

For I know the plans I have for you, declares the Lord, plans to prosper you and not to harm you, plans to give you hope and a future. JEREMIAH 29:11

SUPPORTING MINISTRIES



Growing Together



Our vision as the Episcopal Diocese of Pennsylvania is to know Jesus and change the world. Together, we make this vision a reality by:

1. Proclaiming the good news of Jesus Christ (through discipleship, evangelism, communications and building relationships).
2. Empowering our congregations (assisting them with leadership, management, resources, reorganization and support)
3. Addressing the pain of the world (through mission, outreach, growth and participation in The Episcopal Church)

Following my ordination, I began my pilgrimage to visit each parish. I listened and learned your hopes, dreams, and victories as well as your concerns, setbacks, and challenges. During many of those visits, I often heard a sad and troubling question: "Are you going to close our church?"

I rejoice in the fact that after our first two years together, people no longer ask whether I am going to close or sell their church. Instead, people envision "how can we grow together?"

I gave the commitment that we would work to empower our churches, provide a three-year hold on raising assessments and allow our churches to dream and grow. I also shared with you my desire to turn the pyramid on its head. No longer would the Episcopacy be a center of power into which resources flowed. Instead, the Bishop and Bishop's office are here to serve you. This Episcopacy is about directing as many resources as possible to our congregations.

To this end I am pleased to tell you that together as a diocese we continue to discern the move toward incorporation. As we do the sacred work of building community, developing systems, growing ministry, and serving our congregations, incorporation will enable us to increase the efficiency of our governance and thus better

serve our Diocese. Other large, established dioceses, including Massachusetts, New York and Chicago have moved to incorporate over the past several decades with many positive outcomes in the effectiveness of the ministry and business of their diocese.

The 2019 budget process began in January. The Diocesan Treasurer, staff, and the Finance Committee worked diligently, offered numerous options, reviewed suggestions and explored all available possibilities to address the needs of our Diocese.

I also want to take a moment to remember Ann Booth Barbarin. Ann was the chair of the Finance Committee when she passed unexpectedly. She was involved in this process and her work is reflected in this budget.

After providing a draft budget, the Diocese was invited, for the second year in a row, to offer input at 10 budget hearings. There was crucial sharing, suggestions were reviewed, and we made changes. This gave us all the ability to craft a living document. All of the information related to the budget is online.

This budget reflects a commitment to growth and stability. We are at a pivotal point in our commitment to move forward together.

This budget will:



- Increase our ability to serve our parishes and the people of God. We will start a new worshipping congregation connected to the Darby Mission, continue to support ministry restarts in Norristown and Center City, bring new life to the Church of the Crucifixion, and partner with parishes in innovative and growing ministries.



- Increase our ability to plant 10 Hispano/Latino congregations and continue the critical work of the Anti-Racism Commission, and the expansion of Veteran's Ministry.



- Empower our congregations to do more outreach ministry, media and web development, marketing, community engagement, discipleship and Christian education, vacation bible school, and feeding and outreach programs so that we might transform our neighborhoods in the name of Jesus.



- Increase our services to congregations through the Canons and a staff that devotes more than 50% of their time in direct support of our churches, creating parish wellness centers, recovery work and addressing addiction and childhood poverty.



- Increase support for Youth Ministry through the formation of the Diocesan Youth Advisory Committee, providing more diversified youth programming at the deanery and parish level.

To do all this, we need to take out an additional draw from the Endowment. This is the last year in which Endowment funds will be used to balance the Administration and Mission budget with no increase in the asking from our parishes.

The following information from the Finance Committee helps put our fiscal reality into fuller context.

Parochial report data demonstrates that the capacity of our parishes is growing. But, for years our churches have given less to the Diocese while the need and work that we are doing for the poor and disenfranchised has grown.

Our endowment has grown from \$38M since the market crash in 2008 to \$72M at the end of our last reported quarter.

We are investing more than \$1.5M directly into our churches.

We are one of the wealthiest dioceses in The Episcopal Church (TEC), but have consistently given less than our fair share to TEC despite their increasing work on behalf of the poor and disenfranchised.

Our time to fix this is now. We must do this together to secure our future and meet the need that exists in all of our communities.

- We have reduced and restructured our staff and increased accountability to our churches.
- We have a plan, for the first time, for missional congregations and for closed-churches.

- We are engaged in long-range planning, and we are meeting regularly to look at the budget.
- We are asking all churches to assess their own giving within a 5-year window.

I do not like deficits. In my professional life prior to ordination, I made fixing deficit budgets a top priority. Over the coming years, we are going to continue our commitment to address our deficit spending. We will continue to emphasize transparency and accountability. Together, we will build the church.

