
Advent	Brookline	17	29	53	3	12	0	0	0
St. Thomas	Canonsburg	29	44	49	13	6	5	2	1
Atonement	Carnegie	27	47	53	2	1	0	0	2
Nativity	Crafton	55	115	106	5	0	0	0	1
St. John's	Donora	14	30	51	0	5	0	1	2
Calvary	East Liberty	381	1151	189	151	0	3	0	6
St. Brendan's	Franklin Park	83	157	116	60	9	0	1	0
Good Shepherd	Hazelwood	31	41	53	0	13	0	0	0
St. Andrew's	Highland Park	96	241	86	40	0	17	11	5
St. Matthew's	Homestead	24	28	55	3	3	1	0	0
Holy Cross	Homewood	83	101	53	0	6	0	3	0
Christ Church	Indiana	41	70	106	45	16	0	11	0
Advent	Jeannette	25	45	47	2	19	5	1	1
St. Mark's	Johnstown	40	78	126	51	6	1	0	0
St. Paul's	Kittanning	48	66	51	51	41	0	1	1
St. Michael's	Ligonier	96	208	104	25	36	1	4	0
St. Stephen's	McKeesport	38	67	102	12	54	0	0	0
St. Paul's	Monongahela	12	25	50	2	0	0	0	0
St. Paul's	Mt. Lebanon	295	662	197	51	245	0	0	1
Christ	North Hills	249	510	165	29	66	9	12	2
Emmanuel	North Side	44	69	105	2	0	4	0	1
All Souls	North Versailles	17	30	49	2	0	3	0	0
St. Thomas	Northern Cambria	6	10	49	3	0	0	0	0
St. Thomas	Oakmont	153	263	109	98	98	1	79	4
St. James	Penn Hills	28	41	51	0	0	0	0	0
St. David's	Peter's Township	104	265	55	2	12	0	3	0
Trinity	Pittsburgh	52	161	106	271	156	4	181	7
St. Bartholemew	Scottdale	9	22	49	1	0	0	0	0
St. Francis in the Fields	Somerset	30	64	50	8	0	3	31	0
Redeemer	Squirrel Hill	71	141	99	10	0	6	35	2
St. Michael's	Wayne Township								
St. Stephen's	Wilksburg	42	63	100	7	27	0	0	0
Total		2,388	5,155	2,938	1,000	884	73	477	40

2017 PAROCHIAL STATISTICS

Short Name	City	Burials	Baptisms 16 Up	Baptisms Under 16	Confirmations 16 Up	Confirmations Under 16	Received	Church School Students	Adult Education
St. Peter's	Blairsville	2	0	0	0	0	0	0	0
St. Barnabas	Brackenridge	3	0	2	0	0	0	8	1
St. Peter's	Brentwood	0	0	3	2	0	0	38	1
All Saints	Brighton Heights	0	0	0	0	0	0	0	1
Advent	Brookline	2	0	0	1	1	2	0	0
St. Thomas	Canonsburg	1	0	5	0	1	0	0	1
Atonement	Carnegie	2	0	1	0	0	0	0	1
Nativity	Crafton	5	0	9	0	3	0	8	1
St. John's	Donora	2	0	0	0	0	0	0	0
Calvary	East Liberty	12	2	16	9	0	3	31	1
St. Brendan's	Franklin Park	2	0	3	0	0	0	6	1
Good Shepherd	Hazelwood	1	0	9	0	0	0	0	0
St. Andrew's	Highland Park	5	0	7	1	4	2	15	1
St. Matthew's	Homestead	0	0	0	0	0	0	0	1
Holy Cross	Homewood	6	0	2	0	0	0	4	1
Christ Church	Indiana	6	0	0	0	2	0	9	1
Advent	Jeannette	0	1	4	0	1	2	8	1
St. Mark's	Johnstown	7	0	0	0	0	0	0	1
St. Paul's	Kittanning	3	0	1	1	0	0	15	1
St. Michael's	Ligonier	1	0	6	1	1	1	24	1
St. Stephen's	McKeesport	0	0	0	0	0	0	5	1
St. Paul's	Monongahela	3	0	0	0	0	0	0	0
St. Paul's	Mt. Lebanon	20	1	12	1	16	4	128	1
Christ	North Hills	6	2	14	1	15	0	47	1
Emmanuel	North Side	2	0	0	0	0	0	4	1
All Souls	North Versailles	3	0	0	0	0	0	3	1
St. Thomas	Northern Cambria	0	0	0	0	0	0	2	1
St. Thomas	Oakmont	3	0	3	1	5	2	20	1
St. James	Penn Hills	0	4	4	0	0	0	0	0
St. David's	Peter's Township	0	2	10	3	0	2	60	1
Trinity	Pittsburgh	5	0	2	1	1	0	0	1
St. Bartholemew	Scottdale	0	0	1	0	0	0	0	0
St. Francis in the Fields	Somerset	2	0	2	0	0	0	0	1
Redeemer	Squirrel Hill	1	0	2	1	0	0	10	1
St. Michael's	Wayne Township								
St. Stephen's	Wilkesburg	5	0	2	0	0	0	14	1
Total		110	12	120	23	50	18	459	28

2017 PAROCHIAL STATISTICS

Short Name	City	Spiritual Formation	Pledge Cards	Amount Pledged	Plate Pledge	From Investments	Other Income
St. Peter's	Blairsville	0	7	\$14,400	\$17,634		\$4,301
St. Barnabas	Brackenridge	10			\$40,080	\$3,901	\$4,493
St. Peter's	Brentwood	32	37	\$81,429	\$141,323	\$26,448	\$8,867
All Saints	Brighton Heights	3	12	\$17,430	\$22,584	\$9,271	\$115
Advent	Brookline	0			\$24,599	\$2,845	\$24,253
St. Thomas	Canonsburg	8	23	\$53,740	\$61,046		\$1,012
Atonement	Carnegie	15	11	\$32,845	\$36,534		\$1,814
Nativity	Crafton	15			\$58,850	\$37,598	\$19,975
St. John's	Donora	0			\$7,393		\$7,774
Calvary	East Liberty	33	335	\$964,405	\$1,298,786	\$225,634	\$15,020
St. Brendan's	Franklin Park	34	59	\$170,536	\$180,857	\$37	\$46,972
Good Shepherd	Hazelwood	0	7	\$10,600	\$27,692	\$12,297	\$1,788
St. Andrew's	Highland Park	25	117	\$272,711	\$309,638	\$125,513	\$43,224
St. Matthew's	Homestead	6	19	\$21,125	\$25,014	\$825	\$4,732
Holy Cross	Homewood	20	68	\$113,794	\$168,071		\$37,207
Christ Church	Indiana	14	18	\$95,800	\$162,124	\$18,971	\$586
Advent	Jeannette	14			\$29,846	\$3,617	\$2,006
St. Mark's	Johnstown	10	31	\$64,434	\$85,865	\$77,200	
St. Paul's	Kittanning	14	17	\$22,702	\$66,498	\$79,149	\$15,187
St. Michael's	Ligonier	25	97	\$295,280	\$391,503	\$1,432	\$26,798
St. Stephen's	McKeesport	10	22	\$32,400	\$44,514	\$9,135	\$33,249
St. Paul's	Monongahela	0			\$20,381	\$3,544	\$4,360
St. Paul's	Mt. Lebanon	120	225	\$616,940	\$824,356	\$7,315	\$92,372
Christ	North Hills	90	137	\$370,000	\$407,979	\$38,030	\$34,051
Emmanuel	North Side	25	32	\$45,000	\$52,726	\$3,979	\$10,212
All Souls	North Versailles	3	10	\$17,000	\$19,798		\$3,655
St. Thomas	Northern Cambria	4			\$6,614	\$514	
St. Thomas	Oakmont	54	71	\$183,309	\$241,131	\$57,402	\$12,536
St. James	Penn Hills	6			\$15,670	\$6,207	\$44,691
St. David's	Peter's Township	20	40	\$72,164	\$104,968		\$75,085
Trinity	Pittsburgh	10	26	\$68,347	\$115,884	\$253,475	\$51,932
St. Bartholemew	Scottdale	0			\$4,224	\$15,399	
St. Francis in the Fields	Somerset	14			\$47,292	\$24,000	\$9,219
Redeemer	Squirrel Hill	5	47	\$156,205	\$196,113		\$83,042
St. Michael's	Wayne Township						
St. Stephen's	Wilksburg	15	32	\$140,350	\$175,542	\$7,409	\$17,891
Total		654	1,500	\$3,932,946	\$5,433,129	\$1,051,147	\$738,419

