

## The Episcopal Diocese of Pittsburgh 2007 Revised and 2008 Draft Budget

	Convention Approved Budget <u>2007</u>	Current Revised Budget <u>2007</u>	New Revised Budget <u>Jun-07</u>	Draft Proposed Budget <u>2008</u>	Notes
<b><u>ASSESSMENT INCOME</u></b>					
Group A (11% - income over \$150,000)	1,256,777	1,256,777	1,256,777	1,288,905	
Group B (\$1,750 + 12.82609% over \$35,000)	222,120	222,120	222,120	232,418	
Group C (5% - income less than \$35,000)	12,175	12,175	12,175	12,363	
Other - (Homewood "special assessment")					
<b>Total Assessments</b>	<b>1,491,072</b>	<b>1,491,072</b>	<b>1,491,072</b>	<b>1,533,686</b>	
<b><u>BUDGET INCOME</u></b>					
Assessments Realized	1,450,813	1,450,813	1,311,742	1,339,208	1
Endowment - Episcopacy	100,000	100,000	100,000	105,000	
Endowment - Diocesan Mission	32,000	32,000	32,000	35,000	
Community Service Fund - Diocesan Mission	100,000	100,000	100,000	100,000	
Miscellaneous	1,500	1,500	1,500	1,500	
United Way	6,000	6,000	6,000	6,000	
Communications Donations - Trinity	16,000	16,000	16,000	15,000	
Widow's Corporation - Clergy Conference	10,000	10,000	10,000	10,000	
Budget Reserve Carryover	-	120,000	220,500		2
Deacon Formation	2,000	2,000	2,000	2,000	
BOT	15,000	15,000	350,000	485,000	3
Payments to Mission Support Fund			60,000		4
Other					
<b>Total Income</b>	<b>1,733,313</b>	<b>1,853,313</b>	<b>2,209,742</b>	<b>2,098,708</b>	
<b><u>EXPENSES</u></b>					
Congregational Mission	347,586	354,902	354,902	322,012	
Transformational Networks	246,874	253,568	239,514	202,356	
Beyond The Diocese	284,072	282,072	282,072	284,762	
Office of Bishop	350,225	382,321	382,321	368,841	
Administration	443,989	573,907	950,933	920,736	
Executive Salary Adjustments (5%)	16,308	-	-		
Staff Salary Adjustments (3% tot - 5% eff)	10,087	-	-		
Remedial Salary Adjustments	29,500	-	-		
Reserved funds for augmenting shortages	4,672	4,543	-		
Budget Excess (Deficit)			-		
<b>Total Expenses</b>	<b>1,733,313</b>	<b>1,851,313</b>	<b>2,209,742</b>	<b>2,098,708</b>	
** Includes Redirections by parishes and Allowance for Uncollectibles					