People may ask, "Why give to the Diocese for the mission?" Participation in your diocesan mission demonstrates a willingness to expand the circle of God's love, to spread the Word and address pain and poverty on a larger scale and thus to be His living body to the larger community. Diocesan mission addresses pain and poverty that is often not evident or visible from our individual perspectives. This mission is also evangelism and opens the heart of Christ and brings to the corners of our community that is often hidden and forgotten. It is the living faith of your Diocese.

In much the same way our connection to The Episcopal Church expands the circle and then goes further with the Anglican Communion. As Archbishop William Temple wrote: "If you have no loyalty in the parish toward the diocese there will not be a great sense of loyalty to the wider fellowship. In practice, it is only through loyalty to the next higher unit than our own that we can effectively serve the wider circle with which we have fellowship."

While our individual church outreach efforts should be encouraged since they are essential to our localized ministry, as both Christians and Episcopalians we are called to go to the corners of the world. Yes, it requires a certain amount of trust. However, our diocesan mission also reaches out to touch places that are beyond the scope or capacity of any one parish. This collective ministry is grounded in prayer and the courage of Christ. We must trust in one another as we take these next steps with faith. In much the same way, we are called to support The Episcopal Church as they do the same throughout the world.

We are a historic and revolutionary diocese. We are called to build upon the legacy we

have inherited. It serves no purpose if in 50 or 100 years we have doubled our endowment and only have half the number of churches. We are called to know Jesus and change the world. The only thing that will ever hold us back is a theology of scarcity over abundance and fear over faith. We are extraordinarily blessed with time, talents and treasure. We have journeyed together, and we are proclaiming the Good News of Jesus Christ, empowering our congregations, and touching the pain and poverty of the world.


Together, let us see Jesus. Together let's challenge institutions, churches and structures to do the same. Our vision is to know Jesus and change the world. It is not just a statement; we are the living embodiment of that vision.

Let the world see our faith, our love for Jesus and for one another. When people think of the Church, let them see us. Let the world see our faith, our love for Jesus and for one another. We have the gifts, resources, people, and hope. We have an extraordinary history. Let us make history. Let us drop the old linens from the tomb of the past and walk into the light of the risen Christ.

In 50 years, let us be not the fourth largest diocese but the largest. Not 134 congregations, but 268. Let's start now. In five years, 10 years, 100 years, our goodness, our work, our hope, our prayers and faith, our belief, will change the church.

Let us continue the revolutionary work that started here. When we live into this sacred calling we can change the world — for the better.

Let us know Jesus and change the world.



The Rt. Rev. Daniel G. P. Gutiérrez

XVI Bishop of The Episcopal Diocese of Pennsylvania

“... our diocesan mission also reaches out to touch places that are beyond the scope or capacity of any one parish. This collective ministry is grounded in prayer and the courage of Christ.”

Let's Change the World



In order to fully understand the budget we as a group – Finance Committee, Budget Committee, Treasurer – wanted to try to offer answers to some of the most frequently asked question such as:

- What is the state of our churches financially?
- What has been the state of the Endowment over the last 10 years?
- What is the Office of the Diocese doing to invest in the churches, how are we measuring impact?
- How has the Office made cuts and trimmed its existing budget?
- What is going on with youth ministry?
- Why does a deficit remain?
- Are there increases in the budget?
- Why should we give to The Episcopal Church?
- What are our mission churches doing?
- What is the Diocese doing on a regular basis to analyze and forecast budget issues and how is it going to balance the budget in future years?
- How much more will you be asking my church to give?

At the same time, we must remember that Jesus asked more of people than they expected. He asked them to give everything. Thus, the most important questions are:

- How can we use our sacred gifts to spread hope?
- How are we proclaiming the Good News of Jesus Christ?
- How can we live into our calling with courage and faith?
- How are we touching lives in the name of Jesus Christ?

Q: What is the state of our churches financially?

Parochial report data demonstrates that the capacity of our parishes is growing. But, for years our churches have given less to the Diocese while the need and work that we are doing for the poor and disenfranchised has grown.

Since 2012, the reported operating income of our parishes has increased every year for total growth of approximately \$1.8M. The parishes of the Diocese are demonstrating signs of financial health and growth.

Despite our overall tremendous wealth, this Diocese has operated at a deficit for many years. We have held assessments at the same rate for three years (including 2019). This is possible because we are blessed with a healthy and growing endowment.

Q: What has been the state of the endowment over the last 10 years?

Today, the Diocese of Pennsylvania has a \$72 million-dollar endowment that is growing while too many churches and missions are in need of our collective support. If we neglect to empower our churches, then our priorities are not aligned with the Great Commission.

