

SO THAT ALL MIGHT SEE



# JESUS

2014 DIOCESAN CONVENTION

**Journal of the Diocese of Olympia**  
104th Annual Convention  
SeaTac, Washington



November 7-8, 2014

Journal of Proceedings  
2014 Annual Convention

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# Section 1

*Minutes of the 104<sup>th</sup> Annual Diocesan Convention of the Diocese of Olympia*  
Hilton Seattle Airport & Conference Center, SeaTac, Washington

**Friday, November 7, 2014**

## **Outreach Sessions**

Andrews, diocesan chancellor.

Convention members had an option to attend one of five outreach experiences.

- St. Matthew/San Mateo – Jubilee Center
- Northwest Harvest - Kent Warehouse
- Mission to Seafarers
- Chaplains on the Harbor
- Babies in Need & Kairos

## **Eucharist and Bishop's Address**

Bishop Rickel presided and preached his annual bishop's address. The offering went to support Making Peace in South Sudan & Episcopal Relief & Development 75<sup>th</sup> Anniversary Celebration.  
*[Address text, pg. xx]*

## **Call to Order & Welcome**

The 104<sup>th</sup> Convention of the Diocese of Olympia was called to order by the Rt. Rev. Greg H. Rickel, bishop diocesan; Rickel welcomed those gathered to the celebration of *So that All Might See Jesus*.

## **Certification of Quorums**

Ms. Karen Gusse, secretary of convention, declared she had satisfactory evidence that a canonical quorum in both orders was present and moved that convention dispense with the reading of all names.

**No objection; the Secretary certified the quorum**

## **Convention Organized for Business**

Bishop Rickel declared the 104<sup>th</sup> Convention of the Diocese of Olympia organized for business.

## **Introduction of the Head Table**

Bishop Rickel introduced those seated at the head table: Ms. Karen Gusse, secretary of convention; Mrs. K. Ann McCartney, parliamentarian; Mr. Ted Ederer, dispatch of business; and Ms. Judy

Committee on Dispatch of Business Bishop Rickel recognized Mr. Ted Ederer, chair; Ederer moved Dispatch of Business document A.12 for acceptance. *[Document, pg. 30-31]*

**Motion carried**

**Agenda adopted**

Ederer reviewed the rules for submitting six-hour resolutions.

## **Committee on Privilege**

Bishop Rickel recognized the Rev. Joe Mikel, chair, Committee on Privilege, to present the report on the granting of privilege of convention. Mikel referred to document E.3 and moved that seat and voice be granted to those listed. *[Document, pg. 47]*

**Motion carried**

**Privilege granted**

## **Office of the Bishop Report on Congregational Status**

Bishop Rickel recognized Secretary Gusse who reported, pursuant to Canon 2, section 4(b), she had received from the Office of the Bishop the Congregations in Good Standing Report stating all congregations are in either good standing or provisional good standing for this convention.

**No action required**

## **Article XVI action**

Bishop Rickel reported, pursuant to Article XVI, that two congregations in the Diocese of Olympia closed in 2014: All Saints, Seattle; and St. Christopher, Westport. He also reported that, with completion of the seven-year covenant agreement in June 2014, it was time to remove St. Charles, Poulsbo, as a congregation in union with the convention. He asked that the connection of these congregations

to the diocese and union with the convention be dissolved.

**Motion carried in the lay order**

**Motion carried in the clergy order**

**Union with convention dissolved for All Saints, Seattle; St. Christopher, Westport; St. Charles, Poulsbo**

**Secretary of Convention**

Bishop Rickel recognized Mrs. Pam Tinsley and Mrs. Leann Torgerson-Harrison, co-chairs of the Nominations Committee; on behalf of the Committee they moved Ms. Karen Gusse be elected Secretary of Convention.

**Motion carried**

**Gusse elected**

Gusse appointed the following assistant secretaries serving this convention: Sharon Pethers, Angela Mealing, Dana Chapman and Shannon Jergenson.

**No action required**

**Parliamentarian**

Bishop Rickel appointed Mrs. K. Ann McCartney as the parliamentarian for the 104<sup>th</sup> Convention.

**No action required**

**Chancellor and Vice Chancellor**

Bishop Rickel appointed the Hon. Judy Andrews, Esq., chancellor of the Diocese of Olympia; the Hon. Mike Reynvaan, Esq., vice chancellor of the Diocese of Olympia.

**Appointments accepted**

Chancellor Judy Andrews appointed the following assistant chancellors: Jeffrey Helsdon, Tom Platt, Rosemarie LeMoine, and R. Thomas Olsen.

**No action required**

**Bishop Appointments**

Bishop Rickel appointed the Convention Committees and Commissions by reference to document E.2 [Document, pg. 46]. Bishop Rickel continued with the following appointments (all three-year terms):

Board of Directors

Ms. Mary Dickinson, St. Mark's Cathedral, Seattle; Mr. George Robertson, St. Barnabas, Bainbridge

Island.

Commission on Ministry

The Rev. Eric Johnson, Christ Church, Anacortes; the Rev. Craig Vocelka, St. Antony of Egypt, Silverdale; the Rev. Mark Blindheim, Emmanuel Church, Mercer Island; Mr. George Robertson, St. Barnabas, Bainbridge Island.

Commission on Schools

The Rev. Mike Mayor, St. Mary, Lakewood.

Personnel Commission

The Rev. Shelly Fayette, Christ Church, Seattle; Mr. Ted Ederer, St. John, Kirkland.

**No action required**

**Disciplinary Board**

Bishop Rickel appointed the following members for three-year terms: Mr. Mark Hutcheson, Epiphany Parish of Seattle; the Rev. Pat Taylor, St. Mark's Cathedral, Seattle.

**Appointments ratified**

**Presentation: St. Mark's Cathedral**

Bishop Rickel recognized the Very Rev. Steve Thomason, dean of St. Mark's Cathedral; Thomason talked about the Cathedral as a diocesan cathedral, and reported on upcoming activities.

**Introduction of Mission Station**

Bishop Rickel recognized the Chaplains on the Harbor as a new Mission Station in the Diocese of Olympia noting that mission stations bring new developing programs in to closer relationship with the Episcopal Church without establishing a canonical relationship. He introduced the Rev. Sarah Monroe, who, along with Ms. Susan Rolfe and Ms. Aaron Scott, introduced the ministry of this group and shared a short video.

**No action required**

**Presentation: Mission to Seafarers**

Bishop Rickel recognized Mr. Ken Hawkins, executive director, to report on the work of this ministry. Hawkins reported on recent activities as well as growth opportunities through new locations. He thanked Board president, the Rev.

Rachel Taber-Hamilton, and Board secretary, Mr. Martin Pommerenke.

### **Committee on Nominations**

Bishop Rickel recognized Mrs. Leann Torgerson-Harrison and Mrs. Pam Tinsley, co-chairs, to continue the report of the Nominations Committee. Convention members were referred to report B.3 (long version) or B.4 (short version) [*Document B-3, pg. 31*]. The Committee nominated the following persons for diocesan offices:

#### Standing Committee

The Rev. Cynthia Espeseth, St. Hilda-St. Patrick, Edmonds

The Rev. Bill Fulton, St. Antony of Egypt, Silverdale

The Rev. Martin Yabroff, St. Andrew, Tacoma

Mr. Jerry Carlin, St. Barnabas, Bainbridge Island

Mr. Joel Rupley, St. Stephen, Longview

#### **Nominations closed, ballots prepared**

##### Cathedral Vestry

Mr. Christopher Breunig, St. Thomas, Medina

#### **Nominations closed**

##### **Breunig elected**

##### Diocesan Council—Clergy Eastside Regional Ministry

The Rev. Lex Breckinridge, St. Thomas, Medina

#### **Nominations closed**

##### **Breckinridge elected**

##### Diocesan Council -Clergy Peninsula Regional Ministry

The Rev. Dennis Tierney, St. Barnabas, Bainbridge Island

#### **Nominations closed**

##### **Tierney elected**

##### Diocesan Council—Clergy Sno Isle Regional Ministry

The Rev. Mark Miller, St. John, Snohomish

#### **Nominations closed**

##### **Miller elected**

##### Diocesan Council-Lay Be Attitudes Regional Ministry

Ms. Lavonne Beede, St. Luke, Seattle

Ms. Joslin Harris-Gane, Christ Church, Seattle

#### **Nominations closed, ballot prepared**

##### Diocesan Council—Lay Columbia Regional Ministry

Ms. Jana Whitworth, St. Anne, Washougal

#### **Nominations closed**

##### **Whitworth elected**

##### Diocesan Council—Lay Evergreen Regional Ministry

Ms. Nadine Baxter, St. Matthew/San Mateo, Auburn

#### **Nominations closed**

##### **Baxter elected**

##### Diocesan Council—Lay Rainier Regional Ministry

Ms. Terry Elofson, St. Matthew, Tacoma

Ms. Linda Brice, St. Andrew, Tacoma

#### **Nominations closed, ballot prepared**

##### Archivist and Records Manager

Ms. Diane Wells.

#### **Nominations closed**

##### **Wells elected**

##### Treasurer

Ms. Barbara Fox, Church of the Resurrection, Bellevue.

#### **Nominations closed**

##### **Fox elected**

##### Historiographer

Br. Carle Griffin.

#### **Nominations closed**

##### **Griffin elected**

##### Candidates for Deputy to General Convention Bishop

Rickel called for nominations from the floor for the position of 4<sup>th</sup> clergy alternate to General Convention 2015.

The Rev. Kendall Haynes, St. Matthew, Tacoma

The Rev. Martin Yabroff, St. Andrew, Tacoma

#### **Nominations closed, ballot prepared**

#### **Introduction to voting procedures**

##### **First ballot**

Bishop Rickel recognized Mrs. Katie Akesson, elections official; Akesson introduced the balloting system to be used for 2014 elections. Bishop Rickel declared the polls open.

##### **First ballot completed**

##### **Recess**

Bishop Rickel declared the business session of Convention in recess until 8:30 AM Saturday morning.

#### **Bishop's Cross Presentations**

During the evening banquet, hosted by Episcopal

Community Action (ECA), Bishop Rickel presented the Bishop's Cross award to John Macho, Kathryn Rickert, and Dave Baylor.

**John Macho:** With wife Barb and their children, John Macho has been a vital part of both St Francis Church in Mill Creek, and St John's Church in Snohomish. During that time they have traveled a spiritual journey in which service to the community, along with church participation and leadership have been central. John has served by caring for, planning and expanding the church plant and grounds. He and his son remodeled office space, renovated the parish nursery and maintained the kitchen, among other things. He loves to cook church dinners, and the annual pig roast at St Francis, which he organized and directed, was a big hit. When he and his family came to St John's- Snohomish, his heart was captured by the Community Kitchen weekly meals at which about 10 different churches in town rotate serving a meal twice a week to any who come. He demonstrates this skill every time he cooks, and leads a team from St John's in serving the meal. By John's bluff good humor, attention to detail and a focus on the reason for preparing the food, St John's is able to serve more than just a nourishing meal. Truly, it becomes a gift of love, and his interaction with the folks who come conveys all this. Since this ministry is so close to John's heart, he has devoted himself to helping keep it organized and flourishing, serving on the Community Kitchen board. He has been of great assistance to this board, defusing issues by humor, as well as pointing out the practical way forward. He oversees the purchasing, and can find all the best deals. John also offers his experience and talent in maintaining the kitchen equipment and riding herd on any service people who come to fix things. John has run a photography business, and this same attention to people is vital to getting the best out of people for a portrait. God clearly called him to a ministry in the world's business as well as the church's mission. He has helped organize to keep the Edmonds Youth Symphony funded for many years. He uses humor a lot. John is very much his own person, and this occasionally startles someone who has only just met him. It

soon becomes evident that his jokes are rooted in his delight at how funny we humans are, and a very tender heart for everybody's well-being. If you are giving John Holy Communion during the Sunday Eucharist, you'll likely hear him singing the communion hymn. Not only has he a rich and practiced voice, but his love of God is radiant. The Friday night Bible fellowship he has belonged to for 30 years is a "place apart" at which God has been working on him and guiding him all along. By God's grace, John Macho has provided church leadership and shared the love of a heart devoted to God. The mission Jesus gave us has been well served and the Kingdom thus made more manifest in our communities. I present the Bishop's Cross to John Macho.

**Kathryn Rickert:** Dr. Kathryn Rickert has shared her many gifts in her local congregation, in congregations throughout the diocese, at the Province of the Pacific (VIII) and nationally. She is the former co-chair and longest-service member on First Nations Ministry. She is a musician of note, a theologian, a teacher, a cook, and a proponent for the First Nations Peoples throughout the world. She is also a gifted translator in Spanish, which she taught as a high school teacher; she also speaks and taught German as well. Kathryn has two Master's degrees and a doctorate. In addition to Seattle University's School of Theology and Ministry, Dr. Rickert has taught in the SALT Program (Scripture and Leadership Training), the Native Ministries Consortium of Vancouver School of Theology, and at Holden Village. She is active ecumenically. She has helped write curriculum and taught about a variety of First Nations concerns, most recently the Doctrine of Discovery and its ongoing impact; moving beyond guilt to healing, in sincere lament. She has worked on The Episcopal Church's project "Exposing the Doctrine of Discovery: A Call to Healing and Hope" for use in peace and justice in faith formation. She served for more than twenty years on the former First Nations Committee, now First Nations Ministry. Her respect for indigenous cultures is graciously received among the indigenous peoples. She has had a lead role in church work to repudiate the Doctrine of Discovery. She helped coordinate the lament liturgy

for the 2012 General Convention in Indianapolis, Indiana, and had a key role in producing “Looking at Columbus through the Lens of our Baptismal Vows,” “Advent 2011: The Four Directions and Magnificat,” “Lent 2012: Seeking God’s Justice for All,” and Local Laments Over the Doctrine of Discovery.” She earned her doctorate in theology through her dissertation “Talking Back to God: Some Implications of Narrative Biblical Laments for Human-Divine Relations and Christian Worship.” Throughout the years, Kathryn and her husband Gary have welcomed many friends to Friday evening Shabbat meals at their home. Kathryn and Gary are the parents of daughter Mieke, and twin sons Luke and David. For her graciousness and generosity, intelligence, yet humility of all her knowledge and talents, and willingness to help wherever God leads her I present this Bishop’s Cross to KATHRYN RICKERT.

**Dave Baylor:** Dave Baylor is an exemplary model of a faithful and committed Christian life. Dave’s passion and concern for those in need has been demonstrated over the years through his direct action. In the 1980’s and 90’s, he encouraged the parish of St. Stephen to be involved in mission trips to help those in Mexico who were in need of housing. He provided leadership as well as support to youth groups who wanted to be involved. He willingly took on the Diocesan coordination of Episcopal Relief and Development. He has gone on to work in leading and training others in disaster and emergency relief and preparedness in the state of Washington. Dave is active in WIDRO (Washington Interfaith Disaster Recovery Organization) and WAVOAD (Washington Voluntary Organizations Active in Disaster), statewide organizations with connections to state and federal disaster response agencies. He is able to bring people together and get the right resources to those who need them. His service is invaluable during those times of great need. Dave reflects the true spirit of the “Priesthood of all believers” as he serves the ministry and mission of St. Stephen’s parish as Worship Coordinator. In this role, Dave is the “uber” Master of Ceremonies, keeping Sunday liturgies operating smoothly and joyfully as he coordinates lay

readers, chalice bearers, and acolytes through scheduling and direct participation on Sunday mornings. His ministry allows the clergy of the parish to focus on the important work of greeting and welcoming our worshippers on Sunday mornings with implicit trust that as all step into line for the procession “all will be well indeed.” And if that weren’t enough, he serves as a lay-preacher as well! In addition to “the breaking of the bread, Dave, along with his wonderful wife Marge,” is very faithful in “continuing in the apostles’ teaching,” fellowship and prayer with full participation in Stephen’s contemplative worship service as well as their in depth Bible studies offered 12 weeks per year. He is a beloved and respected mentor to acolytes and is “everywhere, all the time” in all things St. Stephen’s! Dave inspires us to live out our faith more fully and to serve the world in Christ’s name. For all of his work both within St. Stephen’s and outside their walls carried out with an infectious joy of life in Christ and a love of his fellow human beings, I present this Bishop’s Cross to Dave Baylor.

**Saturday, November 8, 2014**

**Morning Prayer / Call to Order / Dispatch of Business**

Morning Prayer was celebrated. Bishop Rickel called the convention to order. Dispatch of Business chair, Mr. Ted Ederer, provided reminders and rules for voting and speaking to the convention.

**Report of the first ballot**

Bishop Rickel called on Secretary, Ms. Karen Gusse for the report of the first ballot.

**Standing Committee – Clerical Order**

Concurrence between orders (61 clergy/145 lay on this ballot) required to elect.

Cynthia Espeseth	98 clergy	243 lay
Bill Fulton	81 clergy	186 lay
Martin Yabroff	51 clergy	124 lay

**Espeseth elected to four-year term**

**Fulton elected to three-year unexpired term**

**Standing Committee – Lay Order**

Concurrence between orders (57 clergy/136 lay on this ballot) required to elect.

Jerry Carlin	60 clergy	134 lay
Joel Rupley	53 clergy	137 lay

**No election**

Diocesan Council – Be Attitudes Lay

Simple majority (194) needed to elect.

Lavonne Beede	166
Joslin Harris-Gane	218

**Harris-Gane elected**

Diocesan Council – Rainier Lay

Simple majority (200) needed to elect.

Linda Brice	264
Terry Elofson	116

**Brice elected**

General Convention – 4<sup>th</sup> Clergy Alternate

Concurrence between orders (61 clergy/135 lay on this ballot) required to elect.

Kendall Haynes	60 clergy	193 lay
Martin Yabroff	60 clergy	83 lay

**No election**

**Second ballot**

Bishop Rickel recognized Mrs. Katie Akesson, elections official, to introduce the second ballot. Bishop Rickel declared the polls open.

**Second ballot completed**

**Clergy and Diocesan Staff Transitions**

Bishop Rickel referred convention members to document A.6 [Document, pg. 30].

**Introduction of Postulants & Candidates**

Bishop Rickel introduced postulants and candidates present at the convention: Kate Bast, Jeffrey Boyce, Todd Foster, Eliacin Rosrio-Cruz, and Aaron Scott.

**Committee on Resolutions**

Bishop Rickel recognized Mr. Duncan Bayne, chair, Resolutions Committee; Bayne, with reference to document D.3, presented and moved Resolution #1 with a committee recommendation of “do pass.”

Resolution #1—2016 Diocesan Assessment Rate

Resolved, That this 104<sup>th</sup> Convention of the Diocese of Olympia approve the recommendation of the Diocesan Council that the 2016 diocesan assessment rate factor be set at 16.0% of the Net

Disposable Income (NDI). [Document, pg. xx]

**Motion carried**

**Resolution #1 adopted**

Bayne presented and moved Resolution #2 with a committee recommendation of “do pass.”

Resolution #2 – Cost of Living Adjustment (COLA) to Clergy Salary Scale for 2015

Resolved, That this 104<sup>th</sup> Convention of the Diocese of Olympia authorize setting of the Cost of Living Adjustment for 2015 parochial clergy salary scale at 2.0%. [Document, pg. xx]

**Motion carried**

**Resolution #2 adopted**

Bayne presented and moved Resolution #3 with a committee recommendation of “do pass.”

Resolution #3 – Update Policy on Medicare Supplementary Insurance for clergy & lay diocesan staff

Resolved, That this 104<sup>th</sup> Convention of the Diocese of Olympia authorize revision of the definition of “retirement” age in the Diocese of Olympia’s post-retirement medical benefits for eligible clergy and diocesan lay staff employees, to become effective January 1, 2015. [Document, pg. xx]

2000 policy - “Retirement” for purposes of this policy is defined as the age specified by Social Security as “normal retirement age.”  
2015 revision: Eligibility begins at age 65, without reference to what the Social Security Administration defines as the “normal retirement age.”

**Motion carried**

**Resolution #3 adopted**

Bayne, with reference to document D.4, presented and moved all Courtesy Resolutions except one, with a committee recommendation of “do pass.” [Document, pg. 41]

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia express its thanks to all persons – lay and clergy – who have given freely of their time and talents to provide leadership for this Diocese over the past year, especially those who



are completing their terms on Diocesan Council, the Standing Committee, and various boards, commissions, committees and task forces.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia remember in their prayers all those in countries around the world where war, or the threat of war, is a daily reality, and for all in military service who risk life and personal safety on our behalf to bring about peace, especially the military chaplains in their rounds, duties and deployment.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia give thanksgiving for the leadership and ministry of our Presiding Bishop, the Most Reverend Katharine Jefferts Schori and that of her husband, Richard.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Archbishop of Canterbury Justin Welby, and his wife Caroline, with our thanks and our prayers.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its love and best wishes to our Bishops Retired, Bavi Edna “Nedi” Rivera, and her husband, the Rev. Robert “Bob” Moore; Sanford “Sandy” Hampton, and his wife, Mari; Vincent Warner, and his wife Shen; and William Choi, and his wife Catherine; Cabell “Cabby” Tennis, and his wife, Hyde; Craig Anderson and his wife, Lizbeth, and to Terry Cochrane, widow of the Rt. Rev. Robert Cochrane, 6th Bishop of Olympia.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Jim Waggoner, Bishop of Spokane and to all the clergy and people of the Diocese of Spokane.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Michael Hanley, Bishop of Oregon and to all the clergy and people of the Diocese of Oregon.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Melissa Skelton, Bishop of the Diocese of New Westminster and to all of the clergy and people of the Diocese of New Westminster.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Danilo Bustamante, Bishop of the Southern Philippines and to all the people of the Diocese of the Southern Philippines.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Suheil Dawani, Bishop of Jerusalem and the Middle East and to all of the clergy and people of the Diocese of Jerusalem and the Middle East.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Martin Barahona, the retiring Bishop of El Salvador and to Bishop-elect the Rev. Juan David Alvarado and to all the clergy and people of the Diocese of El Salvador.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia sends its greetings to our canons of honor: the Rev. Canon Joan Anthony, Canon Mary Coon, the Rev. Canon Charlie Forbes, the Rev. Canon Rebecca McClain, the Rev. Canon John Schaeffer, the Rev. Canon Jerry Shigaki, and the Rev. Canon Richard K. Toll.

Be It RESOLVED, that the 104th Annual Convention of the Diocese of Olympia recognizes and celebrates the 150th Anniversary of St. John, Olympia and the 50th Anniversary of St. Barnabas, Bainbridge Island.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express its thanks and appreciation for the leadership of the Rev. Rachel Taber-Hamilton as President of the Standing Committee.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express its thanks and

appreciation for the leadership of the Rev. Canon Joan Anthony for her six years as Canon to the Ordinary of the Diocese of Olympia, and for all her service to our diocese.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express its thanks and appreciation for the leadership of Ms. Chris Smith-Clark for her thirty-five years of service to the Diocese of Olympia, particularly her work as Canon for Finance.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia expresses its thanks for the able work of our Chancellor Judith Andrews.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express it's thanks to the Secretary of Convention, Ms. Karen Gusse and to those who assisted her in preparing for this Convention.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express it's thanks to those who serve as pages, tellers and work in other capacities behind the scenes, making it possible for this Convention to be together and conduct its business to the Glory of God.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia thanks all the staff of the Sea-Tac Hilton and Conference Center, for their care for us.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express its thanks and appreciation to the diocesan staff who work faithfully on behalf of the people and congregations of our Diocese and the wider Church each and every day in the spirit of Servant Leadership.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia express its thanks for the ministry of all who have worked so hard on this Convention's planning: particularly,

Ms. Becky Morrill and the Commission for Liturgy and Arts for creating our wonderful liturgies; Chair of Dispatch of Business, Mr. Ted Ederer; Ms. Dede Moore, Canon for Operations, for their dedicated and effective work, the diocesan staff, and the volunteers who gave their time during this convention.

**Motion carried**

**Courtesy Resolutions adopted**

Bishop Rickel moved the final Courtesy Resolution.

BE IT RESOLVED, that the 104th Annual Convention of the Diocese of Olympia expresses its thanks and appreciation for Duncan Bayne for his twenty-two years as Vice-Chancellor.

**Motion carried**

**Resolution adopted**

**Presentation: Bishop Scott Hayashi**

Bishop Rickel recognized the Rt. Rev. Scott Hayashi, bishop, Diocese of Utah; Hayashi spoke to the convention about the 2015 General Convention being hosted by his diocese, as well as volunteer opportunities.

**Constitution and Canons Revisions**

Bishop Rickel recognized Mr. Doug Oles, chair; Oles, following his always entertaining opening remarks, referred convention members to document E.1 and presented the report of the committee. *[Document, pg. 42-45]*

Second vote on changes to Constitution

Our diocesan Constitution provides (in Article XXI) that it may be amended by a majority vote of the two orders voting separately at two successive annual meetings of Convention.

*Article XV (Admission of New Parishes and Missions)*  
Section 1(d) in Article XV provides that a Parish desiring admission into union with Convention must present evidence that it has at least twenty-five adult Communicants in Good Standing. Meanwhile, Canon 8(1) provides that a Parish may only be organized with at least 50 adult Communicants in Good Standing. Because the

operative threshold is 50 adults, it seems appropriate to eliminate the discrepancy. In 2013, Convention voted (for the first time) that it made more sense to reconcile the inconsistency by requiring a minimum of fifty adult Communicants rather than twenty-five. Now, the Committee asks Convention to vote a second time to amend Article XV(1)(d) as follows:

...the Parish shall have delivered...

- (d) Satisfactory evidence that the Parish has been regularly organized by the election of two wardens, with a total of not fewer than six nor more than fifteen vestry members, and that the Parish contains at least ~~fifty~~<sup>twenty-five</sup> adult Communicants in Good Standing.

*Discussion:* The Rev. Mike Morrissey, retired, spoke against the proposed amendment, suggesting that there had been no response from the previous referral to the Standing Committee and Bishop requesting that a number higher than 50 be considered.

**Proposed referral:** The Rev. Mike Morrissey, retired, moved to refer the proposed amendment to the Standing Committee and Bishop; seconded by Mr. Joe McGuire, St. Bede, Pt. Orchard.

**Motion to refer passed Amendment to Article XV referred**

First vote on changes to Constitution  
There were no first votes in 2014.

majority of each Order.” These amendments “take effect upon the adjournment of the meeting of convention at which they are enacted” unless the convention votes unanimously for the changes to take immediate effect.

*Canon 6 (The Diocesan Council):*

The Office of the Bishop and Diocesan Council asked the Committee to provide for the situation in which a Council member from a particular region transfers out of that region. In addition, it seems that the Canons can dispense with historic language reciting how the current staggered Council terms were set up starting in 2012.

The Committee recommends simplifying the historic implementing language of Section 4 as follows, to explain the staggered terms of the several regions.

~~In 2012, r~~Representatives shall be elected ~~as follows: Mt. Baker Regional Ministry, one clergy representative for a one year term and one lay representative for a two year term; Sno Isle Regional Ministry, one clergy representative for a two year term and one lay representative for a three year; Be Attitudes Regional Ministry, one clergy representative for a three year term and one lay representative for a one year term; Holy C Regional Ministry, one clergy representative for a one year term and one lay representative for a two year term; Eastside Episcopal Churches Regional Ministry, one clergy representative for a two year term and one lay representative for a three year term; Evergreen Regional Ministry, one~~

<u>Year One</u>		<u>Year Two</u>		<u>Year Three</u>	
<u>Eastside</u>	<u>Clergy</u>	<u>Columbia</u>	<u>Clergy</u>	<u>Be Attitudes</u>	<u>Clergy</u>
<u>Peninsula</u>	<u>Clergy</u>	<u>Holy C</u>	<u>Clergy</u>	<u>Evergreen</u>	<u>Clergy</u>
<u>Sno Isle</u>	<u>Clergy</u>	<u>Mt Baker</u>	<u>Clergy</u>	<u>Rainier</u>	<u>Clergy</u>
<u>Be Attitudes</u>	<u>Lay</u>	<u>Eastside</u>	<u>Lay</u>	<u>Willapa</u>	<u>Clergy</u>
<u>Columbia</u>	<u>Lay</u>	<u>Sno Isle</u>	<u>Lay</u>	<u>Holy C</u>	<u>Lay</u>
<u>Evergreen</u>	<u>Lay</u>	<u>Willapa</u>	<u>Lay</u>	<u>Mt Baker</u>	<u>Lay</u>
<u>Rainier</u>	<u>Lay</u>			<u>Peninsula</u>	<u>Lay</u>

Vote on changes to Canons

Pursuant to Canons 28 and 29, canons may be enacted or amended by a “vote of a

~~Regional Ministry, one clergy representative for a two-year term and one lay representative for a one-year term; Peninsula Regional Ministry, one clergy representative for a three-year term and one lay representative for a two-year term; Willapa Regional Ministry, one clergy representative for a three-year term and one lay representative for a one-year term; Columbia Regional Ministry, one clergy representative for a one-year term and one lay representative for a two-year term. Beginning in 2013, or as terms expire, regional representatives shall be elected~~ according to the ~~following~~continuing rotation schedule ~~(with Year One in 2014)~~ to serve as members of the Diocesan Council for three-year terms.

No member who has served on Council for two consecutive terms shall be eligible for re-election until the expiration of one year. Council members who transfer outside the region they represent shall resign no later than the close of the next Annual Convention. The Council shall have power to fill any vacancies in its membership and shall fill any such vacancies for any position if the unexpired term is more than eleven (11) months. Members thus appointed by Council shall serve the unexpired balance of the term. Absent resignation, removal from office, or death, a member's term shall continue through the close of the Annual Convention session. ~~Council members who were elected to office will remain in such office until the expiration of their terms or earlier resignation.~~

#### **Motion carried in the lay order**

#### **Motion carried in the clergy order**

#### **Amendments to Canon 6 adopted**

#### *Canon 14 (Dormant Parishes and ~~Aided Parishes~~ Needing Assistance)*

The following changes/clarifications were recommended by the Office of the Bishop, for purposes of allowing earlier assistance to parishes and greater flexibility in remedies:

#### **Section 3:**

~~a. If, at the end of~~ After any calendar year, in ~~which~~ a Parish fails to do one or more of the following:

1. Pay the full amount of all assessments levied by Convention;
2. Pay the salary of a Rector in accordance with the compensation scale adopted by Convention;
3. Pay the full amount of the salary and benefits contractually promised to the Rector or to another Parish employee;
4. Pay its pension obligation as required by regulations of the Church Pension Fund and of Convention;

the Bishop or a designated representative shall visit the Parish for the purpose of ascertaining the financial position of the Parish and learning investigating the reasons for such failure to meet these basic financial obligations.

~~b. After the third consecutive year in which a Parish has failed to meet any one of items 3(a) (1-4) above, the Bishop may designate the Parish an "Aided Parish" according to the guidelines of this Canon. The Bishop and/or one or more , in person or through a designated representatives, shall work with the Aided Parish to develop, adopt and implement a plan to meet help it assume full responsibility for the financial obligations defined in items 3(a) (1-4) above, which plan shall include a schedule for regaining financial independence as a Parish. A plan must be adopted by the Vestry within six months after the Bishop's intervention.~~

be. The Bishop may also respond with similar assistance designate an "Aided Parish" in response to a joint written request from the Rector and Vestry of any Parish, which sets forth the reasons and causes for such request.

~~d. No later than six months after being designated an "Aided Parish," such Parish shall provide the Bishop with a written proposal for regaining financial independence as a Parish. The proposal's timetable for achieving such independence shall extend no~~

~~further than four years beyond the date of the "Aided Parish" designation.~~

e. ~~"Aided Parish" status under this Canon shall continue for a term of three years. The Bishop shall have discretion to extend this status for a final fourth year, but only in the reasonable expectation based on evidence that the Parish will be able to meet all financial obligations by the end of the fourth year as defined in items 3(a) (1-4) above.~~

cf. ~~If at the end of its time as an "Aided Parish" under this Canon, the Parish remains unable to meet all the financial obligations described in items 3(a) (1-4) above under the schedule in the plan adopted by the Parish, then the Bishop shall report said inability to Convention. Upon receiving such report, Convention may, upon motion and vote, prescribed in Article XVI of the Constitution, change the status of the Parish to that of a Mission of the Diocese. If no such change is effected, the Bishop may extend the congregation's "Aided Parish" status shall continue to monitor the financial status of the Parish. If the Parish continues to fail to meet anyone or more of the financial~~

~~obligations defined in items 3(a) above, the~~

~~Bishop may make another request to Convention.~~

**Motion carried in the lay order**

**Motion carried in the clergy order**

**Amendments to Canon 14 adopted**

*Canon 21 (Commission on Church Architecture):*

The following change parallels the edit to Canon 22, Section 3

**Section 3:**

The Commission may adopt and publish rules for submission of projects for submission of projects for consideration, subject to approval by the Bishop.

**Motion carried in the lay order**

**Motion carried in the clergy order**

**Amendments to Canon 21 adopted**

*Canon 22 (The Commission on Ministry):*

The following changes are offered to clarify the canon and conform to existing practice:

**Section 1(b):** Remove unnecessary words:

...No such member may serve during more than two successive three-year terms ~~to which he shall have been appointed.~~

**Section 2(a):** Reword as follows:

The Commission on Ministry shall have the duties and responsibilities prescribed by in Title III, Canon 1, of the Canons of the General Convention of the Episcopal Church. It shall assist the Bishop in matters pertaining to the enlistment and selection of persons for Ministry, in the guidance and pastoral care of Candidates for Holy Orders, of Deacons, and lay Pprofessionals, and other baptized persons Church Workers, and in matters pertaining to lifelong learning the continuing education of the Ministry.

**Section 2(b):** With regard to Commission on Ministry reports on candidates for holy orders, the Committee suggests rewording the last sentence as follows:

The Bishop shall transmit these reports to the Standing Committee, ~~which~~ shall in no case

recommend a ~~person for admission as~~

~~Candidate~~ for Holy Orders, or ~~recommend a Candidate for Holy Orders for~~ ordination to the Diaconate or Priesthood, without first unless it shall have received and considered the report of the Commission on Ministry.

**Section 3:** The Committee recommends rewording the first sentence as follows:

The Commission on Ministry may adopt and publish rules for its work.

**Section 4:** In the second line, we suggest changing "Annual Convention" to "Diocesan Convention" to be consistent with the reference at the end of the same section.

**Motion carried in the lay order;**

**Motion carried in the clergy order;**

**Amendments to Canon 22 adopted.**

Because the Commission does not always have 11 members, the Committee recommends rewording Section 1 as follows:

There shall be a Commission on Personnel consisting of up to ~~nineeleven~~ members appointed by the Bishop:

- a. ~~TwoThree~~ members of the Commission shall be clergy canonically resident in the Diocese, one of whom shall be nominated by the Clergy Association of the Diocese of Olympia (CADO) from among its members.
- b. ~~Six members of the Commission shall be adult Communicants in Good Standing in the Diocese.~~
- be. In addition, the Bishop shall appoint ~~two additional persons to the Commission, one clergy member who is of the Diocese nominated by the Clergy Association of the Diocese of Olympia, from among its membersthe clergy of the Diocese, and one lay professional employed by a within the Diocesan congregatione.~~
- c. The remaining members of the Commission shall be adult Communicants in Good Standing in the Diocese.
- d. ~~TheAll~~ members shall serve staggered three-year terms, ~~with one clergy and two lay persons being replaced each year.~~ No member may serve more than two full successive terms.
- e. The ~~C~~chair of the Commission shall be selected by the Bishop, and shall be empowered to fill vacancies on the Commission subject to confirmation by the Bishop.

**Motion carried in the lay order**

**Motion carried in the clergy order**

**Amendments to Canon 23 adopted**

### **Presentation: Outside Church Walls**

Bishop Rickel recognized Mr. Greg Rhodes to present the final report of this group that has met for the past two years. At the conclusion “elevator speeches” were shared by each member of the group. [Document, pg. 21-25].

### **Report from the Treasurer**

Bishop Rickel recognized diocesan treasurer, Ms. Barbara Fox, for her annual report. [Text, pg. 25-27]

### **Action on the 2015 Budget**

Diocesan Treasurer, Ms. Barbara Fox, commended to convention the 2015 operating budget and moved for its ratification. [Document, pg. 27]

### **Motion carried**

### **2015 Budget ratified**

### **Report of the second ballot**

Bishop Rickel called on Secretary Karen Gusse for the report of the second ballot.

### Standing Committee – Lay Order

Concurrence between orders (57 clergy/144 lay on this ballot) required to elect.

Jerry Carlin	57 clergy	151 lay
Joel Rupley	56 clergy	135 lay

### **Carlin elected**

General Convention – 4<sup>th</sup> Clergy Alternate

Concurrence between orders (60 clergy/145 lay on this ballot) required to elect.

Kendall Haynes	59 clergy	174 lay
Martin Yabroff	59 clergy	115 lay

### **No election**

### **Third ballot**

Bishop Rickel recognized Mrs. Katie Akesson, elections official, to introduce the third ballot. Bishop Rickel declared the polls open.

### **Third ballot completed**

### **Personal Privilege**

The Rev. Ed Lovelady, retired, brought greetings from the Diocese of Southern Philippines, one of our companion partners.

### **Breakout Sessions**

Convention members attended one of the offered breakout sessions focusing on the convention theme:

- 101: Why are you a Christian?
- 102: Report on the Standing Commission on Liturgy and Music’s church-wide conference assessing the trial rite for same-sex blessings.

- 103: Seeing Jesus in Our Neighbor and in the Halls of Power.
- 104: How to serve those who served and are homeless, poor or ill.
- 105: Top 10 Church Websites and Why.
- 106: From the Basement to the Cloud: A Q&A with Diane Wells.
- 107: New Roots Fund: The Diocese of Olympia's microenterprise effort.
- 108: So You Want to See Jesus?

### Personal Privilege

The Rev. Rilla Barrett and members of St. Stephen's, Oak Harbor, read the following statement:

*The congregation of St. Stephen's Episcopal Church, Oak Harbor is, once again, full stewards of its physical plant! We rejoice in that newness and are grateful for all that has been done on our behalf. We particularly give thanks for the clergy of this Diocese, particularly Bishop Sandy Hampton and the Rev. Charlie Forbes, who found their way to Oak Harbor to serve and to care for our congregation and we would be remiss if we didn't acknowledge all of the "faithful remnant" and those who came to worship with us throughout those ten years including, sadly, those who are no longer with us for this grand time of celebration. Out of this thanksgiving and in gratitude to our diocesan staff, Bishop Rickel, Canons Anthony and Steedman-Sanborn, Chancellor Judith Andrews, and the many brothers and sisters in Christ in this diocese who supported us in so many ways through 10 difficult and long years, we have made a gift to the Episcopal Relief and Development in the name of the Diocese of Olympia, in thanksgiving to its bishop, his staff, and the people of this diocese. The funds used for this gift are from our sense of the abundance of God's goodness and were taken from Wilma's Well, the place of our weekly thanksgivings. We are deeply grateful to you all, our diocesan family. Onward!!*

### Report of the third ballot

Bishop Rickel called on Secretary Karen Gusse for the report of the third ballot.

General Convention – 4<sup>th</sup> Clergy Alternate  
Majority vote (217 on this ballot) required to elect.

Kendall Haynes	258
Martin Yabroff	167

**Haynes elected**

### Fourth ballot

The fourth ballot was not required.

### Presentation: Making Peace in South Sudan

Bishop Rickel recognized the Rev. Jeff Gill, Trinity Parish, Seattle; Gill spoke about his work with the Kakuma Peace Institute and the Sports for Peace Initiative at the Kakuma Refugee Camp in South Sudan. *[PowerPoint slides, pg. xx]*

### Presentation: Episcopal Relief & Development: 75<sup>th</sup> Anniversary Celebration

Bishop Rickel recognized Mr. Chuck Hamilton, Episcopal Relief & Development Coordinator for the Diocese of Olympia; Hamilton reported on ERD activities as well as the just beginning year-long 75<sup>th</sup> anniversary celebration. *[PowerPoint slides, pg. xx]*

### Ky Chen Awards

Bishop Rickel presented the Ky Chen Employee Excellence "No Problem" awards to Ms. Karen Tendering, St. Aidan, Camano Island; and Ms. Kathleen Ebbert, St. Bede, Port Orchard.

**Karen Tendering:** Karen Tendering began her ministry at St. Aidan, Camano Island when she joined a community on the cusp of great transition in October 2013. As Church Administrator and Bookkeeper, Karen had to quickly learn "Episcopalese" during a time of flux, upheaval and growth in the parish. Shortly after her arrival, an interim Vicar came who would shake up the congregation and prepare us for more change. At the same time, the Bishop's Committee commissioned a new construction project to expand the administrative offices that Karen was just getting used to. While her work environment came under the chaos of construction for months on end, Karen, through it all, remained upbeat and helpful, approaching every challenge, every church member and every visitor with a smile. Many days

she willingly stayed beyond her scheduled work time to complete tasks. Her warmth and reliably positive attitude brought a calm and stable influence to the office environment at a critical time. Her insights and suggestions for the new office space were invaluable. The junior warden and others continually comment on what a ray of sunshine she brings to the office, especially on those "special" days when construction delays caused added frustration and stress. Karen continued her "no problem" approach as their new Vicar, Father Drew, arrived in August of this year and straightaway formed a collegial working relationship with him. Throughout the transition, she continued to enhance the community of St. Aidan's. For her enthusiasm and team spirit, I present the Ky Chen "No Problem" Award to Karen Tendering.

**Kathleen Ebbert:** Kathleen Ebbert has lived into the spirit of "No Problem" while facing that which drives others to distraction or exhaustion. Kathleen may not be able to actually leap tall buildings with a single bound (although shorter ones don't deter her) and isn't faster than a speeding bullet (but has even greater impact) there isn't much that keeps her from her appointed tasks (and of course those ubiquitous "other duties as assigned"). She mastered the Parochial Report and membership lists—accomplishments worthy of many accolades. Kathleen is gifted at organizing and empowering. Her last vicar, who finally retired after trying to keep up with her, mentions an idea or a task only to find out it was already done or well underway. Not much remains in her pathway toward a goal. Well, the "computer" may be the one thing, but about the only thing, she hasn't completely mastered. Fortunately she eschews firearms the office may have been overtaken with a loud noise and bright flash and a leftover scent of cordite and melted plastic. And that cantankerous joiner, the electric saddle stapler, did most mysteriously bite her in a very unique way. But perhaps it was seeking rest after the long hours providing the perfect product for weddings, baptisms, funerals, Sunday services, certificates, newsletters and other correspondence. The repairman, though he

had the code to the door, is seldom called as Kathleen was a self-taught journeyman at repair. Many would wince at or duck that which she always sees as opportunities to minister. Kathleen has stood before the judiciary to get buildings approved, albeit maybe with fingers crossed. You'll find her beside those who are gravely ill or dying no matter the day or the time. She kept her vicar up on the latest, no matter how difficult the issue, the misstep or the personality. She is a truth teller, a position of peril—remember the ancient fate of some messengers. She also ensured the vicar was kept hydrated with the well water which she first tested for additives every day. Her care kept him up and moving more than many expected. For living into the spirit of Ky Chen—No Problem, I present the Ky Chen "No Problem" Award to Kathleen Ebbert.

### **Standing Committee Report**

Bishop Rickel recognized the Rev. Rachel Taber-Hamilton, president; Taber-Hamilton was joined by members of the Vision Task Force, instituted as part of the 2014 Mutual Ministry Review (MMR) process. This task force has been tasked to review resources from the past few years including the 2012 Holy Cow report, Outside Church Walls reports from 2013 and 2014, a report from the Assessment Review Task Force, and the governing bodies MMR, with a charge to present a preliminary strategic vision and goals for the next few years to members of all governing bodies at the January 2015 retreat.

### **Evangelism Commission Awards**

On behalf of the Evangelism Commission, Bishop Rickel presented the Website Award to St. Timothy Church, Chehalis; he presented the Bishop's Preaching Award to the Rev. Jim Friedrich from Bainbridge Island.

### **Presentation: Introduction to the Diocesan Veterans Ministry**

Bishop Rickel recognized the Rev. Canon Mike Morrissey, Canon for Veterans Ministries; Morrissey introduced his new ministry and reported on his work and availability. *[PowerPoint slides, pg. xx]*



### **Faith Action Network Update**

Bishop Rickel recognized Mr. Paul Benz, executive director; Benz report on the work of this organization. *[PowerPoint slides, pg. xx]*

### **Greetings from the DFMS**

Bishop Rickel recognized the Rev. Heidi Kim, Missioner for Racial Reconciliation, Domestic & Foreign Missionary Society; Kim reported on her work and brought greetings from the Episcopal Church.

### **Admission of New Parish**

Bishop Rickel recognized the Rev. Ann Lukens and Mr. Jim Campbell to report on behalf of the Committee on Admission of New Parishes & Missions. Lukens and Campbell, pursuant to Canon 4, certified that the requesting mission had met all the requirements under Article XV to move from mission to parish status and moved that Good Samaritan Church, Sammamish be admitted into union with this convention as a parish.

### **Motion carried**

**Good Samaritan Church, Sammamish admitted as a Parish**

Bishop Rickel read a brief history sketch of this congregation *[Document, pg. 27]*. Members of the new parish processed in for recognition. The Rev. Suzi Robertson thanked the convention and spoke for the first time as the new rector on behalf of the new parish.

### **Report of the fourth ballot**

Not needed.

### **General Convention Actions**

Bishop Rickel recognized Canon for Operations Dede Moore; Moore updated convention on 2012 General Convention actions referred to dioceses for consideration and/or action. Secretary of Convention Karen Gusse; joined by Canon to the Ordinary, the Rev. Canon Dr. Marda Steedman Sanborn; read, as required by the General Convention, proposed changes to the Book of Common Prayer that will be presented to the 2015 General Convention for final action.