2017 PAROCHIAL STATISTICS

Short Name	City	Bequests	Operating Income	Assistance From Diocese	Operating Revenues	Capital Funds
St. Peter's	Blairsville		\$21,935		\$21,935	\$103,401
St. Barnabas	Brackenridge		\$48,474	\$10,026	\$58,500	
St. Peter's	Brentwood		\$176,638	\$38,871	\$215,509	\$300
All Saints	Brighton Heights		\$31,970	\$23,340	\$55,310	\$19,000
Advent	Brookline		\$51,697		\$51,697	\$6,396
St. Thomas	Canonsburg		\$62,058		\$62,058	\$15,025
Atonement	Carnegie		\$38,348		\$38,348	\$4,742
Nativity	Crafton		\$116,423		\$116,423	
St. John's	Donora		\$15,167		\$15,167	
Calvary	East Liberty		\$1,539,440		\$1,539,440	\$64,634
St. Brendan's	Franklin Park		\$227,866		\$227,866	\$5,000
Good Shepherd	Hazelwood		\$41,777	\$11,278	\$53,055	\$26,000
St. Andrew's	Highland Park		\$478,375		\$478,375	\$55,823
St. Matthew's	Homestead		\$30,571		\$30,571	
Holy Cross	Homewood		\$205,278		\$205,278	
Christ Church	Indiana		\$181,681		\$181,681	\$69,555
Advent	Jeannette		\$35,469	\$3,100	\$38,569	
St. Mark's	Johnstown		\$163,065		\$163,065	\$10,560
St. Paul's	Kittanning		\$160,834		\$160,834	
St. Michael's	Ligonier		\$419,733		\$419,733	
St. Stephen's	McKeesport		\$86,898		\$86,898	
St. Paul's	Monongahela		\$28,285		\$28,285	
St. Paul's	Mt. Lebanon		\$924,043		\$924,043	\$152,670
Christ	North Hills	\$3,168	\$483,228		\$483,228	\$91,390
Emmanuel	North Side		\$66,917	\$22,000	\$88,917	\$70,900
All Souls	North Versailles		\$23,453		\$23,453	\$2,400
St. Thomas	Northern Cambria		\$7,128	\$28,468	\$35,596	
St. Thomas	Oakmont		\$311,069		\$311,069	\$69,751
St. James	Penn Hills		\$66,568	\$44,713	\$111,281	\$15,918
St. David's	Peter's Township		\$180,053	\$20,000	\$200,053	\$35,200
Trinity	Pittsburgh		\$421,291	\$116,085	\$537,376	\$723,980
St. Bartholemew	Scottdale		\$19,623		\$19,623	\$21,900
St. Francis in the Fields	Somerset	\$1,599	\$82,110		\$82,110	
Redeemer	Squirrel Hill	\$5,691	\$284,846		\$284,846	\$58,955
St. Michael's	Wayne Township		\$0		\$0	
St. Stephen's	Wilkinsburg		\$200,842		\$200,842	\$24,370
Total		\$10,458	\$7,233,153	\$317,881	\$7,551,034	\$1,647,870

2017 PAROCHIAL STATISTICS

Short Name	City	Additions To Endowment	Outreach Mission Revenue	Transmittal Revenue	Non Operating Revenues	Total Revenues
St. Peter's	Blairsville		\$1,000		\$104,401	\$126,336
St. Barnabas	Brackenridge				\$0	\$58,500
St. Peter's	Brentwood	\$7,093	\$788	\$7,023	\$15,204	\$230,713
All Saints	Brighton Heights			\$237	\$19,237	\$74,547
Advent	Brookline		\$2,805		\$9,201	\$60,898
St. Thomas	Canonsburg	\$3,800		\$3,342	\$22,167	\$84,225
Atonement	Carnegie	\$7,000	\$2,200	\$578	\$14,520	\$52,868
Nativity	Crafton				\$0	\$116,423
St. John's	Donora				\$0	\$15,167
Calvary	East Liberty	\$40,360	\$134,433	\$13,543	\$252,970	\$1,792,410
St. Brendan's	Franklin Park		\$285		\$5,285	\$233,151
Good Shepherd	Hazelwood				\$26,000	\$79,055
St. Andrew's	Highland Park		\$9,071	\$7,336	\$72,230	\$550,605
St. Matthew's	Homestead		\$4,716		\$4,716	\$35,287
Holy Cross	Homewood	\$68,011			\$68,011	\$273,289
Christ Church	Indiana		\$1,137		\$70,692	\$252,373
Advent	Jeannette				\$0	\$38,569
St. Mark's	Johnstown		\$22,464	\$120	\$33,144	\$196,209
St. Paul's	Kittanning		\$1,000		\$1,000	\$161,834
St. Michael's	Ligonier	\$31,200	\$83,246		\$114,446	\$534,179
St. Stephen's	McKeesport				\$0	\$86,898
St. Paul's	Monongahela				\$0	\$28,285
St. Paul's	Mt. Lebanon	\$9,000	\$31,272	\$30,550	\$223,492	\$1,147,535
Christ	North Hills	\$32,824	\$1,550	\$472	\$126,236	\$609,464
Emmanuel	North Side		\$580		\$71,480	\$160,397
All Souls	North Versailles				\$2,400	\$25,853
St. Thomas	Northern Cambria				\$0	\$35,596
St. Thomas	Oakmont		\$5,628	\$1,292	\$76,671	\$387,740
St. James	Penn Hills	\$120,430			\$136,348	\$247,629
St. David's	Peter's Township		\$1,000		\$36,200	\$236,253
Trinity	Pittsburgh	\$77,956	\$6,993	\$111	\$809,040	\$1,346,416
St. Bartholemew	Scottdale				\$21,900	\$41,523
St. Francis in the Fields	Somerset		\$1,000		\$1,000	\$83,110
Redeemer	Squirrel Hill	\$109,176			\$168,131	\$452,977
St. Michael's	Wayne Township				\$0	\$0
St. Stephen's	Wilksburg	\$20,098			\$44,468	\$245,310
Total		\$526,948	\$311,168	\$64,604	\$2,550,590	\$10,101,624

2017 PAROCHIAL STATISTICS

Short Name	City	To Diocese	Outreach	Other Expenses	Operating Expenses	Improvements
St. Peter's	Blairsville	\$1,023	\$862	\$18,803	\$20,688	\$10,000
St. Barnabas	Brackenridge	\$2,658	\$175	\$65,994	\$68,827	\$11,140
St. Peter's	Brentwood	\$18,241	\$4,796	\$190,130	\$213,167	\$2,619
All Saints	Brighton Heights	\$3,046		\$75,954	\$79,000	\$25,253
Advent	Brookline	\$535	\$3,143	\$31,734	\$35,412	\$4,136
St. Thomas	Canonsburg	\$5,970	\$2,400	\$45,243	\$53,613	\$16,744
Atonement	Carnegie	\$1,637	\$2,153	\$32,017	\$35,807	\$500
Nativity	Crafton	\$14,295		\$120,437	\$134,732	
St. John's	Donora	\$786		\$15,403	\$16,189	
Calvary	East Liberty	\$147,320		\$1,323,380	\$1,470,700	\$19,317
St. Brendan's	Franklin Park	\$20,771	\$18,267	\$189,167	\$228,205	
Good Shepherd	Hazelwood	\$1,695		\$49,017	\$50,712	
St. Andrew's	Highland Park	\$47,852	\$16,800	\$428,284	\$492,936	\$84,372
St. Matthew's	Homestead	\$1,457		\$25,716	\$27,173	
Holy Cross	Homewood	\$13,821	\$1,837	\$171,729	\$187,387	
Christ Church	Indiana	\$16,726	\$2,150	\$157,084	\$175,960	\$122,345
Advent	Jeannette	\$1,242	\$960	\$30,197	\$32,399	
St. Mark's	Johnstown	\$14,684	\$1,692	\$146,673	\$163,049	\$23,726
St. Paul's	Kittanning	\$12,546	\$6,537	\$110,746	\$129,829	\$11,650
St. Michael's	Ligonier	\$48,234		\$383,794	\$432,028	\$43,026
St. Stephen's	McKeesport	\$8,261	\$2,026	\$73,223	\$83,510	
St. Paul's	Monongahela	\$1,715	\$100	\$26,719	\$28,534	\$4,541
St. Paul's	Mt. Lebanon	\$93,489		\$799,721	\$893,210	\$201,760
Christ	North Hills	\$52,497	\$7,000	\$426,880	\$486,377	\$84,165
Emmanuel	North Side	\$5,328	\$3,498	\$78,412	\$87,238	\$2,700
All Souls	North Versailles	\$1,464	\$1,200	\$24,629	\$27,293	
St. Thomas	Northern Cambria	\$438		\$32,787	\$33,225	\$3,223
St. Thomas	Oakmont	\$28,188	\$7,117	\$296,418	\$331,723	\$68,994
St. James	Penn Hills	\$2,633		\$113,816	\$116,449	\$12,229
St. David's	Peter's Township	\$13,033		\$205,784	\$218,817	\$39,914
Trinity	Pittsburgh	\$30,064	\$2,720	\$511,944	\$544,728	\$758,106
St. Bartholemew	Scottdale	\$1,002		\$18,621	\$19,623	\$38,000
St. Francis in the Fields	Somerset	\$7,689	\$211	\$77,379	\$85,279	\$1,520
Redeemer	Squirrel Hill	\$25,851	\$1,805	\$260,359	\$288,015	\$20,615
St. Michael's	Wayne Township				\$0	
St. Stephen's	Wilksburg	\$20,401		\$180,441	\$200,842	\$30,930
Total		\$666,592	\$87,449	\$6,738,635	\$7,492,676	\$1,641,525