Our sacred gifts and the endowment belong to the future of the Diocese, and must be invested in churches and missions that are here now as well as those yet to be.

Q: What is the office of the Diocese doing to invest in the churches, how are you measuring impact?

Through innovation and being responsive to the needs of the churches, the Bishop and Standing Committee made \$1.5M in grants available to churches through the **Growth and Development Fund**. During the Bishop's pilgrimage to the churches in the Diocese, it was clear that a number of congregations needed small to medium capital improvements. Often churches are restricted from expanding ministry and outreach because of these capital improvement projects that hang over their heads. Almost 50 churches applied for the first year of funding and in March 2018 the first \$300,000 was distributed.

In addition to this important funding, the staff of the Offices of the Diocese has been hard at work to serve and empower our congregations through the following:

1. Laid the groundwork for long range planning for growth that includes: data collection, demographic analysis and strategic planning;
2. Created innovative initiatives for parishes and parish property that work with the private and public sectors to create vitality and income;
3. Created economic development initiatives for congregations;
4. Maintained promise to not raise sacred gifts/assessments for 3 years to allow congregations time to stabilize, envision and plan;
5. Created a long-term envisioning committee comprised of financial experts to create a plan for sustainable use of our endowment and support of congregations;
6. Completed review of the mission congregations that allows for support, growth, accountability with the goal of moving them towards independence;
7. Restarted 2 closed congregations and in the process of bringing new life to 2 other previously closed congregations;
8. Created numerous new ministries that are led by both laity and clergy;
9. Reviewed and renegotiated insurance rates for churches to allow for greater flexibility and lower rates;
10. Initiated a comprehensive and ongoing inventory of churches and diocesan assets/needs and populate the Asset Map with that information;
11. Changed the terminology related to congregational support of the Diocese to Sacred Gifts
12. Increased our reach through social media and the web - unique visits on web site increased 200% in one-year, increased engagement on all social media platforms;
13. Formation of a New Deacon's Council;
14. New website that will serve the Diocese with easier navigation and access (to be completed by the end of 2018);
15. Created a partnership with the Diocese of Navajoland to provide free or low-cost web site design to our churches;
16. Completed revision of the Discernment and Ordination process;
17. Empowered the Hispano/Latino Ministries with the goal of planting 10 new congregations to minister to this growing population;

18. Uplifted our historically black congregations such as St. Mary's Bainbridge, St. Michael's Yeadon, The Church of the Advocate, Christ and St. Michael, Church of the Crucifixion and St. Simon's with intensive support from staff;
19. Increased focus on evangelism, discipleship and accompanying resources;
20. Refocused the staff around their call to ministry with a focus on being faithful, responsive, effective, accountable and relational. For many, 50% or more of their ministry is out in the field. Each staff member now has yearly goals;
21. Restructured staff to eliminate support positions so that they may be of better service to the congregations. They are working harder and smarter with less;
22. Created a follow up "ticket" for each staff visit to a church. This report is shared with both congregations and staff to ensure timely and complete follow up;
23. Created a mentoring program for new priests;
24. Ensured Vicars of our missional congregations are now part of the Diocesan structure. They meet regularly as a group so that they may set and review goals, empower one another and receive additional support from the staff; (For a summary description of the work of each Missional Congregation, see endnote C)
25. Created a policy on Sunday Missioners to protect churches in transition;
26. Supported the growth of the ministry of chaplains to the retired;
27. Intense focus on recruiting new entrepreneurial priests;
28. Created programs for empowering and supporting priests and deacons with emphasis on discerning and growing the diaconate;
29. Renewed emphasis on clergy health and spiritual growth;
30. Created a support group for clergy serving small churches;
31. Provided media and marketing support for congregations;
32. Developed parish growth strategies for congregations in need;
33. Commitment to full transparency, posting our budget and financial documents to the website as well as Quarterly Endowment & Quarterly Endowment Performance Reports on website;
34. Received a clean audit for Diocesan finances;
35. Provided accounting services for congregations through vetted consultants;
36. Assisted missional congregations in rewriting antiquated bylaws;
37. Worked with congregations dealing with problems created by historic designation;
38. Established strong covenant with ECS and Interfaith communities to address poverty, violence, racism, and crime;
39. Completed audit of all parish outreach programs. Manually entered that data into Asset Map, which launched in April 2018;
40. Implemented a new mission for Diocesan Council to focus on mission, evangelism, and outreach.
41. Created supports specifically for mid-sized congregations;

Each Canon has specific goals and measurement varies depending on those goals. The work of the Canons is tracked in office software.