### **Recognition of youth, pages, volunteers and diocesan staff**

Bishop Rickel thanked the following groups for their dedication and hard work in putting together the 104<sup>th</sup> Convention of the Diocese of Olympia: regional voting youth presence, as well as youth elected as delegates from congregations; youth and young adults working behind the scenes as pages, especially Katrina Hamilton, Rebecca Kirkpatrick and the adult chaperones; Katie Akesson, elections official; registration volunteers; liturgist and worship leaders particularly Becky Morrill, diocesan liturgist; our Liturgy and Arts Commission; musician Susan Bloomfield; Eric Steele and members of the St. John, Gig Harbor liturgical arts team for creating the physical environment; Head Table participants, Judy Andrews, Ted Ederer, Ann McCartney, and Karen Gusse; the entire Diocesan Staff who work on behalf of the diocese each and every day; Dede Moore, who makes this meeting possible; and all in attendance for making this a good “family reunion.”

### **Six-Hour Resolutions**

Bishop Rickel recognized Chancellor Judy Andrews; Andrews, on behalf of the Resolutions Committee referred convention members to the six-hour resolution submitted and reminded convention members that six-hour resolutions require a motion to consider prior to actual consideration of the substance.

A motion to consider Six-Hour Resolution, *Diversion of investments from Fossil Fuels to Sustainable Energy Sources*, was moved and seconded from the floor.

Resolved, that this 104<sup>th</sup> Convention of the Diocese of Olympia requests the Board of Directors of the Diocese of Olympia, in collaboration with the Diocesan Investment Fund Committee, to develop and implement a plan to divert investments in direct ownership of public equities and corporate bonds of companies whose earnings are primarily derived from the development, production, distribution, or sale of fossil fuels to companies whose efforts are primarily directed toward the

development, production, distribution, or sale of renewable or sustainable energy sources; and be it further Resolved that the Board of Directors of the Diocese of Olympia, upon development of the plan to divert such investments, seek concurrence of the various holders of assets in the Diocesan Investment Fund prior to implementation of the plan.

*Discussion on consideration:* Opposed to consideration: Ms. Nancy McConnell, St. John, Snohomish and Bishop's Committee for the Environment; the Rev. Ann Lukens, Board of Directors; the Rev. Canon Mike Morrissey, retired. In favor of consideration: The Rev. Kathleen Patton, St. Stephen, Longview; Mr. Joel Rupley, St. Stephen, Longview.

**Point of Order:** Mr. Bill Montgomery, St. Stephen, Seattle, rose to a point of order requesting the chair to call time immediately on the current speaker as he was speaking to the substance rather than to consideration.

**Time was called on Rupley**

*Continued discussion on consideration:* Opposed to consideration: Mr. Joe McGuire, St. Bede, Port Orchard.

**Question called:** The Rev. Suzi Robertson, Good Samaritan, Sammamish, called the question on consideration.

**Motion carried**

**Question called on consideration**

**Motion failed**

**Consideration failed**

### **Final Announcements**

Secretary Karen Gusse announced the 2015 Convention will be November 13-14 at the Lynnwood Convention Center.

### **Adjournment**

Bishop Rickel adjourned the convention sine die at 3:18 pm.

### **Evening Prayer & Commissioning**

Closing prayers, including the commissioning of all

those elected during the convention, were shared.

# Section 2

## *Convention Address – the Rt. Rev. Greg Rickel* 103<sup>rd</sup> Diocesan Convention

### **Convention Eucharist, 2014** **Willibrord, November 7, 2014** **Sea Tac Hilton**

#### **The Rt. Rev. Gregory H. Rickel**

Today, we celebrate the life and witness of Willibrord, Archbishop of Utrecht, missionary to Frisia, a Northumbrian missionary saint, known as the Apostle to the Frisians. He studied under St. Egbert and eventually established the Abbey of Echternach on the site of a Roman Villa, which was donated to him by Pepin's mother-in-law, Irmina of Oeren, the wife of Count Hugobert. By now, many of you are saying, oh yes, this is going to be a good one; the man went on for 30 minutes last year, where is this one going?

Willibrord; I know it sounds like another planet, something from the Coneheads on *Saturday Night Live*, Rimulach and such. Not sure I am even saying it correctly. Pope Sergius was so perplexed by the name and not being able to pronounce it in his Sicilian tongue, he changed Willibrord's name to Clement. Willibrord is not someone of whom we have lots of icons. There is not a lot he wrote, just stories of what he did, mostly from the Venerable Bede.

I had never heard of a St. Willibrord's Church, although, in that wonderful and sacred mystery of the universe, Google, I was able to find quite a few, in Green Bay, Wisconsin, Quebec, Holland Michigan. Willibrord did not travel the world. He was not extremely flashy. He was described as a short man, who loved adventure and had a great sense of humor.

He set up camp in Echternach, in the Low Country, because he was sent there by his bishop, and presumably, by extension, God. When driven away for three years because of persecution, as soon as it was safe, he and a person named

Boniface made their way back, set up camp, and went back to work. Willibrord stayed local. He always believed he was sent by God to that place; so he stayed there and did his work. He believed you must take Jesus to the people, not expect them to come find Jesus. He is the kind of saint that we ought to celebrate on this day.

This annual convention is always part business – mundane essential stuff we must do as a body to continue in our work for another year – and part family reunion – a celebration of our life together – and, for some, part basic inconvenience. Some of you will find this hard to believe but there are those that just live through the year for this to happen again. They love this. It is like Christmas. So, for the three of you, I hope this is everything you wished it would be.

We are going to make the most of it. I have to say, I am one of those three; I love gathering us all together. It is so rare. We seem to be, for the most part, a very happy bunch, and I hope we can live out of that in this next day, and year, even when apart. However you see this gathering, it is, in the end, a gathering of local ministry, people with like minds, hearts, and faith; people who come from a place. And will go back to a place.

Places like Snohomish and Redmond. Last year in this address I mentioned some work being done by Holy Cross, Redmond, and St. John's, Snohomish, with Chinook Farms; they were on their way to 100,000 lbs of food grown and given, and they made it, and will this year too, and then some. It is a full circle thing that the bread for this Eucharist comes from that work. You will note in your bulletin that this bread comes from wheat I was honored to be invited to bless back in May, and now it is here for us to share, in this meal.

We come from places, like Gig Harbor, where Eric Stelle is rector of St. John's. He, along with his team and the Liturgy and Arts Commission put this worship space together. He wrote me to describe it: "I'm using recycled parts of mattresses from Spring Back, a division of the Northwest Furniture Bank in Tacoma that provides furniture for people in need (e.g. recovering from homelessness; aging out of foster care; etc.). Spring Back employs entirely ex-cons, giving them dignity, jobs, and job experience. They are able to recycle 90% of the mattress material, saving it from landfill. The altar is going to be made out of mattress frames. The stage back will be a series of three (very stylized) faces of Jesus built entirely of mattress elements. The concept is to "See the face of Jesus" in the former prisoners doing the work; to see the face of Jesus in the "resurrected" mattresses, being redeemed from destruction and given new purpose; to see the face of Jesus in a ministry that provides elemental necessities of life (a bed to sleep on; a table to sit at)."

We come from places like Darrington, which as a very small church of ours has so heroically answered the need, and continues to do so, after the horrific mudslide of this year. We come from places like Marysville, for which our hearts ache, and in which St. Philips', that faithful band, has stepped up so valiantly in these days and is so well aware, and working even as we are here, to find the needs in that community, and to try to fill them. In Marysville and in Darrington, I want you to know I heard when I visited shortly after these events, something like, "If people ever wonder why it is important, or special, or needed, to be part of a diocese, send them to me." Now, I know.

We come from places, like Tahuya, Washougal, Forks, Blaine, South Bend, Vancouver, Longview, Issaquah, Seattle, Tacoma, and many more. We are brothers and sisters, kin to one another in this faith we call Episcopalian. But we are spread out, all across our land, living in the places we have been called, because there is where the work of

called to by God, is. By extension, when you are there, we all are there. Of the many purposes of this gathering, perhaps the most important one is reminding us of that.

Willibrord came from Echternach. Were he here he would find the names of our towns just as strange and the stories just as wonderful; and our mission much the same. All of this, and even those places we return, the work that we do there, is all for those who are not yet part of us, for those we hope to welcome in, and some we only need to serve and learn from.

We come, and then we go. That is also what happens every week, in every town and church in which we meet, and pray, and worship, and work; we come, and then we go. Today's Gospel is about the same.

This convention address takes on different perspectives, a different focus and intent, depending on our context each year. I often have stood here and regaled you on the state of the diocese, and I probably should do that, but I am not going to do near as much of that this year. The short story is that this diocese is very healthy; it is hopeful and faithful. We will always have a long way to go, that is what moving on toward perfection will always leave us with in this life. And I am not going on as long as in years past, so if the clergy took a pool on the time of my address – this does happen from time to time – whoever went short may have a good chance.

Of course, I can't resist a few highlights which include you all and which would only be possible with a collective effort, in every local place. We have the lowest non-payment of assessments (at under 2%) that anyone can remember or can prove. That is a remarkable change from just seven years ago. More congregations than in past years are vibrant, sustainable, and in many cases growing. For the first time since I have been your bishop, we are gathering here without two of our congregations being in dispute over property. The covenant with St. Charles, Poulsbo, and St.

Stephen's, Oak Harbor, ended; the properties were turned back to this diocese, without litigation. There is a list of dioceses with disputed properties sometimes discussed at the House of Bishops; I was very glad to inform them that we could be taken off that list. Great thanks go to the patient work of so many, on both sides, and most especially the grace of the Holy Spirit.

As witnessed by the field trips this morning, which could not even begin to show the whole of the story, we are giving outside ourselves through Episcopal Community Action, through Episcopal Relief and Development, and in so many ways; a multitude and abundance from all the places from whence you come, and to which you will return.

We are lowering the assessment once again – I have always said: if you pay it, we can lower it – trying our best to be efficient and to do the things an Office of Bishop should do, while leaving more at the local level for local ministry, which, in the end, is the ultimate focus for us all, the ultimate focus for a diocese, and an office of the Bishop; the local ministry, so that all might see Jesus. Willibrord got that.

We have gone through several years of reflection and assessment of our life together, and of what we are called to do, as this gathered body we know as a diocese, and even more how that works to support that ultimate focus, the local ministry. We have done this through regular Mutual Ministry Reviews and the Holy Cow consult of the whole diocese by Russ Crabtree in 2012; and through two years of Outside Church Walls (a group that, having spent that time looking outside, at those not part of what we do, and what we believe, will, amazingly, call us back to a focus on who we are, essentially saying to us, we cannot share what we do not know ourselves. We cannot attract others to something we cannot describe, or articulate, or live. We cannot expect passion, if we do not have it). That is a challenge for each who served; and to me, equally I can assure you. It is a challenge for us all.

In the midst of this I have shared, at every convention, my intent to stay at this, in this role as your Bishop for about 12 years, give or take; half of that now behind us. This next 6 being about more shared leadership, giving it back to you, letting you point the direction and vision. That all has brought us to what you will hear from your Standing Committee at this convention, a group designed to pull all of this together and to articulate a vision for our future, or at the very least to help guide us as we move toward greater shared leadership and shared vision.

Some have felt we are not moving fast enough, that we have not actually done much with the information and data we have gathered, and that is certainly a fair perspective, and maybe even right. I stand before you knowing my leadership can always be better. There is no position I have ever held that has made me so aware of my inadequacies, weaknesses, and failures. But I would also say this: what some might see as a stall was not totally unplanned. We, in my mind, needed to build trust, to dig deeper into ourselves, and needed to have a better grasp of how we are seen by those that don't subscribe to this faith, before we could begin to set out on a new journey. In short, we needed to know what to pack, and perhaps even more, what to leave behind, so we could go where God is calling us to go.

You will hear more about this in the Outside Church Walls (OCW) presentation, but I wanted to tell you about an experience we had in our group, at one of our meetings, while at that task and on this journey. We invited an atheist to come and sit with us at one of our meetings; a man that amazed us at his commitment to helping the world. I can tell you he gives us a run for our money by what he did in what we call outreach. He had developed a good relationship with George Anne McDonnell, and he was invited, by her to come and sit with us. He was brave to do so. He met with us for several hours, and after he was done, I thanked him for his courage, and for his commitment to dialogue and to all he was doing for the good of the world; but I said, I think you have been holding something

back. Would you, if you could, give us a bumper sticker, a quote, you know, sum it up, what you see as our problem, with our message, to people like you, and others in the world. And so he thought about it some and then he said, "Your elevator speech sucks." I felt we had the deepest and most productive discussion after he said that, and I have not forgotten it.

You may not agree, but I think we need to listen to him. I, and some of the OCW group, have shared this story and so our youth have picked up on this and you may actually greet a few of them in the elevator; they have taken this and are going to make actual attempts at actual elevator speeches, in the actual elevators! So get ready, when riding those elevators in this next 24 hours because our youth are practicing their elevator speeches.

From there the OCW group was inspired by a video in which Simon Sinek talks about great organizations and leaders. His main point is that we tend to be good at the how and the what: how do we do this, what do we do. You can spend lots of time and energy on that. In the church this plays itself out in the hope for the next new program, or the next rector or the next

youth director who will be able to solve the problem. What Sinek suggested is that the great organizations don't start with that, but instead start with, "Why?" Why do we do what we do? Why do we come here? Why do we give so much of our lives to this?

Willibrord, and those saints like him, knew the answer to their why. We all have one. It is not an easy thing to always articulate or know but this group has been inspired to ask that we try; as a group, and as individuals. Why?

This is what inspired our theme for this convention, that story from Canterbury Cathedral and their search for a vision, which came to them in these simple words: We do what we do, so that all might see Jesus.

We know we are supposed to be about that, but it is worth asking, worth spending time, reflection and prayer, and perhaps the most important start we can make, to know our answer to why? Because, like Willibrord, we have places to go, things to do, a faith to share, in such a way, that those who see us, might sense that the Kingdom of God has come near, and might, in us, see Jesus.

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## **Outside Church Walls**

### **2014 Convention Address**

Hi. I'm Greg Rhodes, and I'm a Christian – because of grace. Grace – that completely unmerited presence and love of God. It fills my life. Like many (I presume), I think I recognize only a fraction of it, and even that fills my life. I want to receive grace, embrace it, and share it. That's why I am a Christian. We'll come back to that.

I'm Greg Rhodes, and I am here on behalf of Outside Church Walls. Some of you heard about us last year, and some are new to this story. We are a group formed on behalf of our diocese to spend the past two years considering the

intersection of our church and culture, and how God might be calling us to respond.

It's been interesting work, hard, frustrating, confusing – enlightening, enriching and faithful. And as our name implies, we've been roaming around Outside our Church Walls. In our two years we've held every meeting someplace besides church. Because, of course, all places are God's; we've just chosen to join God out in there in the world.

We appreciate those who have followed our blog – both of you. If something you hear today sparks your interest, feel free to go back and review the

blog. Things on the internet last forever, or at least a lot longer than Outside Church Walls will.

Last year at convention we brought you a document called “Initial Propositions.” There are copies on the table. We still affirm those propositions, and believe they say important things to the church. Look it over – again, if you saw it last year. By the way, you’ll find our blog address on the back of that paper. And while I’m mentioning the blog again, let me note that I’ll post this address there.

Last year we also introduced Community Conversations – ways for individual congregations to reach into their neighborhoods. About 200 people tried to pack a room to learn about it, but unfortunately the room only seated 80. We’re sorry about that. But we were really excited about the energy and interest.

We heard from a number of churches who took on the conversations. At least one reported that the process and interactions were transformational for them. Some other churches reported frustrations either connecting with community leaders or knowing how to use the information they gathered.

We’re grateful for all the people and congregations who felt called to try, and trust that the Holy Spirit will make all of the efforts worthy for them. Those materials are still available on our blog as well, if your congregation is interested.

I think that brings us forward to 2014.

As we’ve worked our way through this past year, there are three things we have felt called to say here. In one way or another these have been on the table from our earliest meetings. We’re going to mention structure, leadership, and Why.

Structure first. Technically this was not part of our mandate, but here you are anyway. If you’re a church geek, you probably know that the mother ship – the big EC – has a “Task Force for

Reimagining the Episcopal Church.” That means that most of the energies of the powers and principalities of our tribe are focused on designing a new structure – without much consideration of what God is calling forth from us regarding mission.

We don’t think that’s where our diocese should spend its energy. We believe we’re better off focusing on what the Gospel calls from us in this time and place. However, we do want to say this about our structure: it’s going to be in the way. In some cases it may already be. In a culture allergic to authority (rightfully so), in a time when God calls forth new expressions and forms of leadership and ministry, it’s going to be in the way.

Now is the time for the good and faithful people who comprise our structure to begin to pray, study and explore what it would mean to get out of the way, to release energy and open ourselves to new ways of being the church, grounded in the best of our tradition.

Okay, if that made a few people uncomfortable, let’s see if we can’t loop in the whole room.

We’d like to say something about leadership. We

have to do better. Everyone.

I have to do better, which comes as no surprise to anyone who knows me. Bishop, you have to do better. Our clergy have to do better. And our lay leaders don’t get a pass – we have to do better. In case you think I’m talking to the person sitting next to you, you’re a leader if you’re in this room. People from your congregation or your group chose you to represent them here, to listen and speak on their behalf.

What does better look like?

Well, it doesn’t look like our historical, rigid positional authority that we have used – and at times abused. It certainly doesn’t mean pushing through a personal agenda by force of personality

or influence.

Effective leaders as we envision them are faithful and authentic, courageous and vulnerable. Unlike some of our leaders of the past (and perhaps the present), they encourage people to hold them accountable in constructive ways; they seek critical feedback and create structures for it. This doesn't mean that leaders get to be targets for our discontent; healthy leaders need healthy feedback.

Effective leaders build their roles upon trust, a trust rooted in God, humbly pointing to something beyond themselves. They behave in ways that allow people to trust them, and they trust people in return. It must go both ways. They understand that ministry is mutually held between lay and ordained, old and young, new and experienced, and all the ways we are unique and wonderfully God's. Powerful ministry is based upon all people having room to use their best gifts.

We need leaders who can communicate a vision in compelling, articulate ways. We're a church that loves its words. But we can run into trouble here. Just because a leader can speak well doesn't mean it's about a faithful vision, and a big personality is not the same as leadership. This is why constructive accountability and critical feedback are so important.

Also, just because you don't see yourself as a public communicator doesn't mean you can't be an effective leader. This may need to be your growing edge. You might be one of those people who doesn't have much to say until the subject of your passion comes up. Loud leaders make space for other voices, quieter voices, who are passionate and compelling when given the space.

Finally, leaders have to own the job. They might not have created the circumstances they now inhabit, but they own them – along with the others involved. They spot opportunities and take initiative, inviting others into the process of discerning God's will in a busy, noisy, and often

chaotic world.

So there you have it: faithful and authentic, open and accountable, trustworthy and trusting, dedicated to mutual ministry, articulate and willing to own the job. These are the leaders we need. Easy, right?

Where can you improve your leadership? And where do you need to ask for help?

I haven't asked the bishop, but I imagine he'd much rather be buried with requests for help to improve our leadership than listen to the silence while lay and ordained leaders and their congregations struggle. Let's be the diocese at the forefront of leadership because we took seriously God's call to be leaders in a new time.

Okay, let's take a deep breath...

And loop back to the opening, to my claim of why I'm a Christian. These past two years with Outside Church Walls have included a side journey for me to that statement. I'm a native Washingtonian and a cradle Episcopalian; my culture taught me it was impolite to impose my beliefs on others, which I translated – like perhaps many others – into not talking about my faith outside of Church much at all.

Recently I found this quote by Malala Yousafzai, the 17 year old Pakistani who recently won the Nobel Peace Prize: "I don't cover my face because I want to show my identity." That's an incredibly powerful statement, and challenging to me. She insists on showing herself, her identity, at real risk. Conversely, I have hidden my identity, partly because of some perceived social risk – "What will people think of me if they know I'm a Christian?"

There's something deeply spiritual and important about personally claiming why I am a Christian. It's not about making sure I have the right answer; there is no single right answer. My statement is imperfect and in process – and probably will be for my whole life. But it puts me



more deeply in touch with the faith journey I'm on, and it's hard to tell people why they might join me in seeking God if can't articulate why I'm doing so in the first place.

As the bishop mentioned yesterday, we spent a pleasant morning in May with an avowed atheist. Bob told us his issues with believing in God, honestly but not insultingly. We told him about our understandings of God, without preaching. Much of the time we talked about the many things we had in common. And as you heard, he gave us the favor of some really honest feedback: Our elevator speech sucks.

In two hours not one of us had made a simple, clear, compelling statement of our faith, and we'd been given chances to do so. We said some beautiful things, things that would have received an "A" from an apologetics professor at seminary. But we weren't at seminary.

Bob wasn't criticizing our belief in God; he was telling us we couldn't communicate passionately and clearly about it.

It's not that we're peddling shower curtain rings. We don't need an elevator speech to make a sale for God. But we should be able to explain our faith in clear, understandable language. When we use complicated, churchy, insider language, we're not connecting with the majority of people who have no church experience. We're not clearly expressing our "why" in that context.

Our breakout session a little later this morning provides an opportunity to explore your personal "Why." Perhaps you have a statement and would like to test or refine it. Perhaps you don't yet have a statement you're comfortable with and might like to begin the process. All are welcome. Using the text from our convention Eucharist, we'll hold a Bible study that can provide the foundations for a personal statement.

If you were part of room-pocalypse 2013, where we tried to cram those 200 people into a room that couldn't seat half that, take heart. We have a

much larger space this year, and we are hoping to see many of you there.

<As I move toward my final comments, I'd like to ask the OCW members to make their way up here.>

Personal whys are foundational, and as members of a community these need to mesh into some congregational "whys," courtesy of the Holy Spirit. We brought up this subject last year, in our Initial Propositions, the need for clear and compelling "whys."

This summer we sat in a Seattle Tilth garden, on one of those glorious August days that make February bearable. We were talking with Eldon Olson, the consultant conducting the MMR with the bishop and standing committee.

Eldon said there had been lots of previous consultants and studies that led to great recommendations, but nothing seemed to happen with them. He was asking what people thought of that.

Our answer was this: those recommendations were full of "hows" in search of a compelling "why."

Passion and energy come from purpose. When our purposes, our "whys," are aligned with the Holy Spirit and supportive of each other, they are full of vitality.

Let's be honest: most every group has a "why," stated or unstated. Often that "why" includes preserving the group and those things that make its members comfortable. That's not good enough for God's church. As the saying goes, the church is the one institution that exists primarily for the benefit of people outside it.

We live in a new age. The expressions of church God may be calling forth, even with "Episcopal Characteristics," may look dramatically different than we expect. We will likely be disrupted, uncomfortable. We may experience a sense of

loss and need to grieve. As we seek to live the Gospel with real people in real situations, we most certainly will be called to take risks. What are we willing to let go of – and what actions are we willing to take – in order to embrace our faithful future?

The Good News is that we are not alone. Corrie Ten Boom, the Dutch Christian who was

imprisoned by the Nazi's for hiding Jews, said; "Never be afraid to trust an unknown future to a known God." That future is unknown only to us. God is already there, and God is working to take us there. To us the future may seem uncertain or risky, but at its heart is the peace that passes all understanding. Praise God!

I'm Greg, and I'm a Christian because of grace.

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### **Treasurer's Report to Convention – 2014**

Good morning Bishops, Delegates, Guests. Several weeks ago I accompanied Greg on one of his visitations. The Psalm for that day was #23 which we know so well and begins: The Lord is my shepherd I shall not want. His sermon keyed in on that verse and the word abundant. It struck me that this report should be from a steward of the abundance of the Diocese of Olympia.

This has been a year of changes, challenges, but increased collaboration and communication with congregations. Of course the biggest change was the retirement of Chris Smith Clark, after 35 years as Canon for Finance. Compound that with the retirement of Bill Goodenough who has been the property watchdog for the diocesan properties.

With change there are always challenges, such as cell tower leases to be signed, broken windows, downed tree limbs, grass to be mowed and water problems just to name a few of the items I have worked on since being asked to help in the interim with diocesan property matters. I made it clear "I don't do windows." You don't step easily into shoes the size of Bill's. It has been exciting this year to have the folks in Oak Harbor take back the stewardship of St. Stephen's property and for the Diocese to regain possession of the Poulsbo property. As noted last year, we were doing a feasibility study of our property in Ballard; that was completed with the decision by the board to apply to the City of Seattle for rezoning. Our timing was very good in that the Ballard community and the City of Seattle Planning Dept have been having regular meetings

to determine what the face of the future Ballard will look like; because our piece of land is large and in an excellent location, we have had a place on the working committee and at the table, and we are being guided by an outstanding land use attorney. This is giving us the excellent information we will need to apply for up-zoning to the highest and best use of our property, but also how the community will support us; and the city has gotten to know us.

1 Corinthians 4:2 says "Moreover it is required of stewards that they be found trustworthy." Therefore, prior to Chris Smith Clark's retirement, the 2013 audit of the six separate diocesan accounts was completed and reviewed with our audit firm and Diocesan Audit Committee. The Committee is made up of members of each of the three governing bodies. The two significant areas raised by the auditors have been addressed during 2014 and I believe we will see fewer significant comments in the next audit. Both Edie Pehrson and Penny Curtis are to be thanked for carrying on in the Finance Department while we have awaited the new Canon for Finance and Property.

At last year's Convention an advisory resolution to the Board of Directors (#5-Page 12-13 of the 2013 Convention Journal) from the Bishop's Commission on the Environment (BCE) was presented, recommending that the Diocesan Investment Fund (DIF) divest its fossil fuel company stock. The resolution also called for an educational plan to be created by the BCE. After

an excellent floor debate the resolution passed 234 to 169 in favor. Prior to Convention the Board of Directors had received input from the DIF managers and workshops by DIF members last year. The Board noted that not all congregations have funds in the DIF and felt it would be advisable to hear from those 70+- congregations as to their feelings on this topic. A survey was conducted and we received 29 responses of which 69% were opposed to divestment and 31% in favor. The BCE has conducted educational forums this past year. We conducted a follow up survey with 8 congregations responding; of which one was an addition and opposed; and one changed from opposed to in favor; the balance remaining as previously surveyed. I will bring to the Board's January 2015 agenda a discussion of the divestment in fossil fuel stocks and ask for a decision.

The abundance of talent managing the James Hodges Diocesan Investment Fund with a current market value of \$62,237,000 can't be compared. We are truly blessed by the professional members of the committee who volunteer their time and expertise. The year 2013 ended with an impressive 21% rate of return. This is achieved by the very low, approximately ½ basis point, cost for management and administration of the fund. Typical cost in a commercial fund is about 8 basis points. Although there have seen some market corrections in the last month or so, the committee continues to maintain a balanced portfolio according to established policy, which allows for corrections without undue alarm; and that brief volatility has subsided.

Last year I commented on the newly reconstituted Insurance Committee. Here again we have abundantly talented members who were very active this year addressing the critical needs, past service, and costs of our insurance in preparing to renew the diocesan insurance coverage. It was unanimously decided to recommend to the Board that we retain the Church Insurance Company as our insurance carrier; that recommendation was accepted. The

company is owned by the Episcopal Church. The Insurance Committee asked that I make comment on issues of concern for all of us. One issue is the use of property by an outside group; typically, this requires the group to provide a certificate of insurance for \$1million. A second issue is the sale of alcohol at fundraisers; it is recommended that a caterer be used who typically has its own liability insurance as part of doing business. Another area is the use of personal automobiles on church business; your own auto insurance is always first, not that of the church. Also, if your parish purchases an auto, it is not immediately insured. When in doubt about anything regarding these issues or any other, contact the insurance company. The Pages have provided your tables with handouts giving you the contact information; and Church Insurance has a booth here. Don't hesitate to contact them. We are very pleased to have Jim Campbell as the new safety officer for the diocese, working with the insurance company on a Rota to see that all our properties are inspected every three years. The very detailed reports are made to the congregations from insurance company with a copy to us. Don't call him; he will call you for an appointment. Please, if you experience anything that could potentially result in a claim, contact the insurance company immediately including water damage or a person falling on your property.

The Budget and Finance Committee of the Diocesan Council, so ably chaired by Dennis Tierney, again worked very hard on two areas: the 2015 budget and continued communication and collaboration with congregations on the issue of unpaid prior years assessments or current assessments in arrears. The budget was challenging given the advent of real time assessment payments beginning in January. Please see also the handout regarding training for real time assessment reporting on November 22. It is very important that treasurers and staff attend one of the teleconference locations, so that we have a smooth transition. I do need to note that while we have a large reserve in this budget it does not mean we have a large amount

of money available to spend. It is meant as a back up in the event of shortfalls or if anticipated income under the new real time system does not meet expectations. This is Big: An historic low has been achieved in that we have only a \$60,009 shortfall in assessment payments through 9/30/14, and only 7 congregations are more than one month behind in assessments. As a

**PowerPoints: Found at end of Journal**  
**Making Peace in South Sudan PowerPoint**  
**Episcopal Relief & Development PowerPoint**  
**Veterans Ministry PowerPoint**  
**Faith Action Network PowerPoint**

### **Good Samaritan, Sammamish history sketch**

*The Mission of Good Samaritan Episcopal Church is to respond to God's love through sacramental worship, prayer, faith formation, fellowship, and outreach into the Sammamish Community and the world beyond.*

The first public Sunday morning service for Good Samaritan was held on September 30, 1990 at Christa McAuliffe Elementary School. One hundred seventy people attended.

One year earlier the Rev Fred Jessett had been called as Overlake Missioner to plant a new church on the Sammamish Plateau in what is now the City of Sammamish. Fred found that the churches already on the plateau were very welcoming. When he talked with their clergy they were very supportive and shared what they knew about the plateau. There seemed to be no feeling of rivalry at all.

Fr. Steve Szeman of Mary Queen of Peace Church told him, "You want to know what the real religion is up here on the plateau? It's soccer."

The church worshipped at the school for 6 years in which time it grew to 270 baptized members with an average Sunday attendance of 133. A couple of meetings were held in the summer of 1990 for interested people to choose a name for the church and organize a Sunday school. A list of names was submitted to the bishop and the name of Good Samaritan was chosen at a meeting held

comparison our rate in 2010 was 7%. This is unprecedented and you are to be CONGRATULATED AND WE THANK YOU. You are truly showing the best stewardship of God's abundance here in the diocese.

**Respectfully submitted, Barbara A. Fox,  
Diocesan Treasurer**

on August 20th.

In November 1991, the church office was moved to rented space in the back of the one hour photo shop in the Sammamish Highlands shopping center. In that same year Good Samaritan became an organized mission of the diocese by action of diocesan convention. From all the contacts he made, Fred learned that the vast majority of the population was made up of families with pre-school and school age children. Population statistics showed that the plateau area had the highest number of children per capita of any area in the state. This was truly a great opportunity to plant a family oriented church.

In October of 1992 the convention of the Diocese of Olympia admitted Good Samaritan as an Organized Mission of the diocese with all the appropriate rights and duties. Beginning October 1, 1996 Good Samaritan began worshipping in the chapel at Lutheran Bible Institute, five miles south of the elementary school.

The Diocesan Altar Guild loaned us a complete portable communion set with a paten and two chalices, all in sterling silver. They also loaned a processional cross and vestments for acolytes. The first public Sunday morning service was set for September 29. St. Thomas, St Margaret, and Resurrection Episcopal churches all gave money to Good Samaritan in the first year.

In January 1998, Fr. Jessett retired and the Rev. Woodrow Peabody became Vicar. In 2001, ground was broken for Good Samaritan's first building. The building process had been fraught, but the building was completed on June 12, 2002 with the City of Sammamish signed off on a temporary use permit for the church just a few hours before Bishop Vincent W. Warner consecrated the church that evening.

As they began their 20<sup>th</sup> year the Rev Dr Suzi Robertson was called to begin her ministry as the fifth vicar of Good Samaritan.

In the summer of 2010, the church presented a 10-year debt-free plan to the diocesan Board of Directors which was accepted. This has brightened the outlook for the future of this precious and effective faith community.

With the Rev. Dr. Suzi Robertson as Vicar, Good Samaritan celebrated its 20<sup>th</sup> anniversary on September 25<sup>th</sup> and 26<sup>th</sup> of 2010. The 20<sup>th</sup> Anniversary celebration culminated in a parish dinner on Saturday, September 25 at which the Rev. Fred Jessett was made Vicar Emeritus. The following day Bishop Rickel came to celebrate the Holy Eucharist and confirmed or received 54 people into the Episcopal Church, the largest number of persons he had received and confirmed in his ministry as Bishop.

Following its 20<sup>th</sup> anniversary, the primary focus was to develop leadership, expand the membership and work toward reducing the debt. A plan was presented to the Board of Directors of the diocese, and they accepted it. In the fall of 2011, Good Samaritan hired a consultant to run a capital campaign to help us to continue to retire the debt. A successful campaign saw over \$250,000.00 which would be paid out over a

three-year period. The first installment was paid to the diocese in January of 2012.

At the end of 2012, the diocese forgave another \$75,000.00, which was half of Good Samaritan's land debt. Several payments were made on the sewer debt and a large portion of the remaining building debt was retired.

After the years of short clergy tenures and deep financial problems, for the first time in 4 years, at its annual meeting in 2013, Good Samaritan presented a slate of leadership which had an appointed chair for every area. Palm Sunday and Easter Services were both packed. The church also saw a year-long rise in many new members. The Stewardship Campaign in the fall of 2013 raised more pledged income than any year in the history of the church and the Bishop's Committee presented a balanced budget at the annual meeting for the first time in almost a decade. After another significant portion of the building debt was retired, the diocese forgave the remaining land debt of \$75,000.00.

Highlighted by a 200 square foot reredos depicting the Resurrection and beautiful mosaic renditions of The Stations of the Cross and surrounded by forest and the glass and wood building is indigenous to the surroundings Good Samaritan is a truly beautiful worship space.

*Good Samaritan actively invites all people in the Sammamish Plateau community to a church home where they can grow spiritually and learn to serve others in Christ's name.*

# Section 3

## *Program Reports to the 2014 Convention*

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2014 Program Reports received through Diane Wells

**Clergy and Staff Transitions 2014**

Canonical clergy transferring in from other dioceses: Helen McPeak (Nevada), Edward Ostertag (Colorado), Robert Michael Mayor (Utah), Marilyn Behrens (El Camino Real), Patricia Rome Robertson (Maine), Stephen Drew Foisie (Southern Virginia), Dennis Gale Campbell (Arkansas), Nancee Martin (Florida), José Roberto Gándara-Perea (New York), Evan Graham Clendenin (Northwestern Pennsylvania), Danée Ashley (Minnesota)

Clergy transferred to other dioceses: Jeremy Lucas (Oregon), Irene Tanabe (Hawaii), Brenda Sol (San Diego), Benjamin Newland (Colorado), Andrea McMillin (Northern California), Barclay Stanton (Easton), M Fletcher Davis (Western Massachusetts)

Clergy licensed: José Roberto Gándara-Perea (New York), Hugh McPhail Grant (Atlanta), Carlos Caguiat (Michigan), Christina Josephine Robertson (Texas), Edmund Immanuel Harris (Rhode Island), Beth Echols (Washington)

Released and Removed: Melissa M Skelton

Deacons ordained (permanent): Polly Shigaki, Eric Stroo  
Deacons ordained (transitional): Jennifer King Daugherty, John Paul Forman, Alissabeth Newton, Laura Jane Watkins Murray, Josh Hosler

Priests ordained: Sarah Monroe, Jennifer King Daugherty, John Paul Forman, Josh Hosler, Laura Jane Watkins Murray, Alissabeth Newton

Priests received: Richard Coleman Weyls

Clergy who have retired from full-time ministry (as recorded with the Church Pension Fund): Dale McQueen, John Ferguson, Joan Anthony, Elisabeth Seeger, Paul Rietmann

Deceased: Dorothy McMeekin, John Walker, H Stewart Ross, Morris Hauge, Wray MacKay, Carol Ludden, David Dunning, Joseph Carney

New to the diocesan staff: Penny Curtis (Accounting Assistant), Lee Humason (Canon for Finance and Property) Mike Morrissey (Canon for Veterans Affairs), Marda Steedman Sanborn (Canon to the Ordinary)

As of the 104<sup>th</sup> Convention of the Diocese of Olympia through October 29, 2014.

**A.12**

Diocese of Olympia 104th Annual Convention  
 Friday-Saturday, November 7-8

***“So that All Might See Jesus”***

**Friday, November 7**

**Outreach Experiences** (*pre-registration/ticket required*)

- St. Matthew/San Mateo Jubilee Center (offsite in Auburn, 9 am-12:30 pm)
- Northwest Harvest (offsite at Kent Warehouse, 9 am-12:30 pm)
- Mission to Seafarers (Peninsula A, 12-2 pm)
- Chaplains on the Harbor (Elliott A, 12-2 pm)
- Babies in Need / Kairos (Columbia AB, 12-2 pm)

**11 AM Registration opens**

12:00 PM **Lunch** (*optional, ticket purchase required*) (*pickup in Crystal A*)

1:00 PM **Exhibits open** (*See A.9 for a list of exhibitors*)

- San Juan – Episcopal Bookstore; Mercer B – Cathedral Shop
- Mercer A, Emerald foyer, Conference Center lobby – exhibits

2:00 PM Convention Orientation for new & returning members (*Crystal B*)

3:30 PM **Convention Eucharist & Bishop’s Address**

- Bishop’s Address: Bishop Greg Rickel.

- Offering will support Episcopal Relief & Development 75th Anniversary Celebration & Making Peace in South Sudan

#### 4:45 PM **Break / Exhibit Exploration**

#### 5:15 PM **Convention Business Session #1**

Call to order / Certification of quorums / Opening business / Dispatch of Business report / Privilege Committee report / Office of the Bishop report on congregational status / Secretary election / Appointments / St. Mark's Cathedral / Recognition of new Mission Station / Mission to Seafarers / Nominations / Introduction to Voting procedures / Ballot #1 / Announcements

#### **Evening Prayer**

#### 6:30 PM **Recess**

7:00 PM Banquet hosted by Episcopal Community Action (ECA) (*optional, ticket purchase*)

*required*) & time for fellowship (*Summit Ballroom*)

9:00 PM Taize Service (*Emerald Ballroom*)

#### **Saturday, November 8**

8 AM – on Registration / Exhibits open

#### 8:30 AM **Convention Business Session #2**

#### **Morning Prayer**

Call to order / Ballot #1 report / Ballot #2 / Clergy and staff transitions / Introduction of postulants and candidates / Resolution #1, #2, #3, courtesy resolutions / Bishop Scott Hayashi, Diocese of Utah / Constitution & Canons report / Outside Church Walls final report / Treasurer's Report / Action on 2015 budget / Ballot #2 report / Ballot #3 / Announcements.

#### **Closing Prayers & Commissioning**

3:30 PM Adjournment

## Nominations Committee 2014 Report to Convention

With a 150 word limit, each candidate was asked to review the job description for the position and discuss how their gifts, experiences, skills, and interests would aid this work, and how they would invigorate and/or stimulate the ministry of the particular diocesan leadership group.

MEMBERS OF THE 2014 NOMINATIONS COMMITTEE: **The Rev. Rilla Barrett**, *St. Stephen, Oak Harbor (Mount Baker)*; **the Rev. Bonnie Campbell**, *St. Mark, Montesano (Willapa)*; **Ms. Mary Lyons**, *St. Stephen, Longview (Columbia)*; **the Rev. Stephen Moore**, *All Saints, Bellevue (Eastside)*; **Ms. Diane Stipp**, *St. Stephen, Seattle (Be Attitudes)/St. Mark's Cathedral, Seattle (Holy C)*; **Ms. Pam Tinsley**, *St. Andrew, Tacoma (Rainier)*, Co-Chair; **the Rev. Dennis Tierney**, *St. Barnabas, Bainbridge Island (Peninsula)*; and **Dr. Leann Torgerson-Harrison**, *Trinity Church, Everett (Sno Isle)*, Co-Chair.

#### Nominees at-a-Glance:

#### **Standing Committee** (pg. 3)

<u>Clerical Order</u>	<u>Lay Order</u>
Cynthia Espeseth	Jerry Carlin
Bill Fulton	Joel Rupley
Martin Yabroff	

#### **Cathedral Vestry** (pg. 4)

<u>Lay or Clergy</u>
Christopher Breunig



*Diocesan Council* (pg. 4-5)

<p><u>Be Attitudes Lay</u> Lavonne Beede Joslin Harris-Gane</p>	<p><u>Evergreen Lay</u> Nadine Baxter</p>	<p><u>Rainier Lay</u> Linda Brice Terry Elofson</p>
<p><u>Columbia Lay</u> Jana Whitworth</p>	<p><u>Eastside Clergy</u> Lex Breckenridge</p>	<p><u>Sno Isle Clergy</u> Mark Miller</p>
	<p><u>Peninsula Clergy</u> Dennis Tierney</p>	

*Officers of Convention* (pg. 7)

<i>Secretary</i> Karen Gusse	<i>Archivist &amp; Records Manager</i> Diane Wells	<i>Treasurer</i> Barbara Fox	<i>Historiographer</i> Carle Griffin
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*General Convention 4<sup>th</sup> Alternate Clerical Order* (pg. 7)

Kendall Haynes, St. Matthew, Tacoma  
Martin Yabroff, St. Andrew, Tacoma

**BRIEF DESCRIPTION OF EACH GOVERNING BODY/OFFICE**

**Standing Committee:** The Standing Committee serves as a council of advice for the bishop and becomes the diocesan ecclesiastical authority in the bishop’s absence. It makes decisions about the sale, encumbrance or disposal of real property belonging to parishes of the Diocese. It interviews and makes recommendations to the bishop on candidates for Holy Orders, and the consent of the Standing Committee is required for ordination. The Standing Committee also gives or withholds consent to the election of bishops throughout the church and has judicial responsibilities in the case of clergy misconduct where the clergy or the complainant does not accept the adjudication of the bishop. By canon, no two members of the Standing Committee may be from the same congregation. Continuing members of the Standing Committee include the following: **Mr. John E. (Ted) Ederer**, St. John, Kirkland (2015),

**the Rev. Rachel Taber- Hamilton**, Trinity Church, Everett (2015); **the Rev. Jane Maynard**, Christ Church, Tacoma (2016), **Ms. Alice Reid**, St. Thomas, Medina (2016); and **Dr. Kathryn Rickert**, St. Augustine's in-the-Woods, Freeland (2017).

**Diocesan Council:** Between Diocesan Conventions, the Council oversees the budget and program goals of the Diocese, carrying out priorities adopted by Convention. Council develops a proposed budget to be ratified by the next convention. Members assume and accept the role of public relations and goodwill toward individuals and congregations facilitating connectedness within the Diocese. Members accept assignments, work on task groups, and attend regional, committee and commission meetings as necessary. Under the new structure, adopted by Convention 2011, the Diocesan Council includes the bishop, and two members (one clergy and one lay) representing each of the regional ministries; all members are elected by the whole convention. Continuing members

of the Diocesan Council include the following: *The Rev. Jaime Case*, St. Luke, Vancouver (2015- Columbia); *Ms. Denise Patrick*, St. Hilda-St. Patrick, Edmonds (2015-Sno Isle); *Ms. Sunshine Pegues*, St. Margaret, Bellevue (2015-Eastside); *Ms. Susan Rolfe*, St. Andrew, Aberdeen (2015-Willapa); *the Rev. James Thibodeaux*, St. Peter, Seattle (2015-Holy C); *the Rev. Jonathan Weldon*, St. Paul, Bellingham (2015- Mount Baker); *Ms. Jamie Balducci*, Epiphany Parish, Seattle (2016- Holy C); *Ms. Joan Collins*, St. Barnabas, Bainbridge Island (2016-Peninsula); *the Rev. Kendall Haynes*, St. Matthew, Tacoma (2016- Rainier); *the Rev. R.C. Laird*, St. Luke, Seattle (2016-Be-Attitudes); *the Rev. Bonnie Malone*, St. George, Maple Valley (2016-Evergreen); *Ms. Betty Anne McCoy*, Christ Church, Anacortes (2016-Mt. Baker); and *the Rev. Joe Mikel*, St. David of Wales, Shelton (2016- Willapa).

**Cathedral Vestry:** Under the Cathedral governance model, adopted by Convention in 2002, the membership of the Cathedral Vestry is comprised of representatives of the Diocese and the community in addition to the St. Mark's parish. As required by St. Mark's Cathedral bylaws, Art. VI, §3, the Cathedral's Nominating & Leadership Committee forwards to the Diocesan Convention, through the diocesan Nominations Committee, its selection for diocesan representative to the Cathedral vestry for a three-year term.

**Secretary of the Diocese of Olympia:** The Secretary of the Diocese takes part in the planning, preparation and leadership of Convention. The secretary receives (through the assistant secretary) all resolutions, amendments, and official written business of convention. The secretary is official signatory of Convention correspondence and is an officer of the Diocese. As an officer, the secretary serves on the Board of Directors. This is a volunteer position.

**Archivist and Records Manager:** The archivist and records manager is the official custodian of diocesan records and is responsible for the direction and implementation of the archives and records management program of the Diocese of Olympia. This is a part-time, paid position.

**Treasurer:** The treasurer of the Diocese has responsibility for the assets of the Diocese, including investments, cash, and real property. The treasurer advises the bishop on financial matters, oversees the diocesan accounting and insurance office, and serves as an officer of the diocesan corporation. The treasurer is accountable to the bishop and the diocesan convention. The treasurer also serves as a member of the Board of Directors, the James F. Hodges Diocesan Investment Fund, the Budget and Finance Committee of Diocesan Council, and the ERT (Early Response Team). This is a volunteer position.

**Historiographer:** The historiographer is responsible for creating, maintaining and continuing a history of the Diocese, including its significant leadership and events. This is a volunteer position.

