

# 2007 ANNUAL REPORT IDAHO EPISCOPAL FOUNDATION

April 28, 2007

## *Funding the Vision*

The Mission of the Idaho Episcopal Foundation is “To advise and assist the Episcopal Diocese of Idaho and its parishes in attracting private financial support to aid in the achievement of Diocesan and/or parish goals, and to manage the Foundation assets for the maximum benefit of the Episcopal Diocese of Idaho and its parishes.”

### **What is the Idaho Episcopal Foundation?**

- ❖ **A source of grant funding for start-up projects or capital purchases**
- ❖ **Support resources for parish efforts to encourage endowments and stewardship**
- ❖ **An effective and secure place to invest parish endowments and other special funds**

The Idaho Episcopal Foundation was originally incorporated May 4, 1984, to administer a major bequest to the Episcopal Church in Idaho from Dr. John Moser of Cascade. The first grants were awarded in 1985. In 1987, the IEF Board of Directors adopted grant guidelines, which provided for a yearly regular grant cycle, with provision for limited emergency grants.

On March 1, 1997, the Board of Directors of the Idaho Episcopal Foundation adopted Revised and Restated Articles of Incorporation and Bylaws to initiate the expanded mission of the Foundation. At a special planning session on May 3, 1997, the Board adopted the current mission statement of the Foundation.

**The Idaho Episcopal Foundation, 510 W. Washington Street, Boise, ID 83702**  
**[www.idahodiocese.org/IEF](http://www.idahodiocese.org/IEF)**



## LETTER FROM THE PRESIDENT

April 28, 2007

Dear Friends;

In 2006 the Idaho Episcopal Foundation assumed responsibility for Planned Giving and Stewardship (Annual Giving) support for the churches in the diocese, Martin Thomas, part-time Executive Director, is responsible for training in the churches. He is available to assist leadership of this important area as needed. As a further step in this process, the focus of our 2007 Annual Meeting will be on Stewardship. This "Roundtable discussion" should prove to be most helpful in providing new ideas and programs. It is also a chance for parish volunteers to meet and network with others that share this vital ministry.

Bishop Rhea donations of \$3,200 were received through year-end. The number of Benefactors continues to grow as has Sustainers. I do remind IEF Board Members that they are expected to be a member of the Bishop Rhea donors – whether at Benefactor, Fellow or Sustainer level. A gift of \$100 annually qualifies as a Sustainer and provides more moneys to increase the revenues for Grants. Please join the Bishop Rhea donors listed in this report in supporting the work of the foundation.

I would like to welcome our new board members, namely; Gene Baumert, Pat Harbert, Nancy Koonce and Carolyn Robertson. A special thanks, also, to those board members agreeing to serve another term: Bob Alexander, Wally Lonergan and Bob Rowett. We also give a very special thanks and appreciation to Denny Densley for his years of service on the board. Continuing board members are Lois Heagle, Greg Hall and Jack Dancer.

The committees that carry out their daily work are extremely important to the success of the Foundation. As a result it is recommended that committee chairs become members of the Executive Committee. This will provide for better communication and planning. Currently, the Executive Committee consists of President, Vice President, Immediate Past President, Executive Director and Treasurer.

It has been a great honor and privilege to serve as your president these past two years and I want to thank you for your support and service to the Foundation.

Sincerely,

Ruth Keeth  
President

## 2006 Grants – for payment in 2007

**Made possible by the generosity of those who have made gifts or bequests to the Idaho Episcopal Foundation, including Bishop Rhea Fellow and Bishop Rhea Benefactor donors.**

Grants totaling \$24,850 have been approved by the IEF Board for distribution beginning in January 2007. The awards were announced at the 2006 Diocesan Convention in Boise.

All Saints, Boise	<i>Friendship Clinic Drug Assistance</i>	\$1,000
Paradise Point Camp	<i>New Yurt on south property</i>	\$4,000
Good Shepherd, Ft Hall	<i>Renovation Projects</i>	\$7,000
Holy Nativity, Meridian	<i>Roof repairs</i>	\$3,250
Redeemer, Salmon	<i>Electrical Update</i>	\$5,000
Ascension, Twin	<i>Hearing Assistance</i>	\$2,300
Holy Nativity, Meridian	<i>Terry Reilly SANE Video Equipment</i>	\$2,300

Grants totaling over **\$300,000** have been made since 1999!