Canons spend more than 50% of their time in direct service to the churches. The work of our Canons and staff from January 2018 to October 2018 includes:

- Consulted with 90 congregations – 66 of these congregations have had direct support from multiple canons.
- Created five parish wellness centers
- Assisted 10 congregations with property development issues
- Assisted five congregations with communications and websites
- Assisted five congregations with evangelism
- Assisted 15 congregations with clergy transition
- Provided direct support for 46 ministries and events across the Diocese – such as the New Camino conference, Diocesan teaching days, the Anti-Racism Commission, Stewardship 101, Getting the Most out of Your Building and Grounds, etc.
- Participated in the larger church as presenters, panelists, etc. at nine regional or national Episcopal Church events.

Q: How has the Office made cuts and trimmed its existing budget?

We have made cuts. Over the past two years, we have analyzed expenses, addressed office costs and restructured the staff to better serve you. We will continue to find ways to cut costs that do not put ministry at risk. So how have we reduced spending?

Reductions

To assure that the Diocese is best served, the Bishop's staff has changed for the 2019 budget as well. When Bishop Gutiérrez began, the staff of the offices of the Diocese had 20 full-time employees and eight part-time employees. Ten of those full-time positions were support staff positions. Currently, there are 15 full-time employees and six part-time employees. Two of the part-time employees work less than 10 hours per week.

In cutting expenses in 2018, one full-time position was eliminated, two part-time positions were removed, and one full-time position was reduced to a part-time position. The Bishop has also requested, for the second year in a row, that he not receive a salary increase. Also, at the end of August, Angelo Fabulic, the longtime caretaker at Wapiti, retired. The position has been restructured dramatically with the hope of saving approximately \$40,000 per year.

Re-envisioning

Each year we spend about \$500,000 on closed churches. We are working to recast our assets so that these beautiful buildings are either producing income or can again host worship and ministry. Two that were on the closed churches list have been restarted: St. John's, Norristown and St. Stephen's, Center City. Now we are working to foster new life at Church of the Crucifixion and there will again be a full-fledged parish at historic St Mary's in Elverson when Calvary Conshohocken relocates to their location.

Currently, St. Faith's, Havertown is being leased to a large school nursery program with well-established service. St. Phillip's, Oreland is being leased to a children's music program and that program is expanding its usage. Reuse and re-envision through rentals and partnerships with public and private organizations is allowing us to find a healthy path forward.

While we would prefer to redevelop our closed churches so that they might again become centers for life and ministry, we recognize that running a deficit sometimes necessitates making hard decisions. We are very close to an agreement of sale that would sell part of our property in Warwick which will make some much needed funds available to support our other closed churches.

Q: What is going on with Youth Ministry?

We have restructured the way the Diocesan Offices support Youth Ministry with the formation of the Diocesan Youth Advisory Committee. This Committee has recently expanded to include all youth ministers/leaders with an Executive Council representing every Deanery. With the leadership of this group, we are empowering and enabling the parishes and deaneries to form our youth as church leaders. This model will provide a more diversified support for youth programming at the deanery and parish level.

The Canons are actively involved in this transition. The Canon for Communications and a Canon for Growth and Support serve as liaisons to the Diocesan Youth Advisory Committee. The Canon for Mission's role includes the engagement of youth in the mission of the Diocese. All Canons have incorporated consultation for Youth in their spheres of ministry, their combined ministries representing almost 50 years' experience directing youth ministry in congregational and para-church settings.

Q: Why does a deficit remain?

The Diocesan Offices have been very deliberate to trim expenses wherever possible. The Support section is running at a surplus of \$191,900. But, the commitment to ministry has created a deficit of \$1,064,700 in Mission. We are thus using \$ 873,700 to cover the projected deficit.

In many ways this deficit in exists because of renewed and ever-increasing commitment to mission and to our congregations. In the past the Offices maintained a minimum number of staff who, while they did their jobs well, did not have all the skills or resources needed to best serve and empower our churches. This was part of the call we put forth to our Bishop and he is committed to living into this call so that in turn our churches may grow.

While deficit spending is not sustainable, you can see that we are actively working to narrow the deficit while at the same time maintaining our commitment to empower our congregations and address the pain and poverty of the world in the name of Jesus Christ.

Rest assured, we will not continue to rely on the endowment as a long-term strategy. This is not a path for the future or wise budgeting.

Q: Are there increases in the budget?