2017 PAROCHIAL STATISTICS

Short Name	City	Mission Outreach Expense	Seminary Contribution Expense	Transmittal Expense	Non Operating Expenses	Total Expenses
St. Peter's	Blairsville	\$1,111			\$11,111	\$31,799
St. Barnabas	Brackenridge				\$11,140	\$79,967
St. Peter's	Brentwood	\$772		\$6,373	\$9,764	\$222,931
All Saints	Brighton Heights			\$237	\$25,490	\$104,490
Advent	Brookline	\$3,535			\$7,671	\$43,083
St. Thomas	Canonsburg			\$943	\$17,687	\$71,300
Atonement	Carnegie	\$2,153		\$578	\$3,231	\$39,038
Nativity	Crafton				\$0	\$134,732
St. John's	Donora				\$0	\$16,189
Calvary	East Liberty	\$169,172		\$14,675	\$203,164	\$1,673,864
St. Brendan's	Franklin Park	\$427			\$427	\$228,632
Good Shepherd	Hazelwood				\$0	\$50,712
St. Andrew's	Highland Park	\$615	\$500	\$7,423	\$92,910	\$585,846
St. Matthew's	Homestead	\$4,716			\$4,716	\$31,889
Holy Cross	Homewood				\$0	\$187,387
Christ Church	Indiana				\$122,345	\$298,305
Advent	Jeannette				\$0	\$32,399
St. Mark's	Johnstown	\$13,424		\$120	\$37,270	\$200,319
St. Paul's	Kittanning			\$1,650	\$13,300	\$143,129
St. Michael's	Ligonier	\$55,618		\$5,019	\$103,663	\$535,691
St. Stephen's	McKeesport				\$0	\$83,510
St. Paul's	Monongahela				\$4,541	\$33,075
St. Paul's	Mt. Lebanon	\$26,073		\$30,092	\$257,925	\$1,151,135
Christ	North Hills	\$2,791		\$452	\$87,408	\$573,785
Emmanuel	North Side				\$2,700	\$89,938
All Souls	North Versailles				\$0	\$27,293
St. Thomas	Northern Cambria				\$3,223	\$36,448
St. Thomas	Oakmont			\$1,292	\$70,286	\$402,009
St. James	Penn Hills				\$12,229	\$128,678
St. David's	Peter's Township	\$534			\$40,448	\$259,265
Trinity	Pittsburgh	\$2,418		\$111	\$760,635	\$1,305,363
St. Bartholemew	Scottdale				\$38,000	\$57,623
St. Francis in the Fields	Somerset	\$1,000			\$2,520	\$87,799
Redeemer	Squirrel Hill				\$20,615	\$308,630
St. Michael's	Wayne Township				\$0	\$0
St. Stephen's	Wilksburg				\$30,930	\$231,772
Total		\$284,359	\$500	\$68,965	\$1,995,349	\$9,488,025

2017 PAROCHIAL STATISTICS

Short Name	City	Total Cash	Total Investment
St. Peter's	Blairsville	\$106,822	
St. Barnabas	Brackenridge	\$39,278	\$88,708
St. Peter's	Brentwood	\$68,271	\$515,841
All Saints	Brighton Heights	\$16,306	\$269,585
Advent	Brookline	\$65,493	
St. Thomas	Canonsburg	\$45,716	\$239,779
Atonement	Carnegie	\$31,366	\$7,978
Nativity	Crafton	\$32,880	\$911,278
St. John's	Donora	\$5,135	
Calvary	East Liberty	\$251,984	\$5,833,037
St. Brendan's	Franklin Park	\$179,428	\$17,638
Good Shepherd	Hazelwood	\$4,391	\$298,046
St. Andrew's	Highland Park	\$47,673	\$1,524,291
St. Matthew's	Homestead	\$52,757	\$19,441
Holy Cross	Homewood	\$85,901	\$6,278
Christ Church	Indiana	\$91,907	\$645,219
Advent	Jeannette	\$15,918	\$191,756
St. Mark's	Johnstown	\$35,280	\$458,039
St. Paul's	Kittanning	\$60,845	\$1,552,455
St. Michael's	Ligonier	\$415,734	\$2,456,033
St. Stephen's	McKeesport	\$21,641	\$220,235
St. Paul's	Monongahela	\$5,571	\$167,424
St. Paul's	Mt. Lebanon	\$371,768	\$97,043
Christ	North Hills	\$598,532	\$202,562
Emmanuel	North Side	\$124,423	\$96,449
All Souls	North Versailles	\$38,143	
St. Thomas	Northern Cambria	\$4,625	\$12,441
St. Thomas	Oakmont	\$49,028	\$871,442
St. James	Penn Hills	\$16,377	\$141,193
St. David's	Peter's Township	\$32,297	
Trinity	Pittsburgh	\$165,793	\$4,688,561
St. Bartholemew	Scottdale	\$11,311	\$144,574
St. Francis in the Fields	Somerset	\$15,942	\$307,790
Redeemer	Squirrel Hill	\$178,300	\$818,512
St. Michael's	Wayne Township		
St. Stephen's	Wilksburg	\$52,416	\$182,101
Total		\$3,339,252	\$22,985,729

PARISHES NOT SUBMITTING A 2017 TEC PAROCHIAL REPORT

The Savior, Ambridge
Trinity, Beaver
Seeds of Hope, Bloomfield
Christ Church, Brownsville
St. Peter's, Butler*
St. Mary's, Charleroi*
Transfiguration, Clairton
Charis247, Coraopolis
St. Christopher's, Cranberry
Christ Church, Fox Chapel*
St. Luke's, Georgetown
St. Thomas in the Fields, Gibsonia
Our Saviour, Glenshaw
Christ's Church, Greensburg*
Holy Innocents, Leechburg
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

*Agreement announced February 28, 2018, is pending court approval.

Appendix

2019 Compensation Guide for Clergy and Lay Employees

Episcopal Diocese of Pittsburgh



**Recommended by Diocesan Council
September 18, 2018**

Episcopal Diocese of Pittsburgh

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Pittsburgh, PA 15222

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INTRODUCTION

The purpose of this Compensation Guide is to provide – for the Bishop’s Wellness 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, the President of the Board of Trustees, the President of Diocesan Council, and the previous President of the Standing Committee. The Committee is to meet with the Bishop at least 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.

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:

Ms. Suzanne DeWalt
Mr. James Neral, Chair
The Rev. Dr. Bruce Robison

Ex officio: Mr. Jon Delano, 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 benevolence funds are not included in the Total Compensation calculation.

TOTAL COMPENSATION: CASH SALARY

For the purpose 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. In such situations, the Minimum and Recommended Total Compensation amounts designated in this Guide 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. Two model Housing Allowance provisions are provided in this Guide at Appendix D. *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 for 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.

The recommended method of administration of IRS-required and SECA taxes is through payroll withholding. 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 C 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 "2019 Policies for Clergy and Lay Participation in the Denominational Health Plan of the Episcopal Church," available from the diocese.

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. FORMA, 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 2017 Bayer Center Wage and Benefit Survey of Southwestern Pennsylvania, which acts as a key market survey for Administrative, Accounting/Finance, HR, IT and Maintenance/Janitorial salaries, can be provided upon request to the Diocesan Office.

**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 E for a sample documentation form. In the event of an audit, the IRS may 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 shall pay the negotiated expenses associated with the relocation.

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 should 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. *NOTE: Reimbursements to clergy for sabbatical program and/or travel costs are typically taxable income to the clergy under IRC Section 274 and 162.*

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 to pay the contribution for lay employees scheduled to work 1,000 hours or more each year. See Appendix C for more information on this topic.

DENOMINATIONAL HEALTH PLAN: CLERGY AND LAY EMPLOYEES

Medical/Dental group insurance as provided by the Denominational Health Plan of The Episcopal Church is required to be offered to clergy and lay employees scheduled to work 1,500 hours or more each year. Policies governing this matter are found in a separate document available from the diocese entitled "2019 Policies for Clergy and Lay Participation in the Denominational Health Plan of the Episcopal Church."

SHORT-TERM/LONG-TERM DISABILITY

Parishes and other employers of full-time active clergy members are expected to continue the clergy member's salary and benefits during any period of disability that does not exceed one year at no additional cost to the parish or employer. The Church Pension Fund provides a subsidy of up to 70% of the clergy member's total compensation, capped at \$1,000 per week for a maximum period of 26 weeks, to the parish/employer while the clergy member recovers. This subsidy becomes available after 14 days (the "elimination period") due to injury or sickness. This elimination period is waived for maternity. The maternity benefit ends twelve (12) weeks from the date of delivery.

This subsidy is available to parishes/employers *only* when the disabled clergy member's pension assessments are fully paid and up-to-date *and* the parish/employer is continuing to pay the clergy member. Where a parish/employer terminates the employment of a clergy member during a period of short-term disability, the subsidy is instead paid to the clergy member. Liberty Mutual Insurance Company is the administrator for the clergy benefit which is managed and funded by The Church Pension Fund.

Addressing a disability properly will usually require help and guidance. Therefore, as soon as a clergy member or senior warden of any parish becomes aware of a condition that might trigger entitlement to a disability subsidy, the diocesan office must be notified immediately.

The Church Pension Fund also provides long-term disability benefits for clergy at no additional cost. *If the clergy member's disability is prolonged beyond 26 weeks, or is expected to last beyond 26 weeks, the clergyperson or his/her representative should initiate a claim for Long-Term Disability Benefits through The Church Pension Fund.* The diocesan office can provide the forms necessary to make a claim for long-term disability plan benefits and assist in the completion of those forms. The maximum benefit period is two years or upon reaching age 72, whichever occurs first (or age 65 for members who are 63 or younger when disability begins). Please note the Continuation of Benefit on Total Disability for active employees under the age of 60 is provided under the Group Life Insurance Benefit.

Congregations and other employers within the diocese are encouraged to provide short-term and long-term disability insurance benefits for full-time lay employees. These benefits can be made available for purchase by either the employer or lay employee. Liberty Mutual Insurance Company is the provider and administrator for the lay benefits. Parishes and employers are strongly encouraged to discuss short- and long-term disability benefits with all employees at the beginning of employment so that each employee can take appropriate measures to secure adequate disability coverage.

GROUP 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 six times total annual compensation, up to \$150,000. Other benefits provided include Continuation of Benefit on Total Disability (for active clergy under the age of 60), Early Payment of Death Benefit (Accelerated Benefit or Living Benefit), and AD&D. 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. Group 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 notes that clergy and lay employees may ask an advocate to represent his or her needs and desires to the vestry or budget committee.

LETTERS OF AGREEMENT

For Clergy, the Bishop requires 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. See APPENDIX F for a recommended Letter of Agreement template.

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

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 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 or part-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 and multiple paid lay and clergy staffing

See Appendix A for the 2019 breakdown of Diocesan parishes by Type.

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 and other Associate or Assistant positions. 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, and may have up to 48 hours of such time. 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 II 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 Type II parishes. 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 shall be redefined as Long-Term Supply, following further guidance explained for Clergy in Settled Appointments, Part-time on page 15.

