

“For this reason they are before the throne of God, and worship him day and night within his temple, and the one who is seated on the throne will shelter them. They will hunger no more, and thirst no more; the sun will not strike them, nor any scorching heat; for the Lamb at the center of the throne will be their shepherd, and he will guide them to springs of the water of life, and God will wipe away every tear from their eyes.” Rev 9:15-17.

For the last month, I have been reflecting on a statement that came to me in prayer: **“The blood that runs through the body of Jesus Christ runs through each person on earth.”** More and more this knowledge is forming the foundation of my Episcopacy. I am profoundly blessed to serve God and God’s beloved in this place.

I would like to thank each one of you for your faithfulness and willingness to embrace the Kingdom of God. I am moved by your love and hope. I would also like to express my profound gratitude for your offerings to the ministry of the entirety of the Diocese. Your sacrifices become sacred gifts that touch the world in the name of Jesus Christ.

Even though I am now 16 months into my ministry with you, I still carry the Diocese of Pennsylvania Bishop’s Election and Call Sheet. The call stipulates you were seeking a person who had:

- Energy.
- A readiness for building for the future.
- A commitment to everyone being heard and having a place.
- A desire to grow through building up existing parishes and ministries and starting new ones.
- A call to use our resources wisely - financial, human, and other resources as well.
- A longing to be relevant to one another and our surrounding communities.
- A deep love for our tradition and history.

This sacred call continues to frame my ministry and guides our work together. As people who carry the name of Christ, we have demonstrated that our diocese has the capacity and willingness to adapt and adjust; envisioning a new reality so that together, we might renew our commitment to building up the Body of Christ.

The Body of Christ is not a concept or theological structure; it is a physical and spiritual reality that reflects the Truth. The Body of Christ begins at the molecular level, and it grows, one person, one prayer, one sacred interaction at a time. We are not disparate and individual churches moving in separate directions. We are the disciples living our faith in the Diocese of Pennsylvania. “We most look like God when we are a community - the Body of Christ.”

Now we are taking the next step on our journey. Grounded in Jesus Christ, our beloved diocese has renewed our commitment to Christian outreach, using our prosperity for proclamation and the willingness to stretch our ability to challenge the 21st century. As we move forward, let us be

prayerful, innovative and have the freedom to go out in the world. Let us envision new possibilities for budgets, structures, ministries, outreach, and discipleship.

“Jesus is the Christ appearing among us to reveal God’s love, and the Church is his people called together to make his presence visible in today’s world. Would we have recognized Jesus as the Christ if we had met him many years ago? Are we able to recognize him today in his body, the Church? We are asked to make a leap of faith. If we dare to do it our eyes will be opened and we will see the glory of God.”¹

Let us create a place where all of God’s beloved will experience God and Jesus Christ and then live out that faith as they walk out into the world.

I am pleased to report that we have already taken some significant steps towards this holy goal. I would like to share some of the work of the past year and our unfolding journey into the future.

PRAYING, PROCLAMATION AND PEACE

We must never give up on the proclamation of the Gospel. Today, and each day, the world is in need of a Savior - Jesus Christ. The message is clear - we do not want a lethargic church that gazes inward. **Mission, outreach, evangelism, discipleship and not institutional maintenance must be our call to go forth into the world.**

Thus, we restructured our offices to better serve you. Together, we must create new and living budgets that prepare for the future, empower outreach, adjust for growth and enliven ministry. Our call is to build ministries without immediately thinking of closing churches or cutting ministries or missional activities.

We must be careful not bury our talents; **let us use our prosperity for the proclamation of the Gospel.** Jesus met everyone where they were in their life journey. He met them in their homes, in the temples, at the market, seeking water at the well, and on the road to Emmaus. It was the interaction with Him that transformed their lives. Thus, we are, also called to have daily sacred encounters with the world and one another.

LIVING AND VISIONING - CONGREGATIONS, CHURCHES AND MINISTRIES.

“See what love the Father has given us, that we should be called children of God; and that is what we are. The reason the world does not know us is that it did not know him. Beloved, we are God’s children now; what we will be has not yet been revealed.” I John 3: 1-3

I am often asked, “What is your vision for the Diocese?” My vision is your vision and it is based in the Gospel. It is of a living, vibrant and hopeful church that is willing and free to be creative, courageous, and trust in the transformative message of Jesus Christ.

