



Archdiocese of Pittsburgh and Western Pennsylvania

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Diocesan Hierarch
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TO: ARCHDIOCESE OF PGH AND WPA PARISH COUNCILS
ARCHDIOCESE OF PGH AND WPA PARISH PRIESTS/ADMINISTRATORS
FROM: ARCHPRIEST WILLIAM J. EVANSKY, CHANCELLOR
ALEXIS PARSHOOK, TREASURER
DATE: 15 MARCH 2023
SUBJECT: ARCHDIOCESAN 2024 PARISH ASSESSMENTS

Glory to Jesus Christ!

Attached to this memo is important information concerning the *required* calculation of the **2024 fiscal year parish assessments** to the Archdiocese by our diocesan parishes. We ask that this information be shared promptly with all members of the local parish council and forwarded to the appropriate financial officer of the parish for completion in consultation with the parish priest/administrator.

The completed form should be submitted to the diocese on/before June 30, 2023. This should still give each parish ample time to complete the computation and return the form. The revised monthly assessment amounts will take effect for all diocesan parishes at the beginning of the diocese's fiscal year - *January 1, 2024*.

Please be aware that the 15% ceiling/floor continues permanently. We recognize that there may be questions arising due to specific parish situations. You can contact the Chancery concerning those questions by using the Chancery email address (chancery@ocadwpa.org) or by phoning the Chancery directly (724-776-5555) during the usual Chancery business office hours on Tuesday, Wednesday, or Thursday of each week. Administrative Assistant Omelan Mycyk will relay your questions to the Treasurer as needed. All this information will also be made available on the "Documents" page located on the Archdiocese's web site: www.ocadwpa.org.

Parishes that have successfully submitted this assessment form AND the 2023 annual parish information update form (that was sent earlier this year) prior to June 30, 2023, will receive a **5% reduction in the new assessment monthly payment** that takes effect January 1, 2024. Each parish will receive confirmation of this amount later from the chancery.

We thank each parish for the timeliness in submitting this required important information.

Thank you.

Archdiocesan Assessment Remittance Form

Calendar Year 2024

Parish Name: _____

Address: _____

Treasurer Name: _____

Email: _____

Please complete this form (or the online form) to calculate your yearly assessment amount.

Section A - Enter the Parish Gross income	
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(Includes ALL income received by the Parish, including capital campaigns, restricted funds, charity, pass through Income, and income from fundraisers, candles, bookstore sales, and rentals)	\$
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Section B - Deductions (fill in where applicable)	
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1. Capital Campaign Contributions (Building Fund)	\$
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2. Donor Restricted Contributions	\$
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3. Cemetery Upkeep Contributions	\$
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4. Candle/Flower Expense	\$
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5. Pass-Through Recorded Income	\$
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6. Charitable Expenses	\$
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7. Investment Income recorded to Respective Restricted Fund	\$
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8. Debt Payments	\$
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Section C - Total of B. Section (Add items 1-8)	\$
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Calculate Section C minus Section A , Put in Section D	
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Section D - Eligible Income	\$
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Your Eligible income will now be used to calculate your total assessment, based on the marginal rates as next described.

Rate Schedule

8%	\$0 to \$50,000
12%	\$50,001 to \$100,000
15%	\$100,001 to \$150,000
18%	\$150,001 to \$200,000
20%	\$200,001 and up

The calculation works much like the US income tax, in that the percentage is only applied to the money within its bracket. This means that according to the above schedule the first \$50,000 of your Eligible Income is assessed at 8%; the next \$50,000 (\$50,001 through \$100,000) of income is assessed at 12%; the next \$50,000 (\$100,001 through \$150,000) of income are assessed at 15%; the next \$50,000 (\$150,001 through \$200,000) of income is assessed at 18%; and any Eligible Income of \$200,001 or above is assessed at 20%.

To calculate your assessment, please use the following process:

1. Find the bracket in which your Eligible Income falls, make a note of it.
2. In all brackets with higher income than your Eligible Income, insert \$0.
3. In all brackets with lower income than your Eligible income, insert \$50,000.
4. Take your Eligible Income and subtract the amounts in all the other brackets from it. **This is the amount to put into the bracket in which your income falls.**

Bracket	Amount	Rate	Due
\$0 to \$50,000	\$	8%	Max. \$4,000
\$50,001 to \$100,000	\$	12%	Max. \$6,000
\$100,001 to \$150,000	\$	15%	Max. \$7,500
\$150,001 to \$200,000	\$	18%	Max. \$9,000
\$200,001 and up	\$	20%	

5. Take all of the amounts, and calculate the amount due, based on their corresponding percentages.
6. Add all the amounts due. **This is your Total Calculated Assessment for the year.**
7. Divide your Total Calculated Assessment and divide by 12. **This is your Monthly Assessment Payment amount.**

Example

A Parish with **\$128,000 Eligible Income**, the calculation would be:

Bracket	Amount	Rate	Due
\$0 to \$50,000	\$50,000	8%	\$4,000 +
\$50,001 to \$100,000	\$50,000	12%	\$6,000 +
\$100,001 to \$150,000	\$28,000	15%	\$4,200 +
\$150,001 to \$200,000	\$0	18%	\$0 +
\$200,001 and up	\$0	20%	\$0 =

Total Calculated Assessment for the year = **\$14,200**
÷ 12 Months

Monthly Assessment Payment = \$1,183.33

Total Calculated Assessment \$

Monthly Assessment Payment \$
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Explanation of Terms

Gross Income – All forms of income received by the chapel, parish, mission, monastery, or institution. This includes donations, pledges, dues, stocks or bonds (the value on the date of reception). Net income from bookstore sales, candle sales, fundraising activities, hall or facility rentals. In-kind (non-cash) donations are excluded, as are funds received toward the principle of a loan given by the parish (Interest proceeds are to be considered as part of the gross income).

Eligible Income – Gross income minus all Eligible Deductions. This is the amount that determines the bracket rates.

Effective Rate – The average rate at which all eligible income is taxed. Calculated as total assessment payment divided into total eligible income. Essentially, the percentage of eligible income paid to the Archdiocese for the year.

Capital Campaign Contributions – Donations to the parish for the acquisition of land or buildings and/or major restorations (equal or greater to \$15,000).

Donor Restricted Contributions – Donations given to the parish for the acquisition of donor specified items to beautify the Church and for specific items or activities including donor contributions for external charities. Although a parishioner may choose to donate funds for utilities, repairs or other operating expenses, these donations may NOT be considered donor restricted under this policy.

Candle/Flower Expense – costs for candles and/or flowers used in conjunction with worship services or programs.

Pass Through Income – Transfers of capital, if transfer-in was considered income to the parish or cash for convenience of organizations or parishioners and the disbursements do not result in material benefit to the parish.

Charitable Expenses – Expenses paid out to a charity over and above the amount collected for a charity.

Investment Income recorded to respective Restrictive Fund – Interest earned by any Restricted Fund shall be considered an eligible deduction. Endowment funds, income contributed specifically to the endowment funds, and income generated by the endowment funds, shall also be considered eligible deductions.

Debt Payments – Any payments made to any outstanding debt obligations, including payments over and above the minimum payment due. To qualify for this deduction, please submit proof of the loan.

Parish Assessment Policy – Archdiocese of Pittsburgh and Western Pennsylvania

1. Purpose and Scope

This policy determines the financial obligation of parishes, missions, monasteries, and institutions (hereafter referred to as “Archdiocesan Entities”, or simply “Entities”) of the Archdiocese of Pittsburgh and Western Pennsylvania (the Archdiocese), a Diocese of the Orthodox Church in America (OCA)

- a. This policy applies to all chapels, parishes, missions, monasteries, and institutions (Entities) of the Archdiocese.
- b. This policy describes an assessment policy of the Archdiocese as it moves away from a “dues” or “head tax” based system to a percentage-based proportional assessment method of parish support to the Archdiocese and the OCA. The single percentage-based assessment will provide financial support for both the Archdiocese and the OCA

2. Policy Statement

The financial obligation of Archdiocesan Entities described in this policy shall be for the financial support of both the Archdiocese and the OCA. These Archdiocesan Entities shall remit a percentage of their prior year Eligible Income in twelve monthly increments to the Archdiocese. The Archdiocese will remit her own financial obligations to the OCA from those remittances in a manner prescribed by the All-American Councils of the OCA.

Parish treasurers shall calculate their Eligible Income based of the following formula:

Total Gross Income from all sources **minus Eligible Deductions**

Eligible Deductions are:

- Capital Campaign Contributions (Building Fund);
- Donor Restricted Contributions;
- Cemetery Upkeep Contributions;
- Candle/Flower Expense;
- Pass-Through Recorded Income;
- Charitable Expenses;
- Investment Income recorded to respective Restricted Fund
- Debt Payments

The year’s assessment calculation shall be based on the prior year’s Eligible Income. This shall be calculated on a form supplied by the Archdiocese, and submitted no later than the third Friday in March each year. It is the responsibility of each Entity to accurately and

correctly calculate their assessment. The Archdiocese trusts that all Entities will truthfully submit this information.

3. Methodology

The assessment payments shall be based on a progressive system for all Entities. This is being done rather than a single flat percentage for all Entities because a single percentage would be unfeasible for our particular situation at this time, as it would either place too heavy a burden on those with smaller revenue (too high a percentage) or significantly reducing Archdiocesan revenue to an unsustainable level (too low a percentage).

The rate schedule is:

Archdiocesan Entities Rate Chart	
8%	\$0 to \$50,000
12%	\$50,001 to \$100,000
15%	\$100,001 to \$150,000
18%	\$150,001 to \$200,000
20%	\$200,000 and up

The calculation works much like the US income tax, in that the percentage is only applied to the money within its bracket. This means that according to the above schedule the first \$50,000 of your Eligible Income is assessed at 8%; the next \$50,000 (\$50,001 through \$100,000) of income is assessed at 12%; the next \$50,000 (\$100,001 through \$150,000) of income are assessed at 15%; the next \$50,000 (\$150,001 through \$200,000) of income is assessed at 18%; and any Eligible Income of \$200,001 or above is assessed at 20%.