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
Brighton Heights, All Saints
Brookline, Advent
Carnegie, Atonement
Donora, St. John's
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

Canonsburg, St. Thomas
Crafton, Nativity
Homewood, Holy Cross
Indiana, Christ Church
Johnstown, St. Mark's
Kittanning, St. Paul's
McKeesport, St. Stephen's
North Side, Emmanuel
Somerset, St. Francis
Wilkinsburg, St. Stephen's

Type 3

Brentwood, St. Peter's
Franklin Park, St. Brendan's
Highland Park, St. Andrew's
Ligonier, St. Michael's
Oakmont, St. Thomas
Peters Township, St. David's
Pittsburgh, Trinity Cathedral
Squirrel Hill, Redeemer

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 have positions in other diocesan institutions or ministries. The Absolute Minimum for full-time Assistant or Associate Rectors shall be the Minimum “Type 2” figure.

ABSOLUTE MINIMUM COMPENSATION, BY PARISH TYPE (See pp. 10 & 13)

PARISH TYPE	FULL TIME PRIMARY	FULL-TIME ASSOCIATE	OCCASIONAL SUPPLY
Type 1	\$50,000	N/A	See supply clergy policies on page 16
Type 2	\$55,000	N/A	
Type 3	\$63,250	\$55,000	
Type 4	\$72,800	\$55,000	
Type 5	\$83,750	\$55,000	

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

It is appropriate to recognize ordained experience of clergy by setting target Compensation above Parish Type Minimums for higher experience levels of Full-time Primary clergy assuming good performance and in accordance with the table below. Full-time Associate clergy may be reviewed annually for Compensation above the Parish Type II Minimum based on performance and Parish financial support.

PARISH TYPE	0-4 Years (Absolute Minimum)	5-9 Years Target	10-14 Years Target	15-19 Years Target	20+ Years Target
Type 1	\$50,000	\$ 54,000	\$ 58,325	\$ 62,975	\$ 68,025
Type 2	\$55,000	\$ 60,500	\$ 66,500	\$ 73,200	\$ 80,525
Type 3	\$63,250	\$ 70,850	\$ 79,325	\$ 88,850	\$ 99,525
Type 4	\$72,800	\$ 83,000	\$ 94,600	\$107,850	\$122,950
Type 5	\$83,750	\$ 97,150	\$112,700	\$130,725	\$151,650

The figures above beyond the “0-4 Years” category are representative of market target compensation and are not to be treated as absolute minimums. Clergy-person performance and the financial capabilities of the Parish are also factors of consideration.

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 11 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 \$13,750 (\$55,000 x .25).

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 shall be redefined as Long-Term Supply, following further guidance explained for Clergy in Settled Appointments, Part-time on page 15.

1. One Sunday Service, with Sermon – \$150 on short-term basis; \$200 on long-term basis
2. Two Sunday Services, with Sermon – \$175 on short-term basis; \$225 on long-term basis
An additional \$50 is to be paid for each additional service on the same weekend.
3. Midweek Service, with Informal Homily – \$ 60

When major holy days, such as Christmas, fall on a day other than Sunday, the provisions of options 1 and 2 above will apply and is not to be compensated as a midweek service.

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

2019 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 and contributions 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

TWO EXAMPLES OF VESTRY HOUSING RESOLUTIONS FROM THE 2015 EPISCOPAL MINISTERS TAX GUIDE PUBLISHED BY THE CHURCH PENSION FUND

1. Sample housing allowance resolution for a priest or deacon who lives in a church-provided rectory:

The following resolution was duly adopted by the Vestry of _____ Church at a regularly scheduled meeting held on _____ a quorum being present:

Whereas, the Reverend _____ is compensated by _____ Church exclusively for services as a minister of the gospel; and

Whereas, _____ Church provides _____ with rent free use of a church-owned rectory as compensation for services that (he or she) renders to the church in the exercise of (his or her) ministry; and

Whereas, _____ incurs expenses for living in church provided housing; therefore it is hereby

Resolved, that the annual compensation paid to _____ for calendar year _____ shall be \$ _____, of which, \$ _____ is hereby designated to be a housing allowance pursuant to Section 107 of the Internal Revenue Code; and it is further

Resolved, that the designation of \$ _____ as a housing allowance shall apply to calendar year _____ and all future years unless otherwise provided by the Vestry; and it is further

Resolved, that as additional compensation to _____ for calendar year _____ and for all future years unless otherwise provided for by this Vestry, _____ shall be permitted to live in the church-owned rectory located at _____, and that no rent or other fee shall be payable by _____ for such occupancy and use.

2. Sample housing allowance resolution for a deacon or priest who owns or rents his or her home:

The following resolution was duly adopted by the Vestry of _____ Church at a regularly scheduled meeting held on _____ a quorum being present:

Whereas, the Reverend _____ is compensated by _____ Church exclusively for the services as a minister of the gospel; and

Whereas, _____ Church does not provide _____ with a rectory; therefore, it is hereby

Resolved, that the total compensation paid to _____ for calendar year _____ shall be \$ _____, of which \$ _____ is hereby designated to be a housing allowance; and it is further

Resolved, that the designation of \$ _____ as a housing allowance shall apply to calendar year _____ and all future years unless otherwise provided.

NOTE: In order to qualify for the exemption from Federal and local income taxes, clergy housing allowances must be approved in advance, and may not be made retroactive. Thus it is important that the Vestry adopt a resolution for a newly employed clergyperson in advance of his or her start date. Housing allowances may be increased prospectively, if necessary. For further information about the intricacies of housing allowances and the Internal Revenue Code, see the Clergy Tax Guide published annually and available from The Church Pension Fund at cpg.org. Individual consultation by telephone is available, without charge.

APPENDIX F

LETTERS OF AGREEMENT FOR CLERGY

EPISCOPAL DIOCESE OF PITTSBURGH MINISTRY COVENANT AGREEMENT

between

The Wardens and Vestry of

_____ Church,

and

The Reverend _____

who has been elected Rector with the understanding that this tenure is to continue until dissolved by mutual consent or by arbitration and decision as provided by the relevant Canons of the Episcopal Diocese of Pittsburgh and of the General Convention.

Preamble

The Rector shall lead _____ Church as pastor, priest and teacher, sharing in the councils of this congregation and of the whole Church, in communion with our Bishop. By word and action, informed at all times by the Holy Scriptures, the Book of Common Prayer, and the Constitution and Canons of the General Convention and our Diocese, the Rector shall proclaim the Gospel, love and serve Christ's people, nourish them, and strengthen them to glorify God in this life and in the life to come.

This ministry is further described in the Rector Position Description approved by the Rector, Wardens and Vestry on _____, which is hereby acknowledged and made part of this Letter of Agreement.

Section A. Times of Work & Leave

(Please choose only the version that is appropriate for your ministry setting)

Full Time Version

1) The Rector's work includes not only activities directed to the parish and its well-being, but also labors on behalf of the Diocese and community. This work for the Diocese will include participation in ordination services, clergy funerals, a yearly clergy retreat/conference, yearly Diocesan Convention and other events deemed important by the Bishop. The Rector's scheduled

workweek is five days. It is estimated that this would be, on average, 48 hours per week. In general, no more than three evenings per week are expected. The Rector is expected to preserve 48 hours (with at least one continuous 24-hour period) each week solely for personal and family use.

- 2) The Rector will have the following periods of leave at full compensation:
 - a) National Holidays, to be taken so as not to interfere with worship for major occasions.
 - b) One month Annual Leave, which shall include five Sundays. No more than _____ days and one Sunday may be carried forward to succeeding years. Annual Leave consists of Vacation, Sick Leave and Compassion Leave.
 - c) Professional Development Leave, at the rate of two weeks per year.
 - d) Two weeks per year of service in this parish for Sabbatical Leave, to be available after the fifth year, up to a maximum of three months (14 weeks) may be taken. Sabbatical arrangements shall be made in full consultation with the Vestry, to insure benefits for the parish as well as for the Rector.
 - e) _____ weeks paid leave of absence upon the birth or adoption of a child.
 - f) Twelve weeks of short term disability benefits as provided to the parish by Church Pension Group to hire substitute clergy during this period of medical leave.

3/4 Time Version

- 1) The Rector's work includes not only activities directed to the parish and its well-being, but also labors on behalf of the Diocese and community. This work for the Diocese will include participation in a yearly clergy retreat, yearly Diocesan Convention and other events deemed important by the Bishop. The Rector's scheduled workweek is for 36 hours. In general, no more than three evenings per week are expected. The Rector is expected to preserve 48 hours (with at least one continuous 24-hour period) each week solely for personal and family use.
- 2) The Rector will have the following periods of leave at full compensation:
 - a) National Holidays, to be taken so as not to interfere with worship for major occasions.
 - b) One month Annual Vacation, which shall include four Sundays. No more than _____ days and one Sunday may be carried forward to succeeding years. Annual Leave consists of Vacation, Sick Leave and Compassion Leave.
 - c) Professional Development Leave, at the rate of two weeks per year.
 - d) Two weeks per year of service in this parish for Sabbatical Leave, to be available after the fifth year. Sabbatical arrangements shall be made in full consultation with the Vestry, to insure benefits for the parish as well as for the Rector.
 - e) _____ weeks paid leave of absence upon the birth or adoption of a child.