At the heart of this message is a call to care for the most vulnerable, to heal the sick and to bind up the brokenhearted. We must redouble our commitment to the poor, meeting their needs and

¹ Nouwen, Henri J. M.

addressing the systemic causes of poverty. We must care for those suffering from addiction, including their families, and provide support for those in recovery. And as followers of Christ, we must address the issue of gun violence. This is more than just a matter of politics. Jesus taught us to love our enemies. We must listen, engage the problem at its roots, and show that there is a better way to resolve our differences.

As we face these challenges, let's be daring and not worry about failing - Christ is with us. We can never forget that the Apostles were daring and courageous because they knew that Christ was with them. We must also be willing to shed the old security blanket of "we have always done things this way." We have sacred spaces, moving music, liturgy and a great historical foundation.

Keeping these gifts before us, we must ask how to envision ministry in a new and different reality. **If we meet people in their daily life, listening and meeting their needs, through the power of Christ, our ministries will develop that sacred interaction.** When we step out into the world in faith, the transformative power of Jesus Christ works through us to touch the depths of people's beings. When we meet their needs and touch their hearts, the Church will grow.

If we are going to pray and dream together, imagine a diocese that would:

- Identify a sacred space that can be used as a refuge for those who are homeless, victims of human trafficking and those who are sex workers.
- Envision health care as basic ministry of the church.
- Create resources to care for the elderly and the dying.
- Support the creation of Episcopal schools with an emphasis on spiritual formation.
- Create the possibility of a music school housed in a sacred space.
- Look into the feasibility of creating affordable housing.
- Support the creation of Monastic Communities.
- Form a Center for Contemplative Prayer and Spirituality.
- Develop Community Kitchens that can serve as job training centers.
- Create a communications center to assist congregations and produce original content.

These possibilities might be developed at one of our congregations or at one of those churches where we are carrying the property. We could sell the property and that money would go into growing our endowment. However, if we do so we lose a launching pad for spreading the Gospel. Let us be wise, creative, courageous and daring, like the early church.

Imagine the potential, if we created a program where we recruit clergy and place them in our smaller churches in the outer counties. They would be funded for three years and each would have a specific mission. Essentially, they would be community-based leaders addressing the needs of the community. This would help grow the individual churches and our diocese. This would be done in conjunction with the restructuring of the missions, and we can then create linkages.

We must also continue to reach out globally. By coordinating our efforts, we can have an even greater impact in Africa, India, Puerto Rico, Cuba, Mexico and Latin America.

Finally, we will create a path to plant and grow Hispanic congregations. Our goal is to plant 5 - 10 new congregations within the next 7 years.

We have already begun to lay the groundwork for such mission:

- We have created three new canons for Resources and Support, Innovation and Community Engagement, and for Mission. More information about their work can be found on the Diocesan [website](#).
- We are investing in launching new mission congregations at St. John's Norristown and at St Stephen's, Philadelphia.
- We are exploring the possibility for new mission at the Church of the Crucifixion in collaboration with the Southwark Deanery.
- We are supporting congregations like St. Mary's, Bainbridge and Christ Church and St. Michael's with both our staff and financial assistance.

As we envision new ways of being the Church, we must also change the way we view "success." Average Sunday Attendance is not the only way to measure the impact of the Gospel on a community. Let's re-envision this together. In our parochial reports, we will be adding a new line for "Authentic Sacred Encounters." These are encounters in the name of Christ. They could be providing backpacks, providing pastoral care, providing shelter or handing out sandwiches on the street.

We cannot do all this alone. It will take partnerships among our own churches, businesses, community groups, government, and our brothers and sisters across the spectrum of faith. I am also of the belief that the work of Episcopal Community Services (ECS) become part of our collective mission. ECS was created from the lives and gifts of our diocese and they need to be part of our missional and outreach strategy with the Offices of the Diocese.

In Christ, we are going to grow our churches and transform our world, not because it is easy, but because it is hard. That is what it means to live out the Great Commission like the Apostles.

THE OFFICES OF THE DIOCESE OF PENNSYLVANIA

Almighty God, you have knit together your elect in one communion and fellowship in the mystical body of your Son Christ our Lord: Give us grace to follow your blessed saints in all virtuous and godly living, that we may come to those ineffable joys that you have prepared for those who truly love you; through Christ our Lord with you and the Holy Spirit lives and reigns, one God in glory everlasting. Amen. Collect for All Saints Day.

My idea of a Bishop is centered in the belief that a shepherd should smell like the sheep. Our commitment to the congregations is one of servant ministry. I continued my Sunday visitations and attended every celebration of New Ministry. Although the pilgrimage is coming to an official end, I will continue to spend time out of the office in our churches and in the community

as part of our collective outreach ministry. Together, we will walk, listen, share, pray and learn with you. To that end, I now have office hours every other Thursday out in the Diocese.