## Donor Recognition

### Bishop Rhea Benefactors

**Denny Densley**

**Robert & Mary Jane Hankey**

**Ruth Keeth**

**Wally Lonergan**

**Ed Osborne**

**Bob & Maxine Rowett**

**Ann Sandven**

**Bill & Virginia Woolley**

### Bishop Rhea Fellows

The Rt. Rev. Harry B. Bainbridge

Vernon & Isabel Brassey

Steve Brown

John S. Chapman

Helen Copple

Diane Crawford

Jim Crawford

Luanne Crump

Greg Hall

Ron Harris

Lois Heagle

Rob & Janet King

The Rev Judy A. McKay

Carol Lynn MacGregor, PhD

Joe & Patty Marshall

The Rev. John C. Matthew

Earl C. Reynolds, Jr.

Fred P. Thompson, Jr.

### Bishop Rhea Sustainers

John Beckwith

Anne Brown

Jack Dancer

Allyn & Fran Dingel

Annette Durkin

Pam Fonshill

Maria Gebhards

Gil & Peg Gilbertson

Melinda Kim

Nancy Koonce

Gene Kurtz

Bill Lehman

Mike McBride

David Robertson

Scott Rudeen

Walt Sinclair

Alan Swajkoski

Alan & Sally Terrill

Martin Thomas

## **Many People Involved**

**Members** representing our parishes support the work of the IEF. Each congregation of the Diocese may appoint as many members as it has delegates to the annual Diocesan Convention, with a minimum of 2 members and a maximum of 10 members. Members elect the Board of Directors and serve on Foundation committees. The Executive Committee of the Board of Directors acts as necessary between regular meetings of the Board. Member names are listed on page 8.

**Committees** provide the structure for Foundation functions. The current committees are:

- Investment Committee: Provides guidance for the selection of investment managers and policies to assure the mission of the Foundation is accomplished. Also advises Board of Directors as to acceptance of any specific gift to the Foundation.
- Gifts and Bequests: Provides guidance for the development, education and promotion of planned gift concepts to enhance the mission of the Foundation.
- Grants Committee: Develops grant solicitation and review process. Makes recommendations for funding to the IEF Board of Directors. Monitors grantee's use of funds.
- Communication Committee: Prepares and disseminates information on foundation activities, and organizes recognition of donors.

## **How to Support IEF Grants**

### **Bishop Rhea Fellows and Benefactors**

The Rt. Rev. Frank Rhea served as Bishop of Idaho from 1942 to 1957. He was particularly devoted to the children of the Diocese and exemplified the spirit of charity and devotion embodied in the Idaho Episcopal Foundation. For a cumulative contribution of \$1,000 to the Foundation, an individual will be recognized as a Bishop Rhea Fellow. Donors making cumulative gifts of over \$1,000 are recognized as Bishop Rhea Benefactors. An individual may contribute \$100 or more per year as a Bishop Rhea Sustainer toward the higher levels.

Your gift will help increase the permanent endowment of the Foundation. Each year endowment income is used to support congregations and sponsored non-profit institutions for their projects.

### **One-time Gifts**

Gifts of any size are also encouraged. Such gifts can either add to the Grant Fund endowment, or be used completely for grants when given. Donations to "The Idaho Episcopal Foundation" will be available for current grants. Donations to "The Idaho Episcopal Foundation Endowment Fund" will provide permanent support for this important work.

### **Bequests**

Anyone wishing to make a bequest to the Idaho Episcopal Foundation may contact the Diocesan Office for assistance. If you have already made a bequest, inform the IEF Office, either in writing or by phone (208-345-4441), to include you as a member of the Bishop Tuttle Heritage Society, which recognizes individuals who have made a bequest for the church.