There are increases for ministry in this budget. During the budget process we heard your call to increase various line items:

- *Diocesan Ministries* budget is up \$47,300. **We grow as we go out into the world.** Ministry is our call out into the world. Hispano/Latino Ministries (growing and planting new congregations), Anti-Racism Commission (mandatory training and expansion of ministry), and the Veteran's Ministry initiative received the increases. (Line 30).
- *Grants to Congregations* increased slightly by \$9,300
- *Missional Congregations* increased due to 2% pay increase, 1% COLA and 7% healthcare increase. Line 67; Line 72.
- *Giving to the Episcopal Church (TEC).* **Rededicating ourselves to the larger church.** Just as our individual congregations are strengthening our diocesan identity, we are now rededicating our Diocese to fully participating in the wider church.
- *Office and Operations* increased by \$33,863. This increase reflects the purchase of new software that will allow us to analyze data on our churches and communities and make strategic decisions that will further growth. We also have implemented project-tracking software for all Diocesan staff so that they might work more effectively on your behalf as well as new membership management software to replace our old database. (Line 145)
- *Diocesan Life* line item increased by \$44,700. This line item is reflective of our new life in the congregations. It includes Spanish translations, video design, required travel to the College of Bishops, to Seminaries for recruitment, Conferences, Canons visiting parishes, and various diocesan events such as the Recovery Day and the Buildings and Grounds workshop. Bishop's office hours around the Diocese. The Bishop will also begin participating in ministry out in the Diocese with parishes, twice per month. This means that Bishop will be out with the people of the Diocese at least twice per week - once on Sunday for worship, and once in the week for time together. Such direct contact increases expenses for engagement and translates directly into improved life for the parishes. (See line 164) We are continually striving with your help to change the dynamic of us versus them, urban vs. rural, rich as opposed to poor. We must change this dynamic to fully move forward as a healthy diocese. (Gal 3:28)

As you can see, the increases are investments in our Diocese. However, there are more needs yet to be met. For instance, the historic Trinity Church Oxford is facing a challenge in securing their future. Over the past year, the Offices of the Diocese have been engaged in protecting Trinity and other congregations around our Diocese. The lack of designated funds to assist parishes in crisis made this work even more challenging (See endnote D for the list of grants available.) While the Growth and Development Fund has made an impact there are numerous other churches who need such assistance. Such investments and support will assist our churches to grow.

Q: Why should we give to The Episcopal Church?

This Diocese is part of the larger body of Christ. Just as the individual churches are part of the Diocese of Pennsylvania, the Diocese of Pennsylvania is part of The Episcopal Church (TEC). The Episcopal Church is part of the Anglican Communion. This collective understanding is essential to our identity as Episcopalians. It reflects the truth that we are far stronger when we stand as one body than if we see ourselves only as individual congregations or dioceses.

Across the Episcopal Church the average assessment on congregations is 13% of their normal operating income (NOI). (For a comparison of Dioceses in our region and that are of a similar size, see endnote A)

Over the last decade in the Diocese of Pennsylvania our congregations contributed an average of 5.27 % of their collective NOI. We are also currently giving to TEC well under what has been requested (15% of income) and have been doing so for the last decade. We are one of 12 dioceses who are giving less than 10%. In fact, we are in the bottom 7 dioceses, and of that group we are by far the largest and wealthiest. The 2018 TEC assessments for our Diocese were set at \$880K. We are giving only half of that. We are budgeting \$515K for 2019 to get closer to what is required, and we must continue to move in this direction.

This move to meet our commitment has added to the deficit and will continue to do so unless all our congregations respond to their call to be members of the one body. By doing our part to support The Episcopal Church, we contribute to their work to plant new churches (21 new churches started between '16 – '18); funding of new and effective ministries across the Church, including rural ministries, money to support the planting of new congregations, support of innovative programs and developing ministries that emphasize creation care, advocacy for those who do not have a voice and for justice, domestic poverty ministries, scholarships for seminarians, etc.; The Sermons That Work program, Bible studies, etc. (Line 99)

Of further benefit to each of our congregations is the relational outcome of our mutual ministry within the Episcopal Church. As we work to strengthen the relationship between our Diocese and the Episcopal Church, our standing as a diocese is improved. When the whole church sees our contribution, our reputation and esteem is elevated. When we are full participants in the Episcopal Church each of our congregations directly benefits, because leaders are then looking for opportunities to serve in and support our Diocese.

Q: What are our mission churches doing?

Missional Congregations provide vital support in their communities. They are the hands and feet of Christ in underserved communities, meeting both physical and spiritual needs. They are present in communities that are in great need, are critical to our mission and vision as a diocese and are poised for growth. You can read a summary of the important ministry happening at each of our missional sites.