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<b>CONGREGATIONAL MISSION</b>					
<b>Canon</b>					
Salary	52,300	56,900	56,900	56,900	
Housing	22,000	22,000	22,000	22,000	
Pension	13,374	14,202	14,202	14,202	
Life/AD&D/STD/LTD	479	499	499	499	
Medical Insurance Allowance	12,065	12,065	12,065	12,065	
Travel	1,500	1,500	1,500	1,500	
Auto Expense	9,300	9,300	9,300	9,300	
Business Expense	2,000	2,000	2,000	2,000	
	<b>113,019</b>	<b>118,466</b>	<b>118,466</b>	<b>118,466</b>	
<b>Canon Secretary</b>					
Salary	31,310	32,810	32,810	32,810	
Overtime	1,500	1,500	1,500	1,500	
FICA/Pension	7,206	7,546	7,546	7,546	
Life/AD&D/STD/LTD	590	618	618	618	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	800	800	800	800	
	<b>45,964</b>	<b>47,832</b>	<b>47,832</b>	<b>47,832</b>	
<b>Diocesan Mission Team</b>					
Travel and Conferences	1,500	1,500	1,500	1,170	5
Church Planting Development	2,000	2,000	2,000	1,560	5
Congregational Developer-Mid Size Churches	5,000	5,000	5,000	3,900	5
Congregational Developer-Church Plants	39,103	39,103	39,103	39,103	
Congregational Development Resources	5,000	5,000	5,000	3,900	5
	<b>52,603</b>	<b>52,603</b>	<b>52,603</b>	<b>49,633</b>	
<b>New Churches</b>					
Undesignated at time of budget preparation	30,000	30,000	30,000	23,400	5
	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>23,400</b>	
<b>Mission Centers</b>					
Undesignated at time of budget preparation	10,000	10,000	10,000	7,800	5
	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>7,800</b>	
<b>Partnerships</b>					
Undesignated at time of budget preparation	8,000	8,000	8,000	6,240	5
	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>6,240</b>	
<b>New Initiative Grants</b>					
Undesignated at time of budget preparation	44,000	44,000	44,000	34,320	5
	<b>44,000</b>	<b>44,000</b>	<b>44,000</b>	<b>34,320</b>	
<b>Urban Outposts</b>					
Undesignated at time of budget preparation	44,000	44,000	44,000	34,320	5
	<b>44,000</b>	<b>44,000</b>	<b>44,000</b>	<b>34,320</b>	
<b>TOTAL CONGREGATIONAL MISSION</b>	<b>347,586</b>	<b>354,902</b>	<b>354,902</b>	<b>322,012</b>	
<b>TRANSFORMATIONAL NETWORKS</b>					
<b>Assistant Bishop</b>					
Salary	44,300	48,900	48,900	48,900	
Housing	30,000	30,000	30,000	30,000	
Pension	13,374	14,202	14,202	14,202	
Life/AD&D/STD/LTD	321	341	341	341	
Medical Insurance Allowance	12,065	12,065	12,065	12,065	
Travel	3,000	3,000	3,000	3,000	
Auto Expense	12,000	12,000	12,000	12,000	
Business Expense	1,000	1,000	1,000	1,000	
	<b>116,060</b>	<b>121,508</b>	<b>121,508</b>	<b>121,508</b>	

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<u>Secretary to the Assistant Bishop</u>						
Salary	28,040	29,040	19,360			
Overtime	150	150	100			
FICA/Pension	6,363	6,589	4,393			
Life/AD&D/STD/LTD	528	547	365			
Medical Insurance Allowance	4,933	4,933	3,289			
Travel/Training	800	800	500			
	<b>40,814</b>	<b>42,060</b>	<b>28,006</b>		-	6
<u>Youth</u>						
Happening	10,000	10,000	10,000	7,800		7
Sheldon Calvary Camp	10,000	10,000	10,000	7,800		8
Acolyte Festival	500	500	500	390		8
	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>	<b>15,990</b>		
<u>Training</u>						
Clergy Conference	13,000	13,000	13,000	11,310		
Diocesan Mission Team Training				78		
Ministry Leadership Workshops	1,000	1,000	1,000	780		
Leadership Overnight	1,000	1,000	1,000	1,170		
Misconduct Training and Materials	1,000	1,000	1,000	780		
Ordinands Training Program	1,000	1,000	1,000	390		
	<b>17,000</b>	<b>17,000</b>	<b>17,000</b>	<b>14,508</b>		8
<u>Cathedral</u>						
Diocesan Curate	23,000	23,000	23,000	23,000		
	<b>23,000</b>	<b>23,000</b>	<b>23,000</b>	<b>23,000</b>		
<u>Network Support</u>						
Deacon's Hospital Ministry	1,500	1,500	1,500	1,170		
Resource Center Acquisitions	3,000	3,000	3,000	2,340		
Commission on Aging	500	500	500	390		
Absolom Jones Celebration	1,500	1,500	1,500	1,170		
Commission on Racism	2,500	2,500	2,500	1,950		
Other Networks	1,500	1,500	1,500	1,170		
	<b>10,500</b>	<b>10,500</b>	<b>10,500</b>	<b>8,190</b>		8
<u>Commission on Ministry</u>						
Deacon Formation Program	2,000	2,000	2,000	2,000		
Ordination Expenses	500	500	500	390		
Board of Examining Chaplains	3,000	3,000	3,000	2,340		
Continuing Education	6,000	6,000	6,000	4,680		
General Oversight	1,500	1,500	1,500	1,170		
Background Checks	4,000	4,000	4,000	3,120		
Psychological Exams	2,000	2,000	2,000	5,460		
	<b>19,000</b>	<b>19,000</b>	<b>19,000</b>	<b>19,160</b>		8
<b>TOTAL TRANSFORMATIONAL NETWORKS</b>						
	<b>246,874</b>	<b>253,568</b>	<b>239,514</b>	<b>202,356</b>		