This call to servant ministry is reflected in the ministry of the staff. The pyramid is being turned upside down. We exist to serve you, not the other way around. Therefore, we realigned staff positions to meet your needs and are creating new frameworks to support and empower the congregations. The Canons are out at our churches, engaging in mission, listening, serving at the altar, preaching, asking questions, envisioning, and walking with you.

Additionally, the ministry of the Canons is also to those churches who are facing unexpected obstacles not only as advice, but as a pastoral presence. After each visit to a congregation, they make a written report, detailing opportunities and challenges. We review these reports at staff meetings so that we can, then, better coordinate our efforts. That is because the staff operates as a team with an understanding and knowledge of everyone's ministerial responsibilities. There is no space among them for 'that is not my job'.

By the end of the year, the positions of Transition Minister, Communications Director and Diocesan Missioner will be filled. In all cases, we were blessed with an abundance of highly qualified applicants. The search committees will settle on the finalists who will be interviewed by the senior staff. The staff, then, will make recommendations of one or two candidates to the Bishop. It is important to note that even with these additions we held the line on staff salaries; and, that the staff of our diocese is significantly smaller than other dioceses of our size.

The new Transition Minister will place recruiting at the top of their list. We will work to raise up creative and entrepreneurial priests and deacons who can create new models for ministry. We are also changing the way we approach Supply Ministry. As part of a redefinition they are no longer called Supply Priests, they are now Sunday Missioners. It is our plan to create a team of regular Sunday Missioners within each deanery, so that they will know the congregations and the congregations will know them.

Part of my call and vows is to take part in the councils of the church. In 2017, I attended the following:

- Two sessions of the required College of Bishops in Virginia.
- The House of Bishops Spring Meeting in North Carolina.
- Represented the Diocese at the Consecration of Jennifer Baskerville-Burrows as Bishop of Indianapolis (A College of Bishops Classmate).
- Represented the Diocese at the Consecration of Rafael Morales as Bishop of Puerto Rico (A College of Bishops Classmate).
- Served as a Co-Consecrator of Jennifer Brooke-Davidson in West Texas.
- Spoke at the Society of Anglo-Catholic Priests in Chicago.

Finally, I would like to thank those who served on the Diocesan Staff over the numerous transitions; your faithfulness and endurance are a gift. My transition was not possible without your time, thoughts and prayers. You have been an integral part of this blessed journey.

POINTS OF MINISTRY AND CELEBRATION

*“I will bless the LORD at all times;
his praise shall ever be in my mouth.
I will glory in the LORD;
let the humble hear and rejoice.
Proclaim with me the greatness of the LORD;
let us exalt his Name together.”*
Psalm 34

The staff of your diocese has focused on creating community, ensuring transparency and accountability and preparing for the future, all while accomplishing over 190 important and transformative goals. These accomplished may be found as an appendix available [here](#).

Here are a few I would like to highlight:

- **Mission Review.** Working with Diocesan Council a committee was formed to review what it means to be a mission church. This includes: how a church becomes a mission; the timeline for becoming and remaining a mission; the goals of mission status, etc.
- **New Congregational Life and Redevelopment Team.** This team of ordained and lay leaders are available to congregations for envisioning, transitions and development of new ministries.
- **New Ordination Process.** Last year I called for the creation of a new discernment and ordination process. As Bishop, I believe a sacred responsibility is developing people, both lay and ordained, for ministry. A committee was formed to develop a new process for discernment and ordination. I would like to express my deep gratitude for the committee and extraordinary work accomplished over the past year. I believe we will have a sacred, trusting, and healthy process that will serve as a model in the church. Thank you.
- **Church Growth Fund.** The development of a special fund that would grant \$300K a year for five years to assist for physical improvements that would facilitate the growth of churches. Congregations will apply to Diocesan Council for a one-time grant of up to \$30K.
- **Communications.** We increased emphasis on communications and the use of multi-level communication engagements. This includes video, *CAMINOS* (our Diocesan magazine), social media, and an enhanced website.
- **Diaconate.** I believe we are called to build the strongest and best diaconate in the country. We need to recruit, train, and empower deacons. A deacon travels with me each week; and, during the announcements I have asked them to explain their ministry and to seek those discerning the diaconate. We will grow this beloved order.
- **Sacred Gifts.** We created a committee that has already redefined the terminology around stewardship and congregations’ financial support of the Diocese. What were called

assessments are now Sacred Gifts for Administration and what were pledges are now Sacred Gifts for Ministry. This group will continue to guide this process.