1/2 Time Version

- 1) The Rector's work includes not only activities directed to the parish and its well-being, but also labors on behalf of the Diocese and community. This work for the Diocese will include participation in a yearly clergy retreat, yearly Diocesan Convention and other events deemed important by the Bishop. The Rector's scheduled workweek is for 24 hours. In general, no more than two evenings per week are expected.
- 2) The Rector will have the following periods of leave at full compensation:
 - a) National Holidays, to be taken so as not to interfere with worship for major occasions.
 - b) One month Annual Vacation which shall include three Sundays. No more than _____ days and one Sunday may be carried forward to succeeding years. Annual Leave consists of Vacation, Sick Leave and Compassion Leave.
 - c) Professional Development Leave, at the rate of two weeks per year.
 - d) Two weeks per year of service in this parish for Sabbatical Leave, to be available after the fifth year. Sabbatical arrangements shall be made in full consultation with the Vestry, to insure benefits for the parish as well as for the Rector.
 - e) _____ weeks paid leave of absence upon the birth or adoption of a child.

1/4 Time Version

- 1) The Rector's work includes not only activities directed to the parish and its well-being, but also labors on behalf of the Diocese and community. This work for the Diocese will include participation in a yearly clergy retreat, yearly Diocesan Convention and other events deemed important by the Bishop. The Rector's scheduled workweek is for 12 hours. In general, no more than one evening per week is expected.
- 2) The Rector will have the following periods of leave at full compensation:
 - a) National Holidays, to be taken so as not to interfere with worship for major occasions.
 - b) One month Annual Vacation which shall include two Sundays. No more than _____ days and one Sunday may be carried forward to succeeding years. Annual Leave consists of Vacation, Sick Leave and Compassion Leave.
 - c) Professional Development Leave, at the rate of two weeks per year.
 - d) One week per year of service in this parish for Sabbatical Leave, to be available after the fifth year. Sabbatical arrangements shall be made in full consultation with the Vestry, to insure benefits for the parish as well as for the Rector.
 - e) _____ weeks paid leave of absence upon the birth or adoption of a child.

Section B. Compensation

Housing Allowance Version (Clergy with their own housing)

1) The Rector's annual cash salary will be \$ _____. paid in installments consistent with the Parish's payroll cycle, to be reviewed and adjusted annually in accordance with the current Diocesan minimum clergy compensation standards.

Upon the Rector's request, the Vestry will designate a portion of the total cash salary as "Housing Allowance" under the Federal Internal Revenue Code.

2) The Rector may receive SECA reimbursement payments as a salary supplement.

3) The Vestry shall pay the following benefits:

a) Church Pension Fund Assessment on the sum of the Rector's total annual cash salary (including Housing Allowance), plus the Rector's SECA Reimbursement.

b) Medical Insurance through Episcopal Church Medical Trust (ECMT), plan as required by the Diocesan Compensation Guide.

*If equivalent or better than the ECMT offering is provided independently through the employment of the Rector's spouse, the Rector may waive participation in the Diocesan ECMT plan. The Vestry will then not provide duplicate coverage but will use the amount of the Diocesan ECMT premium that would have been spent to provide additional income, or fund a 403b for the clergy person. If at any time the Rector revokes the waiver, the Vestry will provide ECMT in accordance with the Diocesan plan.

c) The Church Pension Fund Assessment of 18% paid by the parish entitles clergy to numerous benefits including Life Insurance, Short and Long-Term Disability Insurance, Maternity Leave, etc. Refer to A Guide for Benefits Under the Clergy Pension Plan for additional details.

Section C. Expenses

The Vestry shall pay the following expenses incurred by the Rector in fulfilling the duties of office:

1) Travel expenses, at the current rate provided by the Internal Revenue Service (to be reviewed annually against the updated IRS rate) plus out-of-pocket costs of parking fees, tolls, bus fares, etc.

2) The normal expenses of the church's office operation, such as telephone, postage, office equipment, supplies, secretarial services, etc.

3) An expense allowance, up to \$ _____ annually, for reimbursement of expenses incurred in the course of professional activities on behalf of _____ Church.

4) The cost of a telephone in the Rector's residence. This telephone number shall be published to insure the Rector's ready accessibility in case of emergencies. The Rector shall pay the cost of all personal long distance calls.

5) A Continuing Education Allowance of \$ _____ per year, to be reviewed annually, and paid to or on behalf of the Rector toward expenses incurred in relation to continuing education leave.

Section D. Discretionary Fund

In accordance with the Canons of the General Convention, a Discretionary Fund is to be established as a church checking account under the Rector's sole control, from the following sources: _____, and gifts given the Rector for the purposes of the Discretionary Fund. This fund is to be audited annually as part of the church's annual audit.

Section E. Supplementary Compensation

- 1) The Rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages, funerals) for members of _____ Church.
- 2) The Rector may, however, receive income from other sources, such as:
 - a) Sacramental services on behalf of persons not in any way related to the parish.
 - b) Fees and honoraria for professional services performed on personal time for groups unrelated to the parish, or for sermons, books or articles published outside the parish.

Section G. Mutual Ministry Review

- 1) The Rector, Wardens and Vestry agree to discussions and mutual reviews of the total ministry of the parish, in order to:
 - a) Provide the Rector, Wardens, and Vestry opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministries they share.
 - b) Establish goals for the work of the whole parish for the coming year.
 - c) Isolate areas of conflict or disappointment which have not received adequate attention and may be affecting mutual ministry adversely.
 - d) Clarify expectations of all parties to help put any future conflicts in manageable form.
- 2) A mutually agreed upon third party will be engaged to facilitate the mutual ministry review process. The initial review will occur between six months and one year from the date the Rector begins ministry with the parish (Section H (2)). Additional mutual ministry reviews will occur on a triennial basis about 18 months after a scheduled Episcopal Visitation.

Section H — Other Possible Agreements

1) All (or an agreed upon portion of) moving and travel expenses incurred in making the move from _____ to _____ shall be paid by _____ Church. Moving expenses could include family travel, transporting household goods, reasonable temporary accommodations during the move, and an Incidental Expenses Allowance of up to two weeks' compensation.

2) The moving date shall be in the week of _____. The Rector shall begin duties in the parish not later than _____ unless delayed by adverse circumstances.

3) In the event of the Rector's death, the Vestry agrees to continue payment of the Rector's cash salary, and appropriate Health and Hospital Insurance, to the Rector's surviving direct dependents for a period of _____ months.

4) This letter may be revised only by mutual agreement at the time of the annual mutual ministry review, except that compensation and expenses revisions may be mutually agreed upon in a separate budget process.

5) If the Rector and Vestry are in disagreement concerning interpretation of this Letter of Agreement, either party may appeal for mediation to _____ or another mutually agreed upon third party, the Bishop remaining the final arbiter.

6) All pay and benefits shall become effective on _____.

This Letter of Agreement, and its related Position Description, shall be made part of the minutes of the next Vestry meeting following its signing, and copies shall be given to each new Vestry member.

Date

Rector

Senior Warden

Reviewed _____
Diocesan Transitional Ministry Officer

Approved _____
Bishop

2019 Policies for Clergy and Lay Participation in the Denominational Health Plan of the Episcopal Church

Episcopal Diocese of Pittsburgh



**Adopted by Diocesan Council
September 18, 2018**

Episcopal Diocese of Pittsburgh

325 Oliver Avenue, Suite 300

Pittsburgh, PA 15222

412-721-0853

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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 was 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, Clergy and Lay Employees of parishes and other organizations under the authority of the Episcopal Diocese of Pittsburgh working fewer than 1,500 hours per year but at least 1,000 hours per year are eligible to participate in the Medical Trust's health insurance coverage voluntarily and at their own expense. Parishes and other organizations may, but are not required to, participate in the cost of the health plan if the employee chooses to participate. Those persons working less than 1,000 hours per year are not eligible for these benefits.

Each year the Bishop, with the advice of the Compensation Committee appointed by the President of Diocesan Council, will recommend one or more plans from the Denomination Health Plan offerings to be approved by Diocesan Council. Each eligible participant, clergy or lay, then selects a plan from that diocesan menu during the Open Enrollment period. 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 comparable medical benefits through dependent coverage in a parent or spouse’s plan or through another employer or retirement benefit (e.g., Tricare). A Waiver of Health Benefits form must be completed by the employee and submitted to the diocesan office by the end of the Open Enrollment period. 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 Plan Offerings and Premiums: All Clergy and Lay Employees scheduled to work 1,500 hours per year or more shall be offered the choice of the medical and dental Denominational Health Plan programs approved by Diocesan Council and in the appropriate tier of coverage necessary for the Employee’s family situation. This year’s offerings are as follows:

Medical & Dental Plans / Monthly Rates	Single	Employee + Spouse	Employee + Children	Family
1) Anthem BCBS CDHP-20 w/ HSA (MHDE) Consumer Directed Health Plan (also known as HDHP)	\$658	\$1,316	\$1,184	\$1,974
2) Cigna CDHP-20 w/ HSA (MHDC) Consumer Directed Health Plan (also known as HDHP)	658	1,316	1,184	1,974
3) Anthem BCBS BlueCard PPO 80 (MPP3)	755	1,510	1,359	2,265
4) Cigna Open Access Plus PPO 80 (MG03) UPMC in-network plan comparable to Anthem PPO 80 plan	755	1,510	1,359	2,265
5) Anthem BCBS BlueCard PPO 90 (MPP2)	832	1,664	1,498	2,496
6) Cigna Open Access Plus PPO 90 (MG02) UPMC in-network plan comparable to Anthem PPO 90 plan	832	1,664	1,498	2,496
7) Anthem BCBS BlueCard PPO 100 (MPP1)	940	1,880	1,692	2,820
8) Cigna Open Access Plus PPO 100 (MG01) UPMC in-network plan comparable to Anthem PPO 100 plan	940	1,880	1,692	2,820
9) Anthem BCBS BlueCard MSP PPO 90 (MS10) For employees age 65 or older enrolled in Medicare	666	1,332	1,199	1,998
10) Cigna Open Access Plus MSP PPO 90 (MGM2) UPMC in-network MSP plan for employees age 65 or older	666	1,332	1,199	1,998
11) Cigna Open Access Plus MSP PPO 100 (MGM1) UPMC in-network MSP plan for employees age 65 or older	722	1,444	1,300	2,166
12) DENTAL & ORTHO – 25/75 (DD25)	44	88	79	132

Minimum Medical Premium Allowance (MPA): Each parish or other employing organization is required to allocate and fund a minimum Medical Premium Allowance (“MPA”) of \$755 per month to provide medical coverage for the Employee. In circumstances where the Employee elects a medical coverage which is less expensive than the MPA, the difference in cost is to be provided to the Employee in the form of a contribution to a Health Savings Account (“HSA”) which can then be used by the Employee to cover medical deductibles and copays required by the plan design chosen. In circumstances where the Employee elects a medical coverage which is more expensive than the MPA, the Employee will be responsible to pay the cost difference through after-tax payroll deduction each month unless the parish reaches a negotiated arrangement with the Employee to provide a higher MPA above the minimum requirement stated above, up to and including full premium payment covered by the parish. MPAs set by the parish may be negotiated at higher levels of allowance as long as there is parity between Clergy and Lay Employees.