#### **STANDING COMMITTEE CLERICAL ORDER**

*[one four-year term and one unexpired three-year term]*

**The Rev. Cynthia Espeseth** – Vicar, St. Hilda-St. Patrick, Edmonds (Sno Isle). I ask questions and seek what is at the heart of our life with Christ. Sometimes my questions are comfortable, sometimes annoying. But it's at the center of my prayer, worship, and preaching life and my call to weave people to God. For 13 years I've served 3 congregations, the last 6 as vicar at St. Hilda St. Patrick where I minister with parish leadership

to redevelop and renew the congregation, centering our common life on worship and community inside and outside the church. My gift is my curiosity and passion for the Gospel, and I do not mind wading into deep and murky waters. I am interested in keeping a healthy balance and a sense of humor, mindful that Jesus laughed and played also.

**The Rev. Bill Fulton** – Vicar, *St. Antony of Egypt, Silverdale (Peninsula)*. I have been ordained 19 years and have served three small churches in the Dioceses of Kansas, Oregon, and Olympia, giving me a broad knowledge of the needs of clergy and parishes within the Episcopal Church. My service to the Diocese of Olympia includes membership on the CADO Board and the Commission on Personnel, and I have attended the College for Congregational Development. Having served as Executive Director of a Habitat for Humanity affiliate and facilitated a building program in my current parish, I have a solid background in property issues. I have a heart for clergy health and well-being, and I enjoy working collaboratively. I would be honored to serve on the Standing Committee.

**The Rev. Martin Yabroff** – Rector, *St. Andrew, Tacoma (Rainier)*. In this diocese, I have served as Rector at St. Andrew's, Tacoma for 7 years, and served six years on Diocesan Council, including several years as Council Chaplain. I am eager to continue serving our diocese and supporting our bishop in mission. This is an exciting and creative moment for the Episcopal Church and the congregations of the Diocese of Olympia to move ahead in mission, sharing Christ with new generations and emerging communities. There is a hunger today for spiritual community where all are welcome to worship, learn, serve, discern and disagree. I am eager to offer my experiences in both

small and larger congregations, in different dioceses and in several General Conventions to help our Church respond to our Lord's call to love and serve.

**STANDING COMMITTEE LAY ORDER** [*one four-year term*]

**Mr. Jerry Carlin** – Occupation: *writer; member of St. Barnabas, Bainbridge Island (Peninsula)*. Ten years at St. Barnabas I co-chaired the Call Committee, chaired The Building and Grounds Committee, currently Director of The Nursery and Regional Convener Peninsula Region. I've worked in our state for The CDC regarding HIV/AIDS funding. I will bring to The Standing Committee my faith based and secular perspective. I'm confident my experience working within my parish and region and for The CDC make me a qualified candidate for Standing Committee.

**Mr. Joel Rupley** – Occupation: *Former auditor, small business owner, County Commissioner, local government environmental policy maker; member of St. Stephen, Longview (Columbia)*. As the finance team chair, and Senior Warden at St. Stephen's, Longview, I have learned to approach new ideas without prejudice and to listen to pros and cons of issues before moving forward. I am skilled in collaborative negotiation, and I understand the difference between property used for investment, for support, or for ministry.

Coming from the Columbia Region, I am aware of the challenges facing a diocese of our size and breadth. I am interested in seeing how the voice of Jesus can be heard by more and more people through the work of the church. I am also interested in deepening my relationship with God, and extending that deeper relationship to others. I feel called to be a member of the Standing

Committee.

**CATHEDRAL VESTRY** *[one three-year term]*

**Mr. Christopher Breunig** – *Occupation: Attorney; member of St. Thomas, Medina.* I am delighted to be nominated to serve on our Cathedral Vestry, and am excited to join the efforts to envision and grow the relationship between our Cathedral and Diocese. I hope my prior service on Diocesan Council and Vestries in the past will make me a useful listener, contributor and prayerful participant.

**DIOCESAN COUNCIL BE-ATTITUDES REGIONAL MINISTRY - LAY** *[one three-year term]*

**Ms. Lavonne Beede** - *Occupation: Retired; member of St. Luke, Seattle.* I would consider it an honor and a privilege to serve the Be Attitudes region as its representative on Diocesan Council. I have been a member of the Church for many years and have served in a variety of ministries in the congregations I have attended. Since my husband and I moved into a retirement community in the Ballard area, I have been an active member of St. Luke's, I believe my previous experience on council and my commitment to the work of this diocese would make me an effective member.

**Ms. Joslin Harris-Gane** – *Occupation: Culinary Arts Instructor; member of Christ Church, Seattle.* After reviewing the role of the Council and the job description for a lay person, I can tell you that my work experience includes the creation; understanding of; and the ability to revise budgets for business, the capability to communicate ideas and goals to motivate students and employees, and an understanding of the importance of team

building and consensus in group work. I believe that one of the greatest gifts I have been given is a sense of humor, a valuable asset in any workplace or group setting. In addition, when I take on a responsibility I will accept and work hard at the tasks I have been given.

**DIOCESAN COUNCIL COLUMBIA REGIONAL MINISTRY – LAY** *[one three-year term]*

**Ms. Jana Whitworth** – *Occupation, Homemaker; member of St. Anne, Washougal.* I am pleased to be nominated to the Diocesan Council. I am particularly interested in fostering communication and connectedness in the diocese. I am goal oriented, organized, and collaborative. I have substantial experience in a volunteer capacity, both in the church, and for other non-profit organizations. My experiences at Diocesan Convention, the College for Congregational Development and with sending youth to JYC and HYC have convinced me of the tremendous value of collaborative efforts and the opportunities to learn from each other.

**DIOCESAN COUNCIL EASTSIDE REGIONAL MINISTRY – CLERGY** *[one three-year term]*

**The Rev. Lex Breckinridge** – *Occupation: Rector, St. Thomas, Medina.* It has been a privilege to have served on Council these last two years, particularly as Council begins the important work of reimagining the diocesan budgetary process and partnering with the Bishop as we work towards accomplishing our diocesan goals. St. Thomas, where I serve, is a vital, Spirit-filled community, financially strong and growing in grace. I would like to continue to bring insights gained from that community's experience to the work of Council.

**DIOCESAN COUNCIL EVERGREEN REGIONAL  
MINISTRY – LAY [one three-year term]**

**Ms. Nadine Baxter** – Occupation: Teacher; member of St. Matthew, Auburn. I'm running for a second term as a lay member of the Evergreen Region diocesan council member, I pledge to continue to serve regional and diocesan ministries. People may know me through my work in HYC, JYC, Cursillo, and Kairos events. I enthusiastically look forward to continuing my work in youth, music, and multicultural ministries.

**DIOCESAN COUNCIL PENINSULA REGIONAL  
MINISTRY – CLERGY [one three-year term]**

**The Rev. Dennis Tierney** – Rector, St. Barnabas, Bainbridge Island. I have served on Diocesan Council for two years and have seen the important work this body does. I believe there is more change to come for our Diocese and I would be honored to continue this ministry, especially the work I have done on Budget and Finance.

**DIOCESAN COUNCIL RAINIER REGIONAL  
MINISTRY – LAY [one three-year term]**

**Ms. Linda Brice** – Occupation: Parish Secretary, member of St. Andrew, Tacoma. I began attending St. Andrew's, Tacoma in 1981. My parish activities have included: Youth Group leader, Sunday school teacher, Vestry, Senior Warden, Convention Delegate, Capital Campaign, Stewardship and Fundraising. My Diocesan activities have included: Completion of The College for Congregational Development and Chairperson of Episcopal Charity Appeal. My hope is that our diocese and individual parishes continue sharing ideas and information - staying connected - enabling us to become a stronger voice for Christ in our communities and grow individually in our faith.

**Ms. Terry Elofson** – Occupation: Retired, member of St. Matthew, Tacoma. My experience applicable for the Diocesan Council includes Episcopal parishes in multiple states. Specifically at St. Matthew, Tacoma I have served as: Senior and Junior Warden, with and without a Rector; Church School Co-Chair; Pastoral Care Chair; Finance Chair; and Buildings and Grounds Chair. My professional life included serving as an administrator in a variety of educational institutions and corporations in the fields of education and early childhood education. I have had direct management of budgets over \$5M. Currently beyond the church, I am active in national and international educational organizations, as well as community work. With all the frailty of a person on a journey, I try to keep God's all-embracing love in the forefront.

**DIOCESAN COUNCIL SNO ISLE REGIONAL  
MINISTRY – CLERGY [one three-year term]**

**The Rev. Mark Miller** – Rector, St. John, Snohomish (Sno Isle). I welcome the nomination to Diocesan Council. I have served at St John's-Snohomish and the Sno Isle region for 17 years. Over the years I have been at missions and parishes, including ethnic ministries and served diocesan-wide work like the Ecumenical Commission, and assisted in support of Holy Family of Jesus congregation in Tacoma. For me the Eucharist makes visible all the church's life, from the gospel to the sending on mission. Thus I see the congregations as the places where the whole diocesan family does the main work of evangelism and service. I hope to bring all this experience and focus to bear with others on the Council as we plan ahead.

**SECRETARY OF THE DIOCESE OF**

**OLYMPIA**

**Ms. Karen Gusse** – *Occupation: Senior Business Process Analyst for the Boeing Corporation, and a consultant with the Diocesan Congregational Consulting Network; member of St. James, Kent.* I am called to support the work of the Diocese of Olympia as the Secretary to Convention. This position serves as a member of the Board of Directors, where I will use my gifts and skills developed in business to help guide the ministry and vision of the Diocese. I am a two time prior member of the Vestry at St. James, a co-leader of young adult ministry and an active part of our music ministry. I graduated from the Diocese's College for Congregational Development and am now working as part of the Consultant Network. I look forward to learning from the other members and being able to share my gifts.

**ARCHIVIST AND RECORDS MANAGER**

**Ms. Diane Wells** - I've had the privilege of serving as your diocesan Archivist and Records Manager since 1994 and I'm more convinced than ever of the importance of this position. Today's digital age presents many challenges but my goal continues to be to provide the diocese and its congregations, ministries and institutions with the highest level of archival and records management expertise and service. Our recently revised *Archives and Records Management Manual* now includes a section on social media best practices and a digital archives has been established for diocesan records. I continue to participate in professional organizations such as the Society of American Archivists and I have Masters Degrees in History and Library Science, a Certificate in Records Management and I am a Certified Archivist.

**TREASURER**

**Mrs. Barbara Fox** – *Occupation: retired escrow officer/limited practice officer; member of Church of the Resurrection, Bellevue.* With the changes, challenges and opportunities presented to the Diocese in the past year I feel it is important for me to continue my journey, guided by God, as your Diocesan Treasurer. There has been good work done and much more to come, all of which is exciting.

**HISTORIOGRAPHER**

**Br. Carle Griffin, OCP.** *Occupation: chef; member of the Community of the Paraclete, Seattle.* Currently I provide assistance to historians of St. Mark's, Seattle, and other parishes. My goal is to complete a comprehensive history of the church in Western Washington. My experience in lay ministries in the church and the Community of the Paraclete has enriched my understanding of the Episcopal Church.

*Diocese of Olympia*  
**Resolutions Committee**  
*2014 Report to Convention*

MEMBERS OF THE RESOLUTIONS COMMITTEE: **Mr. Duncan Bayne**, chair, St. Mark's Cathedral, Seattle; **the Rev. Bonnie Malone**, St. George, Maple Valley; **Ms. Mary Maxon**, Emmanuel Church, Mercer Island; **Mr. Ralph Provencal**, St. Benedict, Lacey; **the Rev. Suzi Robertson**, Good Samaritan Church, Sammamish; **Ms. Susan Rolfe**, St. Andrew, Aberdeen; **Mr. David Swim**, St. John the Baptist, Seattle; and **the Rev. Jonathan Weldon**, St. Paul, Bellingham.

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<u>Resolution #1</u>	2016 Diocesan Assessment Rate	Page 1
<u>Resolution #2</u>	Cost of Living Adjustment (COLA) to Clergy Salary Scale for 2015	Page 2
<u>Resolution #3</u>	Update Policy on Medicare Supplementary Insurance for clergy & lay diocesan staff	Page 3

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1    **Resolution #1 – 2016 Diocesan Assessment Rate**

2    *Submitted by the Diocesan Council.*

3

4    **Resolved**, That this 104<sup>th</sup> Convention of the Diocese of Olympia approve the recommendation of  
5    the Diocesan Council that the 2016 diocesan assessment rate factor be set at 16.0% of the Net  
6    Disposable Income (NDI).

7

8    **Resolutions Committee recommends: DO PASS**

9

10    Explanation: In accordance with Canon 7, Diocesan Convention determines the assessment rate  
11    for the second year of assessment following determination; thus the 2014 Convention sets the  
12    2016 assessment rate. Over the past few years the rate has been reduced to the current level of  
13    17%; the rate was 20% from 2004 to 2006, 18% from 2007 to 2011, 17.5% in 2012 and 17% in 14  
14    2013, 2014, & 2015.

15    Some years ago, Bishop Rickel and the Diocesan Council committed to a review of our  
16    assessment rate and structure, as well as our overall vision and mission. The Assessment Review  
17    Task Force (ARTF) made presentations to the Diocesan Council during 2013 with several  
18    recommendations. The Diocesan Council acted on several recommendations from the ARTF which  
19    took effect in 2014 and 2015 including the non-assessment of grants to congregations and a new  
20    way of calculating the NDI, with changes to Canon 7 as provided in the report of the Constitution  
21    and Canons Committee in 2013.

22    With each of these changes, the diocese has reduced the amount of assessment dollars not  
23    collected each year (shortfall). The current assessment shortfall rate is likely to be the lowest since  
24    2002. Coupled with reductions in spending at the diocesan level, Diocesan Council believes that  
25    we can lower the assessment rate to 16% of NDI while maintaining current program levels. This  
26    rate includes conservative predictions on income and takes into account probable increases in  
27    operating costs to the diocese.

**Resolution #2 – Cost of Living Adjustment (COLA) to Clergy Salary Scale for 2015***Submitted by the diocesan Personnel Commission*

**Resolved**, That this 104<sup>th</sup> Convention of the Diocese of Olympia authorize setting of the Cost of Living Adjustment for 2015 parochial clergy salary scale at 2.0%.

**Resolutions Committee recommends: DO PASS**

Explanation: As required by Canon 23, sections 2 and 5, the Personnel Commission, in July 2014, proposes the Cost of Living Adjustment (COLA) for 2015 for the parochial clergy salary scale at 2.0%. This is based on the Bureau of Labor Statistics Consumer Price Index for the Seattle-Tacoma-Bremerton area for June 2013 to June 2014, which showed an increase in the cost of living of 2.0%. For information purposes the Personnel Commission offers the clergy salary scale adjusted for the proposed COLA increase:

**Personnel Commission – 2015 Proposed Parochial Clergy Salary Scale**

GRADE	MINIMUM	MID-POINT	MAXIMUM
A	\$ 83,347	\$ 104,184	\$ 125,021
B	\$ 75,769	\$ 94,711	\$ 113,653
C	\$ 68,870	\$ 86,087	\$ 103,304
D	\$ 62,619	\$ 78,274	\$ 93,929
E	\$ 56,995	\$ 71,244	\$ 85,493

**Mandatory Policies (applies to rectors and vicars):**

1. If church-owned housing is provided, the range is reduced by 20% plus the amount of any utilities provided, either in form of actual utility costs paid or in allowances provided.
2. Clergy must be paid at least the minimum of the applicable range.
3. Clergy with five (5) or more years of ordained service must be paid at least 90% of the mid-point of their congregation's applicable grade. Note: a clergy person with less than five (5) years should be given pay raises greater than the cost-of-living adjustment so the salary would reach the 90% of mid-point by the fifth year.
4. Clergy with ten (10) or more years of ordained service must be paid at least 100% of the mid-point of their congregation's applicable grade. Note: a clergy person approaching (10) years in the same grade or congregation should be given pay raises greater than the cost-of-living adjustment so the salary would reach the 100% of mid-point by the tenth year.
5. Exceptions to these policies require the approval of the Bishop.
6. All financial agreements with clergy must be rewritten or amended in their Mutual Ministry Agreement to reflect changes in compensation or provisions and a copy forwarded to the Bishop.

**Advisory Policies:**

1. For assisting clergy, it is recommended that minimum compensation be established at two salary grades below that established for the parish or mission, depending upon qualifications and experience.
2. If a congregation is moving toward a higher grade, that congregation would be wise to increase toward that new salary grade incrementally.
3. Congregations are encouraged to consider clergy performance when deliberating compensation increases in excess of the COLA.
4. For interim clergy of a parish or mission, it is recommended that compensation shall be at the grade level of the parish or mission, prorated for the percentage of time committed.



1 **Resolution #3 – Update Policy on Medicare Supplementary Insurance for clergy**  
2 **& lay diocesan staff**

3 *Submitted by the diocesan Personnel Commission*  
4

5 ***Resolved***, That this 104<sup>th</sup> Convention of the Diocese of Olympia authorize revision of the definition  
6 of “retirement” age in the Diocese of Olympia’s post-retirement medical benefits for eligible clergy  
7 and diocesan lay staff employees, to become effective January 1, 2015.

8 2000 policy - “Retirement” for purposes of this policy is defined as the age specified by Social  
9 Security as “normal retirement age.”

10 2015 revision: Eligibility begins at age 65, without reference to what the Social Security  
11 Administration defines as the “normal retirement age.”  
12

13 **Resolutions Committee recommends: DO PASS**  
14

15 **Explanation:** This policy, adopted originally in 2000, applies only to diocesan staff – lay and clergy  
16 employed prior to December 31, 2000. It was adopted to limit future costs and liabilities; there  
17 is no obligation for these post-retirement benefits for diocesan staff employed after January 1, 2001.  
18 Since adoption of this policy in 2000, “normal retirement age” as defined by Social Security ranges  
19 from 65 to 67. This change clarifies that Medicare post-retirement benefits begin at age 65. Conway  
20 Jones & Associates, Pension Consultants and Actuaries have recommended this change so that  
21 eligible employees begin receiving Medicare benefits at age 65.

### Courtesy Resolutions

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia express its thanks to all persons – lay and clergy – who have given freely of their time and talents to provide leadership for this Diocese over the past year, especially those who are completing their terms on Diocesan Council, the Standing Committee, and various boards, commissions, committees and task forces.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia remember in their prayers all those in countries around the world where war, or the threat of war, is a daily reality, and for all in military service who risk life and personal safety on our behalf to bring about peace, especially the military chaplains in their rounds, duties and deployment.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia give thanksgiving for the leadership and ministry of our Presiding Bishop, the Most Reverend Katharine Jefferts Schori and that of her husband, Richard.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Archbishop of Canterbury Justin Welby, and his wife Caroline, with our thanks and our prayers.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its love and best wishes to our Bishops Retired, Bavi Edna “Nedi” Rivera, and her husband, the Rev. Robert “Bob” Moore; Sanford “Sandy” Hampton, and his wife, Mari; Vincent Warner, and his wife Shen; and William Choi, and his wife Catherine; Cabell “Cabby” Tennis, and his wife, Hyde; Craig Anderson and his wife, Lizbeth, and to Terry Cochrane, widow of the Rt. Rev. Robert Cochrane, 6<sup>th</sup> Bishop of Olympia.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Jim Waggoner, Bishop of Spokane and to all the clergy and people of the Diocese of Spokane.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Michael Hanley, Bishop of Oregon and to all the clergy and people of the Diocese of Oregon.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Melissa Skelton, Bishop of the Diocese of New Westminster and to all of the clergy and people of the Diocese of New Westminster.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Danilo Bustamante, Bishop of the Southern Philippines and to all the people of the Diocese of the Southern Philippines.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Suheil Dawani, Bishop of Jerusalem and the Middle East and to all of the clergy and people of the Diocese of Jerusalem and the Middle East.

BE IT RESOLVED, that the 104<sup>th</sup> Annual Convention of the Diocese of Olympia sends its greetings to the Rt. Rev. Martin Barahona, the retiring Bishop of El Salvador and to Bishop-elect the Rev. Juan David Alvarado and to all the clergy and people of the Diocese of El Salvador.

### **2014 Committee on Constitution and Canons Report (E.1)**

At its three meetings this year, our Committee considered clarifications to several canons and provided input to others with respect to resolutions proposing amendments to the Diocesan Constitution or Canons. We assisted other diocesan groups in formulating their proposals for canonical changes. We also offered input for updating the bylaws of the diocesan corporation. The following are changes that the Committee recommends for passage at Convention:

#### **Second Vote on Changes to Constitution**

Our diocesan Constitution provides (in Article XXI) that it may be amended by a majority vote of the two orders voting separately at two successive annual meetings of Convention.

#### **Constitution, Article XV (Admission of New Parishes and Missions)**

Section 1(d) in Article XV provides that a Parish desiring admission into union with Convention must present evidence that it has at least twenty-five adult Communicants in Good Standing. Meanwhile, Canon 8(1) provides that a Parish may only be organized with at least 50 adult Communicants in Good Standing. Because the operative threshold is 50 adults, it seems appropriate to eliminate the discrepancy.

In 2013, Convention voted (for the first time) that it made more sense to reconcile the inconsistency by requiring a minimum of fifty adult Communicants rather than twenty-five.

Now, the Committee asks Convention to vote a second time to amend Article XV(1)(d) as follows:

...the Parish shall have delivered...

(d) Satisfactory evidence that the Parish has been regularly organized by the election of two wardens, with a total of not fewer than six nor more than fifteen vestry members, and that the Parish contains at least **fiftytwenty-five** adult Communicants in Good Standing.

#### **First Vote on Changes to Constitution**

[none this year]

#### **Vote on Changes to Canons:**

Pursuant to Canons 28 and 29, canons can be enacted or amended by a "vote of a majority of each Order". These amendments "take effect upon the adjournment of the meeting of Convention at which they are enacted" unless the Convention votes unanimously for the changes to take immediate effect.

#### **Canon 6 (The Diocesan Council):**

The Office of the Bishop and Diocesan Council asked the Committee to provide for the situation in which a Council member from a particular region transfers out of that region. In addition, it seems that the Canons can dispense with historic language reciting how the current staggered Council terms were set up starting in 2012.

The Committee recommends simplifying the historic implementing language of Section 4 as follows, to explain the staggered terms of the several regions.

~~In 2012, representatives shall be elected as follows: Mt. Baker Regional Ministry, one clergy representative for a one year term and one lay representative for a two year term; Sno Isle Regional Ministry, one clergy representative for a two year term and one lay representative for a three year; Be Attitudes Regional Ministry, one clergy representative for a three year term and one lay representative for a one year term; Holy C Regional Ministry, one clergy representative for a one year term and one lay representative for a two year term; Eastside Episcopal Churches Regional Ministry, one clergy representative for a two year term and one lay representative for a three year term; Evergreen Regional Ministry, one clergy representative for a one year term and one lay representative for a three year term; Rainier Regional Ministry, one clergy representative for a two year term and one lay representative for a one year term; Peninsula Regional Ministry, one clergy representative for a three year term and one lay~~

~~representative for a two-year term; Willapa Regional Ministry, one clergy representative for a three-year term and one lay representative for a one-year term; Columbia Regional Ministry, one clergy representative for a one-year term and one lay representative for a two-year term. Beginning in 2013, or as terms expire, regional representatives shall be elected according to the following continuing rotation schedule (with Year One in 2014) to serve as members of the Diocesan Council for three-year terms.~~

Year One		Year Two		Year Three	
Eastside	Clergy	Columbia	Clergy	Be Attitudes	Clergy
Peninsula	Clergy	Holy C	Clergy	Evergreen	Clergy
Sno Isle	Clergy	Mt. Baker	Clergy	Rainier	Clergy
Be Attitudes	Lay	Eastside	Lay	Willapa	Lay
Columbia	Lay	Sno Isle	Lay	Holy C	Lay
Evergreen	Lay	Willapa	Lay	Mt. Baker	Lay
Rainier	Lay	-	-	Peninsula	Lay

No member who has served on Council for two consecutive terms shall be eligible for re-election until the expiration of one year. Council members who transfer outside the region they represent shall resign no later than the close of the next Annual Convention. The Council shall have power to fill any vacancies in its membership and shall fill any such vacancies for any position if the unexpired term is more than eleven (11) months. Members thus appointed by Council shall serve the unexpired balance of the term. Absent resignation, removal from office, or death, a member's term shall continue through the close of the Annual Convention session. ~~Council members who were elected to office will remain in such office until the expiration of their terms or earlier resignation.~~

#### Canon 14 (Dormant Parishes and ~~Aided~~ Parishes Needing Assistance)

The following changes/clarifications were recommended by the Office of the Bishop, for purposes of allowing earlier assistance to parishes and greater flexibility in remedies:

##### Section 3:

a. ~~If, at the end of~~ After any calendar year, ~~in which~~ a Parish fails to do one or more of the following:

1. Pay the full amount of all assessments levied by Convention;
2. Pay the salary of a Rector in accordance with the compensation scale adopted by Convention;
3. Pay the full amount of the salary and benefits contractually promised to the Rector or to another Parish employee;
4. Pay its pension obligation as required by regulations of the Church Pension Fund and of Convention;

the Bishop or a designated representative shall visit the Parish for the purpose of ascertaining the financial position of the Parish and learning ~~investigating~~ the reasons for such failure to meet these basic financial obligations. \_\_\_\_\_

b. ~~After the third consecutive year in which a Parish has failed to meet any one of items 3(a) (1-4) above, the Bishop may designate the Parish an "Aided Parish" according to the guidelines of this Canon.~~ The Bishop and/or one or more, in person or through a designated representatives, shall work with the ~~Aided~~ Parish to develop, adopt and implement a plan to meet help it assume full responsibility for the financial obligations defined in items 3(a) (1-4) above, which plan shall include a schedule for regaining financial independence as a Parish. A plan must be adopted by the Vestry within six months after the Bishop's intervention.

be. The Bishop may also respond with similar assistance ~~designate an "Aided Parish" in response~~  
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to a joint written request from the Rector and Vestry of any Parish, which sets forth the reasons and causes for such request.

d. No later than six months after being designated an "Aided Parish," such Parish shall provide the Bishop with a written proposal for regaining financial independence as a Parish. ~~The proposal's timetable for achieving such independence shall extend no further than four years beyond the date of the "Aided Parish" designation.~~

e. "Aided Parish" status under this Canon shall continue for a term of three years. The Bishop shall have discretion to extend this status for a final fourth year, but only in the reasonable expectation based on evidence that the Parish will be able to meet all financial obligations by the end of the fourth year as defined in items 3(a) (1-4) above.

cf. If ~~at the end of its time as an "Aided Parish" under this Canon,~~ the Parish remains unable to meet all the financial obligations described in items 3(a) (1-4) above under the schedule in the plan adopted by the Parish, then the Bishop shall report said inability to Convention. Upon receiving such report, Convention may, upon motion and vote, prescribed in Article XVI of the Constitution, change the status of the Parish to that of a Mission of the Diocese. If no such change is effected, the Bishop ~~may extend the congregation's "Aided Parish" status~~ shall continue to monitor the financial status of the Parish. If the Parish continues to fail to meet any one or more of the financial obligations defined in items 3(a) above, the Bishop may make another request to Convention.

#### Canon 21 (Commission on Church Architecture):

The following change parallels the edit to Canon 22, Section 3

##### Section 3:

The Commission may adopt and publish rules for submission of projects for submission of projects for consideration, subject to approval by the Bishop.

#### Canon 22 (The Commission on Ministry):

The following changes are offered to clarify the canon and conform to existing practice:

##### **Section 1(b):** Remove unnecessary words:

...No such member may serve during more than two successive three- year terms ~~to which he shall have been appointed."~~

##### **Section 2(a):** Reword as follows:

The Commission on Ministry shall have the duties and responsibilities prescribed ~~by in Title III, Canon 1, of the~~ Canons of the General Convention of the Episcopal Church. It shall assist the Bishop in matters pertaining to the enlistment and selection of persons for ~~M~~ministry, in the guidance and pastoral care of ~~C~~candidates for Holy Orders, of Deacons, ~~and lay P~~professionals, and other baptized persons Church Workers, and in matters pertaining to lifelong learning the continuing education of the Ministry.

##### **Section 2(b):** With regard to Commission on Ministry reports on candidates for holy orders, the Committee suggests rewording the last sentence as follows:

The Bishop shall transmit these reports to the Standing Committee, ~~whic~~he shall in no case recommend a ~~person for admission as a C~~candidate for Holy Orders, or ~~recommend a Candidate for Holy Orders for~~ ordination to the Diaconate or Priesthood, without first unless it shall have received and considering the report of the Commission on Ministry.

##### **Section 3:** The Committee recommends rewording the first sentence as follows: The

Commission on Ministry may adopt and publish rules for its work.

**Section 4:** In the second line, we suggest changing “Annual Convention” to “Diocesan Convention,” to be consistent with the reference at the end of the same section.

**Canon 23 (The Commission on Personnel):**

Because the Commission does not always have 11 members, the Committee recommends rewording Section 1 as follows:

There shall be a Commission on Personnel consisting of up to nine~~eleven~~ members appointed by the Bishop:

- a. ~~Two~~Three members of the Commission shall be clergy canonically resident in the Diocese, one of whom shall be nominated by the Clergy Association of the Diocese of Olympia (CADO) from among its members.
- b. ~~Six~~ members of the Commission shall be adult Communicants in Good Standing in the Diocese.
- ~~bc.~~ In addition, the Bishop shall appoint ~~two additional persons to the Commission, one clergy member who is of the Diocese nominated by the Clergy Association of the Diocese of Olympia, from among its members, the clergy of the Diocese, and one lay professional employed by a within the Diocesan congregation.~~
- c. ~~The remaining members of the Commission shall be adult Communicants in Good Standing in the Diocese.~~
- d. ~~The~~All members shall serve staggered three-year terms, ~~with one clergy and two lay persons being replaced each year.~~ No member may serve more than two full successive terms.
- e. The ~~C~~chair of the Commission shall be selected by the Bishop, and shall be empowered to fill vacancies on the Commission subject to confirmation by the Bishop.

Faithfully submitted,

COMMITTEE ON CONSTITUTION & CANONS

Mr. Douglas Oles, Chair

Ms. Judith L. Andrews, Chancellor Mr. Duncan Bayne, Vice  
Chancellor Ms. Sarah S. Mack

Ms. Ann McCartney

Ms. Donna R. McNamara

Canon Dede Moore, Diocesan Staff

The Reverend Stephen Moore

The Reverend Dr. Canon Marda

Steedman Sanborn

Diocese of Olympia  
**2014 CONVENTION COMMITTEES & COMMISSIONS**

E.2

\* denotes chair

Constitution & Canons Committee

\*Mr. Douglas Oles, *Redeemer, Kenmore*  
 Ms. Judith Andrews, *Diocesan Chancellor*  
 Mr. Duncan Bayne, *St. Mark's Cathedral, Seattle*  
 Ms. Sarah S. Mack, *Trinity Church, Everett*  
 Ms. K. Ann McCartney, *St. Mark's Cathedral, Seattle* Ms.  
 Donna McNamara, *St. John the Baptist, Seattle* Canon Dede  
 Moore, *Canon for Operations*  
 The Rev. Stephen Moore, *All Saints, Bellevue*  
 The Rev. Canon Dr. Marda Steedman Sanborn, *Canon to the  
 Ordinary*

Resolutions Committee

\*Mr. Duncan Bayne, *St. Mark's Cathedral, Seattle* The Rev.  
 Bonnie Malone, *St. George, Maple Valley* Ms. Mary  
 Maxon, *Emmanuel, Mercer Island*  
 Mr. Ralph Provencal, *St. Benedict, Lacey*  
 The Rev. Suzi Robertson, *Good Samaritan, Sammamish*  
 Ms. Susan Rolfe, *St. Andrew, Aberdeen*  
 Mr. David Swim, *St. John the Baptist, Seattle*  
 The Rev. Jonathan Weldon, *St. Paul, Bellingham*

Nominations Committee

\*Ms. Pam Tinsley, *St. Andrew, Tacoma*  
 \*Dr. Leann Torgerson-Harrison, *Trinity, Everett* The  
 Rev. Rilla Barrett, *Our Saviour, Monroe* The Rev.  
 Bonnie Campbell, *St. Mark, Montesano* Ms. Mary  
 Lyons, *St. Stephen, Longview*  
 The Rev. Stephen Moore, *All Saints, Bellevue*  
 Ms. Diane Stipp, *St. Stephen, Seattle*  
 The Rev. Dr. Dennis Tierney, *St. Barnabas, Bainbridge Is.*

## Disciplinary Board

The Rev. Lex Breckinridge, *St. Thomas, Medina* Mr.  
 Mac Brown, *St. Mark's Cathedral, Seattle* Mr. Mark  
 Hutcheson, *Epiphany Parish of Seattle* Mr. Karl Oles,  
*Redeemer, Kenmore*  
 The Rev. Peter Strimer, *St. Andrew, Seattle*  
 The Rev. Pat Taylor, *retired*  
 The Rev. Dr. Tom Warne, *Good Shepherd, Vancouver*  
 Ms. Candace Weatherby, *All Saints, Vancouver*  
 The Rev. Jonathan Weldon, *St. Paul, Bellingham*

## Commission on Personnel

\*Mr. John Sutherland, *St. Paul, Seattle*  
 Ms. Linda Bruen, *St. Stephen, Seattle*  
 Ms. Lynn Frink, *Epiphany Parish of Seattle* The Rev.  
 William Fulton, *St. Antony, Silverdale* Ms. Cheryl  
 Middleton, *St. Andrew, Seattle*  
 Mr. Jim Quitslund, *Grace Church, Bainbridge Island*  
 Ms. Courtney Searls-Ridge, *St. Paul, Seattle*  
 The Rev. Jonathan Weldon, *St. Paul, Bellingham*

Commission on Church Architecture

The Rev. Janet Campbell, *Canon for Liturgy*  
 Mr. Rollie Dawson, *St. Thomas, Medina* Mr.  
 Guy Falskow, *St. Stephen, Seattle*  
 Mr. Bill Goodenough, *Property Rep*  
 Mrs. Jeannette Moore, *St. Mark's Cathedral, Seattle*  
 Mr. Allen Moses, *Redeemer, Kenmore*  
 Mr. Frederick Pneuman, *St. Thomas, Medina*  
 Mr. Ralph Provencal, *St. Benedict, Lacey*  
 The Rev. Canon Dr. Marda Steedman Sanborn, *Canon to the  
 Ordinary*  
 Mr. Nathan Thomas, *Grace, Bainbridge Island*

Commission on Ministry

The Rev. Mark Blindheim, *Emmanuel, Mercer Island*  
 The Rev. Bonnie Campbell, *St. Mark, Montesano* The  
 Rev. Janet Campbell, *Christ Church, Tacoma* Ms. Mary  
 Coon, *St. Mark's Cathedral, Seattle*  
 The Rev. Marilyn Cornwell, *Ascension, Seattle*  
 \*Mr. William Demmon, *St. Antony, Silverdale* The  
 Ven. Gen Grewell, *Archdeacon ex officio* The Rev.  
 David Marshall, *St. Dunstan, Shoreline* Mr. Karl  
 Oles, *Redeemer, Kenmore*  
 Mr. Frank Prohaska, *Christ Church, Seattle*  
 Mr. George Robertson, *St. Mark's Cathedral, Seattle*  
 The Rev. Becky Scott, *St. Benedict, Lacey*  
 \*The Rev. Mary Shehane, *Ascension, Seattle*

Liturgy & Arts Commission

\*The Rev. Samuel Torvend, *St. Paul, Seattle*  
 The Rev. Elizabeth Bloch, *St. Paul, Port Townsend*  
 Ms. Susan Bloomfield, *St. Benedict, Lacey*  
 The Rev. Janet Campbell, *Canon for Liturgy, ex officio*  
 The Rev. Gen Grewell, *Archdeacon*  
 Mrs. Deborah Hickey-Tiernan, *St. Paul, Seattle* The  
 Rev. Joseph Hickey-Tiernan, *St. James, Kent* Mr.  
 Sean Horner, *St. Paul, Seattle*  
 The Rev. Mary MacKenzie, *Christ Church, Tacoma* Canon  
 Becky Morrill, *Diocesan Liturgist, Canon Precentor, St.  
 Mark's Cathedral, Seattle*  
 Ms. Cheryl Smith, *Good Samaritan Sammamish*

Committee on Privilege

\*The Rev. Joe Mikel, *St. David of Wales, Shelton* Canon  
 Dede Moore, *Canon for Operations*  
 The Rev. Canon Dr. Marda Steedman Sanborn, *Canon to the  
 Ordinary*  
 Mr. Blaire Notrica, *Executive Assistant to the Bishop & the  
 Canon to the Ordinary*

## Committee on Dispatch of Business

\*Mr. Ted Ederer, *St. John, Kirkland*  
 Ms. Dede Moore, *Canon for Operations*  
 The Rt. Rev. Greg Rickel, *Bishop Diocesan*

**Report of the Committee on Privilege (E.3)**

The Committee on Privilege recommends that the following persons be given the privilege of voice, or seat and voice at the 104<sup>th</sup> Annual Convention of the Diocese of Olympia.

**Retired Bishops now residing in the diocese (canonical in other diocese), if present**

The Rt. Rev. Cabell Tennis, Bishop Retired, Delaware

The Rt. Rev. William Choi, Bishop Retired, Anglican Church of Korea

**Officers of the Diocese/Convention who are not members of Convention**

Karen Gusse, Secretary of Convention

Diane Wells, Archivist and Records Manager (voice)

**Diocesan Staff members who are not members of Convention**

Blaire Notrica, Executive Assistant to the Bishop & the Canon to the Ordinary Dede Moore, Canon for Operations

Kerry Allman, Internet Strategist

**Others who are not members of Convention**

K. Ann McCartney, Parliamentarian Susan Bloomfield, Convention Musician Becky Morrill, Diocesan Liturgist

**Diocesan Mission Stations & Congregations**

Elizabeth Maupin, Church of the Apostles (COTA), Seattle Eliacin Rosario-Crus, Church of the Apostles (COTA), Seattle Carol Everson, St. Columba, Kent; Doug McFayden, St. Columba, Kent Gladis Castellanos, La Iglesia Episcopal de la Resurreccion, Mt. Vernon Salvador Morales, La Iglesia Episcopal de la Resurreccion, Mt. Vernon Skip Hash, St. Germain, Hoodport

**Those presenting reports or speaking on behalf**

**of presenters of resolutions to this Convention (voice only)**

Katie Akesson, Elections

Chuck Hamilton, Episcopal Relief & Development

Ken Hawkins, Mission to Seafarers

Greg Rhodes, Outside Church Walls

Leanne Torgerson-Harrison, Nominations Committee

Pam Tinsley, Nominations Committee

**2014 Standing Committee Report (E.4)**

During the 2013-2014 year the Standing Committee engaged our usual areas of responsibility including giving consents (or withholding consent) for elections and of election results related to diocesan bishops or suffragan bishops in our region. This past year, the Standing Committee adopted a policy of researching the level of giving to TEC of a diocese requesting the election or approval of a bishop. When a given level of contribution is less than expected levels, we take steps to determine the cause and make our decision regarding approval based on the results of our conversations with an electing diocese.

We have also participated in diocesan consents for ordination of priests and deacons through representation on the diocesan Commission on Ministry and participating in Candidacy Day. We have engaged the annual financial audit process through representation on the Joint Finance Panel, also approving (or disapproving) issues related to church property. Finally, it is our committee’s privilege to serve the bishop in a collaborative role and most particularly in the annual Mutual Ministry Review (MMR) process. This year’s MMR process additionally included a representative from the diocesan Board of Directors (Ann Lukens) and a representative from Diocesan Council (Rilla Barrett). Through a series of three special meetings, we were guided in a very fruitful dialogical process by outside consultant, Eldon Olsen. This year’s MMR



process was informed by the Standing Committee's desire to build on the extensive review and survey work of previous years (as well as other diocesan ventures such as Outside Church Walls, as well as work conducted by the diocesan Budget & Finance Committee, and mission planning). The MMR group concluded that the time is ripe for our diocese to engage a collective vision process for our future.

We have subsequently called for the creation of a *Vision Task Force* to initiate a vision process, under the continuing guidance of our consultant, Eldon Olsen.

After much reflection and conversation with the bishop, the following people have been called to serve on the Vision Task Force: The Rev. Jo Beecher, Jim Campbell, The Rev. Dr. Marilyn Cornwell, Katrina Hamilton, Brad Howard, Bob Jacobs, The Rev. Joseph Mikel, The Rev. Sarah Monroe and The Rev. Dr. Eldon Olson as facilitator. You will hear more about the developing work to be initiated by this group over the coming months.

The Rev. Rachel Taber-Hamilton, President, 2014 Standing Committee

**2014 Board of Directors Report (E.5)**

The Board of Directors of the Diocese of Olympia, Inc. (the "Diocese") has legal and fiduciary responsibility for the assets of the diocese, including land, buildings, endowments and other funds. It is the mission of the Board to manage these assets to further God's work in this diocese, both now and in the future. The Board is comprised of 12 members noted below and convenes monthly as needed (with the exception of July).

Over the past year the Board has been assisted by a new steering committee working between meetings to maximize the Board's effectiveness through advance planning and preparation of agenda items. Major areas of initiative since the 2013 Convention include ongoing feasibility

studies on rezoning and redeveloping the St. Luke, Ballard, property; partnership with two congregations that are reactivating payments on their under-performing loans; continuing research into the fossil fuel divestment issue; development of interim, non-profit uses for church properties not currently in use for worship; and oversight of major construction projects in two mission congregations. Two of the largest funds managed by the Board are the Mission Development Fund, for purchasing land, and the Building Loan Fund, for construction. The current status is:

**Mission Development Fund (MDF)**

Assets as of 9/30/2014	\$765,339
4 non-interest bearing loans	\$111,895
Property in Orchards	\$557,643
Available funds	\$95,710

**Building Loan Fund (BLF)**

Assets as of 9/30/2014	\$5,317,319
15 loans, 4 non-interest bearing	\$3,568,165
Interest in arrears	\$83,592
Available funds	\$1,665,565

**Specific Board actions taken on behalf of congregations October 2013 – September 2014 are:**

- Approved St. Mark's Cathedral's usage of funds from the Hodges Endowment for the Benefit of St. Mark's Cathedral for the purchase of a deanery.
- Set the 2014 BLF rate for both parishes and missions at 3.5%.
- Upon recommendation of the diocesan treasurer, and in recognition of payments in excess of the challenge for repayment to the Building Loan Fund, forgave the balance owed by Good Samaritan, Sammamish, on its Mission Development land loan.
- Authorized signers for St. Matthew, Castle Rock, regular church account at Fibre Credit Union. Authorized St. Matthew, Castle Rock, to open a second account at Fibre Federal Credit Union for the St. Theresa's Guild.

- Authorized all churches and institutions within the Diocese of Olympia to use the services of a credit union, as long as that credit union is covered by the NCUA, NCUSIF – or other comparable credit union insurance entity.
- Approved the Christ Church, Anacortes, Narthex addition project and sanctuary renovation as outlined.
- Authorized St. Columba, Kent, to accept insurance settlement funds for damage to a portable on its property; approved demolition of said portable.
- Approved the request from St. Germain, Hoodspport, to withdraw funds from the Howard Wilder Bequest left for the benefit of St. Germain.
- Approved withdrawal by Church of Our Savior, Monroe, from the Diocesan Investment Fund, funds to be used for deferred maintenance, tuition for members to attend the College for Congregational Development, expansion of music program, and creation of youth programs.
- Relinquished custody and control of septic tanks to Fisherman Bay Sewer District of San Juan County, Washington, affecting the property known as Grace Church, Lopez Island, Washington, thereby creating an easement over, under and upon said septic tank(s); authorized the diocesan treasurer to sign all necessary documentation.
- Transferred all but \$25,000 of the current assets in the Joshua Green Endowment Fund, for which the Diocese of Olympia, Inc., serves as Trustee and St. Mark's Cathedral is the beneficiary, and which is held in the Diocesan Investment Fund, into a short-term savings vehicle, as determined by the manager of the Diocesan Investment Fund.
- Approved a one-year annually-renewable lease for a portion (Undercroft) of St. Luke, Ballard, to The Bridge Care Center.
- Authorized pursuit of the following rezone strategy – through the City rezone process – for
  - St. Luke, Ballard: pursue rezone of entire site to NC3-65; fallback to NC3-65 Cluster on western edges/MR-RC elsewhere.
- Approved the loan repayment plan submitted by Good Samaritan Church, Sammamish, covering three outstanding loans.
- Authorized the interim property rep to spend funds for a survey of the George, Lake City, property to obtain information on City of Seattle requirements for potential development; property contains wetlands and a stream.
- Authorized St. Bede, Port Orchard, to move ahead with abatement of asbestos found in the undercroft and kitchen, noting that contracts will require diocesan approval.
- Approved a use agreement between St. Antony's, Silverdale and New Fellowship Church.
  - Approved a contract between St. Antony's, Silverdale, and Marc Rieke of The Enrichment Group for capital campaign services.
- Approved a joint use agreement between St. Clare, Snoqualmie, and Fellowship of Christ Witnesses.
- Authorized the Chancellor to engage a lawyer, who has experience in the area of sewer districts, for up to three hours to analyze the situation at Good Samaritan, Sammamish.
- Approved the construction project at St. George, Maple Valley, as presented.
  - Authorized the diocesan treasurer to execute the civil engineering contract & landscape architect proposal, as approved by the diocesan Chancellor, for St. George, Maple Valley; payments for these two contracts are authorized to be paid directly by the congregation.
    - Revised action pertaining to outstanding loans for Good Samaritan, Sammamish.
    - Suspended loan payments from St. Mary, Lakewood, for four months.
    - Authorized a use agreement between Church of the Holy Spirit, Battle Ground and Great Start CDC for use of a portion of the facility.