## **Church Support**

The IEF has been active in training lay leaders and disseminating material to help in carrying out Annual Stewardship and Planned Giving ministries to fund the vision of individual churches in the Diocese of Idaho.

- Workshops at Convention, the IEF annual meeting, the Ministry Fair, and at individual churches are training and assisting volunteers to better manage stewardship and planned giving efforts.
- Displays at Convention stress our year-round responsibility to manage our resources.
- A variety of materials are available to church leaders from the IEF office.

### **Legacy Sunday**

One of the top priorities of the IEF has been to develop awareness and interest among individuals in leaving planned or legacy gifts for churches in the diocese. December 2006 marked the third annual “Legacy Sunday” in each church in the Diocese of Idaho. IEF members witnessed their own planned giving provisions and reminded others to do the same. Through this annual effort it is hoped more people will provide for their church in their estate plans.

A “Planned Giving” brochure is available from the IEF office describing a variety of ways individuals can make bequests for the support of their church.

### **Individual Directed Funds**

The IEF administers several funds established to support individual churches in the Diocese of Idaho. Income and principal from these funds are available as directed by the donors. Contact the IEF Office to learn more about establishing a similar fund for your church.

### **Parish Endowment Fund**

In 2005 the Foundation created a Parish Endowment Fund for each church in the Diocese of Idaho. These accounts allow individual donors to make gifts directly to a permanent endowment fund that will support the work of their church for years to come. The accounts are managed by the IEF Investment Committee, and regular distributions are sent to the designated church for their use. To make a gift to the Parish Endowment Fund for your church, send a contribution directly or designate a bequest to “Idaho Episcopal Foundation Parish Endowment Fund for the benefit of (your church)”.

A Parish Endowment Fund for Grace Church, Glens Ferry, was established this past year. To add to this fund, or establish an IEF fund for your own church, contact the IEF office.

### **Life Income Gifts**

The Idaho Episcopal Foundation offers information on establishing life income gifts for churches in the Diocese of Idaho. Utilizing the resources of the Episcopal Church Foundation, such gifts can produce increased income, tax advantages, and long term support for the designated church. Contact the IEF office for more details.

## Parish Funds Investment

Nineteen churches have funds invested with the Foundation. They count on the regular income and fund growth for both annual budget needs and long-term goals such as building projects:

All Saints, Boise	Grace, Nampa	St. Mary's, Emmett
Ascension, Twin Falls*	Redeemer, Salmon	St. Paul's, Blackfoot
Calvary, Jerome	St. Francis of the Tetons, Alta	St. Stephen's, Boise
Christ Church, Shoshone	St. James, Mountain Home	The Soup Kitchen, Idaho Falls
Emmanuel, Hailey	St. James, Payette	Trinity, Gooding
Epiphany, Arco	St. Luke's, Idaho Falls	Trinity, Pocatello
Grace, Glens Ferry		* newly established

Though the weak market from 2000-2002 led to declines in the fund balance, the surplus built up in earlier years has allowed a current recommended distribution rate of 5%. The market recovery in 2003, followed by the moderate returns in 2004-5 held the hypothetical \$10,000 fund level just below the initial amount invested in 1996, but the strong performance in 2006 brought the level back above the original \$10,000. Distributions of \$7,033 were also provided over the 10-years. A hypothetical parish fund of \$10,000 placed with the Foundation on January 1, 1996, and managed in the Balanced Fund would have had the following results:

Year-end	Distributions During Year	Cumulative Distributions	Fund Balance at Year-end after Distributions and Expenses	Distribution Rate*	Investment Performance	Market Performance
1996	\$ 685	\$ 685	\$10,116	7%	6.7%	7.6%
1997	\$ 755	\$1,440	\$11,482	7%	23.0%	18.4%
1998	\$ 828	\$2,268	\$12,593	7%	16.7%	18.8%
1999	\$ 872	\$3,140	\$12,682	7%	9.1%	9.1%
2000	\$ 776	\$3,916	\$12,065	6%	1.7%	(3.4)%
2001	\$ 664	\$4,580	\$10,449	6%	(7.0%)	(4.5)%
2002	\$ 570	\$5,150	\$ 8,548	6%	(11.9%)	(9.4)%
2003	\$ 439	\$5,589	\$ 9,701	5%	20.4%	16.7%
2004	\$ 478	\$6,067	\$ 9,789	5%	7.2%	6.1%
2005	\$ 481	\$6,548	\$ 9,690	5%	5.3%	3.6%
2006	\$ 485	\$7,033	\$10,564	5%	10.2%	9.2%

\* To assist parishes in receiving predictable returns on invested funds, a distribution rate is recommended by the IEF Board to preserve long-term principal measured in inflation-adjusted dollars.