As the result of more than 18 months of work, we have completely restructured the program that underlies our Missional Congregations (formerly mission churches or DCMM). Of the 8 churches that are now part of the Missional Congregation Church program, 3 represent new life and energy in the Diocese; St. John's, Norristown and St. Stephen's, Center City are restarts and Darby Mission is starting services for an emerging worshipping congregation. Since the creation of the DCMM program, this is the first full review and restructuring of this significant piece of our ministry together. As a diocese, our financial support of these congregations reflects our common commitment to serving some of the poorest communities of our Diocese. These churches are called to difficult and sacred work. Thanks to the work of the Mission Process Committee, we now have a clear and transparent process that will work closely with the vicars and assist these congregations in expanding their mission and ministry. They will receive increased support from my office, the staff and Diocesan Council with the goal of helping them grow in capacity and ultimately move towards greater independence. This program will transform how we understand and undertake missional ministry in our Diocese. (see endnote C)

Q: What is the Diocese doing on a regular basis to forecast budget issues and how is it going to balance the budget in future years?

Aside from monthly budget meetings, the Offices are currently developing plans to create a responsible and sustainable way of balancing the budget in the future as well as long term planning, data for communities, stewardship resources, and a focus on evangelism.

In order to create a sustainable and responsible path forward, the Bishop has gathered a committee of dedicated financial professionals who are working on a long-term plan for the future. This group is working to develop a strategy that accounts for our needs as a community, examines trends in the broader Episcopal Church, forecasts possible scenarios for growth, and discerns how we as a diocese can answer our mutual call to ministry for upcoming decades. The members of this long-range planning committee are Albert Dandridge, Gordon B. Fowler, Tom Helm, Jr. Gie Liem (Chair), The Rev Sean Mullen, James Pope (Diocesan Treasurer), John Pickering, Eric Rabe, the Rev Tim Safford, The Very Rev Judy Sullivan, the Rev Anne Thatcher, and Roberta Griffin Torian.

Q: How much more will you be asking my church to give?

We have undertaken the important and arduous to create a full and transparent budget. This work is not completed; we are working daily to live into the commitment to show all the associated costs and expenditures. In succeeding years, we will move to gradually ask more of our congregations, so endowment spending can return to the normal approved "spend rate" of distribution.

The use of a small portion of previously non-distributing funds from the endowment is a short-term solution and allows us to move forward using our prosperity to meet our needs

and minister in our neighborhoods in the name of Jesus Christ. These funds will be used to balance the Mission Budget with no increase in the asking from parishes.

Starting in 2020, the Diocese will work together with churches, so they can build their participation to the point where we are balancing both administrative and mission expenses. This will also ensure that there is a model of equitable giving across the Diocese. Some churches currently give at a higher level than suggested; others give at levels that are very low. In succeeding years there will be a slow balancing in asking from the parishes to balance the Budget so that Endowment spending can return to the normal approved "spend rate" of distribution. The Sacred Gifts Committee recommends a multi-year phase in of this adjustment to minimize the impact on the congregations. Full details of this plan will be forthcoming after Convention.

Note A

Every diocese compared has a mandate of at least 10% average.

Diocese of Maryland has an average 12% of NOI ¹ as a mandatory ask

Diocese of NY has mandatory rates = based on ranges of parish NOI 4% on NOI from \$1 to \$50,000; 10% on NOI from \$50,000 to \$200,000; 15% on NOI from \$200,000 to \$500,000; 20% on NOI more than \$500,000²

Diocese of MA has mandatory rate that average to 10.3%³

Diocese of TX has mandatory assessment ranging from 6% - 10% (The formula for assessments remains unchanged although the top bracket has been lowered to 10 percent instead of 17 percent. The lowest bracket is at six percent and covers churches that have an income of less than \$200,000.)⁴

Diocese of Connecticut has a mandatory contribution of 10% of NOI⁵

Diocese of Virginia Total Parish Operating Income Minimum Percentage Giving Range \$1,000,000 or more 16% or more; \$750,000 - \$999,999 14% -16%; \$500,000 - \$749,999 12% -14%; \$100,000 - \$499,999 10% -12%; \$99,999 and under 8% -10%⁶

Note B

Diocese of Maryland has 27 staff listed – 3 Bishops for 106 congregations and approx. 37k members (Bishops/Churches 1:35; Staff/Churches 1:3.9; staff/members 1:1,370)

Diocese of NY has 38 staff listed – 3 Bishops for 200 congregations and approx. 64k members (Bishops/Churches 1:67; Staff/Churches 1:5.2; staff/members 1:1,684)

Diocese of MA has 24 staff listed – 2 Bishops for 163 congregations and approx. 57k members (Bishops/Churches 1:81; Staff/Churches 1:6.8; staff/members 1:2,375)

¹ - Mandatory; The lesser of: 18% of the three year average NOI less 4% of 2015 NOE less \$2,860 OR 18% of the 2015 NOI less 4% of 2015 NOE less \$2,860.