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<b>BEYOND THE DIOCESE</b>					
<u>National</u>					
National and International Giving	-	-	238,572	245,692	
General Convention Deputies	15,000	15,000	15,000	10,000	
Outside the Diocese Meeting Expenses		2,000	2,000	1,500	
	<b>15,000</b>	<b>15,000</b>	<b>253,572</b>	<b>257,192</b>	
<u>International</u>					
Lambeth .7% Resolution-Five Talents					
Undesignated at time of budget preparation	12,000	12,000	12,000	12,300	9
	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,300</b>	
<u>Ecumenical &amp; Other</u>					
Third Province Dues					
Anglican Communion Network	2,000	-	-		
PA Council of Churches	3,000	3,000	3,000	3,000	
Christian Associates	10,000	10,000	10,000	9,270	
Other Ecumenical	3,500	3,500	3,500	3,000	
	<b>18,500</b>	<b>16,500</b>	<b>16,500</b>	<b>15,270</b>	
<b>TOTAL BEYOND THE DIOCESE</b>	<b>45,500</b>	<b>43,500</b>	<b>282,072</b>	<b>284,762</b>	
<b>OFFICE OF THE BISHOP</b>					
<u>Bishop</u>					
Salary	70,556	95,556	95,556	95,556	
Housing	30,000	30,000	30,000	30,000	
Pension	18,100	22,600	22,600	22,600	
Life/AD&D/STD/LTD	593	701	701	701	
Medical Insurance Allowance	12,065	12,065	12,065	12,065	
Travel	7,000	7,000	7,000	7,000	
Auto Expense	14,000	14,000	14,000	14,000	
Business Expense	10,000	10,000	10,000	10,000	
	<b>162,314</b>	<b>191,922</b>	<b>191,922</b>	<b>191,922</b>	
<u>Secretary to the Bishop (FT)</u>					
Salary	48,000	48,000	48,000	48,000	
FICA/Pension	10,872	10,872	10,872	10,872	
Life/AD&D/STD/LTD	864	864	864	864	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	1,000	1,000	1,000	1,000	
	<b>65,294</b>	<b>65,293</b>	<b>65,293</b>	<b>65,293</b>	
<u>Director of Communications</u>					
Salary	44,644	46,644	46,644	46,644	
FICA/Pension	10,112	10,565	10,565	10,565	
Life/AD&D/STD/LTD	804	839	839	839	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	3,000	3,000	3,000	3,000	
	<b>63,117</b>	<b>65,606</b>	<b>65,606</b>	<b>65,606</b>	
<u>Diocesan Convention</u>					
Facilities & Meals	2,000	2,000	2,000	1,560	
Printing Journals, Ballots, Clergy Salary	5,500	5,500	5,500	3,900	
Book & Postage				-	
Miscellaneous	1,500	1,500	1,500	1,170	
Technology Support	1,500	1,500	1,500	1,170	
Travel-Speaker	2,500	2,500	2,500	1,950	
	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>9,750</b>	8