#### **Other actions October 2013 – September 2014:**

- Approved a revised DIF Investment Policy Statement.
- Ratified the sale of the property at 3290 42nd Ave SW., Seattle, WA 98116 (the bishop's former residence).
- Authorized the purchase of property in west Seattle as the bishop's current residence.
- Authorized extension of the diocesan property and casualty liability policy with Church Insurance Company of Vermont for one year, during which time the Insurance Committee will complete a holistic review and make future recommendations.
- Requested an advisory vote of DIF participant congregations on Resolution #5: fossil fuel divestment.
- Authorized redemption of funds from the Theological Education Endowment invested in the DIF to assist with travel to the Holy Land for 3 seminarians and 8 recently ordained clergy; trip sponsored by the bishop.
- Set the basis for calculation for the BLF rate as the One Year Treasury Constant Maturity Index on the first Tuesday in November.
- Authorized income from the Eston Collins account in the DIF (Diocesan Investment Fund) to be directed to the Clergy of Color Scholarship Fund.
- Suspended entering into future contracts on the proposed rezoning of the Ballard property until at least August 2014. Terminated all current contracts effective January 31, 2014. Requested, by June 1, 2014, a detailed plan, timeline and budget for the proposed zoning to the NC3-65. Authorized the diocesan treasurer to work with Seattle Bank to designate herself as the primary contact for the St. Luke, Seattle, project. Engaged a representative to attend City of Seattle neighborhood input meetings for Ballard – city-sponsored planning meetings – on behalf of the Board, reporting back to the Board after each zoning meeting.
- Authorized funds from the Sam and Nathalie Brown bequest for the 2014 diocesan contribution to the Compass Rose Society.
- Authorized the accounting office to write off the Account Receivable in the Trust Funds related to the 1990s capital campaign.
- Authorized 50% of the bequest from the Rev. Bill Burnett, through sale of his house by St. Augustine's in- the-Woods, Freeland, to be used to establish a Holy Land Pilgrimage fund to assist seminarians making this pilgrimage; funds to be distributed through Burnett Scholarships.
- With the knowledge that the current balance in the Bishop's Search Reserve is \$339,700 and the amount spent on the previous bishop search was \$281,000, authorized the accounting office to suspend, beginning with the 2014 budget, the yearly accrual from the Episcopate Endowment #2, until such time either 1) the funds are expended for a bishop search, or 2) it is determined that the balance is no longer sufficient for a future search.
- Authorized the accounting office to redeem funds from the Clergy Emergency Fund in the DIF.
- Directed the Canon for Finance to reduce the balance in the line of credit at Seattle Bank, for the St. Luke's Ballard project, to a zero balance. Funds to come from the current legal reserve fund. The line of credit itself was not closed.
- Authorized signers for the new Stewardship checking account at US Bank.
- Entered into a one-year lease agreement, automatically renewed annually, with Atlantic Street Center for the property known as All Saints, Seattle, (with the exception of the Sanctuary) located at 5150 S. Cloverdale Pl. Seattle, WA 98118.
- Approved a one-year automatically renewable lease agreement with Templo Emanuel (dba Ministerio Evangelitico Internacional) for diocesan property located in Mill Creek (formerly St. Francis Church). Lease subject to tenant acquiring sufficient insurance.
- Authorized funds to be allocated from the

Hodges fund for the microfilming and digitization of Refugee Resettlement Office immigrant and refugee case files and related records from 1978-1999.

- Authorized funds from the Hodges Fund to pay the expenses of refreshing our chart of accounts and redesigning some financial statements.
- Authorized the accounting office to open a checking account for the Stewardship online donations account at Umpqua Bank.
- Approved the Hodges Endowment Control Document as amended.
- Approved annual redemption of DIF (Diocesan Investment Fund) shares in the Human Need Endowment, equal to the reinvested prior year's income, to be completed in January rather than July.
- Declined the offer to sell the Westport property to the food bank; offered an annually-renewable lease in an amount to be determined by the treasurer, with a requirement that the food bank have liability insurance; lease to be approved by the chancellor.
- Authorized the accounting office to redeem additional funds from the Clergy Emergency Fund in the DIF.
- Authorized designated Refugee Resettlement Office staff to sign loan agreements for both the Refugee Resettlement Office and Jump Start programs; authorized them to represent the Diocese of Olympia in small claims courts in actions related to collecting from borrowers from these funds.
- Authorized the accounting office to pay costs of electrical code work and door replacement at All Saints, Seattle, from Fund 15; repayment by rental income from the Atlantic Street Center.
- Authorized the accounting office to cover from Fund 15 expenses to clean out the house and portables (items left from prior tenant) at the Mill Creek property; repayment by rental income from Templo Emanuel.
- Accepted appointments to committees of the Board as follows: St. Andrew's House Advisory

Committee – Mr. Matt Hornyak, current member, to be appointed chair; Mr. George Garcia, current member, appointed as the Board liaison; Insurance Committee – Ms. Carolyn Shilling Gill, current member, to be appointed chair.

- Casualty insurance program with Church **Insurance on its February 1, 2015, renewal date...assuming that satisfactory renewal terms are provided and that industry- standard communications structures are incorporated. In that case, and assuming no changes in** reasonably competitive cost, program structure and service quality, the expectation is that the on-going relationship with Church Insurance be one which will remain in place for the foreseeable future.
- Approved disbursements from the Hodges Fund for benefit of capital improvements at Diocesan House for a database upgrade and new servers.
- Authorized a use agreement with Chaplains on the Harbor for use of the Westport property.

#### **Members of the 2013 – 2014 Board of Directors (E.5)**

The Rt. Rev. Gregory Rickel, president; The Rev. Dr. Ann Lukens, vice president; The Rev. Dr. Marda Steedman Sanborn, secretary, St. James, Kent (through April 2014); Ms. Karen Gusse, secretary, St. James, Kent (beginning August 2014); Ms. Barbara A Fox, treasurer, St. John, Kirkland; Mr. Bill Goodenough, property representative, Church of the Ascension, Seattle (through April 2014); Ms. Mary Dickinson, St. Mark's Cathedral, Seattle; Mr. George Garcia, St. Joseph St. John, Lakewood; Mr. Collie Liska, St. Benedict, Lacey; Ms. Patricia McGuire, St. Bede, Port Orchard; Mr. Gary Rose, St. John, Kirkland; and The Rev. Ray Sheldon, Faith Community Church, Kingston. Non-voting: Mrs. Judith Andrews, chancellor, St.

Mark's Cathedral, Seattle; The Rev. Canon Joan Anthony, canon to the ordinary (through March 2014); The Rev Canon Dr. Marda Steedman

Sanborn, canon to the ordinary (beginning May 2014); Canon Dede Moore, canon for operations; Canon Chris Smith-Clark, canon for finance (through August 2014).

*Submitted by Dede Moore, Canon for Operations*

### **2014 Diocesan Council Report (E.6)**

The Diocesan Council (DC) is the “convention in recess” and has responsibility to oversee the budget and program goals of the Diocese and to carry out the priorities adopted by convention. DC members accept assignments, work on task groups, and attend regional, committee, and commission meetings as necessary.

Actions of Council December 2013 through October 2014:

- Approved the Policy for Granting Relief of Prior Year(s) Unpaid Assessments.
- Accepted the written offer from St. John, Kirkland, regarding unpaid prior years’ assessment.
- Authorized the accounting office, for accounting purposes only, to write off all outstanding 2013 assessment balances.
- Authorized 50% of the bequest from the Rev. Bill Burnett, through sale of his house by St. Augustine’s in-the-Woods, Freeland, to be used to establish a Holy Land Pilgrimage fund to assist seminarians making this pilgrimage; funds to be distributed through Burnett Scholarships.
- Granted the following parishes/missions that operate schools the full five-year certification effective March 1, 2014 and ending March 1, 2019: Good Samaritan, Sammamish; St. Mark’s Cathedral. Granted the following parishes/missions that rent space to schools the full five-year certification effective March 1, 2014 and ending March 1, 2019: Emmanuel Church, Mercer Island. Material changes in the operation of the school or the rental agreement must be reported to the Commission on Episcopal School Standards during the period of certification.
- Authorized the director of the Refugee

Resettlement Office to request a transfer of a federal contract from the Diocese of Olympia to the New Roots Fund, a subsidiary organization of the Diocese of Olympia.

- Commended Canon Joan Anthony for her years of excellent service as a priest, pastor and administrator in the Diocese of Olympia.
- Accepted the offer made by St. Benedict, Lacey, to pay its unpaid prior year’s assessment over a seven-year period.
- Authorized the Diocese of Olympia’s Refugee Resettlement Office to submit an application to the 2015 Community Block Grant (CDBG) non-housing capital competitive funding round for micro-enterprise development.
- Received the preliminary report from the St. Matthew/San Mateo Task Force and provided a two-month extension for completion of the final report, with stipulations.
- Reduced the current year assessment for Emmanuel Church, Mercer Island, based on a miscalculation of prior year’s assessment.
- Held a joint session with the Regional Ministry Leadership Team to discuss the purpose and role of regional ministries and to plan the fall pre-convention gatherings.
- Authorized the finance office to transfer non-federal loan funds, currently managed for the Refugee Resettlement Office, to the New Roots Fund of the Refugee Resettlement Office.
- Authorized changes to Canon 6: Diocesan Council to be included in the report of the Constitution and Canons Committee to the fall convention.
- Approved the recommendation of the Budget & Finance Committee to forward a resolution to the fall convention setting the 2016 diocesan assessment rate factor at 16%.
- Approved the recommendation of the Budget & Finance Committee to forward a letter to all congregations outlining revisions to the diocesan policy regarding prior years’ unpaid assessments.
- Adopted a balanced 2015 diocesan operating budget, to be forwarded to the fall convention

for ratification.

- Received the final report from the St. Matthew/San Mateo Task Force.
- Approved the 2015 grants to congregations.
- Accepted repayment for unpaid prior year's assessment, including partial relief, from St. Matthew, Tacoma and Holy Cross, Redmond.
- Provided prior year's unpaid assessment relief for St. Stephen, Oak Harbor, and St. Margaret, Bellevue.

### 2014 Commission on Ministry Report (E.7)

When we last gathered for the 103<sup>rd</sup> Convention we joyfully celebrated together the ordinations of Eric Stroo and Polly Shigaki to the Sacred Order of Deacons. Since then Bishop Rickel has ordained to the Sacred Order of Priests, Sarah Monroe on April 23, 2014 at St Andrew, Aberdeen, and on July 22, 2014 at St Mark's Cathedral, Jennifer King Daugherty, John Paul Forman, Joshua Luke Hosler, Laura Jane Watkins Murray, and Alissabeth Anne Newton. On October 28, 2014 Bishop Rickel received the orders of Richard Coleman Weyls.

We have been blessed to walk with the above named persons and the persons below who are still in process for ordination.

Postulants (priest): Kate **Bast**, St Paul, Port Townsend; Cristi **Chapman**, Church of the Ascension, Seattle; Todd **Foster**, St Paul, Bellingham; Meghan **Mullarkey**, Church of the Apostles, Seattle; John **Powless**, Church of the Apostles, Seattle; Kate **Rickard**, St Paul, Seattle

Postulants (deacon): Jeffrey Boyce, St Andrew, Tacoma; Doug **Dahlgren**, Christ Church, Tacoma; Aaron **Scott**, Church of the Good Shepherd, Vancouver

Postulants of the Total Common Ministry Circle of St Hugh, Allyn: Barbara **Bertsch** (commissioning), Vicki **Betsinger** (priest), Sunny

**Cotey** (commissioning), Karen **Kennedy** (deacon), Carol **Kennedy** (commissioning), Cheryl **Barnes-Wilson** (commissioning), Kim **McNamara** (priest), Sheri **Simpson** (commissioning), Bill **Smith** (commissioning)

Candidates (priest): Eliacín **Rosario-Cruz**, Church of the Apostles, Seattle; Peggy **Schnack**, St Andrew, Tacoma; Jeffrey **Sharp**, St Andrew, Tacoma; Michael **Wright**, St Stephen, Longview

Faithfully,  
Blaire Notrica  
for the Commission on Ministry

### 2014 Commission on Personnel Report (E.8)

The Commission on Personnel has made progress on a variety of issues. In 2014 we worked on the work of Christ in the world.

- **Tool-Kit for Conversation.** Published and publicized the *Tool-Kit for Conversation* between clergy and wardens regarding clergy compensation, a document that was largely created in 2013. This was posted in February of this year on the diocesan web site by Blaire Notrica, and publicized to clergy and wardens. The goal of this document is to increase comfortable, healthy conversations between wardens and clergy on what is too often an awkward topic. We hope that this will increase the well-being of congregations so that that clergy and laity, honoring each other, can focus on the work of Christ in the world.
- **COLA.** Each year the Commission on Personnel recommends a Cost of Living Adjustment that is applied to our Parochial Clergy Salary Scale for adoption at Convention. Our determination is based upon the Bureau of Labor Statistics report on changes to the cost of living in our region. This year we propose a Cost of Living Adjustment (COLA) of 2%—the exact percent cost of living rise from June 2013 to June 2014. The COLA is meant to maintain clergy salaries at par from year to year, not as a sole mechanism for compensation changes.

- **Review of essential documents.** The commission reviewed a variety of documents at the request of the Bishop this year, including the 2009 policy on bonuses, the scale for compensation of supply clergy for various types of Sunday and weekday services, an update to the 2000 Medicare resolution pertaining to diocesan staff, the new Health Care Compliance policy, and most substantially, the 2014 Personnel Manual for diocesan staff.

- **Cooperative Work with New Westminster.** Members of our commission engaged in cooperative conversations with our neighbors to the north, the Anglican Diocese of New Westminster, with the consent of their new Bishop, the Right Reverend Melissa Skelton. While we hoped to complete a document specifying the parameters of a new mission-based compensation model, we will likely use the shared material to revise our Toolkit for Conversations on Compensation, and continue to develop a partnership with our Canadian neighbors wherever possible.

It has been a pleasure to serve with such good people in my first year as chair of this commission; a special tip of the hat to our departing members, Courtney Searls-Ridge (St. Paul's Seattle) and the Reverend Jonathan Weldon (St. Paul's, Bellingham). In their place, we welcome incoming members: the Reverend Shelly Fayette (Christ Church, Seattle) and Ted Ederer (St. John's, Kirkland). They join our excellent continuing members, Linda Bruen (St. Stephen's, Seattle), Lynn Frink (Epiphany Parish of Seattle), the Reverend Bill Fulton (St. Anthony, Silverdale), John Sutherland (St. Paul's, Seattle), and James Quitslund (Grace, Bainbridge). We are all well supported by our staff liaison, Dede Moore, Canon for Operations, and our new Canon to the Ordinary, Marda Steedman-Sanborn.

Yours Faithfully,  
John Sutherland, *Chair*

## **2014 Archives & Records management (E.9)**

2014 has brought us closer to achieving some of our major goals. One of the most exciting projects is the development of the Archives database. This database will make it possible for members of our diocesan congregations – as well as the general public – to search the Archives' collections – allowing access on a much broader scale than previously possible.

Last year I reported that the microfilming and digitization of our Refugee Resettlement Ministry files was finally underway and I am pleased to report that funding has been obtained to allow this project to continue and that it should be completed within two years.

As staff becomes more aware of the availability of the digital archives for the preservation of diocesan electronic documents, the service continues to expand, allowing us to access and maintain our electronic documents in their original format .

Social media best practices and guidelines have also been updated to reflect current usage.

These guidelines can be accessed directly from the Archives web page at: <http://www.ecww.org/departments/archives>.

This year the Archives was honored to receive the papers of Peter Hallock, Canon Precenter of St. Mark's Cathedral, who served the Cathedral for 40 years as Organist and Choirmaster, and who passed away in May of this year. The papers are currently being processed and their availability will be announced at a future date.

I continue to represent The Diocese of Olympia Archives as a founding member of the Seattle Heritage Emergency Response Network (SHERN), established to provide mutual assistance among cultural in the institutions in the Seattle area during times of emergency. After a brief hiatus, I will again be writing a column for the clergy spouse/partner online newsletter, *A La Mode* and making contributions to the diocesan blog and the diocesan app.

I would also like to draw your attention once again to the website of the Episcopal Archivists, <http://episcopalarchivists.org/> a group of professional Episcopal Church archivists that works to promote and assist in the preservation of the documentary heritage of the Church. Other professional associations in which I continue to participate and learn from include: Seattle Area Archivists, Northwest Archivists, and the Society of American Archivists. This year at the Society of American Archivists annual meeting in Washington, DC, I took part in a panel presentation along with archivists from the Anglican Church of Canada, the Catholic Archdiocese of Chicago, Gonzaga University and the Catholic Diocese of Wilmington.

And, finally, I continue to fulfill my day-to-day duties managing our diocesan archives, providing archival reference service; and

providing records management assistance to staff and congregations.

For more information about the Archives go to the Archives page on the diocesan web site at: <http://www.ecww.org/departments/archives>.

Respectfully submitted by,  
Diane Wells, CA  
Archivist and Records Manager  
[dwells@ecww.org](mailto:dwells@ecww.org)

### **2014 Historiographer Report**

Since last Convention (2013) I completed the following:

- Added to collection of sources on Episcopal Church and Pacific Northwest history. Met with historians working on parish histories.
- Continued work on a draft of a comprehensive history of the diocese.
- Drafted an update of my history of St. Andrew's House.

In 2015 I will develop the draft of a diocesan history and revise material that will appear on the diocesan website.

Submitted by Br. Carle Griffin, OCP, January 15, 2015



# Section 4

## Leadership Lists

### Congregations of the Diocese of Olympia

Aberdeen, St. Andrew (Parish 1890)  
Allyn, St. Hugh of Lincoln (Mission 1969)  
Anacortes, Christ Church (Mission 1890)  
Auburn, St. Matthew/San Mateo (Parish 1896 / Mission 2011)  
Bainbridge Island, Grace Church (Mission 1994 / Parish 2010)  
Bainbridge Island, St. Barnabas (Parish 1944)  
Battle Ground, Church of the Holy Spirit (Mission 1996)  
Bellevue, All Saints (Mission 1996)  
Bellevue (formerly Seattle), Church of the Holy Apostles (Mission 1990)  
Bellevue, Church of the Resurrection (Parish 1957)  
Bellevue, St. Margaret (Parish 1957)  
Bellingham, St. Paul (Parish 1883)  
Blaine, Christ Church (Mission 1889)  
Bremerton, St. Paul (Parish 1901)  
Burien, St. Elizabeth (Parish 1941)  
Camano Island, St. Aidan (Mission 1959)  
Castle Rock, St. Matthew (Mission 1961)  
Cathlamet, St. James (Mission 1851)  
Centralia, St. John (Parish 1889 / Merged with Chehalis 2000)  
Chehalis, St. Timothy (Parish 2000 / formerly Centralia and Chehalis)  
Chehalis, Church of the Epiphany (Parish 1883 / Merged with Centralia 2000)  
Darrington, Church of the Transfiguration (Mission 1955)  
Eastsound/Orcas Island, Emmanuel Parish (Parish 1885)  
Edmonds, St. Alban (Parish 1952)  
Edmonds, St. Hilda-St. Patrick (Mission 1963)  
Elma, St. Luke (Mission 1895)  
Enumclaw, St. Catherine (Mission 1940's / Closed 2007)  
Everett, Trinity Church (Parish 1892)  
Federal Way, Church of the Good Shepherd (Parish 1961)  
Forks, St. Swithin (Parochial Mission 1964)  
Freeland, St. Augustine-in-the-Woods (Parish 1949)  
Fremont, Church of the Apostles – COTA (Mission Station 2010)  
Friday Harbor, St. David (Mission 1950 / Parish 1999)  
Gig Harbor, St. John (Parish 1916)  
Hoodspoint, St. Germain (Developing Cong. 1976 / Mission Station 2010)  
Issaquah, St. Michael & All Angels (Parish 1950)  
Kenmore, Church of the Redeemer (Parish 1947)  
Kent, St. James (Parish 1890)  
Kent (Des Moines), St. Columba (Mission 1957)  
Kingston, Faith Church (Mission 1997)  
Kirkland, St. John (Parish 1922)  
Lacey, St. Benedict (Mission 1980)  
Lakewood, St. Joseph-St. John (Mission 1969)  
Lakewood, St. Mary (Parish 1949)  
Longview, St. Stephen (Parish 1923)  
Lopez Island, Grace Church (Mission 1954)  
Maple Valley, St. George (Mission 1967)  
Marysville, St. Philip (Mission 1958 / Parish 1998)  
Medina, St. Thomas (Parish 1943)  
Mercer Island, Emmanuel Church (Parish 1909)  
Monroe, Church of Our Saviour (Mission 1910)  
Montesano, St. Mark (Mission 1909)  
Mount Vernon, La Iglesia Episcopal de la Resurreccion (Mission Station 2010)  
Mount Vernon, St. Paul (Parish 1891)  
Oak Harbor, St. Stephen Episcopal (Parish 1952)  
Olympia, St. Christopher (Mission 1959)  
Olympia, St. John (Parish 1853)  
Port Angeles, St. Andrew (Parish 1891)  
Port Gamble, St. Paul (Parochial Mission 1931 / Closed 2008)  
Port Orchard, St. Bede (Mission 1963)  
Port Townsend, St. Paul (Parish 1860)  
Poulsbo, St. Charles (Parish 1963 / Removed 2014)  
Puyallup, Christ Church (Parish 1882)  
Redmond, Church of the Holy Cross (Parish 1909)  
Renton, St. Luke (Parish 1892)  
Rockport, St. Martin-St. Francis (Developing Congregation 1952)  
Sammamish, Church of Good Samaritan (Mission 1990 / Parish 2014)  
Seattle, All Saints (Mission 1903 / Closed 2014)  
Seattle, Christ Church (Parish 1903)  
Seattle, Church of the Ascension (Parish 1938)  
Seattle, Epiphany Parish of Seattle (Parish 1908)  
Seattle, St. Andrew (Parish 1906)  
Seattle, St. Clement (Parish 1890)  
Seattle, St. George (Parish 1954 / Mission 2010 / Closed 2011)  
Seattle, St. John the Baptist Church (Parish 1892)  
Seattle, St. Luke (Parish 1891 / Mission 2011)  
Seattle, St. Mark Cathedral (Parish 1889)  
Seattle, St. Paul (Parish 1892)  
Seattle, St. Peter (Parish 1908)  
Seattle, St. Stephen (Parish 1920)  
Seattle, Trinity Church (Parish 1865)  
Seaview, St. Peter (Mission 1896)  
Sedro-Woolley, St. James (Mission 1890)  
Sequim, St. Luke (Parish 1893)  
Shelton, St. David of Wales (Parish 1890)  
Shoreline, St. David Emmanuel Church (Mission 1958)  
Shoreline (formerly Seattle), St. Dunstan (Parish 1949)  
Silverdale, St. Antony of Egypt (Mission 1985)  
Snohomish, St. John (Parish 1889)  
Snoqualmie, St. Clare (Mission 1982)  
South Bend, St. John (Mission 1890)  
Tacoma, All Saints (Mission 1890)  
Tacoma, Christ Church (Parish 1889)  
Tacoma, Holy Family of Jesus Church (Mission 1980)  
Tacoma, St. Andrew (Parish 1890)  
Tacoma, St. Luke (Parish 1879)  
Tacoma, St. Matthew (Parish 1951)  
Tahuya, St. Nicholas Mission (1968)  
Tukwila, St. John's Sudanese (Mission Station 2010)  
Vancouver, All Saints (Mission 1977)  
Vancouver, Church of the Good Shepherd (Mission 1966 / Parish 2005)  
Vancouver, St. Luke (Parish 1836)  
Vashon Island, Church of the Holy Spirit (Parish 1912)  
Washougal, St. Anne (Mission 1951)  
Westport, St. Christopher (Mission 1959 / Closed 2014)  
Westport, Chaplains on the Harbor (Mission Station 2014)

## Officers of the Convention

The Right Reverend Gregory Rickel, Bishop  
Ms. Karen Gusse, Secretary  
Mrs. Barbara A. Fox, Treasurer  
Ms. Judith Andrews, Esq., Chancellor  
Br. Carle Griffin, OCP, Historiographer  
Mrs. Diane T. Wells, Archivist and Records Manager

## Standing Committee

The Rev. Marilyn Cornwell (2014)  
Mr. Jim Campbell (2014)  
The Rev. Rachel Taber-Hamilton (2015)  
Becky Clark (2015)  
The Rev. Jane Maynard (2016)  
Ms. Alice Reid (2016)  
The Rev. Cynthia Espeseth (2017)  
The Rev. Bill Fulton (2017)  
Mr. Jerry Carlin (2017)

## Board of Directors

The Rt. Rev. Gregory Rickel, president  
The Rev. Ann Lukens, vice president  
Mrs. Barbara A. Fox, treasurer, Resurrection, Bellevue  
Ms. Judith Andrews, chancellor, St. Mark's Cathedral  
The Rev. Dr. Marda Steedman Sanborn, secretary Ms.  
Chris Smith-Clark, Canon for Finance

## **Directors appointed by Bishop Rickel, confirmed by Diocesan Convention**

Ms. Mary Dickinson, St. Mark's Cathedral, Seattle  
Mr. George Garcia, St. Joseph-St. John, Lakewood  
Mr. Collie Liska, St. Benedict, Lacey  
Ms. Patricia McGuire, St. Bede, Pt. Orchard  
Mr. Gary Rose, St. John, Kirkland  
The Rev. Ray Sheldon, Faith, Kingston

## Bishop's Office Staff

**Bishop Diocesan**—The Rt. Rev. Gregory Rickel, bishop; The Rev. Canon Janet Campbell, canon for liturgy; The Ven. Gen Grewell, Archdeacon; Mr. Blaire Notrica, executive assistant to the Bishop and the canon to the ordinary.

**Archives**—Ms. Diane Wells, archivist and records manager.

**Canon to the Ordinary**—The Rev. Dr. Marda Steedman Sanborn, canon to the ordinary; Mr. Blaire Notrica, executive assistant to the bishop and the canon to the ordinary.

**Communications**—Canon Dede Moore, canon for operations;

Mr. Kerry Allman, internet strategist; Mr. Greg Hester, coordinator for graphic design & video production; Ms. Shannon Jergenson, program coordinator.

**Congregation Development**—The Rev. Alissa Newton, program director for congregational development.

**Finance, Insurance and Employee Benefits**—Ms. Barbara A. Fox, treasurer; Ms. Chris Smith-Clark, canon for finance; Ms. Edie Pehrson, accountant; Ms. Penny Curtis, Finance Assistant and Insurance Coordinator

**Governance**—Canon Dede Moore, canon for operations; Ms. Shannon Jergenson, program coordinator; Mr. Mark Swanson, building manager; Ms. Angela Mealing, receptionist

**Multicultural Ministries**—The Rev. Canon Arienne Davison, Canon for multicultural ministries.

**Resource Center/ Adult Faith Formation**—Ms.

Sue Tait, Director of Resource Center

**Stewardship & Development**—The Rev. Canon Lance Ousley, canon for stewardship and development; Ms. Sharon Pethers, coordinator for stewardship and development.

**Faith Formation: 35 and Under**—The Rev. Rebecca Kirkpatrick, canon for faith formation: 35 & under; Ms. Cindy Spencer, coordinator for children and family ministries.

## Diocesan Council

The Rt. Rev. Greg Rickel; Ms. Jamie Balducci (Holy C, 2016) Ms. Sally Barnes (Columbia, 2014) the Rev. Rilla Barrett (Sno Isle, 2014); Ms. Nadine Baxter (Evergreen, 2014); Mr. Tom Boyns (Be-Attitudes, 2014); the Rev. Lex Breckinridge (Eastside, 2014); Ms. Charlotte Brown (Rainier, 2014); the Rev. Jaime Case (Columbia, 2015), Ms. Joan Collins (Peninsula, 2013), the Rev. Kendall Haynes (Rainier, 2013), the Rev. R.C. Laird (Be-Attitudes, 2016), the Rev. Bonnie Malone (Evergreen, 2016), Ms. Betty Anne McCoy (Mt. Baker, 2016), Mr. Joe McGuire (Convention, 2014); the Rev. Joe Mikel (Willapa, 2016), Ms. Denice Patrick (Sno Isle, 2015); Ms. Sunshine Pegues (Eastside, 2015); Ms. Susan Rolfe (Willapa, 2015); the Rev. James Thibodeaux (Holy C, 2015); the Rev. Dennis Tierney (Peninsula, 2014) and the Rev. Jonathan Weldon (Mt Baker, 2015)

**Non-voting Members/Staff** Chancellor Judith Andrews; Mrs. Barbara Fox, Treasurer; Canon Dede Moore, Canon for Operations; and Ms. Chris Smith-Clark, Canon for Finance

## Diocesan Canonically Resident Clergy (A.5)

The Right Reverend Gregory H. Rickel, Diocesan Bishop  
The Right Reverend Bavi Edna "Nedi" Rivera, retired  
The Right Reverend Sanford Z.K. Hampton, retired  
The Right Reverend Vincent W. Warner, retired  
001 Forbes Jr., Charles A.  
002 Adams, Richard C.  
003 Garlichs, Richard W.  
004 Leche, Edward D.  
005 Schaeffer, John G.  
006 Winn, J. Barrie  
007 Maddux, Donald J.  
008 Luethe, Robin L.  
009 Carpenter, George W.  
010 Nakayama, Timothy  
011 Radcliffe, Ernest  
012 Storm, David A.  
013 Carney, Joseph P.  
014 Johnson Jr., William C.  
015 Tomter, Patrick A.  
016 Gorsuch, John P.  
017 Bigford, Jack N.  
018 Tench, Jack M.  
019 Stewart, Daniel R.  
020 Bond, L. Wayne  
021 Christie, Robert L.  
022 Peterson Jr., Phillip  
023 Dunning, David  
24 Ethelston, Geoffrey F.

25 Ross, H. Stewart  
026 Wolfe, V. Eugene  
027 Sherman, Guy C.  
028 Fast, Todd H.  
029 Rhodes, Robert W.  
030 Rogers, Henry S.  
031 Collins, Paul M.  
032 Wilson, George S.  
033 Grabinski, Kenneth  
034 Wilton, G.W.  
035 Clark, D. Corbet  
036 McDaniel, G. Judith  
037 Davis, West R.  
038 Sterling, Edward A.  
039 Gehrig, Stephen J.  
040 Zimmerman, Curtis  
041 Lambert, John P.  
042 Knowles, Walter R.  
043 Lindsey, Barrett K.  
044 Garratt, Stephen R.  
045 Stewart, Ralph R.  
046 Rankin, Edward H.  
047 Walker, John F.  
048 Johns III, Norman S.  
049 Sell-Lee, William  
50 Biever, Robert  
51 Fowler Jr., Stanley G.  
052 Bethea, Robert L.  
053 Halbrook, Thomas R.  
054 Bogel, Marianne  
055 Smith, Don L.  
056 Fergusson, John F.  
057 Lane, John C.  
058 Mikel, Joseph F.  
059 Pyrne, Carla V.  
060 Besheer, Kimbrough A.  
061 Snow, Peter D.  
062 Ludden, Carol P.  
063 French, Richard C.  
064 Berge, William Clarke  
065 Taylor, Patricia L.  
066 McCulloch, Kent T.  
067 Williams Jr., Hollis R.  
068 Nemes, John D.  
069 Dement, Thomas E.  
070 Ford, R. Lawrence  
071 Waring, William D.  
072 Lewis, Margaret K.  
073 Keller, Patterson  
074 Rietmann, Paul D.  
075 Richards, Fitzroy I.  
76 Hickey-Tiernan, Joseph  
77 Astleford, Elise  
78 Steig, Terrance  
79 Jessett, Frederick E.  
080 Moore, Robin  
81 Bell, John R.

82 Davis, M. Fletcher  
083 Creighton, Susan  
084 Stanton, Barclay R.  
085 Phinney, James  
086 DeVine, Whitney Jones  
087 Mackay III, Donald  
88 Miller, A. Scott  
89 Ridge III, Charles D.  
090 Hauge, Morris  
091 Hanna, Gerald B.  
092 Carmichael, M. Jean  
093 Thompson, John K.  
094 Pollock, Douglas S.  
095 Porter, Gerald W.  
096 Van Zanten, Peter E.  
097 Alkins, David S.  
98 Steedman-Sanborn, Marda  
99 Paolozzi, Joann  
100 Dietel, Robert G.  
101 Moore, Stephen E.  
102 Smith, Kevin C.  
103 Williams, Robert L.  
104 Trelease, Murray L.  
105 Martin, Irene  
106 Dierick, Frances L.  
107 Gunderson, Gretchen A.  
108 Kindle, Charles R.  
109 Wright, Scot R.  
110 Dills, R. Scott  
111 Francis, Mary Jane  
112 O'Shea, Susan  
113 Cleveland, Jennifer B.  
114 Gould, Mary D.  
115 Lukens, Ann Pierson  
116 Murray, Vincent D.  
117 Scott, Richard H.  
118 Bigelow, Thomas S.  
119 Hayman, Robert F.  
120 Ensor, A. Jeanne  
121 McCaw, Mary Ann  
122 Brelsford, Diane  
123 Lonergan, W. Gerald  
124 Minifie, Thomas  
125 Harper, William  
126 Shehane, Mary K.  
127 Kolbet, Paul R.  
128 Campbell, Anne  
129 Bartels, Judith T.  
130 Bayles, Richard  
131 Mullins, Judith P.  
132 Ruder, John Williams  
133 Craighead, J. Thomas  
134 Anthony, Joan M.  
135 Strimer, Peter  
136 Arnold-Boyd, Annette  
137 Best, Stephen  
138 Korathu, Anna Maria

139 Lee, Samuel  
140 Moorehead, Constance  
141 Peters, Gregory  
142 Simonsen, Douglas  
143 Miller, Mark  
144 Dunn, Robert E.  
145 Kinney, Kathleen  
146 MacKay, Wray  
147 Pratt, Jennifer  
148 Stiles, Linda  
149 Miller, Judith J.  
150 Walker, Randolph D.  
151 Conklin, Daniel G.  
152 Trytten, Patricia S.  
153 Cole, Dennis C.  
154 Forman, Bernard (Kim)  
155 Prestegard, JoAnn  
156 Wolford, Rachael  
157 Helgeson, Gail M.  
158 Williams, Robert H.  
159 Endicott, Rachel Faith  
160 Fageol, Suzanne A.  
161 Brill, Steven G.  
162 Avery, Joyce M.  
163 McMeekin, Dorothy N.  
164 Irving, Anthony T.  
165 Spina, Frank A.  
166 Rhoads, Robert L.  
167 Taylor, Robert V.  
168 Price, David L.  
169 Grewell, Genevieve M.  
170 Novak, Margaret A.  
171 Shigaki, Jerry M.  
172 Wong, Philip  
173 Green, Richard  
174 Patton, Kathleen  
175 Wesen, Vicki  
176 Perry, Lawrence S.  
177 Taber-Hamilton, Nigel  
178 Heller, Jan C.  
179 Jackson, E. Michael  
180 Amburgey, Cristina G.  
181 Espeseth, Cynthia A.  
182 Taylor, N. Dennis  
183 Eichner, James  
184 Armer, Susan C.  
185 Barber, Grethe  
186 Wills, Clark E.  
187 Allen, John M.  
188 Buhner, Richard  
189 Dean, Susan Chanda  
190 Moon, Mary Louise  
191 Poirier, Esther Holley  
192 Rozendaal, Jay Calvin  
193 Maier, Andrea R.  
194 Demura, Christine A.  
195 Tiederman, Nancy Coppers

196 McQueen, Dale L.  
197 Steele, Chris C.  
198 Campbell, Janet  
199 Seeger, Elisabeth A.  
200 Beecher, Josephine C.  
201 Haase, Sylvia Anne  
202 Logan, Christie Larson  
203 Neal, James Frederick  
204 Brentnall, Burden  
205 Goode, Colin  
206 Tyree-Cuevas, Susan  
207 McDonnell, George Anne  
208 Deng Deng, William  
209 Hosea, Beverly  
210 Johnston, Zula  
211 Baker, Patricia  
212 Grout, Earl L.  
213 Marshall, David  
214 Taber-Hamilton, Rachel  
215 Weller, Edith  
216 Ackermann, John  
217 Morrissey, Michael  
218 McMillin, Andrea  
219 Sells, Jeffrey  
220 Sells, Patricia  
221 Mack, Allan E.  
222 Borders, LeRoy  
223 Santman, Linda  
224 Cochran, Elizabeth Jane  
225 Streiff, Suzanne  
226 Bloch, Elizabeth  
227 Maynard, Jane F.  
228 Garman, Gerald R.  
229 Sheldon, Raymond S.  
230 Stroup, Susan L.  
231 Ballinger, Kathryn E.  
232 Reid, M. Sue  
233 Atcheson, Charles B.  
234 Skelton, Melissa  
235 Carlson, Sally  
236 Lewis, Philip  
237 MacKenzie, Mary  
238 Scott, Rebecca  
239 Smith, Jacqueline  
240 Moore, David  
241 Heathcock, Deborah  
242 Pearson, Kevin  
243 Cornwell, Marilyn  
244 Dogaru, Vickie  
245 Saunderson, Ann  
246 Anderson, Mary Petty  
247 Hopkins, Vivian  
248 Newland, Benjamin  
249 Wesch, Kate  
250 Lobdell, Gary  
251 Carver, Robert C.  
252 Yabroff, Martin I.

253 Davison, Arienne S.L.  
254 Tierney, Dennis S.  
255 Niemann, Joan 256  
Lander, James R. 257  
Carlson, Constance  
258 Campbell, Boneta  
259 Leech, John  
260 Kirkpatrick, Rebecca  
261 Johnson, June  
262 Fowler, Dan  
263 Warne, W. Tom  
264 Fulton, William  
265 DeShaw, Glen  
266 Priest, Hunt  
267 Thibodeaux, James  
268 Jillard, Chris  
269 Yearwood, Kirtley  
270 Haynes, Kendall  
271 Robinson, Carla  
272 Waldie, Nan  
273 Torvend, Samuel  
274 Wheatley, Gail  
275 Morrison, Mikel  
276 Barrett, Rilla  
277 Fayette, Shelly  
278 Conn, Doyt  
279 Ward, Karen  
280 McClain, Rebecca  
281 Lolcama, Terri  
282 Kessel-Hanna, Kay  
283 Pierce, Karen  
284 Wright, Brian  
285 Robertson, Suzi  
286 Breckinridge, Alexander  
287 Crisp, Sheila  
288 Haig, Martha Karen  
289 Kingslight, Kathleen  
290 Chrisman, Robert  
291 Weldon, Jonathan  
292 Malone, Bonnie  
293 Eustis, Pat  
294 Parker, Stephanie  
295 Ringland, Robin  
296 Crippen, Stephen

297 Shaver, Stephen  
298 Adams, William Seth  
299 Thomas, Joshua  
300 Donohue-Adams, Amy  
301 Loyd, Janet  
302 Tanabe, Irene  
303 Reid, Catharine  
304 Case, Jaime  
305 Mesenbring, David  
306 Lovelady, Ed  
307 Johnson, Janis  
308 Lucas, Jeremy  
309 Ousley, Lance  
310 Blindheim, Mark  
311 Hertlein, Chris  
312 Sol, Brenda  
313 Vedanti, Jessie  
314 Vocelka, Craig  
315 Jimenez-Mesenbring, Maria  
316 Rohrer, Jane  
317 Stelle, Eric  
318 Ramerman, Diane  
319 Rodin, Carol  
320 Laird, RC  
321 Tarter, Bill  
322 Gillett, Richard  
323 Thomason, Steve  
324 Carroccino, Michael  
325 Farr, Curtis  
326 Feregrino, Alfredo  
327 Mason, Eric  
328 Monroe, Sarah  
329 Myers, Jonathan  
330 Wynen, Nancy  
331 Gill, Jeffrey Shilling  
332 Johnson, Eric  
333 Moore, Diane  
334 Godwin, JD  
335 Corrigan, Candice  
336 Andrews, Dianne  
337 Sedwick, Katherine  
As of October 30

## Delegates and Alternates (A.7)

### Be Attitudes Regional Ministry

#### *Christ Church, Seattle*

Scott, Aaron	Delegate
Jackson, Bea	Delegate
Voelker, Todd	Alternate

#### *Church of the Redeemer, Kenmore*

Austin, Emily	Delegate
Laughlin, Debi	Delegate
McGlenn, Bill	Delegate
Oles, Doug	Delegate
Oles, Karl	Alternate

#### *St. Andrew, Seattle*

Adams-Lee, Keri	Delegate
Gibson, Dorothy	Delegate
Hartering, Mark	Delegate
Hoover, JB	Delegate
Rogers, Margo	Delegate
Ten Eyck, Ross	Delegate

#### *St. David Emmanuel, Shoreline*

Byington, Edith	Delegate
Street, Hayden	Delegate

#### *St. Dunstan, Shoreline*

Pacher, Mary E.	Delegate
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#### *St. Luke, Seattle*

Beede, Lavonne	Delegate
Frol, Jane	Delegate

#### *St. Stephen, Seattle*

Donnell, Deborah	Delegate
Hopkins, Mary Fran	Delegate
Hopkins, Robin	Delegate
Webb, Eugene	Delegate

### Columbia Regional Ministry

#### *All Saints, Vancouver*

Haas, Dan	Delegate
Woods, Richard	Delegate
Woods, Leslie	Alternate

#### *Church of the Good Shepherd, Vancouver*

Farr, Sharon	Delegate
Fratt, Sue	Delegate
Howard, James	Delegate

Nesland, Derek	Delegate
Owens, David	Delegate
Reynoldson, Moira	Delegate
LeRoy, Barbara	Delegate
Weir, Don	Delegate
Watson, Betty	Alternate
Crocker, Robin	Alternate

#### *Church of the Holy Spirit, Battle Ground*

Yorke, Bill	Delegate
Yorke, Jan	Delegate

#### *St. Anne, Washougal*

Fain, Melanie	Delegate
Forney, Kathie	Delegate
Snyder, Drew	Alternate

#### *St. James, Cathlamet*

Nunes, Michael	Delegate
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#### *St. Luke, Vancouver*

Gallaher, Jim	Delegate
Gallaher, Kathy	Delegate
Sandberg, Roy	Delegate
Sandberg, Mary Ellen	Delegate
Grigsby-Lane, Michael	Alternate

#### *St. Peter's, Seaview*

Philbrook, Suzanne	Delegate
Woods, Dick	Delegate
Goodson, Gretchen	Alternate

#### *St. Stephen, Longview*

Amondson, Connie	Delegate
Amondson, Wayne	Delegate
Rupley, Joel	Delegate
Schauer, Pat	Alternate

#### *St. Timothy, Chehalis*

Burton, Sonja	Delegate
Cole, Tom	Delegate
Cole, Lynn	Alternate

### Eastside Regional Ministry

#### *All Saints, Bellevue*

Williams, Fred	Delegate
Anderson, Miriam	Delegate
McMenomy, Christe	Alternate

## A.7

Duval, Duane	Alternate
Duval, Linda	Alternate

#### *Church of the Holy Apostles, Bellevue*

Hui, Torris	Delegate
Wong, Matilda	Delegate

#### *Church of the Holy Cross, Redmond*

Dietrich, Kevin	Delegate
Dietrich, Joan	Delegate
Dillon, Thomas	Delegate
Hanson, Susan	Delegate
Irwin, Heather	Delegate
Lauzon, Pierre	Delegate

#### *Church of the Resurrection, Bellevue*

Ragan, Sue	Delegate
Van der Veen, Jim	Delegate

#### *Emmanuel, Mercer Island*

Baxter, Bob	Delegate
Beatty, Barb	Delegate
Beatty, Dave	Delegate
Birdsong, Beth	Delegate
Reeder, Nancy	Delegate
Thompson, John	Delegate
Baxter, Pat	Alternate

#### *Good Samaritan, Sammamish*

Calbom, Linda	Delegate
Farrell, Sally	Delegate
Fuchs, Elizabeth	Delegate
Gill, Rick	Delegate
Johnson, Mark	Delegate
O'Brian, John	Delegate
Beaver, Jeffrey	Alternate

#### *St. Clare, Snoqualmie*

Lindstran, Diane	Delegate
Woodruff, Rick	Delegate

#### *St. John, Kirkland*

Laswell, Nancy	Delegate
Meacham, Bill	Delegate
Mathews, Tom	Delegate
Sjostrom, Karen	Delegate
Mickelson, Jerry	Alternate

*St. Margaret, Bellevue*

Burnett, Christina	Delegate
Ciapanna, Sam	Delegate
Couch, Missy	Delegate
Dolby, Mark	Delegate
Grayson, Mille	Delegate
Hughs, Tom	Delegate
Jones, Carolee	Delegate
Jones, Ralph	Delegate
Backus, Shauna	Alternate
Baker, Judy	Alternate
Couch, Steve	Alternate
Maes, Jill	Alternate
Robertson, Scott	Alternate
Tasker-Mueller, Barbara	Alternate

*St. Michael & All Angels, Issaquah*

Taylor, Marilyn	Delegate
Toomey, Bob	Delegate
Klein, Joel	Alternate
Klein, Karen	Alternate

*St. Thomas, Medina*

Ahroon, Lurton	Delegate
Corley, Anne	Delegate
Evison, Brian	Delegate
Gregory, Brian	Delegate
Hale, Gordon	Delegate
Hendrickson, Arne	Delegate
Hendrickson, Linda	Delegate
McReynolds, Jesse	Delegate
McReynolds, Lorraine	Delegate
Pneuman, Mary	Delegate
Magee, Rose	Alternate
Reid, Steve	Alternate

**Evergreen Regional Ministry**

*Good Shephard, Federal Way*

Blesener, Dale	Delegate
Ennaro, Susan	Delegate
Aronen, Mary	Alternate

*St. Columba, Kent*

Everson, Carol	Delegate
McFayden, Doug	Delegate
Lenney, Bill	Alternate

*St. Elizabeth, Burien*

Stonehouse, John	Delegate
Stonehouse, Sandra	Delegate

*St. George, Maple Valley*

Ceccato, Tony	Delegate
Ploue-Smith, Catherine	Delegate
Rainforth, John	Delegate
Boyce, Patrick	Delegate