In order to not create too heavy a burden on parishes whose income falls into the 20% bracket, no matter the final effective rate based on calculation, the actual effective rate will be capped at **no more than 15%**

Here are a few Examples to show how the calculation works.

Example A

A Parish with **\$220,000 Eligible Income**, the breakdown would be:

Bracket & Amount	Calculation	Rate	Due
1 st Bracket: \$50,000	\$50,000	8%	\$4,000 +
2 nd Bracket: \$50,000	(\$100,000 – \$50,000)	12%	\$6,000 +
3 rd Bracket: \$50,000	(\$150,000 – \$100,000)	15%	\$7,500 +
4 th bracket: \$50,000	(\$200,000 - \$150,000)	18%	\$9,000 +
Final Bracket \$20,000	(\$220,000 - \$200,000)	20%	\$4,000 =

Total Assessment Due = \$30,500

÷ 12 Months

Monthly Assessment Payment = \$2,541.66

In this example, the Effective Rate of the Eligible Income is 13.86%

Example B

A Parish with **\$120,000 Eligible Income**, the breakdown would be:

Bracket & Amount	Calculation	Rate	Due
1 st Bracket: \$50,000	\$50,000	8%	\$4,000 +
2 nd Bracket: \$50,000	(\$100,000 – \$50,000)	12%	\$6,000 +
3 rd Bracket: \$20,000	(\$120,000 – \$100,000)	15%	\$3,000 +
4 th bracket: \$0	\$0	18%	\$0 +
Final Bracket	\$0	20%	\$0 =

Total Assessment Due = **\$13,000**

÷ 12 Months

Monthly Assessment Payment = \$1,083.33

In this example, the Effective Rate of the Eligible Income is 10.83%

Example C

A Parish with **\$99,000 Eligible Income**, the breakdown would be:

Bracket & Amount	Calculation	Rate	Due
1 st Bracket: \$50,000	\$50,000	8%	\$4,000 +
2 nd Bracket: \$49,000	(\$99,000 – \$50,000)	12%	\$5,880 +
3 rd Bracket: \$0	\$0	15%	\$0 +
4 th Bracket: \$0	\$0	18%	\$0 +
Final Bracket: \$0	\$0	20%	\$0 =

Total Assessment Due = **\$9,880**

÷ 12 Months

Monthly Assessment Payment = \$823.33

In this example, the Effective Rate of the Eligible Income is 9.97%

4. Transition and Stability

Due to the nature of this change, Archdiocesan revenue could fluctuate wildly, both during the transition away from the old assessment system, and in the years to come. Therefore,

regardless of the newly calculated effective rate percentage, the change will be no more than 15% real dollar change from the prior year assessment. This was made permanent at the June 26, 2021, Archdiocesan Assembly and approved by the ruling hierarchy.

5. Effective Date

This policy was put into permanent effect on 6/26/2021, upon approval by the Archdiocesan Assembly and the Hierarchy.

6. Definitions

Gross Income – All forms of income received by the chapel, parish, mission, monastery, or institution. This includes donations, pledges, dues, stocks or bonds (the value on the date of reception). Net income from bookstore sales, candle sales, fundraising activities, hall or facility rentals. In-kind (non-cash) donations are excluded, as are funds received toward the principle of a loan given by the parish (Interest proceeds are to be considered as part of the gross income).

Eligible Income – Gross income minus all Eligible Deductions. This is the amount that determines the bracket rates.

Effective Rate – The average rate at which all eligible income is taxed. Calculated as total assessment payment divided into total eligible income. Essentially, the percentage of eligible income paid to the Archdiocese for the year.

Capital Campaign Contributions – Donations to the parish for the acquisition of land or buildings and/or major restorations (equal or greater to \$15,000).

Donor Restricted Contributions – Donations given to the parish for the acquisition of donor specified items to beautify the Church and for specific items or activities including donor contributions for external charities. Although a parishioner may choose to donate funds for utilities, repairs or other operating expenses, these donations may NOT be considered donor restricted under this policy.

Candle/Flower Expense – costs for candles and/or flowers used in conjunction with worship services or programs.

Pass Through Income – Transfers of capital, if transfer-in was considered income to the parish or cash for convenience of organizations or parishioners and the disbursements do not result in material benefit to the parish.

Charitable Expenses – Expenses paid out to a charity over and above the amount collected for a charity.

Investment Income recorded to respective Restrictive Fund – Interest earned by any

Restricted Fund shall be considered an eligible deduction. Endowment funds, income contributed specifically to the endowment funds, and income generated by the endowment funds, shall also be considered eligible deductions.

Debt Payments – Any payments made to any outstanding debt obligations, including payments over and above the minimum payment due.