² <https://www.diocesenyny.org/apportioned-share/>

³ Based on average of 3 years of NOI. 6.75% of first 50K, 9.75% of next 25K, 10.5% of income between 75-125K, 12.25% of income between 125-200K, and 13.25% of income over 200K

⁴ <http://www.epicenter.org/article/unified-diocesan-budget-leads-to-lower-assessments/>

⁵ https://www.episcopalct.org/Customer-content/www/CMS/files/Convention/Treasurer_Lynn_Brooks_Fri_Presentation.pdf

⁶ http://www.thediocese.net/Customer-Content/www/CMS/files/Finance_and_Management/Church_Pledge/The_Virginia_Plan_for_Proportionate_Giving_2017_1.pdf

Diocese of Texas has 52 staff listed – 4 Bishops for 153 congregations and approx. 76k members (Bishops/Churches 1:38; Staff/Churches 1:2.9; staff/members 1:1,461)

Diocese of Connecticut has 24 staff listed – 2 Bishops for 165 congregations and approx. 49k members (Bishops/Churches 1:83; Staff/Churches 1:6.9; staff/members 1:2,041)

Diocese of Pennsylvania has 15 staff– 1 Bishop for 134 congregations and approx. 42K members (Bishop/Churches 1:134; FT Staff/Churches 1:1.89; FT staff/members 1:2,800)

Note C

Ministry of Diocesan Missional Congregations

St. Gabriel's

St Gabriel's Church is a grace-filled, multi-cultural congregation serving and ministering to, and in, the Olney and Feltonville neighborhoods of Philadelphia. Through vital worship and engaging service, St. Gabriel's is a healing and empowering presence striving to be the hands and feet of Christ by meeting the spiritual and material needs of the local community. As a recognized Jubilee Center of the Episcopal Church with the support of a variety of ministry partners, St. Gabriel's offers and emphasizes relational and mutual "hands-on" service experiences through several ministries including: a free weekly Saturday community lunch and clothing exchange, food pantry, Christmas dinner and gifts for neighborhood children, winter clothing giveaway, and annual Summer Camp.

Free Church of S. John

Free Church of St. John is located at the corner of Emerald and Elkhart Streets in the Kensington section of Philadelphia, a few blocks away from the Kensington & Allegheny El Station. Free Church has served this community for nearly 157 years bringing hope and spiritual support to those in need. We are called to serve a population for whom addiction, homelessness and poverty are realities. We bring food to homeless people, and low-income families. We provide a safe place to worship, and offer guidance and support to everyone in all circumstances of life. Free Church of St. John has developed a Spanish-speaking congregation of nearly 200 people, and is still growing. We provide instruction in the Holy Scriptures and the doctrine of our Church so that we can proclaim the Kingdom of peace, justice, equality. We are called to serve on this corner of the Lord's vineyard.

Saint Stephen's Episcopal Church

St. Stephen's was restarted as a Mission congregation in March of 2017. Since then, St. Stephen's has grown into and become part of the "10th Street corridor" community that is Jefferson University, the JU Medical Center and Hospitals, a variety of merchants, an enlarging homeless community, theater and music companies, and a huge transient

population who are welcomed into the church daily. The people of the “10th Street Corridor” form our church’s primary community for daily worship, and are served and cared for by the church as the more immediate and focused part of St. Stephen’s ministry. More broadly, Saint Stephen’s ministry embodies a new model of the urban ministry that redefines what it means to be church through a commitment to worship that meets the needs of the community. This commitment is built on the belief that the shared experience of art inspires connection, empathy, and reflection, illuminates our inner lives and brings us closer to God.

St. Mary’s, Chester PA

“...and who is my neighbor?” Luke 10: 29

Since the 1900’s St. Mary’s Chester has been a place of worship for any person who walks through the red door. Since 2014, our focus has been on building relationships with God, one another and our community. We strive to reflect an active presence of the spirit of service through our comprehensive food outreach program. St. Mary’s food cupboard is unique in that we provide meat protein, fresh fruits and vegetables at every distribution. We are also a designated emergency food bank provider. We are committed to supporting education and youth, working in collaboration with a neighboring private elementary school. We believe it is important that our service honors the neighbor that Christ’s defines as anyone in need. As a small congregation we see our immediate future firmly established as an Episcopal presence in the City of Chester, PA with Episcopal based ministries operating as microcosm of Christ’s beloved community.