*St. James, Kent*

Shafer, Tina	Delegate
Barber, Joyce	Delegate
Coburn, Michelle	Delegate
Gauthier, Jan	Delegate
Harris, Norm	Delegate
Harris, Tovi	Delegate
Ogden, Richard	Delegate
Ogden, Robert	Delegate
Brustad, Laura	Alternate
Brustad, Val	Alternate
Gusse, Bobby	Alternate
Stril, Mark	Alternate
Zimmer, Tom	Alternate

*St. Luke, Renton*

Bonilla-Centeno, Susan	Delegate
Vergara, German	Delegate
Crayne, Daniel	Alternate

*St. Matthew/San Mateo, Auburn*

Crane, Frank	Delegate
Springer, Lillian	Delegate
Rivera Barrera, Silvestre	Alternate

Holy C Regional Ministry

*Church of the Apostles, Sea ttle*

Maupin, Elizabeth	Rep
Rosario-Cruz, Eliacin	Rep

*Church of the Ascension*

Crouch, Jim	Delegate
Popstojanovic, Frances	Delegate
Reeder, Nancy	Delegate
Thompson, John	Delegate
Fay, Bill	Alternate

*Epiphany Parish, Seattle*

Barthold, Aubin	Delegate
Bradstreet, Charissa	Delegate
Corson, Marshall	Delegate
Coyle, Richard	Delegate
Evans, Mike	Delegate
Hill, Margot	Delegate
Snyder, Susan	Delegate

Wallis-Stone, Trish	Delegate
Oles, Douglas	Alternate
Rohm, Ton	Alternate
Shupe, Bob	Alternate

*St. Clement of Rome, Seattle*

Hill, Paul	Delegate
Mikami, Kris	Delegate
Ellithorpe, Mawg	Alternate
Glusker, Ann	Alternate

*St. John the Baptist, Seattle*

Ede, Darrel	Delegate
Freeman, Ellen	Delegate
McDonald, Jim	Delegate
Rehm, Nell	Delegate
McNamara, Donna	Alternate
Rogers, Anne	Alternate

*St. Mark Cathedral, Seattle*

Boyns, Colleen	Delegate
Ford, Ian	Delegate
Grabinski, Betsy	Delegate
Green, Jim	Delegate
Leed, Jean	Delegate
Martin, Donna	Delegate
Steele, Sherry	Delegate
O'Sullivan, Tim	Delegate
Roza, Joe	Delegate
Thorpe, Doug	Delegate
Valaas, Andy	Delegate
Valaas, Nancy	Delegate
Ericson, Mardy	Alternate
Kovacs, J. Scott	Alternate
Lloyd, Karen	Alternate
Pro, George	Alternate
White, Carolyn	Alternate

*St. Paul, Seattle*

Basile, Nichole	Delegate
Brooks, Bob	Delegate
Bucy, Katie	Delegate
Horner, Sean	Delegate
Pommerenke, Martin	Alternate
Cowan, James	Alternate

*St. Peter, Seattle*

Cox, Kathy	Delegate
Shoji, Jay	Delegate

Delegates Alternates representing congregations as of October 30, 2014

*Trinity,*

Dapper, Nancy	Delegate
Phan, Caroline	Delegate
Pitcock, Harry	Delegate
Swim, David	Delegate

Howard, Brad	Alternate
O'Neal, Mike	Alternate

*St. Bede, Pt. Orchard*

Little, Don	Delegate
Yergin, Sarah	Delegate
Cameron, Denise	Alternate
Pollard, Philip	Alternate

Mount Baker Regional Ministry

*Christ Church, Anacortes*

Foggin, Pamela Caldwell	Delegate
Foggin, Tom	Delegate
Canington, Diane	Alternate
McKee, Clark	Alternate

*St. Paul, Mt. Vernon*

Adams, Margie	Delegate
McPeak, Rob	Delegate
Taylor, Maryann	Alternate

*St. Stephen, Oak Harbor*

Taylor, Bob	Delegate
Taylor, Sandy	Delegate

*St. John, Gig Harbor*

Bennett, Linda	Delegate
Brooks, Bob	Delegate
Dolven, Rachel	Delegate
Knight, Frank	Delegate

*Christ Church, Blaine*

Gilliam, Colleen	Delegate
Bradley, Carl	Delegate

**Peninsula Regional Ministry**

*Faith Episcopal Church, Kingston*

Skinner, Linda	Delegate
Skinner, Ed	Delegate

*St. Luke, Sequim*

Newblom, Judy	Delegate
Onnen, Diane	Delegate
Melvin, Gail	Delegate
Onnen, Rob	Delegate

*Emmanuel, Eastsound*

Hovelman, Jenny	Delegate
Oakes, Lori	Delegate

*Grace Church, Bainbridge Island*

Blaney, Ruth	Delegate
Cozine, Taylor	Delegate
Dolejsi, Mary Kay	Delegate
Houser, Wesley	Delegate
Jones, Terry	Delegate
Matthews, Eric	Delegate
Renfrew, Holly	Delegate
Wesley, Ken	Delegate
Weyand, Lucas	Delegate
Yund, Walter	Delegate

*St. Paul, Bremerton*

Battin, Myra	Delegate
de Lessart, Scott	Delegate
Hobson, Karen	Alternate
Hall, Margi	Alternate

*Grace, Lopez Island*

Montgomery, Jim	Delegate
Montgomery, Kathy	Delegate

*La Iglesia de la Resurreccion*

Morales, Salvador	Rep
Castellanos, Gladis	Rep

*St. Paul, Pt. Townsend*

McKenzie, Linda	Delegate
Bindschadler, Bob	Delegate
Bindschadler, Elizabeth	Delegate
St. Clair, Peggy	Delegate
Barrows, Karen	Alternate

*St. David's, Friday Harbor*

MacGinitie, Ruth	Delegate
MacGinitie, Walter	Delegate

*St. Andrew, Pt. Angeles*

Deutermann, Steve	Delegate
Magner, Anna	Delegate
Markley, Von	Delegate
Schander, Mark	Delegate

Rainier Regional Ministry

*All Saints, Tacoma*

Larson, Liz	Delegate
Barnett, Michael	Delegate

*St. James, Sedro Woolley*

Abrams, Bob	Delegate
Sloniker, Joleen	Delegate

*St. Antony of Egypt, Silverdale*

Sorrell, Carolyn	Delegate
Stephens, Ken	Delegate
Demmon, Bill	Alternate
McGinley, Loretta	Alternate

*Christ Church, Puyallup*

Bertoia, Rick	Delegate
Carter, Sandi	Delegate
Demick, Jim	Delegate
Jensen, Karen	Delegate
Blocher, Bruck	Alternate

*St. Paul, Bellingham*

Barnhill, Charles	Delegate
Christie, Colin	Delegate
Cook, Laurel	Delegate
Mintz, Fred	Delegate
Mintz, Kathy	Delegate
Summerfield, Mary	Delegate
Tubesing, Gary	Delegate
Walton, Bea	Delegate
Weitnauer, Pat	Delegate
Weitnauer, Ron	Delegate

*St. Barnabas, Bainbridge Island*

Cox, Chuck	Delegate
Holzman, Paul	Delegate
Robertson, George	Delegate
Schmitz, Steve	Delegate
Schmitz, Helene	Delegate
Cox, Caroline	Delegate

*Christ Church, Tacoma*

Irvin, Heidi	Delegate
Polmanteer, Michael	Delegate
Johnson, Liz	Alternate
Limerick, Jim	Alternate



Habb, Tula	Rep
Ly, Sotheavy	Rep

*Holy Spirit, Vashon Island*

Abbott, Wilson	Delegate
Davis, Hunter	Delegate
Nichols, Ann	Delegate
Swain, David	Delegate

*St. Andrew, Tacoma*

Broadhead, Skip	Delegate
Rhodes, Pam	Delegate
Sharp, Jeff	Delegate
Tinsley, Pam	Delegate
Gaub, Virginia	Alternate

*St. Joseph-St. John, Lakewood*

Simpson, Jennell	Delegate
Williams, Johnny	Delegate
Huntington, Wendy	Alternate
Ask, Dervin	Alternate

*St. Luke Memorial, Tacoma*

Arnberg, Bert	Delegate
Bishop, David	Delegate
Figetakis, Kathleen	Delegate
Miller, Cindy	Delegate

*St. Mary, Lakewood*

Doupe, Craig	Delegate
Gonzalez, Madelyn	Delegate
McKenzie, Maitland	Delegate
Newell, Roberta	Delegate
Archibald, Sheryl	Alternate
Doupe, Rosemary	Alternate

*St. Matthew, Tacoma*

Ladley, Art	Delegate
Ladley, Pam	Delegate
Kamau, Samuel	Alternate
Little, Jill	Alternate

Sno-Isle Regional Ministry

*Church of Our Savior*

Ryan, Aleen	Delegate
Ryan, Forrest	Delegate

*St. Aidan, Camano Island*

Fear, Stanley	Delegate
Humes-Fear, Jackie	Delegate

Boyd, Ann	Alternate
Boyd, Roger	Alternate

*St. Alban, Edmonds*

Mullene, Dan	Delegate
Hicks, Carol	Delegate

*St. Augustine, Freeland*

Anderson, Harry	Delegate
Speir, Bert	Delegate
Speir, Mary Ann	Delegate
Steele, Shantina	Delegate
Sandri, Susan	Alternate
St. George, Ron	Alternate

*St. Hilda-St. Patrick, Edmonds*

Campbell, Debbie	Delegate
Patrick, Jim	Delegate
Rader, Michael	Alternate

*St. John, Snohomish*

Baldwin, Dave	Delegate
Davis, Cathy	Delegate
McConnell, Nancy	Delegate
Bates, Sara	Alternate
Clawson, Douglas	Alternate

*St. Martin-St. Francis, Rockport*

No 2014 Delegation	
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*St. Philip, Marysville*

Van Dyke, Liz	Delegate
Wray, Mike	Delegate
Franzwa, Kathy	Alternate

*Transfiguration, Darrington*

No 2014 Delegation	
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*Trinity, Everett*

Gates, Vickie	Delegate
Prettyman, Blake	Delegate
Prettyman, Katy	Delegate
Wheeler, Brian	Delegate
Mack, Kevin	Alternate
Wheeler, Bob	Alternate

Willapa Regional Ministry

*St. Andrew, Aberdeen*

Martinez, Jody	Delegate
MacNealy, Phil	Delegate

Adamscheck, Cheryl	Delegate
Daniels, Spencer	Delegate
Metzler, David	Delegate
Ruby, Patricia	Delegate
Seabert, Paul	Alternate

*St. Christopher, Olympia*

Parker, Alan	Delegate
Hanna, Joyce	Delegate

*St. David of Whales, Shelton*

Eveleth, Norm	Delegate
Haskins, Betti	Delegate
Swearingen, Harold	Alternate
Ogden, Judy	Alternate

*St. Germain, Hoodspport*

Hash, Skip	Delegate
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*St. Hugh, Allyn*

Bertsch, Barbara	Delegate
Huff, Chuck	Delegate
Cotey, Sunny	Alternate
McNamara, John	Alternate

*St. John, Olympia*

Chidester, Daren	Delegate
Hughart, Paula	Delegate
Madison, Linda	Delegate
Portaro, Charo	Delegate
Portaro, Gustavo	Delegate
Stahmer, Jens-Dieter	Delegate
Allen, Georgie	Alternate
Jackson, Janice	Alternate
Johnson, David	Alternate

*St. John, South Bend*

No 2014 Delegation	
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*St. Luke, Elma*

Brown, Beckie	Delegate
Brown, Stephen	Delegate
Allshouse, Bea	Alternate
Nemes, Libby	Alternate

*St. Mark, Montesano*

Krug, Martha	Delegate
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<i>Delegates-At-Large &amp; Youth Representatives as of October 30, 2014</i>	
Campbell, Jim	Standing Committee
Adams-Lee, Keri	Regional Ministry Leadership
Akin, Jan	Regional Ministry Leadership
Andrews, Judy	Diocesan Chancellor
Armer, Jason	Regional Youth Representative
Balducci, Jamie	Diocesan Council Regional Ministry Leadership
Barnes, Sally	Diocesan Council
Baxter, Nadine	Diocesan Council
Boyns, Tom	Diocesan Council
Brown, Charlotte	Diocesan Council
Campbell, Pat	Regional Ministry Leadership
Carlin, Jerry	Regional Ministry Leadership
Collins, Joan	Diocesan Council
Conner, Charla	Regional Ministry Leadership
Dawes, Caitlyn	Regional Youth Representative
Dickinson, Mary	Board of Directors
Ederer, John E. (Ted)	Standing Committee
Garcia, George	Board of Directors
Gilliam, Colleen	Regional Ministry Leadership
Gusse, Karen	Secretary of Convention
Liska, Collie	Board of Directors
Maes, Jacqui	Regional Youth Representative
Malone, Caroline	Regional Youth Representative
Marceau, Rene	Regional Ministry Leadership
Maxson, Linda	Regional Ministry Leadership
McCartney, Ann	Parliamentarian
McCoy, Betty Anne	Diocesan Council
McGuire, Joe	Diocesan Council
McGuire, Patricia	Board of Directors
Montgomery, Bill	Regional Ministry Leadership
Patrick, Denice	Diocesan Council
Pegues, Sunshine	Diocesan Council
Portero, Brenda	Regional Youth Representative
Reid, Alice	Standing Committee

# Section 5

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### Diocesan Priorities

1. Congregational Development
2. Concentrating on those aged 35 and Under
3. Stewardship of all our Resources

*Each program or department requesting budget funds was asked to identify the priorities supported. These diocesan priorities are referred to by number in each budget request presented in this document.*

*The Diocesan Vision, which expands on these priorities, is on page 8.*

## A Note from the Budget & Finance Committee

The Budget & Finance Committee of the Diocesan Council invites input, comments, and/or questions regarding this first draft of the 2016 Diocesan Operating Budget. Please feel free to contact any of the members listed below.

The Rev. Dr. Dennis Tierney, chair: [dtierney@stbbi.org](mailto:dtierney@stbbi.org)

Ms. Barbara Fox, diocesan treasurer: [bfox@ecww.org](mailto:bfox@ecww.org)

Ms. Jamie Balducci: [jamie.balducci@gmail.com](mailto:jamie.balducci@gmail.com)

Mr. Jim Campbell: [jbcmonte@comcast.net](mailto:jbcmonte@comcast.net)

Mr. Joe McGuire: [m McGuireandassociates.joe@gmail.com](mailto:m McGuireandassociates.joe@gmail.com)

Mr. Joel Rupley: [ruplestix@comcast.net](mailto:ruplestix@comcast.net)

Mr. Tom Boyns: [tomboyns1@gmail.com](mailto:tomboyns1@gmail.com)

## We are about ... using the Resources entrusted to us to build up the Kingdom of God in western Washington

- ❖ Acknowledging the hard work and commitment that provides 85% of our diocesan budget and support of our mission as a Church from congregations participating through the diocesan assessment.
- ❖ Stewardship of our unrestricted and restricted investment income, as well as fees, tuitions and reimbursements for programs that provides the remaining 15% of our diocesan budget.
- ❖ Gratitude for the common ministry throughout the Church, at the diocesan, regional, and local congregation level, that we are able to provide together as the Diocese of Olympia.

*See page 7 for early revenue projections.*

## We are about ... Congregational Development & Support for Congregations & Leaders

- ❖ Grants to congregations to enhance ministries and staffing for program growth. Grants for revitalization of congregations. **(Grants)**
- ❖ A Comprehensive training program through the **College for Congregational Development** to nurture and develop practitioners from within existing congregation lay and clergy leadership. Most participants are members of teams from congregations within the Diocese of Olympia; the College is open to other participants and has hosted individuals and teams from other Episcopal dioceses and the broader Anglican Communion.
- ❖ Opportunities and resources for each congregation to determine its' identity, develop a social media presence, as well as dynamic skill sets to enable greater welcoming and hospitality leading to effective growth. **(Evangelism)**

*Continued next page*

- ❖ A network of consultants to work with congregations: team-building, goal-setting, Mutual Ministry Reviews, data-gathering, program assessment, conflict consultation. **(Congregation Consulting Network)**
- ❖ Seed money for new and innovative ideas for ministry from congregations and/or ministry groups. **(Bishop's Initiative Grants)**
- ❖ Redevelopment of programs and support for existing programs. **(Bishop Directed Grants)**
- ❖ Consultants for congregations in transition; funding to complete diocesan-identified assessment tool to gather objective data. **(Congregations in Transition)**
- ❖ Enhancement of worship through creative liturgy and understanding of a congregation's worship space. **(Canon for Liturgy)**
- ❖ Access to **Mission InSite** demographic information.
- ❖ Leadership training for vestries & bishop's committees; vestry handbooks and leadership training days. **(Resources & Leadership Training)**
- ❖ Preserving the integrity of our real property reverted to the diocesan corporation due to a congregation closing. **(Property/Specific Congregation Support)**
- ❖ Compliance with Title IV (disciplinary canon); intake officer and complaint investigation, as well as therapeutic intervention. **(Misconduct Case Manager)**

**We are about ... Strong clergy leadership**

- ❖ Curacy program for newly-ordained, seminary-trained clergy, sponsored by the Diocese of Olympia, in partnership with congregations where it has been determined that the curacy experience will be fruitful with well-qualified mentors. Diocesan funding provides half salary, pension, insurance and moving costs; bishop invites congregations to participate. **(Clergy Residency)**
- ❖ A two-year program for first-time rectors/vicars, consisting of 18 units; goal is to contribute to success and effective leadership. **(First time in Charge)**
- ❖ Opportunities for training and collegial sharing through clergy days hosted by the bishop. **(Clergy Days)**

**We are about ... Emerging Missions & Ministries**

- ❖ Support for ongoing emerging and alternative missions in our diocese, including **Church of the Apostles, Fremont; St. Luke, Ballard;** and the **Catacombs Church.**
- ❖ Total Common Ministry and resources for local priest congregations in the southern part of our diocese. **(Emerging Ministry)**

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Congregational Development - staff	23,638	0.0%	-51.3%	23,638	48,500	66,553
College for Congregational Development	139,800	0.0%	28.3%	139,800	108,938	119,915
Congregational Development - program	6,400	0.0%	-6.3%	6,400	6,827	4,193
<i>Congregational Development</i>	<b>169,838</b>	<b>0.0%</b>	<b>3.4%</b>	<b>169,838</b>	<b>164,264</b>	<b>190,661</b>
Emerging Ministries - personnel	12,990	0.0%	11.9%	12,990	11,605	-
Emerging Ministries - program	32,000	255.6%		9,000	-	7,001
Clergy Residency	180,000	0.0%	16.5%	180,000	154,447	134,749
Grants to Congregations	300,000	0.0%	7.1%	300,000	280,236	395,315
Grants for revitalization of congregations	100,000					148,368
Assessment Adjustment Grants						148,368
Bishop Directed Grants/Bishop's Initiatives Grants	85,000	10.4%	55.4%	77,000	54,700	134,058
Emerging Missions	100,000	42.9%	40.5%	70,000	71,167	75,236
Evangelism	11,651	0.0%	-45.0%	11,651	21,200	24,249
Congregation Specific/Property Assistance	120,000	41.2%	42.1%	85,000	84,472	71,178
Support for/to congregations	114,300	-6.7%	64.0%	122,463	69,689	84,932
<i>Supporting Congregations</i>	<b>1,055,941</b>	<b>21.6%</b>	<b>41.3%</b>	<b>868,104</b>	<b>747,515</b>	<b>1,075,085</b>

**7.3% & 45.3% respectively of program for ministry requests / 26.1% combined of total requests**

## We are about ... Faith Formation for all ages

- ❖ Children's ministry programs, consultations, trainings, and workshops for churches and individuals. **(Children)**
- ❖ Youth programs – HYC and JYC (high school and junior high school youth conferences), 6-Day Camp and summer mission trips; convention participation, trainings, workshops and networking for and with youth leaders. **(Youth)**
- ❖ Young adult ministry programming: *Theology on Tap*, discernment retreats, *A Holy Waste of Time* summer retreat; networking and friendships; congregation consultations. **(Young Adults)**
- ❖ Open, affirming and welcoming campus ministries at our universities and colleges. Program currently at the University of Washington – including weekly dinner and Compline service with choir – and at Western Washington University. **(Campus Ministry)**
- ❖ Life-long learning and faith development to build and strengthen congregations for ministry. **(Adult Faith Formation)**
- ❖ Circulating and reference collections of materials for congregations and individuals. **(Resource Center)**
- ❖ EfM contract with Sewanee to train mentors and provide local trainings. **(Education for Ministry)**

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Faith Formation: 35 & Under - staff	196,326	43.0%	49.0%	137,326	131,761	187,397
Children's Ministry	9,000	0.0%	64.1%	9,000	5,485	-
Youth	42,000	27.3%	76.0%	33,000	23,863	46,035
Young Adults	25,000	6.4%	35.4%	23,500	18,459	737
Campus Ministries	54,000	-0.3%	41.3%	54,150	38,224	84,174
<i>Faith Formation: 35 &amp; Under</i>	<b>326,326</b>	<b>27.0%</b>	<b>49.8%</b>	<b>256,976</b>	<b>217,791</b>	<b>318,342</b>
Faith Formation: Adults - staff	34,076	0.0%	3.0%	34,076	33,097	66,691
Adult Resources & Diocesan Resource Center	31,500	0.3%	214.3%	31,400	10,022	39,050
<i>Faith Formation: Adults</i>	<b>65,576</b>	<b>0.2%</b>	<b>52.1%</b>	<b>65,476</b>	<b>43,119</b>	<b>105,741</b>

**16.8% of program for ministry requests / 8.4% of the total requests**

## We are about ... Multicultural Ministries

- ❖ Faithful, vital congregations in ethnic communities – communities that make up an increasing percentage of Washington's population (especially under 35). **(Multicultural Congregations)**
- ❖ Raising-up culturally competent leaders through mandated anti-racism activities, special events and formation opportunities. **(Leadership Development)**
- ❖ Connections with church wide ethnic and multicultural ministries.
- ❖ **Richard Younge Curates of Color Fund** to assist youth and young adults from ethnic minority communities in development of Christian leadership skills.
- ❖ The presence of ethnic minority church members at diocesan gatherings and church wide events.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Multicultural Ministries - staff	20,438	0.0%	-11.9%	20,438	23,198	37,713
Multicultural Ministries - congregations	105,000	18.0%	164.8%	89,000	39,651	-
Multicultural Ministries - program	23,800	-0.8%	100.2%	24,000	11,889	97,074
<i>Multicultural Ministries</i>	<b>149,238</b>	<b>11.8%</b>	<b>99.7%</b>	<b>133,438</b>	<b>74,738</b>	<b>134,786</b>

**6.4% of program for ministry requests / 3.2% of the total requests**

## We are about ... Stewardship & Development of all our resources

- ❖ Regional workshops on **Planned Giving**, **Environmental Stewardship**, annual campaigns, development, and **Stewardship Formation** for children, youth, young adults and families.
- ❖ Expanding knowledge about and participation with our **Episcopal Community Action** (formerly Episcopal Charities Appeal).
- ❖ Promoting and continuing our diocesan partnership with **TENS** (The Episcopal Network for Stewardship), including a corporate membership and membership for each congregation.
- ❖ Growing the **Bishop's Society** and hosting events to thank and recognize members who have named any Episcopal Church, ministry, or program in their plans.
- ❖ Hosting vision and development gatherings around the diocese.
- ❖ Providing stewardship assistance to diocesan ministries, such as Mission to Seafarers, **TV Eucharist**, and Episcopal Retirement Communities.
- ❖ Online giving and processing services for diocesan programs and congregations.
- ❖ Capital Campaign consultations.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Stewardship and Development - staff	103,396	0.0%	-31.8%	103,396	151,575	154,498
Stewardship and Development - program	72,800	1.0%	92.1%	72,080	37,903	55,932
<i>Stewardship and Development</i>	<b>176,196</b>	<b>0.4%</b>	<b>-7.0%</b>	<b>175,476</b>	<b>189,479</b>	<b>210,430</b>

**7.6% of program for ministry requests / 3.8% of the total requests**

## We are about ... Communicating our Message & Telling our Stories

- ❖ Sharing the story of our diocese and our congregations through a diocesan website, blogs, and **E-Newsletters**.
- ❖ Publicizing events and activities on both a diocesan and local congregation level through **Across the Diocese** weekly E-Newsletter.
- ❖ Utilizing **Social Media** to further our interconnectedness, including a diocesan **Facebook** page, diocesan **App**, and **Twitter** feed.
- ❖ **Video Production** for messages from the bishop to the wider diocese, as well as opportunities for ministries and programs to request video production services.
- ❖ **Graphic Design** services for diocesan programs, departments and ministries.
- ❖ Overall diocesan **Internet Strategy** including not only diocesan functions, but monitoring and resourcing congregations to attain at least a minimal presence in cyberspace.
- ❖ Updating, maintaining and creation of new ways to utilize our **Database System**.
- ❖ Enabling (through digital technology and the establishment of **Video-Conferencing Sites** in five locations around the diocese) all willing volunteers to participate at the diocesan level through service on commissions, committees, and governing bodies.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Communications - staff	237,808	0.5%	59.0%	236,641	149,528	121,957
Communications - program	25,000	49.7%	5.3%	16,700	23,753	38,288
Digital Technology	70,000	-5.5%	21.6%	74,050	57,549	57,456
<i>Communications</i>	<b>332,808</b>	<b>1.7%</b>	<b>44.2%</b>	<b>327,391</b>	<b>230,829</b>	<b>217,701</b>

**14.3% of program for ministry requests / 7.1% of the total requests**

## We are about ... Global Mission Work

- ❖ Exploring issues of economic justice – living wage, immigration, racism – through education, training and electronic media. **(Economic Justice)**
- ❖ Cross-cultural mission, indigenous people, seafarers, and global needs. **(Global Mission Committee)**
- ❖ Supporting and promoting spiritual, emotional and physical wellness to those in recovery through resources for congregations. **(Committee on Alcohol & Substance Abuse)**
- ❖ Support for the Episcopal parishes, schools, hospitals and human service missions in the Diocese of Jerusalem (one of our companion dioceses). **(Bishop's Committee for Israel/Palestine)**

- ❖ A companion diocese relationship with the **Diocese of the Southern Philippines**: joint “Project Tree Care,” as well as a carbon offset program.
- ❖ Exploring a companion diocese relationship with the **Diocese of El Salvador**.
- ❖ Diocesan support for the **Refugee Resettlement Office**, which provides human development programs to low income communities, as well as resettlement of refugees in the Seattle area.
- ❖ Setting aside 0.07% of our unrestricted revenue for projects relating to the **Millennium Development Goals**.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Global Mission Work: Commissions & Committees	18,980	5.4%	112.6%	18,000	8,928	18,801
Support of affiliated institutions & ministries (thru ECA)	-	100.0%	-100.0%	16,000	16,000	16,000
Restricted/Non-Discretionary	38,419	-3.0%	-2.8%	39,595	39,530	41,499
<i>Global Mission Work</i>	<b>57,399</b>	<b>-22.0%</b>	<b>-11.0%</b>	<b>73,595</b>	<b>64,458</b>	<b>76,300</b>

**2.5% of program for ministry requests / 1.2% of the total requests**

<b>Total Program for Ministry: Congregations</b>	<b>2,333,322</b>	<b>12.7%</b>	<b>34.7%</b>	<b>2,070,294</b>	<b>1,732,195</b>	<b>2,329,047</b>
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## We are about ... Supporting the work of the Broader Church

- ❖ Contributing to the work of The Episcopal Church through payment of our full 19% “Asking.” **(Asking, Apportionment, Assessment)**

- ❖ Supporting the work of **Province VII**, the **Diocese of San Joaquin, Ecumenical & interfaith ministry**, and our partnership with **St. Mark's Cathedral**.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
<i>Wider Church Covenants</i>	44,500	-40.3%	12.7%	74,500	39,500	64,500
<i>National Church Asking (Assessment)</i>	531,457	-8.9%	-18.1%	583,434	649,278	612,514
<b>Total The Broader Church</b>	<b>575,957</b>	<b>-12.5%</b>	<b>-16.4%</b>	<b>657,934</b>	<b>688,778</b>	<b>677,014</b>

**2016 Requests: 12.3% of the total requests.**



## We are about ... our Corporate & Canonical Responsibilities

- ❖ Support for our bishop and his work in the diocese, nation and world. **(Diocesan Bishop's Office)**
  - ❖ Postulants for the priesthood and diaconate; exams, retreats, candidacy days. **(Commission on Ministry)**
  - ❖ Raising awareness of the diaconate and **Diaconal Ministry** across the diocese.
  - ❖ Outreach to armed forces veterans and respective/surviving spouses. **(Veterans Ministry)**
  - ❖ The office of the Canon to the Ordinary/Chief of Staff, and her work, assisting the bishop in diocesan ministry, working with congregations in transition and conflict, and supporting the decisions and vision of the bishop. **(Canon to the Ordinary)**
  - ❖ Responsible business practices – accounting, risk management, the Diocesan Investment Fund (DIF), property matters, insurances, and tax affairs.
  - ❖ Financial resources and training for congregation treasurers and staff. **(Finance & Property)**
- ❖ Resources for congregations to chronicle and maintain an historical archive; identifying, collecting and preserving records of enduring value. **(Archives)**
  - ❖ Sending a full deputation to each triennial meeting of the **General Convention** of The Episcopal Church.
  - ❖ Gathering as a diocesan body for our annual diocesan convention to hear from the bishop, converse on issues, elect to diocesan offices, and enjoy fellowship with 600+ Episcopalians from all over western Washington. **(Convention)**
  - ❖ Support for our diocesan governing bodies – Standing Committee, Diocesan Council, and Board of Directors, as well as regional ministries and the Personnel Commission. **(Diocesan Governance)**
  - ❖ Maintaining Diocesan House as a place that not only houses the diocesan staff, but also provides meeting space for commissions, committees, affiliated ministries, organizations, and an occasional congregation. **(Central/Plant Services)**

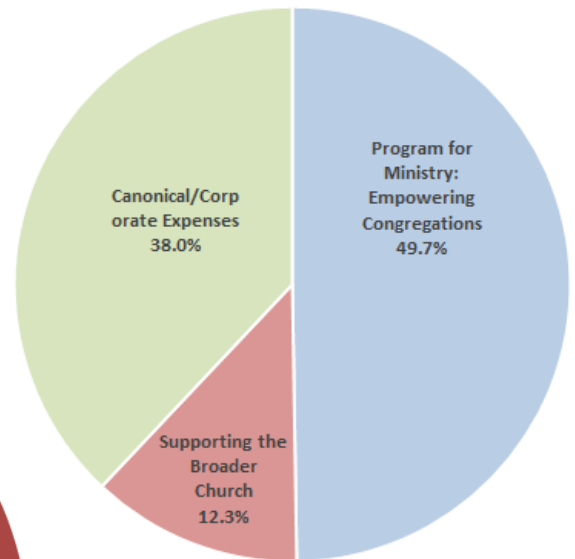
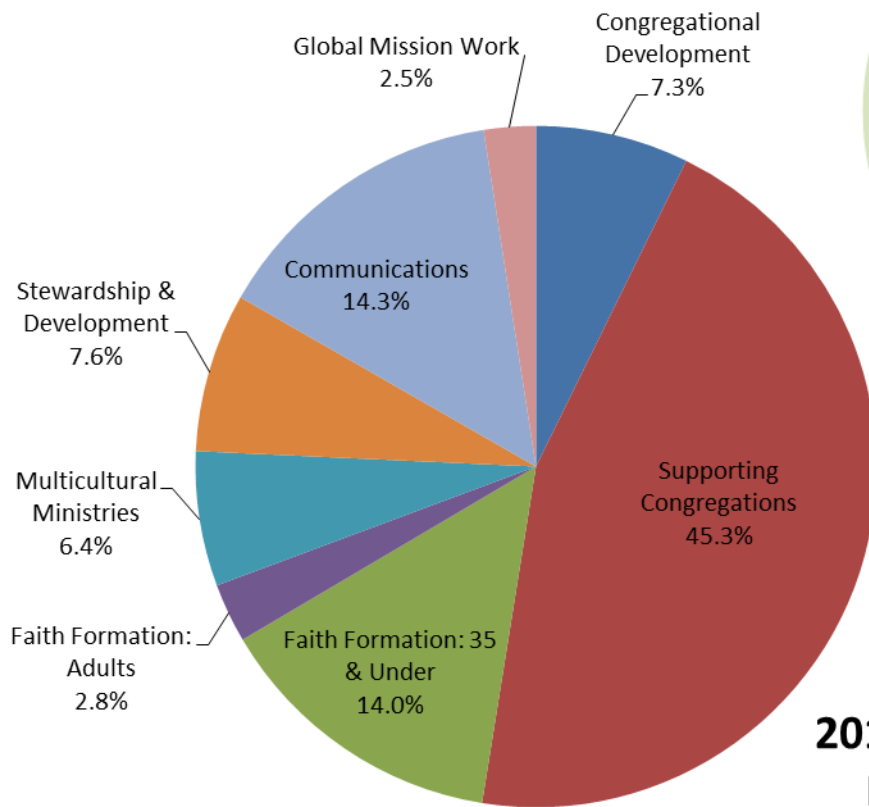
Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Diocesan Bishop's Office - staff	295,920	8.1%	10.7%	273,681	267,214	261,038
Diocesan Bishop's Office - program	196,965	0.1%	-0.5%	196,692	197,995	201,141
<i>Diocesan Bishop's Office</i>	<b>492,885</b>	<b>4.8%</b>	<b>5.9%</b>	<b>470,373</b>	<b>465,209</b>	<b>462,179</b>
Canon to the Ordinary's Office - staff	138,570	0.0%	2.9%	138,570	134,627	127,900
Canon to the Ordinary's Office - legal	35,000	0.0%	34.8%	35,000	25,961	21,520
Canon to the Ordinary's Office - program	50,000	0.0%	38.0%	50,000	36,221	22,903
<i>Canon to the Ordinary's Office</i>	<b>223,570</b>	<b>0.0%</b>	<b>13.6%</b>	<b>223,570</b>	<b>196,808</b>	<b>172,322</b>
Treasurer's Office - staff	212,092	0.0%	-5.7%	212,092	224,837	174,204
Treasurer's Office - program	84,500	0.0%	49.0%	84,500	56,723	56,584
<i>Treasurer's Office</i>	<b>296,592</b>	<b>0.0%</b>	<b>5.3%</b>	<b>296,592</b>	<b>281,560</b>	<b>230,788</b>
Archives & Records Management - staff	51,051	0.0%	1.9%	51,051	50,111	46,736
Archives & Records Management - program	10,000	0.0%	6.1%	10,000	9,429	9,829
<i>Archives &amp; Records Management</i>	<b>61,051</b>	<b>0.0%</b>	<b>2.5%</b>	<b>61,051</b>	<b>59,541</b>	<b>56,566</b>
Diocesan Governance - staff	133,790	0.0%	6.3%	133,790	125,898	101,066
Diocesan Governance - program	23,000	-2.3%		23,550	9,035	14,329
Diocesan Governance - Board of Director's work	82,657	217.9%		26,000	12,639	24,000
Diocesan Governance - convention	81,500	16.4%	30.3%	70,000	62,560	69,863
<i>Diocesan Governance</i>	<b>320,947</b>	<b>26.7%</b>	<b>52.7%</b>	<b>253,340</b>	<b>210,132</b>	<b>209,258</b>
<i>Property &amp; Liability Insurance</i>	<b>60,000</b>	<b>-13.0%</b>	<b>15.8%</b>	<b>69,000</b>	<b>51,813</b>	<b>65,803</b>
<i>Compensation/Benefits</i>	<b>140,000</b>	<b>7.9%</b>	<b>169.5%</b>	<b>129,705</b>	<b>51,942</b>	<b>49,744</b>
Diocesan House - staff	77,968	0.0%	2.1%	77,968	76,364	75,840
Diocesan House - program & plant services	108,100	-0.9%	21.9%	109,100	88,644	87,577
<i>Diocesan House</i>	<b>186,068</b>	<b>-0.5%</b>	<b>12.8%</b>	<b>187,068</b>	<b>165,008</b>	<b>163,417</b>
<b>Total Canonical &amp; Corporate Expenses</b>	<b>1,781,113</b>	<b>5.3%</b>	<b>20.2%</b>	<b>1,690,699</b>	<b>1,482,012</b>	<b>1,410,076</b>

**38.0% of the total requests**

## We are about ... using the Resources entrusted to us

- ❖ Acknowledging the hard work and commitment that provides 85% of our diocesan budget and support of our mission as a Church from congregations participating through the **Diocesan Assessment**.
- ❖ Stewardship of the unrestricted and restricted **Investment Income**, as well as fees, tuitions and reimbursements for programs that provide the remaining 15% of our diocesan budget.
- ❖ Gratitude for the common ministry throughout the Church, at the diocesan, regional, and local congregation level, that we are able to provide together as the Diocese of Olympia.
- ❖ Shown below are **Early Revenue Assumptions** for review purposes. Actual revenue projections will be reflected in the fall version of the budget document.

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
Assessments	3,707,420	0.0%	-0.8%	3,707,420	3,735,805	3,685,033
Unrestricted Investment Income	102,000	-2.5%	3.3%	104,571	98,771	87,304
Restricted Investment Income	436,000	13.1%	8.5%	385,387	401,941	374,035
Other Income	-	100.0%	-100.0%	95,000	14,478	56,331
Fees, Tuitions, and Reimbursements	143,750	13.6%	50.7%	126,549	95,407	106,080
<b>Total Revenues Projected/Used</b>	<b>4,389,170</b>	<b>-0.7%</b>	<b>1.0%</b>	<b>4,418,927</b>	<b>4,346,402</b>	<b>4,308,783</b>





# A VISION

## OF THE DIOCESE OF OLYMPIA



**W**e envision the Diocese of Olympia as one of the healthiest places in the Episcopal Church, growing and moving through the opportunity and challenge that come with being situated in the “None Zone” of the largely unchurched Pacific Northwest. We are a diocese on solid footing, with open communication and a resolve to live

together in Christ and with Christ. We see our differences as blessings and we are committed to sharing those blessings with the world around us.

We believe the core purpose of a diocese is building up the Body of Christ. The Diocese of Olympia works to fulfill that commitment in our congregations by focusing on three areas:



### CONGREGATIONAL DEVELOPMENT

We believe that developing healthy congregations is central to that call. To that end, we have a clear strategy and ethos of development and health in all our congregations, no matter what the size or context. We assist congregations in facilitating clear expectations and in developing leaders—lay and clergy—who are given the skills and have the understanding to take responsibility for development. We believe that congregational development means far more than numerical growth, but when development is done well, numerical growth is often an outcome.



### CONCENTRATING ON THOSE 35 AND UNDER

We believe that the Church has a particular call to reach out to and attract people under age 35, many of whom are the second and third generations to have no knowledge of Christ and the Church. We believe that if we, the Church, cannot discover how to reach, feed and attract people under 35 that we may well lose the tremendous leadership and spirituality this generation offers the Church. Therefore, our mission field is wherever we find this generation. We must engage with, listen to and commit resources toward all those who are 35 and younger. We equip congregations to relate to younger people and build ministry with them, and we do the same work on a diocesan level.



### STEWARDSHIP OF ALL OUR RESOURCES

We believe Christianity is a faith of abundance and blessing. Becoming a people truly in touch with this reality makes us stewards of all of our resources—human, financial, material and spiritual. At Creation, God gave us responsibility for the care of the earth. More than ever before, we are aware that what we do affects those in the next generations. Jesus teaches us that when we live for others we have abundant life. We assist congregational leaders in strengthening the stewardship of all resources in their congregations, and we practice this at a diocesan level.