Medical Plan Options with Health Savings Accounts (HSA): Placing money into an HSA, in conjunction with a CDHP, is an effective way to manage out-of-pocket costs because employees can set aside funds to be used for qualifying medical expenses, such as deductibles and copays, on a pre-tax basis. For parishes that choose to provide more than the minimum coverage, such a parish-provided contribution is possible with no added cost since a CDHP option has a lower cost than other plans. Family coverage in a CDHP plan results in annual savings of \$10,152 (\$846 per month) as compared to the PPO 100 plans and \$6,264 (\$522 per month) as compared to the PPO 90 plans. As an example, the parish could contribute \$5,450, the full amount of the family deductible, to the employee’s HSA for an employee enrolling in the CDHP, and the parish would still save \$4,700 per year in medical premium cost. The employee benefits because he/she pays less since their deductible is paid in full, and keeps any unused HSA balance at year-

end. The parish benefits by saving in annual medical premium expense. Parishes should consider making the parish contribution to the HSA early in the calendar year so that medical expenses incurred can be paid with available HSA funds.

Insurance Plan Cost Sharing: All Employees selecting a medical plan are subject to consideration by the parish for a premium cost-sharing arrangement. No cost sharing is permitted for a plan costing less than the MPA indicated above.

Medicare Secondary Payer – Small Employer Exception: Employees who are 65 years old and eligible for Medicare may enroll in a Medicare Secondary Payer (MSP) plan. In most cases, Medicare is the secondary payer of healthcare claims for employees covered under Medicare Part A and Part B, and the Medical Trust’s health plan is the first, or primary payer. However, Medicare allows for an exception to the “secondary payer” rule for small employers (including all employers in the Diocese of Pittsburgh) who may request that Medicare serve as the primary payer for eligible Medicare beneficiaries by submitting an Employee Certification Form for each eligible participant seeking a “small employer exception.”

When Medicare becomes the primary payer of medical claims, the cost of providing medical coverage is lower because the Medical Trust’s health plan becomes the secondary payer. The reduction in cost may reduce premiums compared to plans in which Medicare is not the primary payer. An employee’s out-of-pocket medical costs may be lower, too. For an employee or their eligible dependent(s) to be approved for these plans, they must first be enrolled in Medicare Part A (hospital insurance). Individuals who opt for an MSP plan will continue to have access to the value-added benefits included in the Medical Trust plans. Please contact the Diocesan Office for additional information or to request a copy of the Member Fact Sheet.

Dental Coverage: Dental coverage is made available through the Denominational Health Plan and as approved by Diocesan Council. There is no requirement of parish funding for this benefit.

**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, 2017, and have issued our report thereon dated August, 21 2018. 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 Audit Committee member about planning matters in March 2018. 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 10, 2016, 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 Accounting 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 2017. 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 18.

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 misstatements identified during the audit, other than those that are clearly 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, a disagreement with management is 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 August 21, 2018.

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

Matters involving internal control and other operational matters are communicated in our management letter dated August 21, 2018.

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,

Mahe Duessel

Pittsburgh, Pennsylvania
August 21, 2018

The Episcopal Diocese of Pittsburgh

Financial Statements

Years Ended December 31, 2017 and 2016
with Independent Auditor's Report

MaherDuessel

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THE EPISCOPAL DIOCESE OF PITTSBURGH

YEARS ENDED DECEMBER 31, 2017 AND 2016

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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, 2017 and 2016, 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 audits 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, 2017 and 2016, 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
August 21, 2018

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2017 AND 2016

	2017	2016
Assets		
Cash and cash equivalents	\$ 705,945	\$ 954,098
Assessments receivable:		
Parishes	1,264,443	5,607,506
Less allowance for doubtful accounts	(1,259,820)	(5,587,562)
Total assessments receivable, net	4,623	19,944
Loans receivable:		
Parishes and missions - growth fund	882,068	920,060
Bishop's residence fund	27,000	27,000
Less allowance for loan losses	(463,724)	(464,897)
Total loans receivable, net	445,344	482,163
Grants and bequests receivable	1,130,127	185,767
Note receivable	1,555,856	1,505,791
Accrued interest receivable	8,581	54,099
Prepaid expenses	10,776	7,751
Property held for sale	87,800	556,500
Trusts held by others at fair value	4,771,421	4,251,676
Investments at fair value	26,321,417	23,853,668
Fixed assets (net of accumulated depreciation)	1,498,596	1,613,860
Total Assets	\$ 36,540,486	\$ 33,485,317
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 365,468	\$ 393,987
Mortgage payable	1,393,969	1,432,922
Funds held for others	3,284,673	3,024,267
Total Liabilities	5,044,110	4,851,176
Net Assets:		
Unrestricted:		
Undesignated	3,923,602	4,679,925
Board-designated	13,130,602	10,627,303
Total unrestricted	17,054,204	15,307,228
Temporarily restricted	972,117	974,358
Permanently restricted	13,470,055	12,352,555
Total Net Assets	31,496,376	28,634,141
Total Liabilities and Net Assets	\$ 36,540,486	\$ 33,485,317

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Unrestricted Net Assets:		
<hr/>		
Operating revenues and other support:		
Parish assessments	\$ 643,117	\$ 622,914
Investment returns designated for current operations	477,831	460,001
Contributions and grants	154,533	140,420
Total operating revenues and other support	1,275,481	1,223,335
Operating expenses:		
Office of Administration	326,825	305,434
Legal expense	133,198	14,783
Office of the Bishop	248,655	249,794
Reopened parish, property, and other expenses	142,666	133,857
Beyond the Diocese	168,457	179,788
Transformational networks	214,013	184,742
Congregational mission	104,895	71,474
Total operating expenses	1,338,709	1,139,872
Net gain (loss) from operations	(63,228)	83,463
Other revenues (expenses):		
Spending policy transfers	172,760	172,722
Released from restriction	160,271	61,489
Other revenues	78,234	71,617
Other non-operating contributions	1,000,000	1,646
Grants and contributions to others	(668,450)	(407,874)
Other trustee expenses	-	(16,927)
Investment (loss) income	1,191,881	574,752
Gain (loss) on property transactions	6,022	496,218
Depreciation	(130,514)	(135,900)
Total other revenues (expenses)	1,810,204	817,743
Change in Unrestricted Net Assets	1,746,976	901,207
Temporarily Restricted Net Assets:		
<hr/>		
Contributions and grants	25,169	263,295
Investment (loss) income	86,256	47,030
Spending policy transfers	46,605	49,349
Released from restriction	(160,271)	(61,489)
Change in Temporarily Restricted Net Assets	(2,241)	298,185
Permanently Restricted Net Assets:		
<hr/>		
Contributions and grants	212	54,473
Spending policy transfers	(219,365)	(222,071)
Investment (loss) income	1,336,653	706,837
Change in Permanently Restricted Net Assets	1,117,500	539,239
Total Change in Net Assets	2,862,235	1,738,631
Net Assets:		
<hr/>		
Beginning of year	28,634,141	26,895,510
End of year	\$ 31,496,376	\$ 28,634,141

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash Flows From Operating Activities:		
Change in net assets	\$ 2,862,235	\$ 1,738,631
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Change related to property transactions	468,700	89,954
Realized and unrealized (gains) loss on investments	(2,659,607)	(1,397,663)
Loss (gain) on trusts held by others	(519,745)	(233,996)
Gain (loss) on funds held for others	260,406	226,469
Allowance for uncollectible assessments	139,980	693,874
Write off of uncollectible assessments	(4,467,722)	-
Allowance for loan loss	(1,173)	(404)
Depreciation expense	130,514	135,900
Change in operating assets and liabilities:		
Assessment receivables	(124,659)	(680,496)
Write off of assessment receivables	4,467,722	-
Grants and bequest receivable	(944,360)	311,418
Prepaid expense	(3,025)	1,530
Accrued interest receivable	45,518	(38,268)
Accounts payable and accrued expenses	(28,519)	264,619
Net cash provided by (used in) operating activities	(373,735)	1,111,568
Cash Flows From Investing Activities:		
Purchase of investments	(7,118,207)	(13,635,365)
Sale of investments	7,310,065	13,500,808
Increase in Growth Fund loans receivable	37,992	95,059
Issuance of notes receivable	(260,000)	(1,130,358)
Payments received on note receivable	209,935	95,707
Payments for leasehold improvements	(15,250)	(6,168)
Net cash provided by (used in) investing activities	164,535	(1,080,317)
Cash Flows From Financing Activities:		
Proceeds on issuance of mortgage debt	-	1,436,486
Payments on mortgage	(38,953)	(855,897)
Net cash provided by (used in) financing activities	(38,953)	580,589
Net Increase (Decrease) in Cash and Cash Equivalents	(248,153)	611,840
Cash and Cash Equivalents:		
Beginning of year	954,098	342,258
End of year	\$ 705,945	\$ 954,098

See accompanying notes to financial statements.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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 returned to the Diocese subsequent to 2010 are not included in the Diocese financial statements, with the exception of when the sale of a closed parish is approved. 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 Donegal property and equipment, the Avalon property and 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.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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 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 in 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.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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.