Darby Mission

The Darby Mission is a non-traditional faith community that ministers without a building. The Darby Mission rose out of the closure of All Saints Episcopal Church, Darby/Collingdale to continue to provide an Episcopal presence in Darby Borough, Darby Township, Lansdowne, Collingdale, and Sharon Hill. We began this ministry by sharing dinner at our now bi-monthly Darby Dinners which have grown from 35 people to a recent record-breaking 162 diners. As we gained the trust of the community, we started an afterschool program and camp with Episcopal Community Services, Darby Borough Council, the William Penn School District, and the Darby Free Library. We have, also, helped Darby residents start a monthly Farm Stand. Our newest program is a teen program through which the teens completed a mural. We now have a weekly Bible study, and evening prayer three times per month. This fall we will form a worship community which will offer the Eucharist. Our mission is to stand with the people of this ‘forgotten community’ of Darby to enable them see Jesus in their lives. We share their joys and struggles in prayer, worship and action.

St. John’s Norristown

St. John’s Norristown was restarted in 2017. The inspiration for restarting came from the trust of our Deanery that we could continue the ministry of the Episcopal Church in our very diverse community. Our vision is to gather the solitary, the transient and the marginalized into God’s family by being a “house of prayer for all and a home for grace and

mercy.” We are open five days a week for prayer and meditation. We offer devotions, counsel and prayer to the hundreds we serve each day. Integrating “a hand up” with “a hand out, we identify candidates to the lending and employment programs of our partners. We are committed to basic evangelism, going door to door regularly to meet and invite our neighbors to our services. As no other Episcopal churches in our area serve the Hispanic community, we are looking for partners and opportunities to connect. Through a relationship with ACLAMO, Montgomery County’s largest Hispanic social service agency, we are providing space for community meetings, and welcomed ACLAMO’s summer youth program to our campus.

Christ Church and St. Ambrose

The Episcopal Church of Christ and Saint Ambrose is in the Franklinville neighborhood of North Philadelphia at 6th and Venango St. A Latino/Hispanic ministry started in 1977, we are not a typical Sunday morning Parish. Our mission is to ‘restore the Hispanic Latino Community of Philadelphia in its relationship with God through a message of Faith, Hope, and Charity.’ Our vision is ‘to be a community of faith that promotes education, evangelization, and worship respecting the culture, customs, and traditions of all and promoting the Christian values that identify us as the church of God.’

We offer a regular schedule of Episcopal services, as well as services to the Latino community. We rent our Community Hall for social, religious and political activities; conferences, retreats and parties. We sponsor a boxing club for youth; and, have an Internet Radio Mission and Recording Studio. Our social outreach includes the offer of Community Service Hours to those who need to comply with the Court; Alcoholics Anonymous; and a new ministry called “Returning Citizens Program” which is in collaboration with “Spirit of Truth Ministries” offering support for those returning to society.

Church of the Advocate

The Church of the Advocate in North Philadelphia is not your typical Sunday morning congregation. We are a ministry that started in 1866 whose mission is to live the Gospel of Christ. The Church of the Advocate is a welcoming community dedicated to spiritual enrichment, human services, community programs, and the pursuit of social justice. We are called to serve this community in multiple ways because our target audience represents the diversity of the community. The only Episcopal presence serving the North Philadelphia community west of Broad Street, we are a hub for our extensive offering of community programs, services, cultural events; and, serve as a community meeting space for youth and adults.

Note D

<u>Aid to Theological Students Financial Fund</u>	Postulants and Candidates, whether for Diaconate or Priesthood
<u>Budget Grant Application</u>	For ministry and programs

<u>Central American Refugee Commission Continuing Education Scholarship</u>	For ministry
<u>Christmas Fund</u>	For clergy canonically resident in the Diocese of PA who are disabled; the surviving spouses and orphans or other dependents of clergy; seminarians and self-supporting clergy and their dependents; and retired lay employees of the Diocese or its churches with five years full-time service.
<u>Church Training and Deaconess House Scholarship Fund</u>	For clergy
<u>Clergy Daughter's Fund</u>	Daughters of resident clergy
Clergy Financial Assistance <u>Application Form (fillable)</u> <u>Application Form (print version)</u>	For clergy. Clergy Financial Assistance Grants are awarded to active clergy in the Diocese of Pennsylvania who are experiencing financial hardship during a transition. The committee also invites applications from clergy serving in a parish that is unable to keep current the cleric's compensations, pension and health insurance benefits. Grants are awarded for a (3) month period. If hardship continues, clergy are eligible for an additional (3) month grant. The committee will not consider a third application.
<u>Continuing Education Grant</u>	For clergy and laity
<u>Education for Ministry Grant</u>	For ministry
<u>Episcopal Church Women Domestic Mission Grants</u>	For ministry and programs
<u>Growth Development Fund</u>	For parishes
<u>The Society of the Episcopal Church for the Advancement of Christianity in Pennsylvania</u>	For parishes and missions