- **New Committees and Ministries.** Over 17 [New Committees](#) were created that are addressing important issues in our diocese.
- **Strengthening of the Deaneries.** The Deans gather monthly to worship together, share a meal and support their developing ministries to their Deaneries.
- **Empowering Diocesan Council.** I will continue to work to empower this most representative body to make decisions that guide our ministry and direct our finances.
- **Restructured the Youth Program** to serve as a resource for congregations rather than the source of programs. Within two years we hope to expand this ministry to include a coordinator for millennials and young families.
- **Inventory of Assets.** The Diocese is in the process of a complete inventory of all our physical and financial assets. This is essential in planning, budgeting, and envisioning. As a wise mentor once told me, “You cannot improve what you cannot measure.”
- **Priesthood.** The health and welfare of priests and their families is of critical importance. I have asked in each Letter of Agreement that the priest and I discuss a daily discipline of prayer, the utilization of a spiritual director, and a yearly retreat. We need to create additional support in the form of time, rest, support, fellowship, education, and prayer. Healthy and spiritually fed priests lead to healthy and fed congregations.
- **Incorporation.** The Incorporation Committee, led by the Rev. Frank Allen, began its important work.

BUDGET

What we do know is this: when he is revealed, we will be like him, for we will see him as he is. And all who have this hope in him purify themselves, just as he is pure. 1 John 3

The budget is a sacred document and belongs to all of us as followers of Jesus Christ in the Episcopal Diocese of Pennsylvania.

The importance of our budget is reflected in work of the 2018 budget process. In order to ensure transparency and openness, we held five additional budget hearings in addition to the four regular pre-convention meetings. These sessions were in response to your request to have greater opportunities to comment and allow for your input. This feedback allowed us to change our budget so that it better reflects our priorities as followers of Jesus Christ.

Over the next few years, we will continue to refine our process so that the budget is clear and readable. In the coming years, it is also our intention to publish an annual report that will detail all the financial information of the Diocese. This is of crucial importance because at its heart the Diocesan Budget is a living and sacred document that reflects our missional priorities. As we move forward, the Diocesan Budget will reflect the following:

- The emphasis on mission and outreach within the Diocese, the Episcopal Church and globally.
- The need to empower and support our congregations.
- Continual striving not to increase the Gifts for Administration (Assessment).
- Create and set realistic expectations for the Gifts for Mission (Pledges) that congregations can actually meet.
- Support new models of ministry in which deaneries work together to build our churches.
- Continued work to accurately and transparently show all costs and expenditures.

In line with this vision, we made important progress in the 2018 Diocesan Budget. These are a few examples:

- Working collaboratively with the Finance Committee and Standing Committee, we kept the Gifts for Administration (Assessment) at the same level as last year. This will allow congregations time to strengthen and grow.
- Included off budget costs of property management clearly into 2018 budget.
- Brought in new financial staff without a disruption in service or budgetary deadlines.
- Created a budget page on the diocesan website that gives a summary of financials, audits, endowments, scholarships, etc.
- Began an inventory of all our churches and properties.
- Realized \$900,000 dollars in gain from our investment in the apartment tower at the Cathedral. This money is being held in reserve to help offset the cost of our offices or to fund the purchase of an office building at some future point.

WAPITI

We are renewing the use of this property. Over the past year, we have conducted a complete accounting of usage, terminated loose agreements, instituted new rules, and reactivated previous regulations. I have also asked that a complete accounting is made of the amounts expended and the total amount invested in Wapiti. It is posted as part of our improved financial reporting. I am pleased to say that our churches and vestries are using Wapiti for meetings and retreats. It is currently an asset on the books, and we need to be good stewards of our resources. We are also exploring new ways of envisioning creative possibilities for this unique place.

Part of being stewards includes assuring we do not lose the sacred resources already invested there. Wapiti is currently carried on our books at \$4.5 million dollars. We received few offers that were not loaded with conditions and none was high enough to merit serious consideration. For more than five years it has been the consistent opinion of governance that it would be irresponsible to sell a property that represents over \$10 million in hard costs for such a loss. As a former economic developer, and one who created a successful retreat center, we will journey together and envision the future of this property. Let us trust in the transformative power of Jesus Christ. Our prayers and community will prepare new life at this place.

PLAN FOR OUR FINANCES AND FUTURE BUDGETS

When Jesus saw the crowds, he went up the mountain; and after he sat down, his disciples came to him. Then he began to speak, and taught them, saying: 'Blessed are...

We must approach the future with a different budgetary vision and plan: one that believes in the power of Jesus Christ to change this diocese and the world.