## Diocesan Funds Investment

The Diocese also invests its funds in an IEF account. The 2006 Diocesan budget received \$54,829 income from assets managed by the Foundation. This represents 7.8% of Diocesan revenues.

## The Bishop Tuttle Heritage Society

The Bishop Tuttle Heritage Society was created in 1996 to honor the Rt. Rev. Daniel Sylvester Tuttle, the first missionary Bishop of Idaho. The Bishop Tuttle Heritage Society recognizes individuals who have made a bequest for their parish church, the Diocese of Idaho, or the Idaho Episcopal Foundation in their wills or through other planned gifts such as charitable trusts, life estates, or gift annuities.

Contact the IEF office to be added to the Bishop Tuttle Heritage Society rolls.

## Financial Information

### Idaho Episcopal Foundation SUMMARIZED FINANCIAL INFORMATION For Year Ending December 31, 2006

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Statement of Financial Position</b>					
<b>ASSETS</b>					
Cash	2,415	19,193	1,753	594	1,290
Investments (Market Value)	<u>3,221,010</u>	<u>3,063,993</u>	<u>3,026,231</u>	<u>3,052,203</u>	<u>2,631,294</u>
<b>Total Assets</b>	<b><u>3,223,425</u></b>	<b><u>3,083,186</u></b>	<b><u>3,027,985</u></b>	<b><u>3,052,798</u></b>	<b><u>2,632,584</u></b>
<b>LIABILITIES AND NET ASSETS</b>					
Accounts Payable	<u>28,760</u>	<u>26,044</u>	<u>23,407</u>	<u>34,566</u>	<u>31,315</u>
<b>Total Liabilities</b>	<b><u>28,760</u></b>	<b><u>26,044</u></b>	<b><u>23,407</u></b>	<b><u>34,566</u></b>	<b><u>31,315</u></b>
Net Assets					
Foundation Grant Funds	573,526	555,919	567,629	548,507	491,030
Diocese of Idaho Funds	1,553,694	1,500,461	1,517,214	1,499,545	1,373,308
Funds Held for Parishes	1,067,444	1,000,762	919,734	970,180	736,930
<b>Total Net Assets</b>	<b><u>3,194,664</u></b>	<b><u>3,057,142</u></b>	<b><u>3,004,577</u></b>	<b><u>3,018,232</u></b>	<b><u>2,601,269</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>3,223,425</u></b>	<b><u>3,083,186</u></b>	<b><u>3,027,985</u></b>	<b><u>3,052,798</u></b>	<b><u>2,632,584</u></b>
<b>Statement of Activities</b>					
<b>ADDITIONS TO NET ASSETS</b>					
Grant Fund Additions	3,350	3,450	2,650	3,030	2,250
Memorial and Parish Support Additions	12,227	86,559	2,198	119,749	92,911
Appreciation in Market Value of Investments	177,466	43,483	120,657	434,652	(448,414)
Interest, Dividends and Other Income	<u>127,815</u>	<u>109,723</u>	<u>87,681</u>	<u>76,899</u>	<u>93,366</u>
<b>Total Additions</b>	<b><u>320,858</u></b>	<b><u>243,215</u></b>	<b><u>213,185</u></b>	<b><u>634,330</u></b>	<b><u>(259,887)</u></b>
<b>REDUCTIONS TO NET ASSETS</b>					
Investment Gains Distributed to Participants	96,049	109,270	88,381	77,566	103,125
Withdrawal of Principal by Account Holders	14,822	7,000	83,277	75,603	6,550
IEF Grants	34,716	39,873	20,924	33,520	29,442
Investment and Trust Fees	12,816	8,621	11,704	10,285	8,370
IEF Administrative Expenses	<u>24,933</u>	<u>25,887</u>	<u>22,553</u>	<u>20,393</u>	<u>20,834</u>
<b>Total Deductions</b>	<b><u>183,336</u></b>	<b><u>190,651</u></b>	<b><u>226,839</u></b>	<b><u>217,367</u></b>	<b><u>168,321</u></b>
<b>INCREASE IN NET ASSETS</b>	<b><u>137,523</u></b>	<b><u>52,565</u></b>	<b><u>(13,654)</u></b>	<b><u>416,963</u></b>	<b><u>(428,208)</u></b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b><u>3,056,797</u></b>	<b><u>3,004,578</u></b>	<b><u>3,018,232</u></b>	<b><u>2,601,269</u></b>	<b><u>3,029,477</u></b>
<b>NET ASSETS, END OF YEAR</b>	<b><u>3,194,320</u></b>	<b><u>3,056,797</u></b>	<b><u>3,004,578</u></b>	<b><u>3,018,232</u></b>	<b><u>2,601,269</u></b>