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 and 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.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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.

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 and Investment Committee of the Board. On the statements of financial position, funds held for others are included in the investments.

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.

Grants Receivable

Grants receivable for the years ended December 31, 2017 and 2016 are \$130,127 and \$133,333, respectively.

Bequest Receivable

Bequest receivable for the years ended December 31, 2017 and 2016 are \$1,000,000 and \$52,434, respectively.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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
Lease Improvements	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 property less estimated costs to sell at \$87,800 and \$556,500, respectively, as of December 31, 2017 and 2016. Good Samaritan was approved for sale for \$26,500, Church of the Transfiguration was approved for sale for \$18,800, and Allegheny Twp. was approved for sale for \$42,500.

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.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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. The Diocese did not recognize impairment of any of their long-lived assets in 2017 and 2016.

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 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.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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).

Pending Pronouncements

ASU No. 2016-14, *“Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,”* effective for the Diocese’s financial statements for the year ending December 31, 2018. This standard aims to improve how a nonprofit organization classifies its net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity. The ASU changes the net asset classification, requires presentation of expenses both by nature and function, requires investment return reported net of investment expenses, requires placed-in-service approach for gifts of/for long-lived assets and provides enhanced disclosures for: governing body restrictions; composition of net assets with donor restrictions; qualitative and quantitative information on liquidity; methods to allocate costs among program and support functions; and underwater donor-restricted endowment.

ASU-2016-02, *“Leases (Topic 842),”* effective for the Diocese’s financial statements for the year ending December 31, 2020. This standard will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

THE EPISCOPAL DIOCESE OF PITTSBURGH

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

ASU 2016-13, *“Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,”* is effective for the Diocese’s financial statements for the year ending December 31, 2021. This amendment requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. This includes loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.

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 judgment, to establish an adequate allowance to absorb possible losses on assessments and loans. Management’s judgment 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. Once loans have been determined to be not performing, management will estimate the allowance for loan loss. At this point, interest on the loan stops accruing. During the years ended December 31, 2017 and 2016, the Diocese charged \$139,980 and \$693,874, respectively, to the allowance for doubtful accounts, and wrote off \$4,467,722 and \$0, relating to the parishes in the Anglican Church in North America (ACNA Diocese) (see Note 18). No interest had been accrued on assessments or loans receivable balances as further described in Note 18 as of December 31, 2017 and 2016.

Interest rates on parish loans range from 3.00% to 3.75% and the loans have maturity dates ranging from 2018 to 2031.

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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 was originally due in August 2026. After principal prepayments in June 2016 and January 2017, the final payment is due in May 2024. As of December 31, 2017 and 2016, the balance was \$375,561 and \$189,173, respectively.

In June 2016, the Diocese finalized an agreement with an unaffiliated congregation to sell a parish property in exchange for mortgage note. The sale was recognized in 2016 and the resulting note receivable held is due in 60 monthly installments of \$3,574 each, which includes interest at the rate of 3.0% per annum, followed by 60 installments of \$3,747 each, which includes interest at the rate of 4.0% per annum, followed by 60 installments of \$3,793 each, which includes interest at the rate of 4.5% per annum. The final payment is due in April 2032. As of December 31, 2017 and 2016, the balance was \$499,100 and \$517,500, respectively.

In April 2016, the Diocese finalized an agreement with a parish related to a mortgage loan guaranteed by the Diocese and a growth fund loan for a total amount of \$612,858. Effective March 1, 2017, the note was amended with the following payment terms: During the first 36 months of the 7-year term the borrower will make monthly payments of interest only. During the fourth year, beginning March 1, 2020 through February 1, 2021, the borrower will make monthly payments of interest plus 25% of the principal that would be due if the principal sum of the amended note was being fully amortized at an interest rate of 3.59% and a 20 year amortization schedule. During the fifth, sixth, and seventh years of the term, the borrower will make monthly payments of interest plus 50%, 75%, and 100%, respectively, of the principal amount that would be due if the principal sum of the amended note was being fully amortized at an interest rate of 3.59% and a 20-year amortization schedule. As of December 31, 2017 and 2016, the balance was \$612,730.

In March 2017, the Diocese finalized an agreement with an unaffiliated congregation to sell a parish property in exchange for a promissory note. The sale was recognized in 2016 and the resulting note receivable of \$170,000. Principal and interest payments began in May 2017, with interest being paid at a rate of 3% for the first two years, increasing to 3.5% for the following three years, and then increasing to 4% for the following two years. The note

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concludes with a payment of all remaining principal after 84 months. As of December 31, 2017 and 2016, the balance was \$167,348 and \$0, respectively.

In May 2017, the Diocese finalized an agreement with an unaffiliated congregation to sell a parish property in exchange for a promissory note. The sale was recognized in 2016 and the resulting note receivable of \$90,000. Principal and interest payments began in May 2017, with interest being paid at a rate of 4.5% for the ten-year life of the note. As of December 31, 2017 and 2016, the balance was \$87,505 and \$0, respectively.

5. Investments

Investments consist of the following at December 31:

	2017	2016
Cash and cash equivalents	\$ 1,401,698	\$ 1,509,335
Mutual funds, fixed income	2,783,919	2,873,172
Equity securities:		
Basic materials	1,376,594	1,284,609
Consumer goods	1,383,454	1,190,563
Energy	1,714,760	1,643,257
Financial	1,748,182	1,208,656
Healthcare	2,018,659	1,993,842
Industrial goods	1,369,687	1,962,839
Materials	1,008,092	742,269
Real Estate	15,432	26,235
Technology	2,109,483	1,695,172
Telecommunication services	921,734	729,639
Utilities	757,550	841,743
Other	1,909,458	402,014
Corporate debt securities	2,834,044	2,728,360
U.S. government obligations	2,968,671	3,021,963
Total investments	<u>\$ 26,321,417</u>	<u>\$ 23,853,668</u>

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Investments were held in the following accounts at December 31:

	<u>2017</u>	<u>2016</u>
Morgan Stanley, Pool 1	\$ 24,334,095	\$ 22,136,969
Morgan Stanley, Pool 2	1,927,440	1,657,622
Mellon Pooled Income Fund	47,654	47,220
Mellon Seed Account	<u>12,228</u>	<u>11,857</u>
	<u>\$ 26,321,417</u>	<u>\$ 23,853,668</u>

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

	<u>2017</u>	<u>2016</u>
Interest and dividend income	\$ 433,014	\$ 390,956
Net realized and unrealized (losses) gains	<u>2,659,607</u>	<u>1,397,663</u>
Total	<u>\$ 3,092,621</u>	<u>\$ 1,788,619</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

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fair value require 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 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. 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, 2017:

	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	\$ 1,401,698	\$ -	\$ -	\$ 1,401,698
Mutual funds, fixed income	2,783,919	-	-	2,783,919
Equity securities	16,333,085	-	-	16,333,085
Corporate debt securities	-	2,834,044	-	2,834,044
U.S. government obligations	-	2,968,671	-	2,968,671
Total investments	<u>\$ 20,518,702</u>	<u>\$ 5,802,715</u>	<u>\$ -</u>	<u>\$ 26,321,417</u>
Trusts held by others:				
Beneficial interest in remainder trusts	\$ -	\$ -	\$ 740,165	\$ 740,165
Beneficial interest in perpetual trusts	-	-	4,031,256	4,031,256
Total trusts held by others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,771,421</u>	<u>\$ 4,771,421</u>

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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, 2016:

	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	\$ 1,492,375	\$ -	\$ -	\$ 1,492,375
Mutual funds, fixed income	3,823,442	-	-	3,823,442
Equity securities	12,787,528	-	-	12,787,528
Corporate debt securities	-	2,728,360	-	2,728,360
U.S. government obligations	-	3,021,963	-	3,021,963
Total investments	<u>\$ 18,103,345</u>	<u>\$ 5,750,323</u>	<u>\$ -</u>	<u>\$ 23,853,668</u>
Trusts held by others:				
Beneficial interest in remainder trusts	\$ -	\$ -	\$ 653,909	\$ 653,909
Beneficial interest in perpetual trusts	-	-	3,597,767	3,597,767
Total trusts held by others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,251,676</u>	<u>\$ 4,251,676</u>

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

	2017	2016
Fair value, beginning of year	\$ 4,251,676	\$ 4,017,680
Investment income from beneficial interest in remainder and perpetual trusts	111,493	129,003
Distributions from beneficial interest in remainder and perpetual trusts	(111,493)	(129,003)
Valuation (loss) gain, beneficial interest in remainder trusts	86,254	47,030
Valuation (loss) gain, beneficial interest in perpetual trusts	<u>433,491</u>	<u>186,966</u>
Balance, end of year	<u>\$ 4,771,421</u>	<u>\$ 4,251,676</u>

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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 is valued at fair value, which is the amount reported in the statements 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 beneficial interest in perpetual trusts is valued at fair value, which is the amount reported in the statements of financial position, based on the Diocese's interest in the fair value of the assets held by the trusts.

For Level 3 investments of the beneficial interest in perpetual trusts as of December 31, 2017 and 2016, the principal valuation technique utilized is market value of the underlying investments, with an unobservable input of percentage share, and a significant input value ranging from 5% to 100%.