Description		2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual
<b>Revenue</b>							
1	Assessments	3,707,420	0.0%	-0.8%	3,707,420	3,735,805	3,685,033
2	Unrestricted Investment Income	102,000	-2.5%	3.3%	104,571	98,771	87,304
3	Restricted Investment Income	436,000	13.1%	8.5%	385,387	401,941	374,035
4	Other Income	-	-100.0%	-100.0%	95,000	14,478	56,331
5	Fees, Tuitions, and Reimbursements	143,750	13.6%	50.7%	126,549	95,407	106,080
6	<b>Total Revenues Projected/Used</b>	<b>4,389,170</b>	<b>-0.7%</b>	<b>1.0%</b>	<b>4,418,927</b>	<b>4,346,402</b>	<b>4,308,783</b>
<b>Expense</b>							
7	Congregational Development - staff	23,638	0.0%	-51.3%	23,638	48,500	66,553
8	College for Congregational Development	139,800	0.0%	28.3%	139,800	108,938	119,915
9	Congregational Development - program	6,400	0.0%	-6.3%	6,400	6,827	4,193
10	<i>Congregational Development</i>	<b>169,838</b>	<b>0.0%</b>	<b>3.4%</b>	<b>169,838</b>	<b>164,264</b>	<b>190,661</b>
11	Emerging Ministries - personnel	12,990	0.0%	11.9%	12,990	11,605	-
12	Emerging Ministries - program	32,000	255.6%		9,000	-	7,001
13	Clergy Residency	180,000	0.0%	16.5%	180,000	154,447	134,749
14	Grants to Congregations	300,000	0.0%	7.1%	300,000	280,236	395,315
15	Grants for revitalization of congregations	100,000					
16	Assessment Adjustment Grants						148,368
17	Bishop Directed Grants/Bishop's Initiatives Grants	85,000	10.4%	55.4%	77,000	54,700	134,058
18	Emerging Missions	100,000	42.9%	40.5%	70,000	71,167	75,236
19	Evangelism	11,651	0.0%	-45.0%	11,651	21,200	24,249
20	Congregation Specific/Property Assistance	120,000	41.2%	42.1%	85,000	84,472	71,178
21	Support for/to congregations	114,300	-6.7%	64.0%	122,463	69,689	84,932
22	<i>Supporting Congregations</i>	<b>1,055,941</b>	<b>21.6%</b>	<b>41.3%</b>	<b>868,104</b>	<b>747,515</b>	<b>1,075,085</b>
23	Faith Formation:35 & Under - staff	196,326	43.0%	49.0%	137,326	131,761	187,397
24	Children's Ministry	9,000	0.0%	64.1%	9,000	5,485	-
25	Youth	42,000	27.3%	76.0%	33,000	23,863	46,035
26	Young Adults	25,000	6.4%	35.4%	23,500	18,459	737
27	Campus Ministries	54,000	-0.3%	41.3%	54,150	38,224	84,174
28	<i>Faith Formation: 35 &amp; Under</i>	<b>326,326</b>	<b>27.0%</b>	<b>49.8%</b>	<b>256,976</b>	<b>217,791</b>	<b>318,342</b>
29	Faith Formation: Adults - staff	34,076	0.0%	3.0%	34,076	33,097	66,691
30	Adult Resources & Diocesan Resource Center	31,500	0.3%	214.3%	31,400	10,022	39,050
31	<i>Faith Formation: Adults</i>	<b>65,576</b>	<b>0.2%</b>	<b>52.1%</b>	<b>65,476</b>	<b>43,119</b>	<b>105,741</b>
32	Multicultural Ministries - staff	20,438	0.0%	-11.9%	20,438	23,198	37,713
33	Multicultural Ministries - multicultural congregations	105,000	18.0%	164.8%	89,000	39,651	-
34	Multicultural Ministries - program	23,800	-0.8%	100.2%	24,000	11,889	97,074
35	<i>Multicultural Ministries</i>	<b>149,238</b>	<b>11.8%</b>	<b>99.7%</b>	<b>133,438</b>	<b>74,738</b>	<b>134,786</b>
36	Stewardship and Development - staff	103,396	0.0%	-31.8%	103,396	151,575	154,498
37	Stewardship and Development - program	72,800	1.0%	92.1%	72,080	37,903	55,932
38	<i>Stewardship and Development</i>	<b>176,196</b>	<b>0.4%</b>	<b>-7.0%</b>	<b>175,476</b>	<b>189,479</b>	<b>210,430</b>
39	Communications - staff	237,808	0.5%	59.0%	236,641	149,528	121,957
40	Communications - program	25,000	49.7%	5.3%	16,700	23,753	38,288
41	Digital Technology	70,000	-5.5%	21.6%	74,050	57,549	57,456
42	<i>Communications</i>	<b>332,808</b>	<b>1.7%</b>	<b>44.2%</b>	<b>327,391</b>	<b>230,829</b>	<b>217,701</b>
43	Global Mission Work: Commissions & Committees	18,980	5.4%	112.6%	18,000	8,928	18,801
44	Support of affiliated institutions & ministries (thru ECA)	-	-100.0%	-100.0%	16,000	16,000	16,000
45	Restricted/Non-Discretionary	38,419	-3.0%	-2.8%	39,595	39,530	41,499
46	<i>Global Mission Work</i>	<b>57,399</b>	<b>-22.0%</b>	<b>-11.0%</b>	<b>73,595</b>	<b>64,458</b>	<b>76,300</b>
47	<b>Total Program for Ministry: Congregations</b>	<b>2,333,322</b>	<b>12.7%</b>	<b>34.7%</b>	<b>2,070,294</b>	<b>1,732,195</b>	<b>2,329,047</b>

Description	2016 Spring Draft	% different from 2015 Budget	% different from 2014 Actual	2015 Budget	2014 Actual	2013 Actual	
<b>The Broader Church</b>							
48	Wider Church Covenants	44,500	-40.3%	12.7%	74,500	39,500	64,500
49	National Church Asking (Assessment)	531,457	-8.9%	-18.1%	583,434	649,278	612,514
50	<b>Total The Broader Church</b>	<b>575,957</b>	<b>-12.5%</b>	<b>-16.4%</b>	<b>657,934</b>	<b>688,778</b>	<b>677,014</b>
<b>Canonical and Corporate Expenses</b>							
51	Diocesan Bishop's Office - staff	295,920	8.1%	10.7%	273,681	267,214	261,038
52	Diocesan Bishop's Office - program	196,965	0.1%	-0.5%	196,692	197,995	201,141
53	<i>Diocesan Bishop's Office</i>	<b>492,885</b>	<b>4.8%</b>	<b>5.9%</b>	<b>470,373</b>	<b>465,209</b>	<b>462,179</b>
54	Canon to the Ordinary's Office - staff	138,570	0.0%	2.9%	138,570	134,627	127,900
55	Canon to the Ordinary's Office - legal	35,000	0.0%	34.8%	35,000	25,961	21,520
56	Canon to the Ordinary's Office - program	50,000	0.0%	38.0%	50,000	36,221	22,903
57	<i>Canon to the Ordinary's Office</i>	<b>223,570</b>	<b>0.0%</b>	<b>13.6%</b>	<b>223,570</b>	<b>196,808</b>	<b>172,322</b>
58	Treasurer's Office - staff	212,092	0.0%	-5.7%	212,092	224,837	174,204
59	Treasurer's Office - program	84,500	0.0%	49.0%	84,500	56,723	56,584
60	<i>Treasurer's Office</i>	<b>296,592</b>	<b>0.0%</b>	<b>5.3%</b>	<b>296,592</b>	<b>281,560</b>	<b>230,788</b>
61	Archives & Records Management - staff	51,051	0.0%	1.9%	51,051	50,111	46,736
62	Archives & Records Management - program	10,000	0.0%	6.1%	10,000	9,429	9,829
63	<i>Archives &amp; Records Management</i>	<b>61,051</b>	<b>0.0%</b>	<b>2.5%</b>	<b>61,051</b>	<b>59,541</b>	<b>56,566</b>
64	Diocesan Governance - staff	133,790	0.0%	6.3%	133,790	125,898	101,066
65	Diocesan Governance - program	23,000	-2.3%		23,550	9,035	14,329
66	Diocesan Governance - Board of Director's work	82,657	217.9%		26,000	12,639	24,000
67	Diocesan Governance - convention	81,500	16.4%	30.3%	70,000	62,560	69,863
68	<i>Diocesan Governance</i>	<b>320,947</b>	<b>26.7%</b>	<b>52.7%</b>	<b>253,340</b>	<b>210,132</b>	<b>209,258</b>
69	<i>Property &amp; Liability Insurance</i>	<b>60,000</b>	<b>-13.0%</b>	<b>15.8%</b>	<b>69,000</b>	<b>51,813</b>	<b>65,803</b>
70	<i>Compensation/Benefits</i>	<b>140,000</b>	<b>7.9%</b>	<b>169.5%</b>	<b>129,705</b>	<b>51,942</b>	<b>49,744</b>
71	Diocesan House - staff	77,968	0.0%	2.1%	77,968	76,364	75,840
72	Diocesan House - program & plant services	108,100	-0.9%	21.9%	109,100	88,644	87,577
73	<i>Diocesan House</i>	<b>186,068</b>	<b>-0.5%</b>	<b>12.8%</b>	<b>187,068</b>	<b>165,008</b>	<b>163,417</b>
74	<b>Total Canonical &amp; Corporate Expenses</b>	<b>1,781,113</b>	<b>5.3%</b>	<b>20.2%</b>	<b>1,690,699</b>	<b>1,482,012</b>	<b>1,410,076</b>
75	Total Recommended / Budget / Actual	4,690,392	6.1%	20.2%	4,418,927	3,902,984	4,416,137
76	Total Revenue Projected / Used	4,389,170	-0.7%	1.0%	4,418,927	4,346,402	4,308,783
77	Net Excess or Deficit	(301,222)			1	443,418	(107,354)

**Bishop's Office Staff** *(also referred to as Diocesan Staff; list includes paid and volunteer staff; full-time, part-time, contract, stipendiary, and non-stipendiary staff).*

**Diocesan House** *(also referred to as Bishop's Office, Office of the Bishop, DHouse): 1551 10<sup>th</sup> Ave E, Seattle, 98102 (a few buildings north of St. Mark's Cathedral on Capitol Hill).*

**Website:** [www.ecww.org](http://www.ecww.org). **Phone:** 206.325.4200 *(extension next to each name).*

## Bishop Diocesan—

**The Rt. Rev. Gregory Rickel, Bishop Diocesan**  
[full time] (ext. 2010) [grickel@ecww.org](mailto:grickel@ecww.org)

**Mr. Blaire Notrica, Executive Assistant to the Bishop and to the Canon to the Ordinary** [full time] (ext. 2010) [bnotrica@ecww.org](mailto:bnotrica@ecww.org)

*Standing Committee – Bishop's visitations – Assisting bishops – Commission on Ministry – Holy orders and vocations – Clergy days – Congregational Leadership Days – Global mission work (Israel/Palestine, Economic Justice) – Companion diocese relationships (Philippines, El Salvador) – Province VIII – Ecumenical & Interfaith – Safeguarding God's Children/People – Clergy records/information updates – Keys/access to DHouse – Supply clergy list – General Convention*

**The Ven. Gen Grewell, Archdeacon** [non-stipendiary] [ggrewell@ecww.org](mailto:ggrewell@ecww.org)

*Deacons – Diaconal formation – Deacon retreats*

## Archives—

**Ms. Diane Wells, Archivist and Records Manager**  
[part time: T-Th] (ext. 2023) [dwells@ecww.org](mailto:dwells@ecww.org)

*Diocesan records – Reference & research services – Collection and preservation of records – Records management assistance for congregations – Records of closed churches – Tours of Diocesan House*

## Congregational Development—

**The Rev. Alissa Newton, Program Director for Congregational Development** [contract] (ext. 7258) [anewton@ecww.org](mailto:anewton@ecww.org)

*College for Congregational Development – Congregational Consulting Network – Evangelism*

## Canon to the Ordinary—

**The Rev. Canon Dr. Marda Steedman Sanborn, Canon to the Ordinary & Chief of Staff** [full time] (ext. 2040) [msanborn@ecww.org](mailto:msanborn@ecww.org)

*Congregations & clergy in transition – Deployment ministry – Leadership training for clergy & lay leaders – Grants to Congregations – Bishop's Initiative grants – Clergy Days – Clergy residency program – Clergy pension & employment questions – Congregations experiencing conflict or with special challenges – Misconduct intake – Emerging Missions – Emerging Ministries – Congregational Consulting Network – Evangelism – Loans to Congregations – Property matters – Demographic study access*

## Communications & Governance—

**Canon Dede Moore, Canon for Operations** [full time] (ext. 2022) [dmoore@ecww.org](mailto:dmoore@ecww.org)

*Convention – Board of Directors – Diocesan Council – E-Newsletters and online publications – Website & social media oversight – Public relations – Communications strategy – Editorial calendar – Video production – Regional Ministries – Constitution & Canons – Personnel Commission*

**Mr. Kerry Allman, Internet Strategist** [full time] (ext. 2021) [kallman@ecww.org](mailto:kallman@ecww.org)

*Webmaster – Database technical support & design – Digital technology – Video-conferencing system – Congregation website consulting, development & hosting – DHouse Technical support*

**Mr. Greg Hester, Communications Specialist**  
[part time: M-W] (ext. 2026) [ghester@ecww.org](mailto:ghester@ecww.org)  
*Graphic design - Video production*

**Ms. Bianca Smith, Content Manager** [part time: T, Th, F] (ext. 2037) [bsmith@ecww.org](mailto:bsmith@ecww.org)  
*Social media – Website content – Diocesan App – Digital content*

## Communications, continued—

### **Ms. Sally Gianelli, CRM Database Administrator**

[part time: M-F mornings] (ext. 2045)

[sgianelli@ecww.org](mailto:sgianelli@ecww.org)

*Database maintenance & content – Report creation – Database training*

### **Ms. Shannon Jergenson, Program Coordinator for Governance, Convention & Communications**

[part time: T-Th] (ext. 2039)

[sjergenson@ecww.org](mailto:sjergenson@ecww.org)

*National & World E-Newsletters – Publication of congregation events (Across the Diocese) – Convention delegates & alternates – Email lists for E-Newsletters — Journal of Convention – Convention registration & meals*

### **Mr. Matt Koski, Interim Receptionist [full time]**

(ext. 2028) [MKoski@ecww.org](mailto:MKoski@ecww.org)

*DHouse meeting room reservations – General inquiries*

## Faith Formation: 35 and Under—

### **The Rev. Canon Rebecca Kirkpatrick, Canon for Faith Formation: 35 & Under [full time]**

(ext. 2044) [rkirkpatrick@ecww.org](mailto:rkirkpatrick@ecww.org)

*HYC – JYC – 6-Day – Theology on Tap – Young Adults – University/college programs – Resources, training and program development*

### **Position Open, Coordinator for Children and Family Ministries [part time] (ext. 7257)**

[cspencer@ecww.org](mailto:cspencer@ecww.org)

*Consultations – Children’s programs – Godly Play*

## Faith Formation: Adults —

### **Ms. Maureen Crawford, Director for Adult Faith Formation [non-stipendiary] (ext. 7259)**

[mcrawford@ecww.org](mailto:mcrawford@ecww.org)

*Education programs & resources*

## Finance, Insurance & Employee

### Benefits—

### **Mr. Lee Humason, Canon for Finance & Property**

[full time] (ext. 2019) [lhumason@ecww.org](mailto:lhumason@ecww.org)

*DIF (Diocesan Investment Fund) – Tax matters – Audits – Financial policies – Property taxes & risk management – Parochial reports/NDI – Financial resources and training for congregation treasurers and staff – Bonds & interest maturity – Lay pension – Property matters – Loan requests – Diocesan House facility management*

### **Ms. Barbara A Fox, Treasurer [volunteer]**

(ext. 7251) [bfox@ecww.org](mailto:bfox@ecww.org)

*Resources for congregations – Joint Finance Panel*

### **Ms. Edie Pehrson, Staff Accountant [full time]**

(ext. 2038) [epehrson@ecww.org](mailto:epehrson@ecww.org)

*Accounting – Payroll questions*

### **Ms. Lori Hardow, Finance Assistant & Insurance Coordinator [full time] (ext. 2018)**

[lhadow@ecww.org](mailto:lhadow@ecww.org)

*Insurance coverage documents – Clergy & lay insurance benefits – Assessment billing*

### **Mr. Mark Swanson, Building Manager [part time:**

M, W, F] (ext. 2036) [mswanson@ecww.org](mailto:mswanson@ecww.org)

## Liturgy —

### **The Rev. Canon Janet Campbell, Canon for Liturgy [stipend] (ext. 7254)**

[jcampbell@ecww.org](mailto:jcampbell@ecww.org)

*Liturgy & Arts Commission – Liturgical/space improvement and development consultations for congregations*

## Multicultural Ministries—

### **The Rev. Canon Arienne Davison, Canon for Multicultural Ministries [contract]**

(ext. 7253) [adavison@ecww.org](mailto:adavison@ecww.org)

*Multicultural congregations – Leadership development – Advocacy – Dismantling Racism Training Team – African-American Ministry Committee – Hispanic Ministry Committee – First Nations Committee*

## Resource Center

**Ms. Sue Tait, Director of Resource Center** [part time: M, T, Th, F] (ext. 2043) [resource@ecww.org](mailto:resource@ecww.org)  
*Lending library – Licensed ministry training for Eucharistic Ministers, Eucharistic Visitors & Worship leaders – Education for Ministry (EFM)*

## Stewardship & Development—

**The Rev. Canon Lance Ousley, Canon for Stewardship & Development** [contract] (ext. 2016) [lance@ecww.org](mailto:lance@ecww.org)

**Ms. Sharon Pethers, Program Coordinator** [part time: T-Th] (ext. 2041) [spethers@ecww.org](mailto:spethers@ecww.org)  
*Year-round stewardship – Annual campaigns – Planned giving – Capital campaigns – Stock transfer service – Episcopal Community Action (ECA) – Stewardship of the Environment – The Bishop’s Society – TENS – TV Eucharist*

## Total Common Ministry —

**The Rev. Richard Green, Total Common Ministry Missioner (southern)** [stipend] [rgreen@ecww.org](mailto:rgreen@ecww.org)  
*Total Common Ministry – Local Priests*

## Veterans Ministry —

**The Rev. Canon Dr. Mike Morrissey, Canon for Veterans Ministry** [stipend] (ext. 7260) [mmorrissey@ecww.org](mailto:mmorrissey@ecww.org)  
*Identification of benefits – Education programs for congregations – Advocacy*

## ADDITIONAL CONTACTS:

Cathedral Foundation of the Diocese—  
**Ms. Heather Hodsdon** (ext. 2045) [foundation@ecww.org](mailto:foundation@ecww.org)

## Conference, Camp & Retreat Centers—

**St. Andrew’s House (retreat center), Hood Canal – The Rev. Candice Corrigan, Director** 360.898.2362 [info@saintandrewshouse.org](mailto:info@saintandrewshouse.org)  
*Conferences – Vestry/Bishop’s Committee retreats – spiritual enrichment programs for individuals and families*

**Huston Camp and Conference Center, Gold Bar (foothills of the Cascades) – Mr. Bill Tubbs, Director** 360.793.0441 [info@huston.org](mailto:info@huston.org)  
*Summer camp program – Conferences – Retreats – School trips – Family camps – Vestry/Bishop’s Committee retreats – Women’s Getaway – Work Weekend – Quilting and other craft retreats – Labor Day Family Camp – Thanksgiving Camp*

## Episcopal Relief & Development—

**Mr. Chuck Hamilton, Diocesan Coordinator** 253.839.5546 [chuckdrum@comcast.net](mailto:chuckdrum@comcast.net)  
*International relief and development agency – Compassionate response to human suffering on behalf of The Episcopal Church in the United States*

**Mr. David Baylor, Diocesan Disaster Coordinator** 206.523.5662 [dbaylor.erd@comcast.net](mailto:dbaylor.erd@comcast.net)  
*Connects to the broader disaster response community through the Washington Voluntary Organizations Active in Disaster (WAVOAD) and Washington Interfaith Disaster Recovery Organization (WIDRO)*

## Refugee Resettlement Office—

**Mr. Greg Hope, Director** 206.323.3152 [greghope@earthlink.net](mailto:greghope@earthlink.net)  
**Ms. Sumonnat Rattanakom, Associate Director** [sumonnatp@yahoo.com](mailto:sumonnatp@yahoo.com)  
*Resettlement of refugees in the Seattle area – Human development programs to the low-income community*



Year in parentheses is last year of filing if not 2011

City	Congregation	Active Members	Communicants in Good Standing	Others	Average Sunday Attendance	Sunday Eucharists	16 yrs and Older	Under 16 Years	Confirmed or Received
Aberdeen	St Andrews Episcopal Church	400	400	0	141	104	4	8	0
Allyn	St Hugh of Lincoln Episcopal Church	89	89	0	46	52	0	1	0
Anacortes	Christ Episcopal Church	93	93	0	57	78	0	2	2
Auburn	St Matthews Episcopal Church	261	245	15	83	104	0	5	0
Bainbridge Island	Grace Episcopal Church	1,003	0	0	230	0	0	7	90
Bainbridge Island	St Barnabas Episcopal Church	458	458	0	142	116	2	4	0
Battle Ground	Church of the Holy Spirit	116	116	3	52	50	0	0	3
Bellevue	All Saints Episcopal Church	30	28	0	17	49	0	0	0
Bellevue	Church of the Holy Apostles	76	30	1	25	0	0	0	1
Bellevue	Church of the Resurrection	139	108	11	60	106	0	1	2
Bellevue	St Margarets Episcopal Church	822	768	60	297	153	1	8	6
Bellingham	St Pauls Episcopal Church	1,071	1,071	0	273	153	1	5	1
Blaine	Christ Episcopal Church	77	70	4	41	49	0	1	0
Bremerton	St Pauls Episcopal Church	291	172	12	89	107	3	2	0
Burien	St Elizabeths Episcopal Church	200	200	9	51	101	0	4	4
Camano Island	St Aidans Episcopal Church	225	217	0	115	79	0	0	0
Castle Rock	St Matthew Church	54	38	0	15	50	0	1	2
Cathlamet	St James Episcopal Church	48	44	2	20	51	3	1	0
Chehalis	St Timothy Episcopal Church	141	141	7	61	62	0	3	0
Darrington	Church of the Transfiguration (2010)	13	0	0	0	0	0	0	0
Eastsound	Emmanuel Episcopal Church	199	150	6	93	91	0	6	12
Edmonds	St Albans Episcopal Church	218	144	0	79	103	0	3	0
Edmonds	St Hilda-St Patrick Church	226	226	1	88	94	0	2	2
Elma	St Lukes Episcopal Church	25	21	0	9	17	0	0	0
Everett	Trinity Episcopal Church	320	288	35	145	155	2	8	0
Federal Way	Church of the Good Shepherd	183	138	7	86	109	0	5	4
Freeland	St Augustines in-the-Woods Episcopal	146	171	57	141	107	0	1	5
Friday Harbor	St Davids Episcopal Church	93	89	36	58	109	0	0	2
Gig Harbor	St Johns Episcopal Church	353	350	0	125	108	0	1	0
Hoodsport	St Germain Episcopal Church (2010)	11	22	14	20	52	1	2	2
Issaquah	St Michael & All Angels Church	286	285	1	111	104	1	4	17
Kenmore	Church of the Redeemer	678	348	20	115	87	2	0	0
Kent	St Columba's Episcopal Church	83	58	10	60	98	0	1	2

**Diocese of Olympia**

**Vital Statistics of Congregations and Missions**

— B a p t i s m s —

Year in parentheses is last year of filing if not 2011

City	Congregation	Active Members	Communicants in Good Standing	Others	Average Sunday Attendance	Sunday Eucharists	16 yrs and Older	Under 16 Years	Confirmed or Received
Kent	St James Episcopal Church	831	585	5	199	159	0	3	1
Kingston	Faith Episcopal Church	66	55	11	24	53	0	0	0
Kirkland	St Johns Episcopal Church	440	363	2	241	103	0	7	0
Lacey	St Benedicts Episcopal Church	340	300	38	129	105	3	2	0
Lakewood	St Joseph & St John Church	75	73	5	34	52	0	0	6
Lakewood	St Marys Episcopal Church	458	235	0	169	0	0	5	0
Longview	St Stephens Episcopal Church	354	201	0	97	101	0	1	4
Lopez Island	Grace Church	159	152	0	45	53	0	2	0
Maple Valley	St Georges Episcopal Church	177	177	0	105	4	3	4	23
Marysville	St Philip Episcopal Church	58	58	6	28	0	0	0	2
Medina	St Thomas Episcopal Church	1,572	1,451	0	327	144	2	23	0
Mercer Island	Emmanuel Episcopal Church	429	429	0	132	117	2	4	2
Monroe	Church of Our Saviour Episcopal	54	50	10	25	48	0	0	0
Montesano	St Marks Episcopal Church	33	22	1	17	52	0	0	0
Mount Vernon	St Pauls Episcopal Church	108	108	0	57	66	0	3	4
Oak Harbor	St Stephens Episcopal Church	32	32	0	24	68	0	0	0
Olympia	St Christopher's Church – a Federated Congregation	185	164	21	62	75	0	2	0
Olympia	St Johns Episcopal Church	520	520	0	243	163	1	17	19
Port Angeles	St Andrews Church	214	155	0	112	151	0	4	0
Port Orchard	St Bede Episcopal Church	200	200	21	100	109	0	4	0
Port Townsend	St Pauls Episcopal Church	326	320	6	114	131	0	1	0
Puyallup	Christ Episcopal Church	328	0	0	110	128	0	6	0
Redmond	Church of the Holy Cross	817	540	46	207	107	0	3	0
Renton	St Luke Episcopal Church	212	138	35	89	115	6	1	0
Sammamish	Good Samaritan Episcopal Church	383	350	55	124	111	0	1	4
Seattle	All Saints Church	63	33	6	28	52	0	0	0
Seattle	Christ Episcopal Church	319	223	15	111	143	0	5	0
Seattle	Church of St John the Baptist	287	287	9	126	106	1	3	0
Seattle	Church of the Ascension	288	239	0	114	103	1	5	5
Seattle	Epiphany Parish of Seattle	653	670	0	260	105	1	22	0
Seattle	St Andrews Episcopal Church	697	597	0	235	157	0	8	0
Seattle	St Clements Church	76	0	0	62	52	1	1	0
Seattle	St Lukes Episcopal Church	30	30	0	20	52	0	0	0

Year in parentheses is last year of filing if not 2011

City	Congregation	Active Members	Communicants in Good Standing	Others	Average Sunday Attendance	Sunday Eucharists	16 yrs and Older	Under 16 Years	Confirmed or Received
Seattle	St Marks Episcopal Cathedral	2,590	1,285	210	431	209	5	15	17
Seattle	St Pauls Episcopal Church	332	332	172	217	180	1	3	15
Seattle	St Peters Episcopal Church	129	88	16	50	53	0	6	0
Seattle	St Stephens Parish	448	380	0	159	91	0	0	7
Seattle	Trinity Church Episcopal	377	377	40	138	107	0	6	0
Seaview	St Peters Episcopal Church	47	47	0	27	52	0	0	0
Sedro Woolley	St James Church	21	21	0	21	52	0	1	0
Sequim	St Lukes Episcopal Church	270	263	1	159	104	0	1	0
Shelton	Church of St David of Wales	98	92	0	52	108	0	0	0
Shoreline	St David Emmanuel Episcopal Church	59	42	0	24	100	0	0	0
Shoreline	St Dunstons Church	311	0	0	108	0	0	3	0
Silverdale	St Antony of Egypt Episcopal Church	171	157	5	83	105	1	0	0
Snohomish	St Johns Episcopal Church	243	243	100	104	106	1	2	8
Snoqualmie	St Clare of Assisi Episcopal Church	118	101	2	44	54	0	0	0
South Bend	St Johns Episcopal Church	29	29	0	13	39	1	0	0
Tacoma	All Saints Episcopal Church	108	105	8	59	100	0	0	0
Tacoma	Christ Church	237	157	26	108	107	2	3	6
Tacoma	Holy Family of Jesus Epis Church	10	9	41	34	52	1	2	0
Tacoma	St Andrews Episcopal Church	226	219	8	120	106	1	6	9
Tacoma	St Lukes Episcopal Church	488	359	2	171	100	1	9	17
Tacoma	St Matthews Episcopal Church	106	97	0	60	102	0	2	0
Tahuya	St Nicholas Episcopal Church	21	25	0	20	28	0	0	0
Vancouver	All Saints Episcopal Church	70	63	17	37	49	0	1	5
Vancouver	Church of the Good Shepherd	629	623	115	278	150	0	5	0
Vancouver	St Lukes Episcopal Church	321	299	18	199	158	4	8	0
Vashon	Church of the Holy Spirit	217	202	8	97	111	0	2	0
Washougal	St Anne Episcopal Church	102	90	0	58	53	0	1	5
Westport	St Christopher Episcopal Church	13	8	4	9	36	1	0	0
<b>Total</b>		<b>27,003</b>	<b>21,048</b>	<b>1,396</b>	<b>9,595</b>	<b>8,195.00</b>	<b>60</b>	<b>299</b>	<b>316.00</b>

**Diocese of Olympia**

**Financial Statistics of Congregations and Missions**

Year in parentheses is last year of filing if not 2013

City	Congregation	REVENUE			EXPENSE			
		Plate & Pledge Income	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach & Development	Total Expense
Aberdeen	St Andrews Episcopal Church	178,798	207,414	265,340	202,689	33,031	15,525	272,840
Allyn	St Hugh of Lincoln Episcopal Church	65,459	80,302	89,652	64,373	8,902	32,084	77,895
Anacortes	Christ Episcopal Church	113,023	184,698	214,567	178,836	20,571	64,372	199,124
Auburn	St Matthews Episcopal Church	65,679	95,789	95,789	94,942	0	2,000	96,942
Bainbridge Island	Grace Episcopal Church	541,010	674,329	674,329	663,499	85,772	65,442	675,831
Bainbridge Island	St Barnabas Episcopal Church	363,098	419,758	826,445	442,357	70,619	374,959	836,199
Battle Ground	Church of the Holy Spirit	57,579	139,550	139,550	139,129	0	427	139,129
Bellevue	All Saints Episcopal Church	87,987	157,591	160,120	106,336	11,289	7,648	108,865
Bellevue	Church of the Holy Apostles	26,656	27,938	32,778	26,554	6,069	3,500	26,554
Bellevue	Church of the Resurrection	149,392	207,126	231,277	208,863	35,594	7,072	214,177
Bellevue	St Margarets Episcopal Church	593,955	754,538	946,678	1,088,730	107,642	13,990	1,088,730
Bellingham	St Pauls Episcopal Church	560,806	631,531	667,441	590,185	95,853	38,120	622,182
Blaine	Christ Episcopal Church	54,594	76,464	76,464	73,415	10,900	1,288	73,415
Bremerton	St Pauls Episcopal Church	127,591	306,132	377,268	277,150	38,266	167,421	444,351
Burien	St Elizabeths Episcopal Church	81,648	190,230	204,353	192,852	21,403	9,094	205,048
Camano Island	St Aidans Episcopal Church	153,135	180,987	180,987	173,610	24,194	7,893	175,475
Castle Rock	St Matthew Church	6,638	7,713	19,488	8,341	1,417	130	8,341
Cathlamet	St James Episcopal Church	14,891	15,506	19,528	14,440	1,816	0	18,462
Chehalis	St Timothy Episcopal Church	73,820	127,501	152,116	142,479	17,100	38,705	153,094
Darrington	Church of the Transfiguration	21,278	22,078	22,078	20,162	3,843	1,393	21,109
Eastsound	Emmanuel Episcopal Church	147,468	260,260	260,260	243,316	33,580	47,606	285,043
Edmonds	St Albans Episcopal Church	147,737	169,747	175,847	160,958	25,715	7,846	174,177
Edmonds	St Hilda-St Patrick Church	137,150	156,172	188,476	164,977	28,478	5,874	192,091
Elma	St Lukes Episcopal Church	4,090	8,834	53,031	12,431	2,313	19,005	28,743
Everett	Trinity Episcopal Church	250,042	350,271	350,784	351,199	36,720	43,727	394,339
Federal Way	Church of the Good Shepherd	241,794	249,056	298,825	251,764	41,638	6,497	261,805
Freeland	St Augustines in-the-Woods Episcopal	322,171	324,725	379,960	330,164	45,000	30,610	374,065
Friday Harbor	St Davids Episcopal Church	157,302	166,807	189,414	164,145	25,049	300	164,516

**Diocese of Olympia**

**Financial Statistics of Congregations and Missions**

Year in parentheses is last year of filing if not 2013

City	Congregation	REVENUE			EXPENSE			
		Plate & Pledge Income	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach & Development	Total Expense
Gig Harbor	St Johns Episcopal Church	287,988	292,960	310,623	309,572	48,402	7,150	313,417
Hoodsport	St Germain Episcopal Church	19,959	23,555	23,875	56,113	7,792	220	56,433
Issaquah	St Michael & All Angels Church	232,997	232,997	276,406	232,766	35,956	39,143	286,638
Kenmore	Church of the Redeemer	258,968	283,771	329,744	265,692	39,241	50,564	307,985
Kent	St Columba's Episcopal Church	144,287	183,210	191,264	184,710	34,503	7,595	191,264
Kent	St James Episcopal Church	457,843	478,889	504,308	453,504	75,075	0	478,923
Kingston	Faith Episcopal Church	29,466	32,149	32,149	62,582	10,446	0	62,582
Kirkland	St Johns Episcopal Church	453,323	481,278	521,186	497,573	68,122	8,484	515,830
Lacey	St Benedicts Episcopal Church	256,491	260,293	272,293	244,934	43,891	17,670	257,256
Lakewood	St Joseph & St John Church	107,152	126,512	148,132	132,290	15,811	11,399	145,292
Lakewood	St Marys Episcopal Church	407,711	416,089	578,920	382,500	58,213	226,594	614,704
Longview	St Stephens Episcopal Church	244,909	292,297	346,456	302,094	53,352	17,152	342,249
Lopez Island	Grace Church	96,305	96,325	110,143	100,603	10,852	8,260	108,674
Maple Valley	St Georges Episcopal Church	145,701	156,334	182,465	161,150	28,941	26,437	180,816
Marysville	St Philip Episcopal Church	52,151	104,040	107,690	107,192	15,814	0	110,842
Medina	St Thomas Episcopal Church	944,868	1,084,660	4,227,273	1,061,706	160,972	2,106,737	3,217,843
Mercer Island	Emmanuel Episcopal Church	531,270	561,901	640,798	523,095	100,770	106,107	600,383
Monroe	Church of Our Saviour Episcopal	48,215	50,435	55,685	53,427	8,094	2,200	57,619
Montesano	St Marks Episcopal Church	22,841	30,046	35,802	27,990	2,640	6,210	29,631
Mount Vernon	St Pauls Episcopal Church	110,082	125,406	152,990	121,264	28,197	26,036	148,701
Oak Harbor	St Stephens Episcopal Church	48,785	53,785	55,260	53,110	7,907	3,414	54,085
Olympia	St Christopher's Church – a Federated Congregation	127,348	137,621	165,289	162,864	8,350	31,091	185,801
Olympia	St Johns Episcopal Church	359,394	391,610	421,239	396,645	67,222	10,493	421,103
Port Angeles	St Andrews Church	194,401	204,499	231,802	202,935	35,272	13,221	227,373
Port Orchard	St Bede Episcopal Church	170,980	182,188	301,382	156,253	26,686	61,081	224,292
Port Townsend	St Pauls Episcopal Church	227,100	265,151	312,180	250,033	42,409	50,817	305,958
Puyallup	Christ Episcopal Church	161,230	201,230	201,230	201,230	44,080	15,000	216,230
Redmond	Church of the Holy Cross	495,939	495,939	763,869	525,271	74,615	51,641	580,012

**Diocese of Olympia**

**Financial Statistics of Congregations and Missions**

Year in parentheses is last year of filing if not 2013

City	Congregation	REVENUE			EXPENSE			
		Plate & Pledge Income	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach & Development	Total Expense
Renton	St Luke Episcopal Church	131,753	213,231	215,374	234,186	35,594	5,033	234,652
Sammamish	Good Samaritan Episcopal Church	211,996	286,718	413,115	286,718	39,231	136,796	423,514
Seattle	All Saints Church	10,000	10,000	10,000	2,400	2,400	0	2,400
Seattle	Christ Episcopal Church	265,753	344,908	363,044	341,705	61,404	6,748	358,869
Seattle	Church of St John the Baptist	285,507	317,550	417,765	317,512	53,688	42,351	363,676
Seattle	Church of the Ascension	269,579	318,857	343,437	354,183	55,394	13,881	380,836
Seattle	Epiphany Parish of Seattle	885,313	1,213,232	5,171,568	1,203,233	150,493	252,998	1,385,755
Seattle	St Andrews Episcopal Church	454,466	551,738	841,328	524,366	84,852	258,948	828,463
Seattle	St Clements Church	131,212	137,641	139,708	150,493	23,339	10,322	157,789
Seattle	St Lukes Episcopal Church	35,750	68,890	99,540	67,427	9,353	6,055	70,407
Seattle	St Marks Episcopal Cathedral	1,197,212	1,748,529	2,830,084	1,723,909	297,836	948,284	2,643,109
Seattle	St Pauls Episcopal Church	369,033	405,472	431,808	402,652	61,343	7,413	410,065
Seattle	St Peters Episcopal Church	71,618	83,275	96,456	103,167	17,661	8,027	116,711
Seattle	St Stephens Parish	471,090	785,559	966,610	613,796	99,157	182,755	794,847
Seattle	Trinity Church Episcopal	218,880	712,826	2,674,465	699,591	90,101	2,247,985	2,942,335
Seaview	St Peters Episcopal Church	39,710	49,472	52,725	42,670	5,820	1,108	45,441
Sedro Woolley	St James Church	34,240	34,539	35,636	36,460	6,997	0	37,547
Sequim	St Lukes Episcopal Church	248,577	273,226	318,197	261,367	48,856	31,701	307,414
Shelton	Church of St David of Wales	126,999	150,219	398,481	156,146	22,695	311,821	457,577
Shoreline	St David Emmanuel Episcopal Church	68,194	84,135	102,785	80,361	12,256	25,532	99,004
Shoreline	St Dunstons Church	231,107	231,107	255,449	244,730	15,492	31,922	277,922
Silverdale	St Antony of Egypt Episcopal Church	165,115	169,509	176,907	167,677	27,995	79,384	251,595
Snohomish	St Johns Episcopal Church	197,755	221,623	260,214	227,977	39,459	29,335	260,217
Snoqualmie	St Clare of Assisi Episcopal Church	86,597	114,137	118,080	120,616	14,016	3,233	124,559
South Bend	St Johns Episcopal Church	31,054	35,018	35,018	35,434	2,160	18,700	35,434
Tacoma	All Saints Episcopal Church	88,696	97,967	98,353	94,989	16,490	429	95,704
Tacoma	Christ Church	301,391	393,946	428,231	368,949	55,001	22,344	401,412
Tacoma	Holy Family of Jesus Epis Church	8,628	54,908	55,165	54,400	2,200	2,709	54,657

**Diocese of Olympia**

**Financial Statistics of Congregations and Missions**

Year in parentheses is last year of filing if not 2013

City	Congregation	REVENUE			EXPENSE			
		Plate & Pledge Income	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach & Development	Total Expense
Tacoma	St Andrews Episcopal Church	252,172	267,526	509,848	262,446	38,586	112,970	349,807
Tacoma	St Lukes Episcopal Church	373,949	373,949	456,068	378,767	60,291	114,641	483,067
Tacoma	St Matthews Episcopal Church	143,769	187,008	187,978	222,441	19,254	6,707	223,411
Tahuya	St Nicholas Episcopal Church	26,900	42,694	42,694	23,247	2,220	11,539	37,786
Vancouver	All Saints Episcopal Church	64,312	155,190	161,858	113,671	18,158	26,847	140,533
Vancouver	Church of the Good Shepherd	543,042	620,699	620,699	620,698	95,580	64,515	620,698
Vancouver	St Lukes Episcopal Church	352,070	413,066	587,482	419,097	67,154	6,056	419,995
Vashon	Church of the Holy Spirit	190,617	219,585	232,406	226,667	29,296	18,805	242,014
Washougal	St Anne Episcopal Church	107,023	140,179	153,669	141,455	19,753	12,062	153,620
Westport	St Christopher Episcopal Church	900	900	900	0	0	0	0
<b>Total</b>		<b>20,074,474</b>	<b>24,967,245</b>	<b>39,096,443</b>	<b>24,942,597</b>	<b>3,687,974</b>	<b>8,977,200</b>	<b>33,807,320</b>

**DIOCESE OF OLYMPIA, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2013



**C O N T E N T S**

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**INDEPENDENT AUDITORS' REPORT**

Diocesan Council  
Diocese of Olympia, Inc.  
Seattle, Washington

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

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 qualified audit opinion.

**Basis for Qualified Opinion**

As more fully described in Note 1 to the financial statements, buildings and improvements have been capitalized although not depreciated. In our opinion, all capital expenditures should be capitalized and depreciated over their estimated useful lives to conform with accounting principles generally accepted in the United States. Quantification of the effects on the financial statements of the preceding practice is not practicable.

**Opinion**

In our opinion, except for the effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Diocese of Olympia, Inc. as of December 31, 2013 and 2012, and 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.

*Peterson Sullivan LLP.*

April 16, 2014

**DIOCESE OF OLYMPIA, INC.**

STATEMENTS OF FINANCIAL POSITION

December 31, 2013 and 2012

ASSETS	2013	2012
Cash and cash equivalents	\$ 1,364,544	\$ 1,631,641
Certificates of deposit	1,248,094	500,000
Investments	61,878,735	50,307,382
Related party loans receivable	533,222	839,706
Loan receivable	221,266	231,997
DIF income/principal receivable	81,801	73,995
Other assets	82,439	139,455
Property	33,418,515	33,382,828
Total assets	<u>\$ 98,828,616</u>	<u>\$ 87,107,004</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Distributions and other payables	\$ 344,641	\$ 367,285
Cash and investments held in trust for congregations and other institutions	35,818,623	28,515,825
Loans payable	422,250	478,471
Total liabilities	36,585,514	29,361,581
Net assets		
Unrestricted	39,995,806	39,252,703
Temporarily restricted	533,049	383,558
Permanently restricted	21,714,247	18,109,162
Total net assets	62,243,102	57,745,423
Total liabilities and net assets	<u>\$ 98,828,616</u>	<u>\$ 87,107,004</u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2013 and 2012

	2013			2012				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue								
Contributions and other	\$ 75,930	\$ 116,432	\$ 328,413	\$ 520,775	\$ 257,828	\$ 20,333	\$ 4,834	\$ 282,995
Contributed loan payments	56,221			56,221	39,162			39,162
Loan interest	39,499			39,499	52,832			52,832
Other investment income	81,021	523,790	41,278	646,089	71,291	572,763	35,639	679,693
Net assets released from program restrictions	596,249	(491,127)	(105,122)		1,681,964	(1,623,559)	(58,405)	
Total support and revenue	848,920	149,095	264,569	1,262,584	2,103,077	(1,030,463)	(17,932)	1,054,682
Expenses and Disbursements								
Ministry and transfers	69,502			69,502	33,277			33,277
Trustee obligations	73,311			73,311	63,650			63,650
Bad debt expense					5,435			5,435
Contribution to Operating Fund	428,229			428,229	511,191			511,191
Contribution to other funds	178,249			178,249	42,511			42,511
Total expenses and disbursements	749,291			749,291	656,064			656,064
Change in net assets before realized and unrealized gains and losses and contributions of property	99,629	149,095	264,569	513,293	1,447,013	(1,030,463)	(17,932)	398,618
Realized and unrealized gain on investments	573,108	396	3,340,516	3,914,020	215,887	13,379	1,341,371	1,570,637
Gain (loss) on sale of property	(52,034)			(52,034)	44,672			44,672
Contribution of property	122,400			122,400				
<b>Change in net assets</b>	<b>743,103</b>	<b>149,491</b>	<b>3,605,085</b>	<b>4,497,679</b>	<b>1,707,572</b>	<b>(1,017,084)</b>	<b>1,323,439</b>	<b>2,013,927</b>
Net assets, beginning of year	39,252,703	383,558	18,109,162	57,745,423	37,545,131	1,400,642	16,785,723	55,731,496
Net assets, end of year	\$ 39,995,806	\$ 533,049	\$ 21,714,247	\$ 62,243,102	\$ 39,252,703	\$ 383,558	\$ 18,109,162	\$ 57,745,423

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities		
Change in net assets	\$ 4,497,679	\$ 2,013,927
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Gains on investments	(3,914,020)	(1,570,637)
Bad debt expense		5,435
Contributed loan payments and real estate	(178,621)	(39,162)
Loss (gain) on sale of real estate	52,034	(44,672)
Change in operating assets and liabilities		
Interest receivable	(7,806)	30,790
Other assets	57,016	(54,608)
Distributions and other payables	(22,644)	132,709
	483,638	473,782
Net cash flows from operating activities	483,638	473,782
Cash Flows From Investing Activities		
Net purchase of investments	(2,132,401)	(993,291)
Purchases of certificates of deposit	(748,094)	
Loan repayments (advances), net	317,214	(156,697)
Reimbursement of capital expenditures		182,123
Proceeds from sale of real estate	664,779	58,772
Purchase of real estate	(630,100)	(37,034)
	(2,528,602)	(946,127)
Net cash flows from investing activities	(2,528,602)	(946,127)
Cash Flows From Financing Activity		
Change in cash and investments held in trust for congregations and other institutions	1,777,867	791,277
	1,777,867	791,277
<b>Change in cash and cash equivalents</b>	<b>(267,097)</b>	<b>318,932</b>
Cash and cash equivalents, beginning of year	1,631,641	1,312,709
	1,631,641	1,312,709
Cash and cash equivalents, end of year	\$ 1,364,544	\$ 1,631,641

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Organization and Operations

The Diocese of Olympia is a Diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America ("the Episcopal Church"). The Diocese includes all Episcopal churches and institutions in Western Washington and is composed of two separate legal entities, the Diocese of Olympia, Inc. ("the Diocese") and the Diocese of Olympia – Operating Fund ("the Operating Fund"). The operations of the missions and parishes of the Diocese are not included in these financial statements, as they are managed under local control. The Diocese's main source of support is gifts, loan interest, and investment and endowment income.

These financial statements are for the Diocese and do not include the Operating Fund. The Diocese is composed of the James F. Hodges Diocesan Investment Fund ("the DIF"), the Trust Accounts, and the combined Building Loan, Mission Development, and Real Estate Funds ("the Combined Funds"). Each of these three funds (the DIF, the Trust Accounts, and the Combined Funds) issues separate audited financial statements. The various entities discussed above are described below.

**The James F. Hodges Diocesan Investment Fund ("the DIF")** was organized in 1951 as an investment pool for the endowments of the Diocese, parishes, and related institutions. The DIF's investment strategy is to balance the need for current income and growth in asset value to offset inflation by investing in a mixture of stocks and bonds. The securities are currently held in trust with US Bank. The Diocesan Investment Committee makes investment decisions. The funds are not federally insured.

**The Trust Accounts** hold the endowment funds of the Diocese and other institutions of the Diocese for which the Diocese has been named trustee. The funds held are invested primarily in the DIF.

**The Combined Building, Loan, Mission Development, and Real Estate Funds ("the Combined Funds")**: consist of three individual funds as follows:

- **The Building Loan Fund ("the BLF")** was established in 1949 to make loans to churches to assist in financing new building projects and to make loans for small building repair and improvement projects. Repayment terms vary and remaining maturities range from 1 to 18 years. Effective January 1, 1993, the Board of Directors adopted a policy of annual changes in the interest rate charged to Diocesan institutions. The rate is set annually at the One-Year Treasury Constant Maturities Index rounded up to the nearest eighth of a point plus 3% for parishes and 1.5% for missions, and the rate cannot be less than 3.5% for parishes and missions. In addition, there is a 2% cap on interest increases per year. Loans where interest is currently being waived are shown at undiscounted value.

Because of the anticipated need for funds in the future, the BLF adopted, on January 21, 1993, an interest rate incentive program to encourage faster principal repayment. In exchange for each year of loan term reduction, the BLF will reduce the interest rate on the loan by 4/10 of 1%. There are certain limitations imposed on this voluntary program.

- **The Mission Development Fund ("the MDF")** was set up to assist in the purchase properties in areas where population growth would necessitate the establishment of a new congregation. Advances made by the MDF are generally exempt from interest and current principal repayment can be deferred for a period of time even after congregations have been organized.
- **The Real Estate Fund** accounts for the value of the land and buildings held by the Diocese. The value of mission property is shown as a Diocesan asset until the mission becomes a parish. Generally, in Washington State, real property used for a church's exempt purposes is exempt from real estate taxes.

**The Operating Fund** contains the operating budget, restricted income, and designated and grant funds of the Diocese of Olympia. The Operating Fund is an unincorporated association and is not included in these financial statements.

### **Financial Statement Presentation**

The Diocese reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions that are received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

Contributions, investment income, and gains restricted by donor are reported as increases in unrestricted net assets if restrictions are met in the reporting period in which the income and gains are recognized.

### **Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for various ministerial purposes. Most of these net assets come from the Trust Accounts.

### **Permanently Restricted Net Assets**

Permanently restricted net assets consist of funds held for various endowed purposes. Occasionally, due to loan and investment losses, there can be releases of permanently restricted net assets. Most of these net assets come from the Trust Accounts.

### **Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.



### **Fair Value Measurements**

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels which prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Diocese reports its investments (discussed below) at fair value.

### **Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Diocese considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. The Diocese regularly has cash in excess of federally insured limits with its bank.

### **Certificates of Deposit**

The certificates of deposit have original maturities exceeding three months. Of the total balance, \$260,864 serves as collateral for a loan to a bank (see Note 6) at December 31, 2013. The certificates of deposit have a carrying value (cost plus accrued interest) that approximates fair value.

### **Investments**

Investments are reported at their fair value using Level 1 observable inputs (quoted prices in active markets for identical assets) within the fair value hierarchy using quoted market rates. Gains and losses are included in the change in net assets.

Investments consisted of the following at December 31:

	<u>2013</u>	<u>2012</u>
Common stocks (including equity mutual funds)	\$ 44,185,252	\$ 34,576,104
U.S. Government debt securities	6,256,807	4,737,583
Short-term bond mutual fund	5,934,324	5,305,776
Intermediate-term bond mutual fund	3,805,838	3,359,619
Money market funds	1,696,514	2,328,300
	<u>\$ 61,878,735</u>	<u>\$ 50,307,382</u>

No single investment represents more than 10% of total investments. All investments are held in the DIF discussed earlier.

### **Loans Receivable**

Receivables are stated at the amount management expects to collect from outstanding balances. The Diocese uses the allowance method for recognizing bad debts. When an account is deemed uncollectible, it is generally written off against the allowance. Management determined no allowance was necessary at December 31, 2013 and 2012.

Interest receivable has been accrued to December 31, 2013 and 2012. At the Council's discretion, in some instances, interest is not charged on construction loans.

The Diocese has not imputed interest on related party loans as the terms are generally undefined and the imputed interest would generally not be material.

### **Real Estate**

Real estate is to be carried at historical cost or fair value at date of donation. Although required by accounting standards generally accepted in the United States, the Diocese has elected not to record depreciation on buildings and improvements. The Diocese does not believe this election results in misleading financial statements. The effect of not depreciating buildings and improvements has not been quantified.

When a mission becomes a parish, the value of its real estate and any related loans are removed from the Real Estate Fund (and removed from these financial statements). No missions became parishes in 2013 or 2012.

Occasionally, the Diocese and a parish may decide it is for the mutual benefit of all parties for the parish to revert to mission status. When this happens, the fair value of its real estate is recognized as a contribution to the Real Estate Fund (and included in these financial statements). No parishes reverted to mission status in 2013 or 2012.

### **Cash and Investments Held in Trust for Congregations and Other Institutions**

Cash and investments held in trust for congregations and other institutions consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
DIF balances	\$ 32,414,813	\$ 24,826,083
Trust account balances	<u>3,403,810</u>	<u>3,689,742</u>
	<u>\$ 35,818,623</u>	<u>\$ 28,515,825</u>

### **Taxes**

The Diocese is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is not required to file a federal tax return.