In aligning all costs into a unified budget, we were left with a \$420K deficit. The funds to cover it came when the diocesan staff and the Treasurer identified undistributed (and unrestricted) income in the endowment. It has become apparent that although historically the Diocese has been comfortable formulating budgets in this fashion, it is not sustainable. We cannot continue to operate in this fashion. This issue did not appear overnight, and it will take time to correct.

Moving forward we must:

- Accurately forecast the amount of income we can responsibly draw from our endowments.
- Transform negative cash flow (unused churches) by creating ministry, opening them to service and bringing new life.
- We must either increase income and/or replenish the fund to cover the cost of maintaining these properties while concurrently identifying uses for those churches.
- Create a proportional and fair system for congregational support of the Diocese.
- Cease the reliance of closing the operational deficit gap by the sale of assets.

The largest portion of the current budget is the mission church category. We will not sacrifice our missionary work to balance a budget because we are called to embrace the Kingdom and spread the Gospel. We are currently reviewing the mission process and formulating a rebirth that includes process as well as spiritual, fiscal, and physical accountability. I will emphasize this once again. Yes, we can sell the property and dollars will go into our endowment; but if we do, we lose a launching pad for spreading the Gospel message.

I do not believe we should settle for a simple “either/or” choice. We have Jesus. Let’s be wise, creative, courageous and daring. Let’s be pioneers like the early church. **We must plan for the future, but we are also living in the present moment. Let us work to share the message of Jesus Christ with a world that desperately needs to hear it.**

Thus, in consultation with Standing Committee I am appointing a Bishop’s Committee to discern a path that will allow us to look at our assets and determine how we can recast those assets to empower us for ministry while ensuring income, balanced budgets and the capacity to grow. The committee will be framed by a theology of abundance and not scarcity so that they might then envision how we can use our assets to empower our congregations for ministry so there is no differentiation between the Main Line and the City. This committee will present a plan to the 2019 Convention.

In my conversations and listening sessions, I have not found one person who advocates burying our talents when the world desperately needs our call to preach the message of Jesus Christ. As we move forward let us be courageous and hopeful.

OUR PILGRIMAGE TOGETHER - CAMINOS (THE WAY)

After this I looked, and there was a great multitude that no one could count, from every nation, from all tribes and peoples and languages, standing before the throne and before the Lamb, robed in white, with palm branches in their hands. They cried out in a loud voice, saying, 'Salvation belongs to our God who is seated on the throne, and to the Lamb!' Revelation 7

I am incredibly blessed to journey with you. We are walking this sacred path to build something transformative and new. I envision a time when our diocese will help transform the whole Episcopal Church. We can do this together - in Jesus Christ.

If we were to chart a fluid timeline for this journey in years, it would be:

Year 1-2: Prayer, Building Community. Holiness
 2-4: Prayer, Trust, Aligning Resources, Visioning, Reestablishing Foundations, Evangelism
 3-6: Courage, Empowering Churches, New Ministries and Visions, Creating Opportunities,
 5-8: Proclamation, Opportunities, Great Commission, Go, Build, Growth
 9 and onwards: A New Church Comes into Being.

Our goal is one that requires courage, hope and faith. Therefore, we must recommit ourselves to:

- Preach Jesus Christ and proclaim the Gospel.
- Leave no one behind. Everyone matters since we are created in the image of God.
- If they don't come to church, then we must meet people where they are on the journey.
- Create a church where the world believes they belong.
- Touch the pain and poverty of the world in the name of Jesus Christ.
- Be both prophetic and pastoral.
- Pray, forgive, love.
- Go Deeper in Prayer.

The next year will be a time where we focus on authentic evangelism and the empowerment of the sacred order of the laity. We will be releasing exciting offerings and courses in early 2018.

I would like to thank the Standing Committee for their faithfulness, support, advice and hope over this past year. I would also like to thank Diocesan Council for their call to ministry and turning prayers into action.

Finally, know I pray for you daily. Every morning I say the name of each church by name and those in the congregations. You are on my lips and in my heart. I ask for your prayers for Suzanne, Jude and me. I continually work on balancing rest with work, placing humility over ego, talking over the sacraments of presence and listening. I am fed by prayer and the Eucharist and I could not do it without your support.

Let us build a place of prayer, proclamation, and peace. I am blessed to serve as your Bishop.

Let us work each day to hear the words of Christ "Go in peace; your faith has made you whole!"

In Christ,
The Rt. Rev. Daniel G. P. Gutiérrez
XVI Bishop of The Episcopal Diocese of Pennsylvania