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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-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, 2017 and 2016:

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	2017			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Endowment assets, beginning of year	\$ -	\$ -	\$ 8,704,001	\$ 8,704,001
Investment return	-	-	951,992	951,992
Amounts appropriated for expenditures	170,589	46,605	(217,194)	-
Amounts expended	(170,589)	(46,605)	-	(217,194)
Endowment assets, end of year	\$ -	\$ -	\$ 9,438,799	\$ 9,438,799
	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year	\$ -	\$ -	\$ 8,402,515	\$ 8,402,515
Investment return	-	-	523,557	523,557
Amounts appropriated for expenditures	172,722	49,349	(222,071)	-
Amounts expended	(172,722)	(49,349)	-	(222,071)
Endowment assets, end of year	\$ -	\$ -	\$ 8,704,001	\$ 8,704,001

7. Fixed Assets

Fixed assets as of December 31, 2017 and 2016 include:

	2017	2016
Land and buildings	\$ 2,328,414	\$ 2,328,414
Vehicles	11,715	11,715
Leasehold Improvements	240,670	225,420
	2,580,799	2,565,549
Accumulated depreciation	(1,082,203)	(951,689)
	\$ 1,498,596	\$ 1,613,860

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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 \$4,848,516 for certain parishes within the Diocese. These notes mature through 2033 and interest rates range from approximately 3% to 5%. Each parish's building serves as underlying collateral for the loans. The amount of guaranteed debt outstanding as of December 31, 2017 and 2016 is \$2,025,689 and \$2,089,753, respectively, and the debt to one of the parishes in the amount of \$631,720 and \$656,831 at December 31, 2017 and 2016 is not reported per the Diocese financial statements.

Beginning in April 2012, the Diocese came forward to make the monthly payments for a guaranteed mortgage as one parish was unable to make the payments directly. See Note 10. In November 2016, this mortgage loan was refinanced with Morgan Stanley through the Diocese's portfolio loan account in the amount of \$823,628. The Diocese has continued to guarantee the debt, which will mature in 2023.

In April 2016, the Diocese financed a parish mortgage loan for a parish that was previously guaranteed, along with a Growth Fund loan, with Morgan Stanley through the Diocese's variable rate line of credit in the amount of \$612,858. The Diocese has continued to guarantee the debt and interest-only payments are being made. Effective March 1, 2017, the note was amended with the following payment terms: During the first 36 months of the 7-year term the borrower will make monthly payments of interest only. During the fourth year, beginning March 1, 2020 through February 1, 2021, the borrower will make monthly payments of interest plus 25% of the principal that would be due if the principal sum of the amended note was being fully amortized at an interest rate of 3.59% and a 20 year amortization schedule. During the fifth, sixth, and seventh years of the term, the borrower will make monthly payments of interest plus 50%, 75%, and 100%, respectively, of the

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principal amount that would be due if the principal sum of the amended note was being fully amortized at an interest rate of 3.59% and a 20-year amortization schedule.

Prior to February 2020, the parties will review the financing arrangements of this note and discuss if it is possible for the borrower to make additional principal payments in excess of the financing arrangement. Additionally, on or before January 2024, the parties will review the financing arrangements and determine whether to negotiate another loan with Morgan Stanley or whether the lender and borrower should negotiate a permanent mortgage with another third-party lender.

As required by accounting principles generally accepted in the United States of America, the Diocese has recorded these two debt transactions on its statements of financial position as further described in Note 10.

10. Mortgage Payable and Line of Credit

During 2012, the Diocese began to make the payments on a parish's mortgage with a balance of \$1,005,781 that was payable to First National Bank. In November 2016, the mortgage was refinanced with Morgan Stanley, using the portfolio loan account. The interest rate is 2.96% and monthly payments are \$5,263. The proceeds from the Morgan Stanley note were used to pay off the First National Bank mortgage. 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:

2018	\$	40,277
2019		41,501
2020		42,704
2021		44,061
2022		45,401
Thereafter		<u>567,295</u>
Total	\$	<u><u>781,239</u></u>

During 2014, the Diocese obtained a portfolio loan account with Morgan Stanley. The loan account allows for borrowings to a maximum of \$14,943,000 for the years ended December 31, 2017 and 2016. The loan account is secured by the Diocese's investments at Morgan Stanley. In addition to the financed amount noted above, the Diocese also borrowed \$612,858 on behalf of a parish with \$612,730 outstanding as of December 31,

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2017. The parish began making interest-only payments at a rate of 1.75% above the current one-month London Interbank Offered Rate beginning in June 2016. In February 2017, a fixed rate of 3.59% was locked in as indicated in the amended agreement dated March 1 2017 (see Note 9).

2018	\$	-
2019		-
2020		4,308
2021		9,477
2021		14,647
Thereafter		<u>584,298</u>
Total	\$	<u><u>612,730</u></u>

The amount outstanding on the portfolio loan account at December 31, 2017 and 2016 was \$1,393,969 and \$1,432,922, respectively.

11. Operating Lease

The Diocese leased one vehicle under a non-cancelable operating lease, which requires monthly payments. Future minimum rentals under the non-cancelable operating lease are \$2,756 for 2017 and 2018, and \$1,148 for 2019.

In 2015, the Diocesan offices moved to space within Trinity Episcopal Cathedral. The formal lease agreement was signed May 2015 and is effective until June 30, 2020. Beginning January 1, 2016 and continuing until June 30, 2020, the Diocese will pay \$2,916.67 per month (\$35,000 annually) for rent of the space. The future rent payments are as follows:

2018	\$	35,000
2019		35,000
2020		<u>17,500</u>
Total	\$	<u><u>87,500</u></u>

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12. Functional Expenses

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

	<u>2017</u>	<u>2016</u>
Program	\$ 598,477	\$ 549,971
Administrative	<u>740,232</u>	<u>589,901</u>
Total functional expenses	<u>\$ 1,338,709</u>	<u>\$ 1,139,872</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 contribution pension plan for eligible lay employees called The Episcopal Church Lay Employees' Retirement Plan (Retirement Plan). The Diocese contributes 11% of the participant's eligible compensation with an additional 4% match. Pension expense under this Retirement Plan was \$27,755 and \$22,811 for the years ended December 31, 2017 and 2016, respectively.

The Diocese also contributes to a church-wide defined benefit pension plan for the clergy called the Church Pension Fund Clergy Pension Plan (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 defined benefit pension plan, was \$57,954 and \$51,065 for the years ended December 31, 2017 and 2016, respectively, which does not exceed 5% of total Plan contributions from all employers.

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Actuarial Valuation *:	March 31, 2018	March 31, 2017
Actuarial Value of Assets	\$ 9,900,000,000	\$ 9,300,000,000
Actuarial Accrued Liability	\$ 6,500,000,000	\$ 6,500,000,000
Excess of Assets Over Liabilities	\$ 3,400,000,000	\$ 2,800,000,000
Funded Ratio	152%	143%
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 Church Pension fund is available in The Church Pension Group Annual Report - 2017 at: <https://www.cpg.org>.

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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:

	<u>2017</u>	<u>2016</u>
Community Service Fund	\$ 2,985,622	\$ 2,813,624
Plant Fund	3,900,675	2,545,920
Growth Fund	2,964,641	2,256,601
Bishop's Fund	1,439,173	1,381,282
Church Multiplication Fund	447,861	415,399
Bishop's Residence Fund	436,676	407,251
Clergy Relief	281,063	261,362
Seminarian Aid	125,477	112,268
Other	549,414	433,596
Total	<u>\$ 13,130,602</u>	<u>\$ 10,627,303</u>

15. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	<u>2017</u>	<u>2016</u>
Beneficial interest in charitable remainder trusts	\$ 740,165	\$ 653,909
Bishop's discretionary and other funds	115,285	112,116
Grants receivable	116,667	133,333
Other mission support	-	75,000
	<u>\$ 972,117</u>	<u>\$ 974,358</u>

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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:

	<u>2017</u>	<u>2016</u>
Episcopal support	\$ 5,858,950	\$ 5,325,199
Parish and mission support	3,754,293	3,444,206
Bishop's Fund	756,992	703,800
Chaplaincy programs	648,811	603,335
Episcopal Church Women	596,516	554,120
Parish and mission grants and loans	555,599	516,129
Seminarian support	338,283	314,572
Charitable and religious purposes	318,591	296,260
Other	642,020	594,934
	<u>\$ 13,470,055</u>	<u>\$ 12,352,555</u>

17. Related Party Transaction

A member of the Diocese's board of trustees provides legal services to the Diocese. During 2017 and 2016, the Diocese paid \$133,198 and \$14,783 to the member's law firm for those services.

18. 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, referred to hereafter as the 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.

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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 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 24 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 24 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. Since 2011, congregations at seven of the affected parishes have 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. Where this has occurred, the Diocese is seeking alternative short-term uses of the property or has decided to sell the property. In addition, there are approximately 14 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 has consistently maintained the position 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. On February 28, 2018, the Episcopal Diocese and nine of these parishes announced that they had reached an agreement amicably resolving disputed questions over the ownership and use of the church property that have lingered since the congregations voted to leave the Episcopal Church in October 2008. The agreement was

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reached with the assistance of two mediators and it defines the respective rights, obligations and expectations of the parties relative to the historic real and personal property of each of the parishes. As a result of the agreement, the parishes and the Episcopal Diocese can now move forward to focus on their respective missions, knowing what is expected from each other in their new relationship under the agreement. Because of the nature of the agreement, the parties are in the process of seeking a "no objection" letter from the Office of the Attorney General. The parties submitted their joint request for that letter in March 2018 and continue to await a position from the Office of the Attorney General. After receiving the Attorney General's input, the parties will seek the necessary approval from the Court of Common Pleas of Allegheny County, Pennsylvania. The parties jointly published an Executive Summary of the principal terms of the agreement on February 28, 2018.

This leaves a small number of parishes where the real property remains in the name of the parish and the issues described above have not been resolved. The Episcopal Diocese remains open to a negotiated resolution of these issues with the remaining parishes. 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.