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<b>Communications - Publications</b>					
TRINITY Diocesan Newsletter	36,000	36,000	36,000	28,080	
Printing, Direct Mail Costs, Sort, Labels				-	
Asking Letter for TRINITY	3,000	3,000	3,000	2,340	
Diocesan Directory	3,000	3,000	3,000	2,340	
Technical Support/Web Page Development	3,000	3,000	3,000	2,340	
Miscellaneous	500	500	500	390	
Communication Equipment	1,000	1,000	1,000	780	
	<b>46,500</b>	<b>46,500</b>	<b>46,500</b>	<b>36,270</b>	8
<b>TOTAL OFFICE OF THE BISHOP</b>	<b>350,225</b>	<b>382,321</b>	<b>382,321</b>	<b>368,841</b>	
<b>OFFICE OF ADMINISTRATION</b>					
<u>Director of Administration</u>					
Salary	77,000	81,600	81,600	81,600	
FICA/Pension	14,553	15,422	15,422	18,482	
Life/AD&D/STD/LTD	1,109	1,175	1,175	1,175	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Auto Expense	4,500	4,500	4,500	4,500	
Travel/Training	600	600	600	600	
Business Expense	2,400	2,400	2,400	3,500	
	<b>104,720</b>	<b>110,255</b>	<b>110,255</b>	<b>114,415</b>	
<u>Financial Bookkeeper/Secretary</u>					
Salary	30,928	32,428	32,428	32,428	
Overtime	350	350	350	750	
FICA/Pension	7,032	7,372	7,372	7,402	
Life/AD&D/STD/LTD	579	607	607	607	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	800	800	800	800	
	<b>44,247</b>	<b>46,115</b>	<b>46,115</b>	<b>46,545</b>	
<u>Accountant</u>					
Salary	48,000	48,000	48,000	48,000	
FICA/Pension	10,872	10,872	10,872	10,872	
Life/AD&D/STD/LTD	864	864	864	864	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	1,000	1,000	1,000	1,000	
	<b>65,294</b>	<b>65,294</b>	<b>65,294</b>	<b>65,294</b>	
<u>Receptionist</u>					
Salary	22,860	23,880	23,880	23,880	
Overtime	350	350	350	350	
FICA/Pension	5,205	5,436	5,436	5,436	
Life/AD&D/STD/LTD	428	447	447	447	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	800	800	800	800	
	<b>34,200</b>	<b>35,471</b>	<b>35,471</b>	<b>35,471</b>	

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<b>Archivist (PT)</b>					
Salary	14,764	15,764	15,764	15,764	
FICA/Pension	3,344	3,571	3,571	3,571	
Life/AD&D/STD/LTD	266	284	284	284	
Medical Insurance Allowance	4,558	4,558	4,558	4,558	
Travel/Training	800	800	800	800	
	<b>23,732</b>	<b>24,976</b>	<b>24,976</b>	<b>24,976</b>	
<b>Support</b>					
Archival Off-Site Storage	1,500	1,500	1,500	1,170	
Archivist Supplies	1,000	1,000	1,000	780	
Background Checks	500	500	500	390	
Contract Clerical Support	1,000	1,000	1,000	390	
Copier	6,500	6,500	6,500	4,680	
Legal Fees	2,000	122,000	500,000	500,000	10
Liability, Workers, Bond	11,500	11,500	11,500	11,700	
Miscellaneous	996	996	22	421	
Office Furniture/Equipment	1,500	1,500	1,500	1,170	
Office Supplies	10,000	10,000	10,000	7,800	
Payroll Support Service	1,000	1,000	1,000	780	
Postage	10,000	10,000	10,000	7,800	
Rent for Offices	96,800	96,800	96,800	75,504	
Staff Development	500	500	500	390	
Technology System Support & Training	15,000	15,000	15,000	11,700	
Internet Access, Hardware/Software Support				-	
Telephones	12,000	12,000	12,000	9,360	
	<b>171,796</b>	<b>291,796</b>	<b>668,822</b>	<b>634,035</b>	8
<b>TOTAL OFFICE OF ADMINISTRATION</b>	<b>443,989</b>	<b>573,907</b>	<b>950,933</b>	<b>920,736</b>	