## Idaho Episcopal Foundation Members, April 2007

### **All Saints, Boise**

John Beckwith  
Jack Dancer  
Gerald Geddes  
Pat Harbert  
Ruth Keeth  
Kerrie Murray  
Ed Osborne  
Mary Kay Peterson

### **Ascension, Twin Falls**

Robert Alexander  
Nancy Koonce  
Bill Lehman

### **Christ Church, Shoshone**

Ken Crothers

### **Emmanuel, Hailey**

John Chapman  
Lois Heagle

### **Emmanuel, Placerville**

Jessica Gasiorowski

### **Epiphany, Arco**

Chad Cheyney  
Teri Cheyney

### **Grace Church, Nampa**

Mary Alice Thomas  
John Williams

### **Grace, Glens Ferry**

Denny Densley

### **Holy Nativity, Meridian**

Janice Avera

### **Redeemer, Salmon**

Gene Baumert  
John McKinney

### **St. Andrew's, McCall**

Maria Gebhards  
Lynn Tate

### **St. David's, Caldwell**

Antonia Ament Kline  
Wally Lonergan  
Linda Witsoe

### **St. Francis, Alta**

Debra Adams

### **St. James, Burley**

Michael Crabtree

### **St. James, Mountain Home**

Courtney Hiler  
Bob Rowett

### **St. Luke's, Idaho Falls**

Neil Brill  
Greg Hall  
Carolyn Robertson  
Rose Sanow

### **St. James, Payette**

Velda Asmussen

### **St. Michael's, Boise**

Steve Brown  
Pam Fonshill  
Melinda Kim  
Karl Klein  
Carol MacGregor  
George Moses  
Earl Reynolds  
Ann Sandven  
Alan Swajkoski

### **St. Paul's, Blackfoot**

Tommye Herndon

### **St. Philip's, Challis**

Kay Hovren

### **St. Stephen's, Boise**

George Alvarez  
Gretchen Burdin  
Pat Whaley

### **St. Thomas, Ketchum**

Bill Cassell  
Chip Mills  
Kim Nalen

### **Trinity, Pocatello**

Gene Kurtz  
Kristen Johnson

### **Trinity Memorial, Rupert**

Steve Sanders

### **Diocesan Officers**

Harry Bainbridge, Bishop of Idaho  
Henry Reents, President, Standing Committee  
Greg Hall, Vice-President, Diocesan Council  
Ron Harris, Diocesan Treasurer

### **Board of Directors**

Ruth Keeth, President\*  
Jack Dancer, Vice-President\*  
Ann Sandven, Immediate Past President\*  
Ron Harris, Secretary/Treasurer\*  
Robert Alexander  
Denny Densley  
Lois Heagle  
Wally Lonergan  
Bob Rowett  
Alan Swajkowski

### **Executive Director**

Martin Thomas

\* indicates a member of the Executive Committee