### **Reclassifications**

Certain prior year balances have been reclassified in order to conform to the current year presentation.

**Subsequent Events**

The Diocese has evaluated subsequent events through the date these financial statements were available to be issued, which was the same date as the independent auditors' report.

**Note 2. Interfund Loans**

Inter-entity loans are eliminated in combination. Loans eliminated (listed by creditor) can be summarized as follows at December 31:

	<u>2013</u>	<u>2012</u>
Building Loan Fund	\$ 3,061,052	\$ 3,117,792
Mission Development Fund	195,003	205,648
Trust Accounts	<u>537,847</u>	<u>1,012,847</u>
	<u>\$ 3,793,902</u>	<u>\$ 4,336,287</u>

**Note 3. Endowment**

The endowments are held in the Trust Accounts and consist of approximately 45 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments ("quasi-endowments"). As required by accounting principles generally accepted in the United States, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

### Interpretation of Relevant Law

The Trustees of the Trust Accounts have interpreted the State of Washington Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Trust Accounts classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, plus (b) the original value of subsequent gifts to the permanent endowment and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (c) unrealized gains and losses within the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Trustees consider the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the endowment fund
- The purposes of the Trust Accounts and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Trust Accounts
- The investment policies of the Trust Accounts

Endowment net assets consisted of the following at:

	December 31, 2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 533,049	\$ 21,714,247	\$ 22,247,296
Board-designated quasi-endowment funds	3,812,816			3,812,816
Total funds	<u>\$ 3,812,816</u>	<u>\$ 533,049</u>	<u>\$ 21,714,247</u>	<u>\$ 26,060,112</u>

	December 31, 2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 383,558	\$ 18,109,162	\$ 18,492,720
Board-designated quasi-endowment funds	3,298,837			3,298,837
Total funds	<u>\$ 3,298,837</u>	<u>\$ 383,558</u>	<u>\$ 18,109,162</u>	<u>\$ 21,791,557</u>

Changes in endowment net assets are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, December 31, 2011	\$ 1,832,540	\$ 1,400,642	\$ 16,785,723	\$ 20,018,905
Investment return	215,887	586,142	1,377,010	2,179,039
Contributions		20,333	4,834	25,167
Appropriation of endowment assets for expenditure and transfers out of endowment	<u>1,250,410</u>	<u>(1,623,559)</u>	<u>(58,405)</u>	<u>(431,554)</u>
Endowment net assets, December 31, 2012	3,298,837	383,558	18,109,162	21,791,557
Investment return	573,108	524,186	3,381,794	4,479,088
Contributions		116,432	328,413	444,845
Appropriation of endowment assets for expenditure and transfers out of endowment	<u>(59,129)</u>	<u>(491,127)</u>	<u>(105,122)</u>	<u>(655,378)</u>
Endowment net assets, December 31, 2013	<u>\$ 3,812,816</u>	<u>\$ 533,049</u>	<u>\$ 21,714,247</u>	<u>\$ 26,060,112</u>

### **Return Objectives and Risk Parameters**

The Trust Accounts have adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as quasi-endowment funds. Under this policy, as approved by the Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. The Trust Accounts expect its endowment funds, over time, to provide an average rate of return of approximately 9% annually. Actual returns in any given year may vary from this amount.

### **Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, the Trust Accounts rely on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Trust Accounts target a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Trust Accounts have a policy of appropriating up to 95% of the market value of the investment in excess of the original endowment adjusted for the U.S. City Average Urban Consumers Price Index ("CPI"). In the event that the Board does not elect to appropriate the entire allowable amount, the investment gains or losses, by default, are included as a positive or negative change to permanently restricted net assets. Any losses incurred which reduce the investment value below the original endowment adjusted for CPI are included in unrestricted losses on investments. As discussed below, there were no endowments where the fair value of the investment had fallen below the original basis, adjusted for CPI as of December 31, 2013 or 2012. In establishing this policy, the Trust Accounts considered the long-term expected return on its endowment. Accordingly, over the long-term, the Trust Accounts expected the current spending policy to allow its endowment to grow at an average of 4% annually. This is consistent with the Trust Accounts' objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Trust Accounts to retain as a fund of perpetual duration. The donor requirement is based on the original endowment determined at December 31, 1985, or fund set-up date, if later. This date may be pushed back by the beneficiary, but the burden of proof to establish any pre-1985 excess appreciation will fall on the beneficiary. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature are to be reported in unrestricted net assets. There were no such deficiencies as of December 31, 2013 or 2012.

**Note 4. Loans Receivable**

Loans receivable consist of the following at December 31:

	2013	2012
Parishes		
Tacoma, St. Mary	\$ 228,950	\$ 250,000
Port Townsend, St. Paul	101,787	135,220
Shelton, St. David	80,339	24,236
Vancouver, Good Shepherd	72,555	85,373
Vancouver, Good Shepherd	49,382	49,382
Freeland, St. Augustine		175,000
Seattle, St. John		47,551
Issaquah, St. Michael's		34,383
Bellevue, Church of the Resurrection		26,041
Kent, St. James		5,507
Interest receivable	209	7,013
	\$ 533,222	\$ 839,706

In addition, the Trust Accounts has a loan receivable from an unrelated party. This loan bears interest at a fixed rate of 5.0%, is secured by real property, and requires monthly repayments of principal and interest over a 30-year amortization of \$1,342, with a balloon payment of approximately \$170,000 due at maturity in July 2025. The remaining balance on the loan receivable at December 31, 2013 and 2012, was \$221,266 and \$231,997, respectively.

**Note 5. Real Estate**

Property reflected in the statements of financial position is categorized as follows at December 31:

	<u>2013</u>	<u>2012</u>
Land	\$ 7,361,516	\$ 7,358,231
Building/improvements	25,475,085	25,307,784
Bishop residence	<u>581,914</u>	<u>716,813</u>
	<u>\$ 33,418,515</u>	<u>\$ 33,382,828</u>

**Note 6. Loans Payable**

	<u>2013</u>	<u>2012</u>
Loan from a bank that funded the construction of the Cathlamet St. James Family Center. Payments due in monthly installments of \$2,035 including interest at 4.75% secured by real property and a certificate of deposit held by the Trust Accounts. Due in full July 2015.	\$ 260,864	\$ 273,953
Loan from a family trust to purchase property. The loan is not secured. Due in monthly installments of \$1,120 including interest at 5.0% with the balance due in July 2015.	136,386	154,518
Battle Ground Bond Loans bearing interest at 6.5%. Due in full in 2014, secured by real property.	<u>25,000</u>	<u>50,000</u>
	<u>\$ 422,250</u>	<u>\$ 478,471</u>

The schedule of debt principal payments are as follows at December 31:

<u>Year Ending</u>	<u>Bank Loan</u>	<u>Family Trust Loan</u>	<u>Battle Ground</u>	<u>Total</u>
2014	\$ 12,162	\$ 6,174	\$ 25,000	\$ 43,336
2015	<u>248,702</u>	<u>130,212</u>	<u>25,000</u>	<u>378,914</u>
	<u>\$ 260,864</u>	<u>\$ 136,386</u>	<u>\$ 25,000</u>	<u>\$ 422,250</u>

No interest expense is recorded by the Diocese as the amounts are paid and expensed by other related entities.

**Note 7. Seattle Habitat for Humanity**

On June 28, 2001, the Diocese sold property valued at \$224,600 to Seattle Habitat for Humanity ("Habitat") for \$37,151. As part of the agreement, Habitat constructed two houses and leased them back to the Diocese at nominal rent for its ministry. Only the cash portion of this transaction was reflected in the financial statements as the value of the leased property being used cannot be determined. One house is used by the Diocesan refugee program and the other by St. John, West Seattle.

**Note 8. Contingencies and Commitments**

**Contingencies**

No liabilities that relate to the mission congregations of the Diocese are reflected. The Diocese could be held to be a responsible party until a mission becomes a parish.

Property insurance on structures does not include earthquake insurance.



**DIOCESE OF OLYMPIA – OPERATING FUND**

FINANCIAL REPORT

DECEMBER 31, 2013

**C O N T E N T S**

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**INDEPENDENT AUDITORS' REPORT**

Diocesan Council  
Diocese of Olympia – Operating Fund  
Seattle, Washington

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

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

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

### **Other Matter – Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards (for 2013), as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The accompanying 2013 supplemental statement of budgeted revenue and expenditures compared to actual is presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2014, on our consideration of the Operating Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Operating Fund's internal control over financial reporting and compliance.



August 21, 2014

**DIOCESE OF OLYMPIA – OPERATING FUND**

STATEMENTS OF FINANCIAL POSITION

December 31, 2013 and 2012

ASSETS	2013	2012
	<u>          </u>	<u>          </u>
Current Assets		
Cash and cash equivalents	\$ 729,640	\$ 496,059
Certificates of deposit	1,522,289	1,716,089
Diocesan Investment Fund receivable	78,974	126,991
Accounts receivable	14,813	44,479
Loans receivable, current portion	196,511	158,062
Funds held for others	349,779	
Prepaid expenses	26,874	9,743
	<u>          </u>	<u>          </u>
Total current assets	2,918,880	2,551,423
Loans Receivable, net of current portion	118,068	188,870
Advances to Related Party	64,191	
Prepaid Rent	186,063	189,016
	<u>          </u>	<u>          </u>
Total assets	<u>\$ 3,287,202</u>	<u>\$ 2,929,309</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 7,501	\$ 25,976
Accrued payroll expenses	73,669	100,405
Camp Huston/St. Andrew's House deposits	80,195	90,314
Grants payable	122,385	79,443
Funds held for others	349,779	
Other payables	20,441	7,783
	<u>          </u>	<u>          </u>
Total current liabilities	653,970	303,921
Post-Retirement Payable	550,000	550,000
	<u>          </u>	<u>          </u>
Total liabilities	1,203,970	853,921
Net Assets		
Unrestricted	1,313,246	1,444,314
Temporarily restricted	769,986	631,074
	<u>          </u>	<u>          </u>
Total net assets	2,083,232	2,075,388
	<u>          </u>	<u>          </u>
Total liabilities and net assets	<u>\$ 3,287,202</u>	<u>\$ 2,929,309</u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA – OPERATING FUND**

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2013 and 2012

	2013			2012		
	Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total
Revenue						
Assessments	\$ 3,685,033	\$ -	\$ 3,685,033	\$ 3,617,589	\$ -	\$ 3,617,589
Contributions	93,556	138,093	231,649	9,217	105,614	114,831
Fees and tuition	994,608		994,608	1,076,608		1,076,608
Grants	674,624	116,638	791,262	714,788	92,921	807,709
Investment income from Diocesan Investment Fund	316,974	111,715	428,689	352,908	112,878	465,786
Contribution from Trust Accounts	56,220		56,220	45,405		45,405
In-kind contribution of facility use	213,421		213,421	213,421		213,421
Interest income	22,659		22,659	11,922		11,922
Miscellaneous	70,888		70,888	102,914	8,255	111,169
Net assets released from restrictions	227,534	(227,534)		321,234	(321,234)	
Total support and revenue	6,355,517	138,912	6,494,429	6,466,006	(1,566)	6,464,440
Expenses						
Program services	5,917,263		5,917,263	5,778,197		5,778,197
Management and general	507,992		507,992	506,698		506,698
Fundraising	61,330		61,330	63,406		63,406
Total expenses	6,486,585		6,486,585	6,348,301		6,348,301
<b>Change in net assets</b>	<b>(131,068)</b>	<b>138,912</b>	<b>7,844</b>	<b>117,705</b>	<b>(1,566)</b>	<b>116,139</b>
Net Assets, beginning of year	1,444,314	631,074	2,075,388	1,326,609	632,640	1,959,249
Net Assets, end of year	\$ 1,313,246	\$ 769,986	\$ 2,083,232	\$ 1,444,314	\$ 631,074	\$ 2,075,388

See Notes to Financial Statements

**DIOCESE OF OLYMPIA – OPERATING FUND**

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 7,844	\$ 116,139
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Bad debt expense	11,552	
Change in operating assets		
Diocesan Investment Fund receivable	48,017	(43,942)
Accounts receivable	29,666	47,438
Advances to related party	(64,191)	
Prepaid expenses	(17,131)	8,591
Prepaid rent	2,953	2,951
Change in operating liabilities		
Accounts payable	(18,475)	(70,493)
Accrued payroll expenses	(26,736)	16,875
Camp Huston/St. Andrew's House deposits	(10,119)	8,328
Grants payable	42,942	(120,449)
Other payables	12,658	326
Post-retirement payable		(10,000)
	<u>18,980</u>	<u>(44,236)</u>
Cash flows from operating activities	18,980	(44,236)
Cash Flows from Investing Activities		
Redemption (purchase) of certificates of deposit	193,800	(666,089)
Issuance of loans receivable	(137,823)	(229,407)
Payments received on loans receivable	158,624	149,687
	<u>214,601</u>	<u>(745,809)</u>
Cash flows from investing activities	214,601	(745,809)
<b>Net change in cash</b>	<b>233,581</b>	<b>(790,045)</b>
Cash, beginning of year	<u>496,059</u>	<u>1,286,104</u>
Cash, end of year	<u>\$ 729,640</u>	<u>\$ 496,059</u>

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Organization and Significant Accounting Policies

#### **Organization**

The Diocese of Olympia, Inc. ("the Diocese") is a Diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America ("the Episcopal Church"). The Diocese includes all Episcopal churches in Western Washington.

The Diocese of Olympia – Operating Fund ("the Operating Fund") contains the operating budget, restricted income, designated, and grant funds of the Diocese. The Operating Fund is an unincorporated association.

The Operating Fund's main source of support is assessments levied on its congregations. The assessments are a function of the congregation's revenue. Some congregations are not paying their assessments currently for various reasons. The rate of assessment shortfall currently incorporated into the budget is 3 percent. The Operating Fund also runs a large refugee resettlement, assistance, and work-training program, which is primarily funded by state and federal grants.

The fund groupings known as the James F. Hodges Diocesan Investment Fund, the Trust Accounts, the Building Loan Fund, the Mission Development Fund, and the Real Estate Fund, are reported separately in other financial statements. They are part of the Diocese, but are not separately incorporated. The Diocese is an incorporated entity. The various entities discussed above are described below.

**The James F. Hodges Diocesan Investment Fund ("the DIF")** was organized in 1951 as an investment pool for the endowments of the Diocese, parishes, and related institutions.

**The Trust Accounts** hold the endowment funds of the Diocese and other institutions of the Diocese for which the Diocese has been named trustee. The funds held are invested primarily in the DIF.

**The Combined Building, Loan, Mission Development, and Real Estate Funds ("the Combined Funds")** consist of three individual funds as follows:

- **The Building Loan Fund ("the BLF")** was established in 1949 to make loans to churches to assist in financing new building projects and to make loans for small building repair and improvement projects.
- **The Mission Development Fund ("the MDF")** was set up to assist in the purchase of properties in areas where population growth would necessitate the establishment of a new congregation. Advances made by the MDF are generally exempt from interest and current principal repayment can be deferred for a period of time even after congregations have been organized.
- **The Real Estate Fund** owns the Diocesan properties that constitute the offices used by the Operating Fund, and the conference center used by and included in the budget of the Operating Fund (see Note 2). The value of mission property is shown as a Diocesan asset until the mission becomes a parish. Generally, in Washington State, real property used for a church's exempt purposes is exempt from real estate taxes.



### **Basis of Accounting**

These financial statements are prepared on the accrual basis of accounting and have been prepared in accordance with principles authorized by the General Convention of the Episcopal Church in the January 1, 2000, revision of the *Manual of Business Methods in Church Affairs*. At the Operating Fund, there are no differences between the Episcopal Church Basis and accounting principles generally accepted in the United States. A statement comparing budget to actual is required for budgeted funds and is included as a supplemental statement to these financial statements.

### **Financial Statement Presentation**

The Operating Fund reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions that are received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. The Operating Fund has no permanently restricted net assets, so this class of net assets is not shown on the financial statements.

### **Designated Net Assets**

Included in unrestricted net assets are \$844,828 and \$844,067 at December 31, 2013 and 2012, respectively, of funds designated by the Diocesan Council for various ministries.

### **Temporarily Restricted Net Assets**

Temporarily restricted net assets consist of unexpended contributions restricted for particular purposes or time periods. Temporarily restricted net assets are transferred to unrestricted net assets as expenditures are incurred for the restricted purpose, or as time restrictions expire. Temporarily restricted net assets are available for the following purposes at December 31:

	<u>2013</u>	<u>2012</u>
Refugee loans	\$ 393,287	\$ 393,287
Huston Center/The Operating Fund care, maintenance, and development	93,848	70,265
Episcopal Charities Appeal	66,521	4,139
Scholarships	58,256	60,115
Theological education	46,446	5,069
Ethnic ministries	13,045	19,670
Native American (ERD) program	12,476	16,188
Other programs	86,107	62,341
	<u>\$ 769,986</u>	<u>\$ 631,074</u>

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

### **Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Operating Fund considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. The Operating Fund regularly has cash in excess of federally insured limits with its bank.

### **Certificates of Deposit**

Certificates of deposit have original maturities exceeding three months. The certificates of deposit are recorded at cost plus accrued interest.

### **Accounts and Loans Receivable/Grant Revenue**

Accounts and loans receivable are stated at the amount management expects to collect from outstanding balances. Loans are offered to qualifying individuals for entrepreneur endeavors or to assist families in transitioning to living in a new region.

Grant revenue is recognized when the qualified reimbursable expenditure is incurred. Accounts receivable consists primarily of amounts billed but not yet collected on these grant contracts.

All grant revenue was earned from three organizations during December 31, 2013 and 2012, respectively.

### **Allowance for Bad Debts**

The following tables show an aging analysis of the loans receivable by the time past due at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Current	\$ 249,628	\$ 286,853
30-59 Days Past Due	3,785	5,003
60-89 Days Past Due	3,264	4,592
90-119 Days Past Due	3,217	4,145
> 120 Days Past Due	54,685	46,339
	<u>314,579</u>	<u>346,932</u>
Total Loans Receivable	<u>\$ 314,579</u>	<u>\$ 346,932</u>

These amounts are included in the statements of financial position as follows:

	<u>2013</u>	<u>2012</u>
Loans receivable, current portion	\$ 196,511	\$ 158,062
Loans receivable, long-term portion	118,068	188,870
	<u>\$ 314,579</u>	<u>\$ 346,932</u>

The Operating Fund does not have a formal risk rating system. The Operating Fund uses the allowance method for recognizing bad debts. When determining an appropriate allowance, management considers such things as the age of the receivable and the credit history of the creditor. When an account is deemed uncollectible, it is generally written off against the allowance. No allowance for uncollectible accounts or loans receivable was required at December 31, 2013 or 2012.

### **Advances to Related Party**

In 2013, the Operating Fund advanced \$64,191 to St. Luke's Episcopal Church, Ballard, a Washington nonprofit corporation ("St. Luke's"). St. Luke's is controlled by the Diocese. The advances are non-interest bearing, unsecured, and due on demand. The Operating Fund does not expect to collect the advances within the next fiscal year and, therefore, has classified the amount outstanding as a noncurrent asset on the 2013 statement of financial position.

### **Funds Held For Others**

Occasionally, the Operating Fund will receive stock donations designated by the donor for a specific mission or parish. The Operating Fund recognizes these donations as an asset and liability as they act as an agent of the donation. It is the Operating Fund's policy to liquidate donated assets immediately; however, at December 31, 2013, \$349,779 of funds held for others were not yet distributed.

### **Assessments**

Assessments receivable are not recorded. Assessment revenue is recognized on the cash basis, because the Diocesan Council regularly grants assessment relief for unpaid amounts from prior years. No parish had assessments greater than 10% of total assessments received in 2013 and 2012.

### **Contribution Revenue**

The Operating Fund recognizes unrestricted, temporarily restricted, and permanently restricted contributions when a gift is received or pledged.

### **Fee and Tuition Revenue**

The Operating Fund operates numerous camps, conferences, and events throughout the year which are primarily held at the Huston Center and St. Andrew's House. Fees and tuition from these events are generally paid in advance, and revenue is recognized at the time of the event. Payments received for events that have not taken place are recorded as Camp Huston/St. Andrew's House deposits liability on the statements of financial position.

### **Tax Status**

The IRS has determined that the Operating Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As a religious entity, it is not required to file a federal tax return.

### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### **Reclassifications**

Certain prior year balances have been reclassified to conform to the current year presentation.

### **Subsequent Events**

The Operating Fund has evaluated subsequent events through the date these financial statements were available to be issued, which was the same as the date of the independent auditors' report.

### **Note 2. Related Organization Transactions**

The Diocese and the Operating Fund have agreed to be bound by and comply with the Constitution, Canons, Doctrines, Disciplines, and Worship of the Episcopal Church. The Operating Fund paid \$573,471 and \$622,183 in support of the Episcopal Church for the years ended December 31, 2013 and 2012, respectively.

The Diocese owns the building in which the Operating Fund has its offices. The value of the space used is considered an in-kind contribution from the Diocese and has been included in both revenue and expenses in the statements of activities at its current market rental value of \$213,421 for each of the years ended December 31, 2013 and 2012.

The Board of the Diocese makes annual discretionary transfers of earnings to the Operating Fund from the Trust Accounts. Income from this source for the years ended December 31, 2013 and 2012, was \$56,220 and \$45,405, respectively, and is called Contribution from Trust Accounts in the statements of activities.

In 2012, the Operating Fund completed construction of a director's residence at the Huston Center. Costs incurred on this building were \$191,916, and were contributed to and capitalized at the Real Estate Fund, and is included in Program Services Expense in the Statements of Activities.

### **Note 3. Prepaid Rent**

In 2003, the Diocese entered into an agreement to lease a house for \$1 per year for a term of 75 years. The Diocese gave up property as payment for the use of the house in the Operating Fund refugee program. The value of the property given up in 2003 was \$221,500, and this prepayment for the use of the house is being expensed on a straight-line basis over the life of the lease. As of December 31, 2013 and 2012, the prepaid rent balance was \$189,016 and \$191,969, respectively. As of December 31, 2013 and 2012, \$2,953 of the prepaid rent balance (the current portion) is included in prepaid expenses on the statements of financial position. Rent expense recognized for 2013 and 2012 was \$2,953 each year.

### **Note 4. Pensions/Postretirement Benefits**

#### **Pension Plans**

All full and part-time clergy employed by the Diocese are covered under a plan administered by the Church Pension Group, a national group pension plan of the Episcopal Church ("the Church Pension Fund"). These individuals have 18 percent of their compensation, including housing allowance if applicable, paid to the plan.

Lay employees are covered under a Section 403(b), Annuity Retirement Plan, of the IRC ("the Lay Employee Plan"). Employees are eligible to participate after two consecutive 1,000 hour service years. Employees are 100% vested after five years. The Operating Fund contribution is set at five percent of current year's salary plus up to an additional four percent discretionary match of voluntary employee contributions. Employer contributions for 2013 and 2012 were made as follows:

	2013	2012
Clergy	\$ 107,951	\$ 101,237
Lay employees	79,311	69,004
	<u>\$ 187,262</u>	<u>\$ 170,241</u>

The Lay Employee Plan guarantees no specific benefit, so no unfunded liability exists. All Episcopal clergy must participate in the Church Pension Fund and the liability is assumed by the Church Pension Fund. The Church Pension Fund does not specifically guarantee benefits. Because it is a church, the Operating Fund is not subject to ERISA requirements.

**Post-retirement Health Benefits**

A policy established by the Operating Fund in a prior year was to pay for medical health insurance coverage for retired clergy and lay employees and their spouses who are over the age of 65, who meet eligibility requirements of five years full time employment immediately prior to a retirement age of 59 1/2 or over. All lay employees hired prior to January 1, 2001, are now covered under a fixed dollar per year limitation. Employees hired after January 1, 2001, have no promise of coverage.

In 2003, the Church Pension Fund began providing medical health insurance for retired clergy and their spouses (at attainment of age 65). This has reduced the Operating Fund's future obligations.

Health insurance expense and related contribution information is summarized as follows:

	2013	2012
Benefit cost	\$ 54,361	\$ 48,270
Change in expense resulting from a change in the minimum liability		(10,000)
Total expense	<u>\$ 54,361</u>	<u>\$ 38,270</u>
Diocese contribution to the plan and benefits paid	<u>\$ 54,361</u>	<u>\$ 48,270</u>

The Diocese expects to contribute between \$40,000 and \$50,000 per year to the plan in future years to pay benefits. This is the same as the expected future benefit payments.

The Operating Fund has an actuarial valuation for future health insurance coverage which results in a liability for the benefit obligations of \$550,000 at December 31, 2013 and 2012, respectively, using a discount rate of 5% (as there are no plan assets).

**Note 5. Contingent Liabilities**

No liabilities that relate to the mission congregations of the Diocese are reflected. The Operating Fund could be held to be a responsible party until a mission becomes a parish.

In the normal course of business, the Operating Fund has various claims in process, matters in litigation, and other contingencies. In management's opinion, the outcome from these matters will not materially impact the Operating Fund's financial position or results of activities.

S U P P L E M E N T A L S T A T E M E N T

**DIOCESE OF OLYMPIA – OPERATING FUND**

STATEMENT OF BUDGETED REVENUE AND EXPENDITURES COMPARED TO ACTUAL  
(Including the Unrestricted Operating, Restricted Operating, and Huston Center/The Operating Fund)  
For the Year Ended December 31, 2013  
UNAUDITED

	2013 Budget	2013 Actual	Total Budget Variance
<b>Revenue</b>			
Assessments	\$ 3,756,640	\$ 3,686,399	\$ (70,241)
Contributions		50	50
Investments (Unrestricted)	303,719	339,249	35,530
Investments (Restricted)	66,815	76,638	9,823
Fees and tuition	175,580	109,512	(66,068)
Bank and loan interest	7,500	4,192	(3,308)
Miscellaneous	(23,543)	138,502	162,045
<b>Total revenue</b>	<b>4,286,711</b>	<b>4,354,542</b>	<b>67,831</b>
<b>Expenses</b>			
Office of the Bishop	556,534	547,341	9,193
Communications	130,972	78,103	52,869
Governing Bodies	308,611	290,620	17,991
Diocesan House	175,125	163,416	11,709
Archives	56,109	56,566	(457)
St. Mark's Cathedral	52,500	52,500	
Huston Center		7,469	(7,469)
Campus and Young Adults	166,689	159,371	7,318
Evangelism Training	21,651	24,248	(2,597)
Ethnic Ministries	140,875	137,786	3,089
Congregation/Ministry Development	203,619	201,562	2,057
Faith Development Program	167,140	158,972	8,168
Resource Center	157,550	105,741	51,809
Medicare Supplement	49,295	49,743	(448)
Stewardship & Development	195,703	196,267	(564)
Treasurer's Office	277,123	266,607	10,516
National Church Apportionment	612,514	612,514	
General Convention Deputies	12,000	12,000	
Province VIII	3,000	3,000	
Lambeth Conference	2,500	2,500	
Ecumenical & Interfaith	9,000	9,000	
Multi-Cultural Concerns	90,000	95,916	(5,916)
Missioners	30,000	7,001	22,999
Commission on Developing Congregations	1,084,836	1,192,936	(108,100)
<b>Total expense</b>	<b>4,503,346</b>	<b>4,431,179</b>	<b>72,167</b>
<b>Change in net assets</b>	<b>\$ (216,635)</b>	<b>\$ (76,637)</b>	<b>\$ 139,998</b>

See Note to Supplemental Statement



## **NOTE TO SUPPLEMENTAL STATEMENT**

### **Note 1. Fund Groups Presented as Part of the Supplemental Statement**

The Diocese has divided the Operating Fund into five fund groups: Unrestricted, Restricted, Designated, Audit Reconciliation, and Grant. These fund groups are still used to produce management reports, but are not shown as separate funds in these financial statements.

The Diocesan budget as shown on the 2013 supplemental statement of budgeted revenue and expenditures compared to actual includes only the Unrestricted Operating, Restricted Operating, and Huston Center/The Operating Fund funds (a self-supporting program comprised of both restricted and unrestricted funds), as these are the total of the funds available for the Convention to allocate in its annual budget. However, the Operating Fund includes other funds for which Diocesan Council is responsible as noted above. All of these funds are included in the Statements of Activities in the basic financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Diocesan Council  
Diocese of Olympia – Operating Fund  
Seattle, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Diocese of Olympia – Operating Fund ("the Operating Fund") which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 21, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Operating Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Operating Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Operating Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a significant deficiency: as item 2013-1.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Operating Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **The Operating Fund's Response to Findings**

The Operating Fund's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Operating Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Operating Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Operating Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Peterson Sulli LLP". The signature is written in a cursive, flowing style.

August 21, 2014

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

Diocesan Council  
Diocese of Olympia – Operating Fund  
Seattle, Washington

**Report on Compliance for Each Major Federal Program**

We have audited Diocese of Olympia – Operating Fund's ("the Operating Fund") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Operating Fund's major federal programs for the year ended December 31, 2013. The Operating Fund's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Operating Fund's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Operating Fund's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Operating Fund's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Operating Fund complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

### **Report on Internal Control over Compliance**

Management of the Operating Fund is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Operating Fund's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Operating Fund's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



August 21, 2014

**DIOCESE OF OLYMPIA – OPERATING FUND**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended December 31, 2013

Award Description	Federal CFDA Number	Contract Number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Refugee and Entrant Assistance Discretionary Grants:			
Microenterprise Development Project - Loan Fund	93.576 *	90RG0081/01-04-03	\$ 176,584
Business Technical Training and Loans For Refugees	93.576 *	90RG0152-01-01	63,991
Development of Childcare Business Owned Primarily by Refugee Women	93.576 *	90RG0089-02-02	147,547
Individual Development Account Project	93.576 *	90Z10089-01-02	100,061
Individual Development Account Project	93.576 *	90Z10089-02-00	11,129
			499,312
Refugee and Entrant Assistance Discretionary Grants - Assets for Independence Demonstration Program	93.602	90E107501	17,991
Total Department of Health and Human Services			517,303
U.S. DEPARTMENT OF STATE - BUREAU OF POPULATION, REFUGEES, AND MIGRATION			
Pass-through from:			
Episcopal Migration Ministries			
U.S. Refugee Admissions Program - Reception and Placement (R & P) Program	19.510	SPRMC013CA007	172,450
U.S. Refugee Admissions Program - Reception and Placement (R & P) Program	19.510	SPRMC014CA1007	32,166
Total Department of State - Bureau of Population, Refugees, and Migration			204,616
Total			721,919

\* Major program

See Notes to Schedule of Expenditures of Federal Awards

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### **Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards ("the Schedule") includes the federal grant activity of the Diocese of Olympia – Operating Fund ("the Operating Fund") under programs of the federal government for the year ended December 31, 2013. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Operating Fund, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Operating Fund.

### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

### **Note 3. Notes Receivable**

Loans due from participants to the Operating Fund in the amount of \$44,907 are included in the Schedule in CFDA 93.576. The balance consists of funds disbursed directly from primary funds received from the U.S. Department of Health and Human Services.

In addition to the activity represented on the Schedule, the Operating Fund has \$160,555 in loans receivable outstanding as of December 31, 2013, which were disbursed from the repayment of federal funds granted in prior years from the Department of Health and Human Services (CFDA 93.576).

**DIOCESE OF OLYMPIA – OPERATING FUND**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended December 31, 2013

A. Summary of Audit Results

**Financial Statements:**

Type of auditors' report issued: Unmodified

**Internal Control Over Financial Reporting:**

Material weaknesses identified: No

Significant deficiencies identified not considered to be material weaknesses: Yes

Noncompliance material to financial statements noted: No

**Federal Awards:**

Material weaknesses identified: No

Significant deficiencies identified not considered to be material weaknesses: None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported: No

**Identification of Major Programs:**

CFDA Number

Name of Federal Program

93.576

Refugee and Entrant Assistance  
Discretionary Grants

**Dollar threshold used to distinguish between Type A and B programs:**

\$ 300,000

**Auditee qualified as low-risk auditee:**

No



B. Findings – Financial Statement Audit

**2013-1: Grant Revenue Recognition**

Condition: Management does not have sufficient policies and procedures in place to record grants that are on a reimbursement-basis in the proper accounting period.

Criteria: Internal controls should be in place to track and record grant revenue in the proper accounting period.

Effect: There is a reasonable possibility that revenue is not properly presented on the financial statements.

Cause: Decentralized functions at various Diocese offices.

Context: This finding was noted during testing of revenue as part of the financial statement audit.

Questioned Costs: N/A.

Recommendation: Formal policies and procedures should be designed, documented, and implemented regarding the tracking and recording of reimbursement-basis grants in the proper accounting period.

Views of Responsible Officials and planned Corrective Action: The Diocese agrees with this finding. The Diocese office will set up a policy whereby there is communication with the Office of Refugee Resettlement to ensure all reimbursement-basis grants are being tracked and cash receipts are being recorded in the proper accounting period to ensure revenue is being recorded on the accrual basis of accounting.

C. Findings and Questioned Costs – Major Federal Award Programs Audit

None reported.

## **DIOCESE OF OLYMPIA – OPERATING FUND**

### **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

For the Year Ended December 31, 2013

#### **2012-1: Preparation of the Schedule of Expenditures of Federal Awards**

Condition: Federal expenditures are not reconciled to the general ledger in accordance with Office of Management and Budget (OMB) Circular A-133. There is also no independent review of the Schedule of Expenditures of Federal Awards.

Criteria: Internal controls should be in place that provides reasonable assurance that the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statement as a whole.

Effect: There is a reasonable possibility that Schedule of Expenditures of Federal Awards to not be fairly stated in all material respects in relation to the financial statements as a whole.

Cause: The Diocese does not have procedures in place to prepare the Schedule of Expenditures of Federal Awards under Government Auditing Standards and OMB Circular A-133.

Context: This finding was noted in the process of testing and reconciling the Schedule of Expenditures of Federal Awards.

Questioned Costs: N/A.

Status: The Diocese implemented a process in which federal awards are reconciled to general ledger detail and the Schedule of Expenditures of Federal Awards has multiple levels of internal review. In addition, federal expenditures are analyzed for completeness before being recorded on the Schedule of Expenditures of Federal Awards. This finding is considered resolved.

#### **2012-2: Performance of Bank Reconciliations**

Condition: Bank reconciliations were not performed for several months during the year.

Criteria: Procedures should be in place to perform timely bank reconciliations to reduce the opportunities for misappropriation of cash and errors in financial reporting.

Effect: There is a reasonable possibility that cash accounts could be misstated.

Cause: Significant turnover of accounting personnel.

Context: This finding was noted during testing of cash as part of the financial statement audit.

Questioned Costs: N/A.

Status: The Diocese implemented a control process to ensure that the preparation and review of bank reconciliations is performed on a monthly basis. This finding is considered resolved.

### **2012-3: Tracking Temporarily Restricted Net Assets**

Condition: Management does not have sufficient policies and procedures in place to identify, track, and record restricted funds and releases of restrictions on these funds received by the Diocese.

Criteria: Internal controls should be in place to track and record restrictions on funds received, as well as related releases.

Effect: There is a reasonable possibility that temporarily and/or permanently restricted net assets and related activity is not fairly presented on the financial statements and the Diocese is not in compliance with fund restrictions.

Cause: Management does not have the staffing and infrastructure in place necessary to track restricted funds.

Context: This finding was noted during testing of net asset restrictions as part of the financial statement audit.

Questioned Costs: N/A.

Status: The Diocese implemented a process in which temporarily restricted net assets are tracked and reported. This finding is considered resolved.

**DIOCESE OF OLYMPIA, INC. –  
TRUST ACCOUNTS**

FINANCIAL REPORT

DECEMBER 31, 2013

**C O N T E N T S**

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**INDEPENDENT AUDITORS' REPORT**

Diocesan Council  
Diocese of Olympia, Inc. – Trust Accounts  
Seattle, Washington

We have audited the accompanying financial statements of the Diocese of Olympia, Inc. – Trust Accounts ("the Trust Accounts"), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Trust Accounts as of December 31, 2013 and 2012, and 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.

*Peterson Sullivan LLP.*

April 14, 2014

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**DIOCESE OF OLYMPIA, INC. -  
TRUST ACCOUNTS**

STATEMENTS OF FINANCIAL POSITION  
December 31, 2013 and 2012

ASSETS	2013	2012
Current Assets		
Cash and cash equivalents	\$ 145,857	\$ 102,526
Certificate of deposit	500,000	500,000
Investments	29,308,153	25,188,009
Current portion of loan receivable	4,360	4,147
Total current assets	29,958,370	25,794,682
Non-Current Assets		
Bishop residence	581,914	716,813
Related party loans receivable	587,229	1,062,229
Loan receivable, net of current portion	216,906	227,850
Other assets	82,439	139,455
Total non-current assets	1,468,488	2,146,347
Total assets	\$ 31,426,858	\$ 27,941,029
LIABILITIES AND NET ASSETS		
Current Liabilities		
Payable to Diocesan Investment Fund	\$ 7,291	\$ -
Cash held in trust for congregations	688	7,428
Investments held in trust for congregations and other institutions	3,403,122	3,682,314
Total current liabilities	3,411,101	3,689,742
Net Assets		
Unrestricted	5,768,461	5,758,567
Temporarily restricted	533,049	383,558
Permanently restricted	21,714,247	18,109,162
Total net assets	28,015,757	24,251,287
Total liabilities and net assets	\$ 31,426,858	\$ 27,941,029

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC. -  
TRUST ACCOUNTS**

**STATEMENTS OF ACTIVITIES**

For the Years Ended December 31, 2013 and 2012

	2013			2012				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue								
Contributions	\$ 10,587	\$ 116,432	\$ 328,413	\$ 455,432	\$ 25,751	\$ 20,333	\$ 4,834	\$ 50,918
Realized and unrealized gains on investments	573,108	396	3,340,516	3,914,020	215,887	13,379	1,341,371	1,570,637
Other investment income	7,710	523,790	41,278	572,778	7,641	572,763	35,639	616,043
Net assets released from program restrictions	596,249	(491,127)	(105,122)	1,681,964	(1,623,559)	(58,405)		
Total support and revenue	1,187,654	149,491	3,605,085	4,942,230	1,931,243	(1,017,084)	1,323,439	2,237,598
Expenses								
Operating expenses	44,248			44,248	27,771			27,771
Contributions to Operating Fund	428,229			428,229	511,191			511,191
Contributions to Other Funds	178,249			178,249	42,511			42,511
Loss on bad debt	475,000			475,000				
Loss on sale of Bishop's residence	52,034			52,034				
Total expenses	1,177,760			1,177,760	581,473			581,473
<b>Change in Net Assets</b>	<b>9,894</b>	<b>149,491</b>	<b>3,605,085</b>	<b>3,764,470</b>	<b>1,349,770</b>	<b>(1,017,084)</b>	<b>1,323,439</b>	<b>1,656,125</b>
Net Assets, beginning of year	5,758,567	383,558	18,109,162	24,251,287	4,408,797	1,400,642	16,785,723	22,595,162
Net Assets, end of year	<u>\$ 5,768,461</u>	<u>\$ 533,049</u>	<u>\$ 21,714,247</u>	<u>\$ 28,015,757</u>	<u>\$ 5,758,567</u>	<u>\$ 383,558</u>	<u>\$ 18,109,162</u>	<u>\$ 24,251,287</u>

See Notes to Financial Statements



**DIOCESE OF OLYMPIA, INC. -  
TRUST ACCOUNTS**

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Change in net assets	\$ 3,764,470	\$ 1,656,125
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Loss on the sale of bishop's residence	52,034	
Loss on bad debt	475,000	
Net realized and unrealized gains on investments	(3,914,020)	(1,570,637)
Change in operating assets and liabilities		
Other assets	57,016	(54,608)
Payable to Diocesan Investment fund	7,291	
	441,791	30,880
Net cash flows from operating activities	441,791	30,880
Cash Flows from Investing Activities		
Proceeds from sale of investments	1,883,974	191,659
Purchase of investments (including reinvested dividends)	(1,118,984)	(119,052)
Principal payments received on loans receivable	10,730	11,496
Proceeds from sale of bishop's residence	664,779	
Purchase of new bishop's residence	(581,914)	
	858,585	84,103
Net cash flows from investing activities	858,585	84,103
Cash Flows from Financing Activities		
Increase (decrease) in cash held in trust for congregations	(6,740)	7,428
Change in investments held in trust for congregations and other institutions	(1,250,305)	(114,125)
	(1,257,045)	(106,697)
Net cash flows from financing activities	(1,257,045)	(106,697)
<b>Change in cash and cash equivalents</b>	<b>43,331</b>	<b>8,286</b>
Cash and Cash Equivalents, beginning of year	102,526	94,240
Cash and Cash Equivalents, end of year	\$ 145,857	\$ 102,526

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### **Note 1. Organization and Significant Accounting Policies**

The Diocese of Olympia, Inc. ("the Diocese") is a Diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America ("the Episcopal Church"). The Diocese includes all Episcopal churches in Western Washington.

The Diocese of Olympia, Inc. – Trust Accounts ("the Trust Accounts") hold the endowment funds for the Diocese and other institutions of the Diocese for which the Diocese has been named trustee. The funds are predominantly invested in the James F. Hodges Diocesan Investment Fund ("DIF"). The DIF is a pool of investments owned in part by the Trust Accounts and by other Episcopal entities.

The fund groupings known as the Building Loan Fund ("the BLF"), the Real Estate Fund, the Mission Development Fund ("the MDF"), and the DIF issue their own financial statements. The BLF, the Real Estate Fund, and the MDF do not invest in the Trust Accounts (or vice-versa), but, as noted above, the Trust Accounts invest in the DIF.

If the Trust Accounts make a loan to a mission or parish of the Diocese for the purchase of property, the property is recorded within the Real Estate Fund. No other transactions occur regularly between the BLF, MDF, Real Estate Fund, and the Trust Accounts.

These entities are part of the Diocese, but are not separately incorporated. The Diocese is an incorporated entity.

The Diocese of Olympia – Operating Fund ("the Operating Fund") contains the operating budget, restricted income, and designated and grant funds of the Diocese. The Operating Fund is reported separately. The Operating Fund is an unincorporated association.

Unrestricted earnings on investments held by the Trust Accounts are transferred to the Operating Fund in order to fund general operations of the Diocese. The Trust Accounts are not allocated any of the common expenses incurred and paid from the Operating Fund. Employees of this related entity maintain the books and records of the Trust Accounts at no charge to this fund.

### **Financial Statement Presentation**

The Trust Accounts report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions that are received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

### **Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for various ministerial purposes.

### **Permanently Restricted Net Assets**

Permanently restricted net assets consist of funds held for various endowed purposes. Occasionally, due to loan and investment losses, there can be releases of permanently restricted net assets.

### **Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

### **Fair Value Measurements**

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels which prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Trust Accounts report investments (discussed in Note 2) at fair value.

### **Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Trust Accounts consider all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. The Trust Accounts regularly have cash in excess of federally insured limits with its bank.

### **Certificate of Deposit**

The Trust Accounts hold a certificate of deposit at December 31, 2013, and held the same certificate of deposit at December 31, 2012. The certificate of deposit has an original maturity which exceeded three months. Of the total balance, \$260,864 serves as collateral for a loan from a bank included in the Real Estate Fund's financial statements. The certificate of deposit is stated at cost plus accrued interest which approximates fair value.

### **Investments Held in Trust for Congregations and Other Institutions**

Investments held in trust for congregations and other institutions consist of amounts held by the Trust, where the Trust acts as an agent of the funds. Accordingly, earnings and losses related to these investments are not recognized in the statements of activities of the Trust Accounts.

### **Loans Receivable**

Receivables are stated at the amount management expects to collect from outstanding balances. The Trust Accounts use the allowance method for recognizing bad debts. When determining an appropriate allowance, management considers such things as the age of the receivable, the credit history of the creditor, and the assets collateralizing the loan. When an account is deemed uncollectible, it is generally written off against the allowance. The Trust Accounts have historically not experienced significant losses related to uncollectible receivables. No allowance for uncollectible loans receivable was required at December 31, 2013 or 2012.

The Trust Accounts have not imputed interest on related party loans that do not bear interest as the terms are generally undefined, the imputed interest would not generally be material, and the amounts are due from another fund of the Diocese.

### **Bishop's Residence**

Real estate (the Bishop's residence) is carried at historical cost or fair value at the date of donation. The Diocese has elected not to record depreciation on the Bishop's residence as the estimated salvage value is in excess of the carrying value.

### **Taxes**

The Trust Fund is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is not required to file a federal tax return.

### **Reclassifications**

Certain prior year balances have been reclassified to conform to the current year presentation.

### **Subsequent Events**

The Diocese has evaluated subsequent events through the date these financial statements were available to be issued, which was the same date as the independent auditors' report.

## **Note 2. Investments**

Investments are reported at their fair value using Level 2 inputs (the value of the DIF is based on the value of the underlying investments in the DIF, which are valued using Level 1 inputs) in the statements of financial position. Unrealized gains and losses are included in the change in net assets. The majority of the Trust Accounts' investments are in the Diocesan-managed DIF.

The DIF is a type of mutual fund, open exclusively to the Diocese and its institutions. The DIF has balanced growth and income as its investment objective. At December 31, 2013, the DIF was approximately 3% cash equivalents, 17% bond mutual funds, 9% U.S. Government debt securities, and 71% common stocks (including equity mutual funds) listed on major exchanges. No single investment in the DIF represents more than 10% of total investments. Investments in the DIF are not federally insured.