**Explanatory Notes to 2007 Revised Budget and  
2008 Diocesan Draft Budget dated  
May 30, 2007  
And reworded June 14, 2006 (Notes only)**

As an operating philosophy it is our practice that the diocesan operating expenses are balanced against the diocesan operating income. The actions proposed in these budgets as further described below are consistent with the philosophy. When extraordinary items or items that have a longer term consequence such as major real estate or capital expenses are encountered it is our practice to turn to the long term funds administered by the Board of Trustees for support.

In an effort to present the facts regarding the estimated legal costs incurred by the diocese in defending itself against the current lawsuit filed by Calvary Episcopal Church, East Liberty toward the diocese, we are presenting a revised budget for 2007 beginning in June and a budget for 2008 that represents a reduction of 22% in the mission, program and support expenses of the diocese. This 22% totals the amount of Calvary's assessment. Explanation: Calvary's assessment is presently not being paid to the diocese but being put into escrow subject to eventual court order as to its disposition.

Also note that all salaries of diocesan employees will be frozen in the 2008 budget.

The following are notes explaining in detail some of the changes made to the 2007 budget and explaining the reasoning for the amounts entered in the 2008 budget:

1. The Assessment Realized amounts have been reduced by Calvary's Assessment in both the New Revised Budget Jun-07 and the Draft Proposed Budget 2008 by \$139,071 and \$142,333, respectively. See explanation above.
2. In March 2007 the council voted to transfer \$120,500 in from the Budget Reserve Fund and the Energy Relief Fund to cover the defense costs of the diocese. Today a resolution requesting an addition \$100,000 from the Budget Reserve Fund is being presented, which will make the total transferred in to date \$220,500 to assist in the payment of defense costs. The 2008 budget does not have an entry because it is expected that there will be no balance in the Budget Reserve Fund in 2008.
3. Additional funds will be requested from the Board of Trustees both in 2007 and in 2008 to help cover the cost of the legal fees incurred in defending the diocese against the Calvary lawsuit.
4. The \$60,000 is money received from concerned members of our parishes to replace any mission funds that might be expensed to pay the legal costs incurred in defending the diocese against the Calvary lawsuit.
5. The 22% reduction realized of \$32,890 in Mission Grants. See explanation above.
6. The elimination of the position of Secretary to the Assistant Bishop in a effort to cut expenses, which is needed as a result of Calvary's assessment being put into escrow and the necessity to pay legal fees which are being incurred because of the Calvary lawsuit. See explanation above.

7. Reduction of Happening staff as a result of the 22% reduction in program expenses because Calvary's assessment being put into escrow. See explanation above.
8. 22% reduction in program expenses such as, Calvary Camp, Clergy Conference, Leadership Overnight, Deacons' Hospital Ministry, Commission on Racism, Absolom Jones Celebration, Commission on Ministry, Diocesan Convention and Communications as a result of Calvary's assessment being put into escrow. See explanation above.
9. Lambeth Resolution I.15 was passed at the 1998 Lambeth Conference proposing that .7 percent of diocesan budgets be devoted to microenterprise development in the Two-thirds World. Microenterprise development focuses on job creation and income generation through small-scale enterprises. It provides poor people with access to capital and training to start and expand small businesses. In 2005 and 2006 these funds were distributed to Five Talents, International. The decision on the disposition of these funds in 2007 will be made by the Diocesan Council.
10. This is a conservative estimate of the legal costs that the diocese will incur in defending itself against the lawsuit brought against it by Calvary Episcopal Church, East Liberty.