**Note 3. Loans Receivable**

The Diocese (through the Trust Accounts) has loaned funds to parishes and missions (related parties) within the Diocese as follows:

Loan to	Comment/Payment/ Maturity	Rate	2013	2012
St. Columba's, Des Moines	Land at St. Columba's, no maturity date set	0%	\$ 318,847	\$ 318,847
Cathlamet	No maturity date set	0%	150,000	150,000
Battle Ground	15-year amortization at BLF mission rate due 2017	0%	69,000	69,000
Good Shepherd, Vancouver	On interest waiver; to be repaid after BLF loan repaid	0%	49,382	49,382
St. Hilda/St. Patrick	Loan forgiven in 2013			475,000
			<u>\$ 587,229</u>	<u>\$ 1,062,229</u>

In addition, the Trust Accounts have a loan receivable from an unrelated party. This loan bears interest at a fixed rate of 5.0%, is secured by real property, and requires monthly repayments of principal and interest over a 30-year amortization of \$1,342, with a balloon payment of approximately \$170,000 due at maturity in July 2025. During 2013, the Diocese determined the loan receivable from St. Hilda/St. Patrick (a mission) was uncollectible, and recognized bad debt expense of \$475,000, representing the outstanding balance of the loan receivable.

#### Note 4. Investments Held in Trust for Congregations and Other Institutions

Investments held in trust for congregations and other institutions at December 31 consist of:

	<u>2013</u>	<u>2012</u>
Cash held in trust for congregations		
Bond Trustee accounts	\$ 688	\$ 7,428
Securities and investments held in trust for congregations and other institutions		
Annie Wright School	450,392	381,108
Bainbridge, St. Barnabas' - Hodges Endowment	846,102	808,139
Bellingham, Mabel Wilson Trust	424,285	349,958
FBO Oak Harbor - St. Stephen	47,230	
Hoodsport, St. Germaine	75,148	86,399
Kent, St. James' - Arney Memorial	69,537	58,840
Kent, St. James' - Endowment	55,057	46,587
Lord Scholarship Fund	34,272	28,269
Seattle, St. Mark's - Hodges Endowment	642,569	1,327,750
Seaview, St. Peter's - Johnson Bequest	484,284	409,786
St. Paul's, Palm Desert, CA - Hodges Endowment	206,147	174,435
Tod Prichard, Allyn	12,248	11,043
TTE Little Sisters	55,851	
	<u>3,403,122</u>	<u>3,682,314</u>
Total securities for congregations and institutions		
	<u>\$ 3,403,810</u>	<u>\$ 3,689,742</u>

#### Note 5. Endowments

The Trust Account's endowment consists of approximately 45 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments ("quasi-endowments"). As required by accounting principles generally accepted in the United States, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence and/or nature of any donor-imposed restrictions.

**Interpretation of Relevant Law**

The Trustees of the Trust Accounts have interpreted the State of Washington Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Trust Accounts classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, plus (b) the original value of subsequent gifts to the permanent endowment and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (c) unrealized gains and losses within the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Trustees consider the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the endowment fund
- The purposes of the Trust Accounts and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Trust Accounts
- The investment policies of the Trust Accounts

Endowment net assets consisted of the following at:

December 31, 2013				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 533,049	\$ 21,714,247	\$ 22,247,296
Board-designated quasi-endowment funds	3,657,735			3,657,735
Total funds	<u>\$ 3,657,735</u>	<u>\$ 533,049</u>	<u>\$ 21,714,247</u>	<u>\$ 25,905,031</u>

December 31, 2012				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 383,558	\$ 18,109,162	\$ 18,492,720
Board-designated quasi-endowment funds	3,012,975			3,012,975
Total funds	<u>\$ 3,012,975</u>	<u>\$ 383,558</u>	<u>\$ 18,109,162</u>	<u>\$ 21,505,695</u>

Changes in endowment net assets are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, December 31, 2011	\$ 1,707,174	\$ 1,400,642	\$ 16,785,723	\$ 19,893,539
Investment return	215,887	586,142	1,377,010	2,179,039
Contributions		20,333	4,834	25,167
Appropriation of endowment assets for expenditure and transfers out of endowment	<u>1,089,914</u>	<u>(1,623,559)</u>	<u>(58,405)</u>	<u>(592,050)</u>
Endowment net assets, December 31, 2012	3,012,975	383,558	18,109,162	21,505,695
Investment return	573,108	524,186	3,381,794	4,479,088
Contributions		116,432	328,413	444,845
Appropriation of endowment assets for expenditure and transfers out of endowment	<u>71,652</u>	<u>(491,127)</u>	<u>(105,122)</u>	<u>(524,597)</u>
Endowment net assets, December 31, 2013	<u>\$ 3,657,735</u>	<u>\$ 533,049</u>	<u>\$ 21,714,247</u>	<u>\$ 25,905,031</u>

### **Return Objectives and Risk Parameters**

The Trust Accounts have adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as quasi-endowment funds. Under this policy, as approved by the Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. The Trust Accounts expect its endowment funds, over time, to provide an average rate of return of approximately 9% annually. Actual returns in any given year may vary from this amount.

### **Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, the Trust Accounts rely on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Trust Accounts target a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.



### **Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Trust Accounts have a policy of appropriating up to 95% of the market value of the investment in excess of the original endowment adjusted for the U.S. City Average Urban Consumers Price Index ("CPI"). In the event that the Board does not elect to appropriate the entire allowable amount, the investment gains or losses, by default, are included as a positive or negative change to permanently restricted net assets. Any losses incurred which reduce the investment value below the original endowment adjusted for CPI are included in unrestricted losses on investments. As discussed below, there were no endowments where the fair value of the investment had fallen below the original basis, adjusted for CPI as of December 31, 2013 or 2012. In establishing this policy, the Trust Accounts considered the long-term expected return on its endowment. Accordingly, over the long-term, the Trust Accounts expected the current spending policy to allow its endowment to grow at an average of 4% annually. This is consistent with the Trust Accounts' objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

### **Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Trust Accounts to retain as a fund of perpetual duration. The donor requirement is based on the original endowment determined at December 31, 1985, or fund set-up date, if later. This date may be pushed back by the beneficiary, but the burden of proof to establish any pre-1985 excess appreciation will fall on the beneficiary. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature are to be reported in unrestricted net assets. There were no such deficiencies as of December 31, 2013 or 2012.

**Note 6. Schedule of Net Assets**

	December 31, 2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Other assets held in trust for Diocese				
Campaign - unrestricted	\$ 636,915	\$ -	\$ -	\$ 636,915
Diocesan School of Theology		15,833		15,833
Hodges Income Account		98,552		98,552
Huston Discretionary Account, Horn Trust		5,494		5,494
Planned Giving Gifts		4,580		4,580
Ruth and Jacques Hayes Memorial Trust		7,228		7,228
Snoqualmie, St. Bernard's Chapel	2,134			2,134
Total other assets held in trust for Diocese	639,049	131,687		770,736
Primarily securities and investments held in trust for Diocese				
Bishop Curtis Camp Scholarship			158,960	158,960
Bishop Suffragan Endowment			56,267	56,267
Carl Nirk Memorial Scholarship		41,452	2,500	43,952
Centennial Project	425			425
Christenson Bequest			351,878	351,878
Clapp Trust			1,464,072	1,464,072
Clergy Emergency Fund			586,338	586,338
College Work Endowment			456,051	456,051
Dean Search Reserve	2,909			2,909
Diocesan Working Capital Trust Fund			692,226	692,226
Emergency/Temporary Help	2,913			2,913
Episcopal Charities Appeal		51,357		51,357
Episcopal House Fund	900,063			900,063
Episcopal Search Reserve	339,707			339,707
Episcopate Endowment Fund #1			6,444,479	6,444,479
Episcopate Endowment Fund #2	2,500,644			2,500,644
Grace L. Philips Memorial Fund	715,549			715,549
Hansen Fund			5,490	5,490
Hayes Trust (Held by Wells Fargo Bank)			30,890	30,890
Hispanic Ministry BP Rivera		136,864		136,864
Hodges Endowment for Diocese			2,990,686	2,990,686
Horn Memorial for Camp Huston			1,494,994	1,494,994
Human Need Endowment			348,020	348,020
James McConnell Scholarship Fund			29,368	29,368
Jean Young Memorial		21,815		21,815
KY Print Shop			2,202	2,202
Mission Ministry Endowment			1,319,158	1,319,158
Refugee Program Reserves		49,760		49,760
S. Eston Collins Memorial Scholarship			18,232	18,232
Seminarian Scholarship			389,147	389,147
Sophie Henry Trust			3,648,428	3,648,428
St. Andrew's House Endowment		100,114		100,114
Thanksgiving and Memorial Fund	667,202			667,202
Theological Education Fund			1,224,861	1,224,861
Total securities and investments held for Diocese	5,129,412	401,362	21,714,247	27,245,021
Total net assets	\$ 5,768,461	\$ 533,049	\$ 21,714,247	\$ 28,015,757

	December 31, 2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Other assets held in trust for Diocese				
Campaign - various restrictions	\$ 1,111,915	\$ -	\$ -	\$ 1,111,915
Diocesan School of Theology		15,833		15,833
Hodges Income Account		105,717		105,717
Huston Discretionary Account, Horn Trust		11,043		11,043
Planned Giving Gifts		7,070		7,070
Ruth and Jacques Hayes Memorial Trust		6,260		6,260
Snoqualmie, St. Bernard's Chapel	2,134			2,134
	<u>2,134</u>			<u>2,134</u>
Total other assets held in trust for Diocese	1,114,049	145,923		1,259,972
Primarily securities and investments held in trust for Diocese				
Bishop Curtis Camp Scholarship			134,507	134,507
Bishop Suffragan Endowment			46,410	46,410
Carl Knirk Memorial Scholarship		35,148	2,500	37,648
Centennial Project	351			351
Christenson Bequest			331,621	331,621
Clapp Trust			1,238,852	1,238,852
Clergy Emergency Fund			496,141	496,141
College Work Endowment			385,896	385,896
Dean Search Reserve			585,741	585,741
Diocesan Working Capital Trust Fund	2,913			2,913
Emergency/Temporary Help		42,360		42,360
Episcopal Charities Appeal	910,373			910,373
Episcopal House Fund	270,599			270,599
Episcopal Search Reserve			5,453,118	5,453,118
Episcopate Endowment Fund #1	2,254,562			2,254,562
Episcopate Endowment Fund #2	605,475			605,475
Grace L. Philips Memorial Fund			4,528	4,528
Hansen Fund			30,890	30,890
Hayes Trust (Held by Wells Fargo Bank)			2,530,626	2,530,626
Hodges Endowment for Diocese			1,265,018	1,265,018
Horn Memorial for Camp Huston			293,628	293,628
Human Need Endowment			24,826	24,826
James McConnell Scholarship Fund		17,993		17,993
Jean Young Memorial			1,959	1,959
KY Print Shop			1,113,247	1,113,247
Mission Ministry Endowment		18,519		18,519
Refugee Program Reserves		41,043		41,043
S. Eston Collins Memorial Scholarship			15,038	15,038
Sophie Henry Trust			3,087,187	3,087,187
St. Andrew's House Endowment		82,572		82,572
Thanksgiving and Memorial Fund	600,245			600,245
Theological Education Fund			1,067,429	1,067,429
	<u>4,644,518</u>	<u>237,635</u>	<u>18,109,162</u>	<u>22,991,315</u>
Total securities and investments held for Diocese	4,644,518	237,635	18,109,162	22,991,315
Total net assets	<u>\$ 5,758,567</u>	<u>\$ 383,558</u>	<u>\$ 18,109,162</u>	<u>\$ 24,251,287</u>

**DIOCESE OF OLYMPIA, INC.  
BUILDING LOAN FUND  
MISSION DEVELOPMENT FUND AND  
REAL ESTATE FUND**

FINANCIAL REPORT

DECEMBER 31, 2013

**C O N T E N T S**

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**INDEPENDENT AUDITORS' REPORT**

Diocesan Council  
Diocese of Olympia, Inc.  
Building Loan Fund,  
Mission Development Fund, and  
Real Estate Fund  
Seattle, Washington

We have audited the accompanying financial statements of the Diocese of Olympia, Inc. – Building Loan Fund, Mission Development Fund, and Real Estate Fund ("the Funds"), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 qualified audit opinion.

**Basis for Qualified Opinion**

As more fully described in Note 1 to the financial statements, buildings and improvements have been capitalized although not depreciated. In our opinion, all capital expenditures should be capitalized and depreciated over their estimated useful lives to conform with accounting principles generally accepted in the United States. Quantification of the effects on the financial statements of the preceding practice is not practicable.

**Qualified Opinion**

In our opinion, except for the effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Funds as of December 31, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

*Petersen Sullivan LLP.*

April 16, 2014

**DIOCESE OF OLYMPIA, INC.**  
**BUILDING LOAN FUND, MISSION DEVELOPMENT FUND,**  
**AND REAL ESTATE FUND**

STATEMENTS OF FINANCIAL POSITION  
December 31, 2013 and 2012

ASSETS	<u>2013</u>	<u>2012</u>
Cash and Cash Equivalents	\$ 1,218,687	\$ 1,529,115
Certificates of Deposit	748,094	
Parish Loans Receivable, net	483,840	790,324
Property		
Real estate	<u>32,836,601</u>	<u>32,666,015</u>
Total assets	<u>\$ 35,287,222</u>	<u>\$ 34,985,454</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Cash held for others	\$ 99,780	
Related party loans	537,847	\$ 1,012,847
Loans - unrelated parties	<u>422,250</u>	<u>478,471</u>
Total liabilities	1,059,877	1,491,318
Unrestricted Net Assets	<u>34,227,345</u>	<u>33,494,136</u>
Total liabilities and net assets	<u>\$ 35,287,222</u>	<u>\$ 34,985,454</u>

See Notes to Financial Statements



**DIOCESE OF OLYMPIA, INC.  
BUILDING LOAN FUND, MISSION DEVELOPMENT FUND,  
AND REAL ESTATE FUND**

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2013 and 2012

	2013	2012
Support and Revenue		
Interest (building loans)	\$ 30,855	\$ 46,207
Interest (Bolling loans)	8,644	6,625
Contributions and other	65,343	232,077
Contributed loan payments	56,221	39,162
Gain on sale of real estate		44,672
	161,063	368,743
Expenses		
Corporate/canonically required	25,254	5,506
Bad debt expense		5,435
	25,254	10,941
Change in unrestricted net assets before contributions of real estate and forgiveness of related party loan payable	135,809	357,802
Contributions of Real Estate and Forgiveness of Related Party Loan Payable		
Contributions of real estate	122,400	
Forgiveness of related party loan payable	475,000	
	597,400	
<b>Change in unrestricted net assets</b>	<b>733,209</b>	<b>357,802</b>
Unrestricted net assets, beginning of year	33,494,136	33,136,334
Unrestricted net assets, end of year	\$ 34,227,345	\$ 33,494,136

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.  
BUILDING LOAN FUND, MISSION DEVELOPMENT FUND,  
AND REAL ESTATE FUND**

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities		
Change in net assets	\$ 733,209	\$ 357,802
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Bad debt expense		5,435
Contributed loan payments and real estate	(178,621)	(39,162)
Gain on sale of real estate		(44,672)
Forgiveness of related party loan payable	(475,000)	
Change in cash held for others	99,780	
Net cash flows from operating activities	179,368	279,403
Cash Flows From Investing Activities		
Parish loan repayments (advances), net	306,484	(172,618)
Purchases of certificates of deposit	(748,094)	
Reimbursement of capital expenditures		182,123
Proceeds from sale of real estate		58,772
Purchases of real estate	(48,186)	(37,034)
Net cash flows from investing activities	(489,796)	31,243
<b>Net change in cash and cash equivalents</b>	<b>(310,428)</b>	<b>310,646</b>
Cash and cash equivalents, beginning of year	1,529,115	1,218,469
Cash and cash equivalents, end of year	\$ 1,218,687	\$ 1,529,115

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Organization and Significant Accounting Policies

The Diocese of Olympia, Inc. ("the Diocese") is a Diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America ("the Episcopal Church"). The Diocese includes all Episcopal churches in Western Washington.

The Diocese of Olympia, Inc. – Building Loan Fund, Mission Development Fund, and Real Estate Fund ("the Funds") contain the mission sites, building loans, and real estate of the Diocese.

**The Building Loan Fund ("the BLF")** was established in 1949 to make loans to churches to assist in financing new building projects and to make loans for small building repair and improvement projects. Repayment terms vary and remaining maturities range from 1 to 18 years. Effective January 1, 1993, the Board of Directors adopted a policy of annual changes in the interest rate charged to Diocesan institutions. The rate is set annually at the One-Year Treasury Constant Maturities Index rounded up to the nearest eighth of a point plus 3% for parishes and 1.5% for missions, and the rate cannot be less than 3.5% for parishes or missions. In addition, a 2% cap on interest increases per year was adopted. Loans where interest is currently being waived are shown at undiscounted value.

Because of the anticipated need for funds in the future, the BLF adopted, on January 21, 1993, an interest rate incentive program to encourage faster principal repayment. In exchange for each year of loan term reduction, the BLF will reduce the interest rate on the loan by 4/10 of 1%. There are certain limitations imposed on this voluntary program.

**The Mission Development Fund ("the MDF")** was set up to assist in the purchase properties in areas where population growth would necessitate the establishment of a new congregation. Advances made by the MDF are generally exempt from interest and current principal repayment can be deferred for a period of time even after congregations have been organized.

**The Real Estate Fund** accounts for the value of the land and buildings owned by the Diocese. The value of a mission congregation's property is shown as a Diocesan asset until the mission becomes a parish. Generally, in Washington State, real property used for a church's exempt purposes is exempt from real estate taxes.

#### **Other Funds**

The Diocese also has other groupings known as the Trust Accounts and the James F. Hodges Diocesan Investment Fund, which are reported separately in other financial statements.

These entities are part of the Diocese, but are not separately incorporated. The Diocese is an incorporated entity.

Also, the Diocese of Olympia – Operating Fund ("the Operating Fund") is reported separately. The Operating Fund contains the operating budget, restricted income, and designated and grant funds of the Diocese. The Operating Fund is an unincorporated association.

### **Financial Statement Presentation**

The Funds report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions that are received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. The Funds have no temporarily or permanently restricted net assets, so these classes of assets are not presented.

Contributions, investment income, and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met in the reporting period in which the income and gains are recognized.

### **Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

### **Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Diocese considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. The Diocese occasionally has cash in excess of federally insured limits with its bank.

### **Certificates of Deposit**

Certificates of deposit have original maturities in excess of three months, and are stated at cost plus accrued interest.

### **Loans Receivable**

Receivables are stated at the amount management expects to collect from outstanding balances. The Funds use the allowance method for recognizing bad debts. When an account is deemed uncollectible, it is generally written off against the allowance. Management determined no allowance was necessary at December 31, 2013 and 2012.

Interest receivable on loans has been accrued to December 31, 2013 and 2012. Based on maturity, it has been grouped within loans receivable. At the Board's discretion, in some instances, interest is not charged on construction loans.

### **Real Estate**

Real estate is to be carried at historical cost or fair value at date of donation. Although required by accounting standards generally accepted in the United States, the Diocese has elected not to record depreciation on buildings and improvements. The Diocese does not believe this election results in misleading financial statements. The effect of not depreciating buildings and improvements has not been determined.

When a mission becomes a parish, the value of its real estate and any related loans are removed from the Real Estate Fund. No missions became a parish in either 2013 and 2012.

Occasionally, the Diocese and a parish may decide it is for the mutual benefit of all parties for the parish to revert to mission status. When this happens, the fair value of its real estate is recognized as a contribution to the Real Estate Fund. No parishes reverted to mission status in 2013 or 2012.

Property reflected in the statements of financial position is categorized as follows:

	2013	2012
Land	\$ 7,361,516	\$ 7,358,231
Buildings/improvements	25,475,085	25,307,784
	\$ 32,836,601	\$ 32,666,015

### **Related Party Loans**

The Funds have generally not imputed interest on related party loans that do not bear interest as the terms are generally undefined, the imputed interest would generally not be material, and the amounts are due to another fund of the Diocese.

### **Taxes**

The Diocese is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. It is not required to file a federal tax return.

### **Reclassifications**

Certain prior year balances have been reclassified in order to conform to the current year presentation.

### **Subsequent Events**

The Funds have evaluated subsequent events through the date these financial statements were available to be issued, which was the same date as the independent auditors' report.

**Note 2. Loans Receivable**

Loans receivable consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
<b>Parishes</b>		
Tacoma, St. Mary	\$ 228,950	\$ 250,000
Port Townsend, St. Paul	101,787	135,220
Shelton, St. David	80,339	24,236
Vancouver, Good Shepherd	72,555	85,373
Freeland, St. Augustine		175,000
Seattle, St. John		47,551
Issaquah, St. Michael's		34,383
Bellevue, Church of the Resurrection		26,041
Kent, St. James		5,507
Interest receivable	209	7,013
	<u>\$ 483,840</u>	<u>\$ 790,324</u>

As missions are part of the Diocese (and are part of the Funds), the mission receivables do not appear in these financial statements (as they have been eliminated). Although eliminated, mission receivables are as follows at December 31:

	<u>2013</u>	<u>2012</u>
<b>Missions</b>		
Kent, St. Columba's	\$ 933,316	\$ 934,216
Redmond, Good Samaritan	550,063	550,063
Redmond, Good Samaritan	313,576	373,138
Meadowdale, St. Hilda's - St. Patrick's	433,329	434,529
Cathlamet, St. James'	251,602	225,153
Auburn, St. Matthew's	232,662	227,219
Vancouver, All Saints'	196,487	213,277
Snoqualmie, St. Clare's	58,100	62,676
Washougal, St. Anne	46,603	50,889
Steilacoom, St. Jos/St. John	45,314	46,632
	<u>\$ 3,061,052</u>	<u>\$ 3,117,792</u>

**Note 3. Combination**

As previously stated, inter-entity loans are eliminated in combination. Loans eliminated can be summarized as follows:

	2013	2012
BLF to Real Estate Fund	\$ 3,061,052	\$ 3,117,792
MDF to Real Estate Fund	195,003	205,648
	<u>\$ 3,256,055</u>	<u>\$ 3,323,440</u>

**Note 4. Related Party Loans**

As described in Note 1, the Trust Accounts are other Diocese funds that are not included in these financial statements. The Trust Accounts have made loans to the Funds as follows:

Loan to	Comment/Payment/ Maturity	Rate	2013	2012
St. Columba's, Des Moines	Land at St. Columba's, no maturity date set	0%	\$ 318,847	\$ 318,847
Cathlamet	No maturity date set	0%	150,000	150,000
Battle Ground	15-year amortization at BLF mission rate due 2017	3.5%	69,000	69,000
St. Hilda/ St. Patrick	Loan forgiven in 2013			475,000
			<u>\$ 537,847</u>	<u>\$ 1,012,847</u>

No interest expense is recorded by the Funds as the amounts are paid and expensed by other related entities or funds.

The St. Hilda/St. Patrick ("the Church") loan payable to the Trust Accounts reflected a loan receivable from the Church held at the Trust Accounts for property purchased for the Church by the Trust Accounts. When this loan was made to the Church, the Funds recognized the property in accordance with its policy as the Church is a mission, and also a corresponding payable (above) in 2012. During 2013, the Trust Accounts determined the loan receivable from the Church was no longer collectible and, therefore, the corresponding loan payable at the Funds was written off. The loan forgiveness revenue recognized at the Funds will eliminate with the bad debt expense at the Trust Accounts upon consolidation of the Funds and the Trust Accounts.

**Note 5. Loans Payable**

	2013	2012
Loan from a bank that funded the construction of the Cathlamet St. James Family Center. Payments due in monthly installments of \$2,035 including interest at 4.75% secured by real property and a certificate of deposit held at the Trust Accounts. Due in full July 2015.	\$ 260,864	\$ 273,953
Loan from a family trust to purchase property. The loan is not secured. Due in monthly installments of \$1,120 including interest at 5.0% with the balance due in July 2015.	136,386	154,518
Battle Ground Bond Loans bearing interest at 6.5%. Due in full in 2014, secured by real property.	25,000	50,000
	\$ 422,250	\$ 478,471

The schedule of debt maturity principal is as follows at December 31:

Year Ended	Bank Loan	Family Trust Loan	Battle Ground	Total
2014	\$ 12,162	\$ 6,174	\$ 25,000	\$ 43,336
2015	248,702	130,212		378,914
	\$ 260,864	\$ 136,386	\$ 25,000	\$ 422,250

**Note 6. Contingencies and Commitments**

**Contingencies**

No liabilities that relate to the mission congregations of the Diocese are reflected in these financial statements. The Diocese could be held to be a responsible party until a mission becomes a parish.

Property insurance on structures does not include earthquake insurance.



**DIOCESE OF OLYMPIA, INC.  
THE JAMES F. HODGES  
DIOCESAN INVESTMENT FUND**

FINANCIAL REPORT

DECEMBER 31, 2013

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**INDEPENDENT AUDITORS' REPORT**

Diocesan Council  
Diocese of Olympia, Inc.  
The James F. Hodges Diocesan Investment Fund  
Seattle, Washington

We have audited the accompanying financial statements of the Diocese of Olympia, Inc. – The James F. Hodges Diocesan Investment Fund ("the Fund"), which comprise the statements of assets and liabilities as of December 31, 2013 and 2012, the schedules of investments, and the related statements of operations and changes in net assets 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; 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Fund as of December 31, 2013 and 2012, and the results of its operations and changes in its net assets for the years then ended in accordance with accounting principles generally accepted in the United States.

*Peterson Sullivan LLP.*

April 16, 2014  
601 Union Street  
Suite 2300  
Seattle, WA 98101

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**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

STATEMENTS OF ASSETS AND LIABILITIES

December 31, 2013 and 2012

ASSETS	<u>2013</u>	<u>2012</u>
Investment income receivable	\$ 81,801	\$ 73,995
Investments (at fair value):		
Equity securities	44,185,252	34,576,104
Bonds, notes, and other	15,996,969	13,402,978
Cash equivalents	<u>1,696,514</u>	<u>2,328,300</u>
Total investments	<u>61,878,735</u>	<u>50,307,382</u>
Total assets	61,960,536	50,381,377
LIABILITIES AND NET ASSETS		
Distributions payable	<u>237,570</u>	<u>367,285</u>
NET ASSETS	<u><u>\$ 61,722,966</u></u>	<u><u>\$ 50,014,092</u></u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

SCHEDULE OF INVESTMENTS

December 31, 2013

Equity Securities	Number of Shares	Fair Value
Abbot Laboratories	9,300	\$ 356,469
Abbvie Inc.	9,300	491,133
Air Products and Chemicals, Inc.	5,700	637,146
Apple Inc.	1,100	617,122
Automatic Data Processing	8,600	694,871
Becton Dickinson & Co	6,200	685,038
Berkshire Hathaway Inc. Class B	5,800	687,648
Blackrock Inc.	2,905	919,345
Boeing Company	7,800	1,064,622
Chevron Corp	10,575	1,320,923
Chubb Corporation	8,400	811,692
Cisco Systems, Inc.	26,800	601,124
Coca Cola Company	6,800	280,908
ConAgra Foods, Inc.	19,100	643,670
Costco Wholesale, Inc.	10,000	1,190,200
Emerson Electric	12,300	863,214
Enterprise Products Partners LP	13,700	908,310
Exxon Mobil Corp	12,022	1,216,626
General Electric	19,800	554,994
Google Inc.	425	476,302
I Shares S&P Mid Cap 400	21,350	2,856,844
I Shares S&P Small Cap 600	25,800	2,815,554
Intel Corp	12,700	329,629
International Business Machines	4,865	912,528
Johnson & Johnson	8,700	796,833
Johnson Controls, Inc.	21,020	1,078,326
JP Morgan Chase & Co	15,165	886,849
Microsoft	22,900	856,689
Nextera Energy Inc.	4,800	410,976
Novartis	10,700	860,066
Omnicom Group Inc.	10,000	743,700
Paccar, Inc.	22,600	1,337,242
Parametric Tax Managed Emerging Markets Fund	14,938	728,823
Pfizer, Inc.	24,778	758,950
Procter & Gamble Co	10,600	862,946
Qualcomm Inc.	6,400	475,200
Southern Co	15,600	641,316
Starbucks Co.	10,000	783,900
Sysco Corp	14,400	519,840
United Technologies	10,100	1,149,380
Vanguard Developed Markets Index	314,830	3,642,587
Vanguard Emerging Markets ETF	18,100	744,634
V F Corporation	18,064	1,126,110
Ventas Inc.	7,315	419,003
Verizon Communications, Inc.	21,500	1,056,510
Walt Disney Co.	9,700	741,080
Wells Fargo & Co	17,950	814,930
3M Co	5,800	813,450
Total equity securities		<u>\$ 44,185,252</u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

SCHEDULE OF INVESTMENTS  
(Continued)  
December 31, 2013

<u>BONDS, NOTES, AND OTHER</u>	Rate of Interest	Maturity	Shares or Face Value	Fair Value
Federal Home Loan Bank Debenture	4.375	6/14/19	\$ 1,000,000	\$ 1,129,080
Federal Home Loan Bank Debenture	4.625	6/12/15	1,000,000	1,060,880
Federal Farm Credit Bank Debenture	1.181	11/19/18	500,000	496,690
Federal Home Loan Bank Debenture	3.125	12/11/20	500,000	509,505
Federal Home Loan Mortgage Corp Note	1.000	6/19/17	290,000	288,141
Federal Home Loan Mortgage Corp Note	1.000	6/27/17	210,000	208,574
U.S. Treasury Inflation Protected Securities	2.000	1/15/14	1,896,090	1,894,763
Vanguard GNMA Admiral Fund	Variable	n/a	64,220	669,174
Vanguard Intermediate Term Grade Admiral Share	Variable	n/a	393,572	3,805,838
Vanguard Short Term Investment Grade	Variable	n/a	554,610	<u>5,934,324</u>
Total Bonds, Notes, and Other				<u><u>\$15,996,969</u></u>
 <u>CASH EQUIVALENTS</u>				
First America Prime Obligation Fund	Variable	n/a	\$ 1,696,514	<u>\$ 1,696,514</u>
Total cash equivalents				<u><u>\$ 1,696,514</u></u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

SCHEDULE OF INVESTMENTS

December 31, 2012

Equity Securities	Number of Shares	Fair Value
Abbot Laboratories	9,300	\$ 609,150
Air Products and Chemicals, Inc.	5,700	478,914
Apple Inc.	1,100	585,390
Automatic Data Processing	8,600	489,598
Becton Dickinson & Co	6,200	484,778
Berkshire Hathaway Inc. Class B	5,800	520,260
Blackrock Inc.	2,105	435,125
Boeing Company	7,800	587,808
Chevron Corp	10,575	1,143,581
Chubb Corporation	8,400	632,688
Cisco Systems, Inc.	26,800	526,604
Coca Cola Company	6,800	246,500
ConAgra Foods, Inc.	19,100	563,450
Costco Wholesale, Inc.	10,000	987,300
Eaton Vance Tax Managed Emerging Markets Fund	14,938	725,686
Emerson Electric	12,300	651,408
Enterprise Products Partners LP	13,700	686,096
Exxon Mobil Corp	12,022	1,040,504
General Electric	19,800	415,602
Google Inc.	425	300,637
HJ Heinz Co	8,700	501,816
I Shares S&P Mid Cap 400	25,250	2,567,925
I Shares S&P Small Cap 600	35,400	2,764,740
Intel Corp	12,700	261,874
International Business Machines	4,865	931,891
Johnson & Johnson	8,700	609,870
Johnson Controls, Inc.	21,020	644,683
JP Morgan Chase & Co	15,165	666,791
McGraw-Hill Cos Inc.	6,228	340,485
Microsoft	22,900	611,652
Nextera Energy Inc.	4,800	332,112
Novartis	10,700	677,310
Paccar, Inc.	22,600	1,021,746
Pfizer, Inc.	24,778	621,414
Procter & Gamble Co	10,600	719,634
Qualcomm Inc.	6,400	395,901
Southern Co	15,600	667,836
Sysco Corp	14,400	455,904
United Technologies	10,100	828,301
Vanguard Developed Markets Index	314,830	3,069,595
Vanguard Emerging Markets ETF	18,100	805,993
V F Corporation	4,516	681,781
Ventas Inc.	7,315	473,427
Verizon Communications, Inc.	21,500	930,305
Wells Fargo & Co	10,050	343,509
3M Co	5,800	538,530
Total equity securities		<u>\$ 34,576,104</u>

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

SCHEDULE OF INVESTMENTS  
(Continued)

December 31, 2012

<u>BONDS, NOTES, AND OTHER</u>	Rate of Interest	Maturity	Shares or Face Value	Fair Value
Federal Home Loan Bank Debenture	4.375	6/14/19	\$ 1,000,000	\$ 1,193,200
Federal Home Loan Bank Debenture	4.625	6/12/15	1,000,000	1,102,040
FNMA Medium Term Notes	1.375	11/29/16	500,000	504,480
U.S. Treasury Inflation Protected Securities	2.000	1/15/14	1,877,865	1,937,863
Vanguard Intermediate Term Grade Admiral Share	Variable	n/a	325,544	3,359,619
Vanguard Short Term Investment Grade	Variable	n/a	489,915	5,305,776
Total Bonds, Notes, and Other				<u>\$13,402,978</u>
 <u>CASH EQUIVALENTS</u>				
First America Prime Obligation Fund	Variable	n/a	\$ 2,328,300	\$ 2,328,300
Total cash equivalents				<u>\$ 2,328,300</u>

See Notes to Financial Statements



**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

STATEMENTS OF OPERATIONS  
For the Years Ended December 31, 2013 and 2012

	2013	2012
Investment income		
Dividends and interest	\$ 1,325,756	\$ 1,381,588
Securities lending and other income	13,755	11,476
Total investment income	1,339,511	1,393,064
Expenses		
Agency fee	58,372	49,974
Accounting fee	5,000	5,000
Audit	7,000	6,900
Board miscellaneous expense	2,787	1,095
Printing and postage	152	681
Total expenses	73,311	63,650
Excess investment income over expenses	1,266,200	1,329,414
Realized and unrealized investment gain (loss)		
Net realized investment gain (loss)	1,215,418	(307,987)
Net unrealized investment gain	8,223,534	3,517,929
Net gain on investments	9,438,952	3,209,942
Change in net assets resulting from operations	\$ 10,705,152	\$ 4,539,356

See Notes to Financial Statements

**DIOCESE OF OLYMPIA, INC.**  
**THE JAMES F. HODGES DIOCESAN INVESTMENT FUND**

STATEMENTS OF CHANGES IN NET ASSETS  
For the Years Ended December 31, 2013 and 2012

	2013	2012
Change in net assets resulting from operations	\$ 10,705,152	\$ 4,539,356
Distributions paid to shareholders	(1,400,909)	(1,185,907)
Capital share transactions		
Proceeds from shareholder purchases and dividends reinvested	5,225,766	1,645,020
Shareholder redemptions	(2,821,135)	(963,160)
Increase in net assets resulting from capital share transactions	2,404,631	681,860
Change in net assets	11,708,874	4,035,309
Net assets, beginning of year	50,014,092	45,978,783
Net assets, end of year	\$ 61,722,966	\$ 50,014,092

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### **Note 1. Organization and Significant Accounting Policies**

The Diocese of Olympia, Inc. ("the Diocese") is a Diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America ("the Episcopal Church"). The Diocese includes all Episcopal churches in Western Washington.

The James F. Hodges Diocesan Investment Fund ("the Fund") was organized in 1951 as an investment pool for the endowments of the Diocese, its parishes, missions, and related institutions. The Fund's current name was adopted in 1987.

The Fund's investment strategy is to balance the need for current income and growth in asset value to offset inflation by investing in a mixture of equity and debt securities. The securities are currently held by US Bank. The Diocesan Investment Committee makes investment decisions. The funds are not federally insured.

The Diocese has funds other than the Fund which are called the Trust Funds and the Building Loan, Mission Development, and Real Estate Fund. These funds are included in separate financial statements.

### **Financial Statement Presentation**

The Fund follows the accounting policies of an investment pool, in accordance with accounting principles generally accepted in the United States. Securities are valued at fair value based on closing sales prices reported on recognized securities exchanges on the last business day of the year (see Note 2).

Securities transactions are accounted for on a trade-date basis. Realized gains and losses from securities transactions are reported on a specific identification basis. The Fund distributes net cash investment income to shareholders monthly, but net capital gains are reinvested. Shareholders may reinvest dividends, purchase, or redeem shares on a monthly basis only.

Requests for purchases are administered by the Diocese which collects funds for purchases in the current month and then remits the funds to US Bank in the subsequent month. Shares are purchased at the net asset value at the beginning of the month when US Bank receives the funds. At December 31, 2013 and 2012, the Diocese held \$12,292 and \$11,914 in funds for purchase in January 2014 and 2013, respectively. These amounts are not included in the financial statements until funds are purchased. They are included in the financial statements of the Diocese.

### **Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

### **Taxes**

The Diocese is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. It is not required to file a federal tax return.

### **Subsequent Events**

The Fund has evaluated subsequent events through the date these financial statements were available to be issued, which was the same date as the independent auditors' report.

### **Note 2. Fair Value Measurement**

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability.

The fair value of all investments was determined using Level 1 observable inputs (quoted prices in active markets for identical assets), within the fair value hierarchy using quoted market rates.

### **Note 3. Unrealized Appreciation**

Unrealized appreciation on investments was as follows at December 31, 2013:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation</u>
Equity securities	\$ 25,042,971	\$ 44,185,252	\$ 19,142,281
Bonds, notes, and other	15,891,892	15,996,969	105,077
Cash equivalents	1,696,514	1,696,514	
	<u>\$ 42,631,377</u>	<u>\$ 61,878,735</u>	<u>\$ 19,247,358</u>

Unrealized appreciation on investments was as follows at December 31, 2012:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation</u>
Equity securities	\$ 24,279,503	\$ 34,576,104	\$ 10,296,601
Bonds, notes, and other	12,749,217	13,402,978	653,761
Cash equivalents	2,328,300	2,328,300	
	<u>\$ 39,357,020</u>	<u>\$ 50,307,382</u>	<u>\$ 10,950,362</u>

**Note 4. Shareholders**

The Fund's investment pool activity is as follows:

	Number of Shares	Per Share Value
Shares outstanding, December 31, 2011	259,603.110	\$ 177.112
Shares purchased and dividends reinvested	9,025.808	
Shares redeemed	(7,203.875)	
Shares outstanding, December 31, 2012	261,425.043	\$ 191.313
Shares purchased and dividends reinvested	24,984.439	
Shares redeemed	(13,411.960)	
Shares outstanding, December 31, 2013	272,997.522	\$ 226.094

**Note 5. Related Party Transaction**

The Fund is charged approximately \$5,000 per year for the common expenses paid by the Diocese.

**Note 6. Investment Policy: Tobacco Stocks**

In accordance with the investment policy recommended by the Executive Council of the Episcopal Church, the Fund does not invest in securities issued by companies that manufacture and distribute tobacco products.

# **Power Points**

Making Peace in South Sudan PowerPoint

Episcopal Relief and Development PowerPoint

Veterans Ministry PowerPoint

Faith Action Network PowerPoint



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FEATURED VIDEO



UPCOMING EVENTS

**Libby Roderick, 350 Seattle Concert Fundraiser**

November 8 @ 7:00 pm - 9:00 pm

**"Our Lives in South America" with Erica and Jamey Wolverton**

November 9 @ 9:15 am - 10:15 am

**Walking the Camino and Lydia B Smith**

November 12 @ 7:00 pm - 9:00 pm

**Climate Leadership Summit, Seattle**

November 14 @ 5:00 pm - November 15 @ 9:30 pm

[View calendar](#)

LATEST POSTS

/ Comments Off / August 20, 2014

**Registration for our Annual Dinner is Now Open!**

Please join us for an evening celebrating faith communities and individuals for their work towards the common good. Along with our award winners, we'll be joined by special guest Rick Steves and Master of Ceremonies Enrique Cerna of KCTS 9. We hope YOU will also join with us and faith leaders and advocates from across the state in celebrating FAN's work toward a just, compassionate, and sustainable world. As Faith Action Network strategizes for the start of the 2015 Washington State [...]

/ Comments Off / August 20, 2014

**The Season of Cluster Gatherings**

With summer reaching its end, it is time to begin FAN's next programmatic phase. We have divided all of FAN's advocating faith communities into 15 geographical "clusters," who meet together at least once annually. These get-togethers offer an opportunity to get to know your neighbors from local advocating faith communities, to update each other on our advocacy efforts and learn new ways that we can come together to effect the common good. Please attend if you live in the neighborhood [...]

/ Comments Off / August 20, 2014

**Candidate Forums: Be an Educated Voter**

Election season quickly approaches! To ensure that our advocates can make well-informed decisions about who will best represent our faith communities, FAN is scheduling Candidate Forums throughout Western Washington. Please mark your calendars, plan to attend, and encourage others in your faith community to join us. Other forums will likely be scheduled as well, so be on the lookout for additional information shortly. September District 11 (Meet your legislators) Sunday, September 14, 1:00 pm Luther's Table 419 So. 2nd Street Set [...]

/ Comments Off / July 30, 2014

**New Opportunities to Get Involved!**

FAN is building a powerful network—one faith community and one advocate at a time. Building on a year of several important legislative successes and a growing network of advocating faith communities, the Faith Action Network is seeking to strengthen its organizational capacity through expanding the number of people serving in volunteer roles. We need people to help with FAN events, serve on committees, and take leadership in their legislative districts and FAN clusters. In particular, we are looking for individuals [...]

INITIATIVE 594



**WASHINGTON ALLIANCE FOR GUN RESPONSIBILITY**

**GET YOUR BALLOT IN BY NOVEMBER 4**

**PLEDGE YOUR SUPPORT**

**FAITH-BASED YES ON I-594 RESOURCES**

OUR PHOTOSTREAM



## Network of Advocating Faith Communities (NAFC)

[Download a copy of our NAFC Newsletter – Summer 2014](#)

### **Aberdeen**

Plum Mountain Buddhist Community

### **Auburn**

St. Matthew/San Mateo Episcopal

### **Bainbridge Island**

Bethany Lutheran  
Eagle Harbor Congregational UCC

### **Bellevue**

East Shore Unitarian Church  
Holy Cross Lutheran  
Newport Presbyterian  
St. Margaret's Episcopal

### **Bellingham**

Garden Street United Methodist

### **Bothell**

First Lutheran Church  
Gurudwara Sikh Centre of Seattle

### **Bremerton**

Emmanuel Apostolic Church

### **Clarkston**

Shekinah Community Church

### **Des Moines**

Des Moines United Methodist Church

### **Ellensburg**

First United Methodist Church  
First Lutheran Church

### **Everett**

La Palabra Viviente United Methodist  
Trinity Episcopal Church  
Trinity Lutheran Church

### **Gig Harbor**

Agnus Dei Lutheran

### **Kirkland**

Holy Spirit Lutheran  
Kirkland UCC

### **Lacey**

St. Benedict Episcopal Church

### **Lake Tapps**

Creator Lutheran

### **Langley**

Langley United Methodist

### **Leavenworth**

Faith Lutheran

### **Olympia**

Lutheran Church of the Good Shepherd  
The United Churches of Olympia  
Olympia Zen Center

### **Pasco**

First Lutheran

### **Port Angeles**

Holy Trinity Lutheran

### **Renton**

Fairwood Community United Methodist Church  
Kingdom Christian Center  
Martin Luther King, Jr. Memorial Baptist Church

### **Richland**

Shalom UCC

### **Seattle**

Alki United Church of Christ  
Ballard First Lutheran Church  
Bet Aiel Meditative Synagogue  
Bethany UCC  
Central Lutheran  
Church of Steadfast Love  
First United Methodist  
Gethsemane Lutheran  
Immanuel Lutheran  
Kadma Reconstructionist Community  
Kol Haleshamah  
Madrona Grace Presbyterian Church  
Mount Zion Baptist Church  
Our Redeemer's Lutheran  
Phinney Ridge Lutheran  
Plymouth UCC  
Saint Mark's Episcopal Cathedral  
Seattle First Baptist  
St. Andrew's Episcopal  
St. John United Lutheran  
Temple Beth Am  
Tibbatts United Methodist  
Trinity United Methodist  
University Baptist  
University Christian  
University Congregational UCC  
University Lutheran  
University Temple United Methodist  
University Unitarian Church  
Woodland Park Presbyterian  
Woodland Park United Methodist

### **Shoreline**

Ronald United Methodist

### **Snohomish County**

The Catacomb Churches

### **Spokane**

All Saints Lutheran  
Salem Lutheran  
Spokane Friends Meeting  
Unitarian Universalist Church of Spokane  
West Central Episcopal Mission

### **Stevenson**

Shepherd of the Hills Lutheran

### **Tacoma**

First United Methodist Church of Tacoma  
Peace Lutheran  
Summit United Methodist

### **Tukwila**

Riverton Park United Methodist Church

### **University Place**

United Church in University Place

### **Vancouver**

Beautiful Savior Lutheran Church  
First Congregational Church UCC

### **Wenatchee**

Grace Lutheran

### **White Salmon**

Bethel Congregational UCC

### **Yakima**

St. Michael's Episcopal  
Unitarian Universalist Church of Yakima

### **Zillah**

Christ Episcopal





Donate

## 2014 Legislative Agenda

### Top Two Issues

1. Preventing Gun Violence ([Initiative 594](#))
2. Preventing Wage Theft

### Additional Issues

1. Creating Sufficient Revenue for the State Budget
  - Eliminating Tax Exemptions
  - Creating more Transparency and Accountability
  - Preserving our State's Safety Net
2. Poverty Issues
  - Restoring TANF (Temporary Assistance for Needy Families) grant cut
  - Support increasing our States minimum wage
  - Support reform of legal financial obligations (LFO's)
  - Preventing any bad payday lending bills
3. Dismantling the Culture of Violence
  - Criminal Justice Reforms
4. Support Passage of the State DREAM Act/Real Hope Act

[2014 End of Session Report - View here](#)

[2013 End of Session Report - View here](#)

[2012 End of Session Report - View here](#)



## **2015 Legislative Agenda (Draft Version)**

### Top Issues

1. Reducing Wealth Inequality
2. Forging a Sustainable Biennial Budget
3. Dismantling the Culture of Violence
4. Sustain Washington's Environment
5. Housing and Homelessness