

- 42 Support for Immigration Resolutions of General Conference (Diana Wingeier-Rayo, Albemarle District Director of Hispanic Ministries; Philip Wingeier-Rayo, Professor, Pfeiffer University; Frank Ramos, Conference Director of Hispanic Ministries)
- 44 Drivers' Licenses for Immigrants (Conference Committee on Hispanic Ministries) (Supplement, page 13)

4. SHEPHERDING THE SHEPHERDS

- 21 Petition to General Conference: Episcopal Assignment Process (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
- 23 Petition to General Conference: Accountability of Council of Bishops (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
- 24 Petition to General Conference: Study of Judicial Proceedings (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
- ~~26 Requirements for Clergy Candidates (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)~~
- ~~28 Amicable Separation of Clergy (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)~~
- 35 Formula for Increases in Pastoral Compensation (William R. Taylor, Plateau-Wesley's Chapel Charge, Statesville District, for WNCC United Methodist Rural Fellowship)
- 47 Parsonage Furniture (Conference Cabinet)

5. SPIRITUAL DIMENSIONS OF STEWARDSHIP

- 1 2007 Conference Funds and Financial Policies (Council on Finance and Administration)
- 15 Pension Programs and Policies (Board of Pension and Health Benefits)
- 16 Conference Insurance Program (Health Benefits Committee of Board of Pension and Health Benefits)
- 18 Equitable Compensation Policies and Guidelines (Commission on Equitable Compensation)
- 22 Petition to General Conference: Episcopal Funding (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
- ~~39 Withhold Funding from World Council of Churches (Administrative Board, Mt. Olivet Church, Lexington District)~~
- 46 Cole Foundation Trustee (Trustees of the Eugene M. Cole Foundation)

6. AFRICA UNIVERSITY AND MISSIONS/OUTREACH

- 2 Advance Specials for 2006-2007 (Commission on Outreach Ministries)
- 3 Golden Cross (Commission on Outreach Ministries)
- 4 Directors of Wesley Community Development Corporation (Board of Directors, Wesley Community Development Corporation)
- 20 Rural Life Sunday (Randy L. Wall, Chairperson, for WNCC United Methodist Rural Fellowship)

7. DISCIPLESHIP AND LEADERSHIP

- 6 Brevard College Trustees (Board of Trustees of Brevard College)
- 7 Duke University Trustee (Board of Trustees of Duke University)
- 8 Campus Ministry Boards (North Carolina State Commission on Campus Ministry)
- 14 Election of Lay Delegates to General and Jurisdictional Conferences (Council on Laity)
- 17 The Annual Conference Meeting (Committee on the Annual Conference Meeting)
- 19 Dates of Annual Conference (Melissa S. Tingle, *et al.*, for Clergy Spouses Fellowship)
- ~~27 Amicable Separation of Churches (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)~~
- 29 Petition to General Conference: Elimination of "Open Hearts, Open Minds, Open Doors" (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
- 32 Pre-election Process for Lay Delegates (Les O. Fowler, Central Church, Asheboro; Elizabeth H. Cox, Pleasant Hill Church, Seagrove; David F. Hayes, Council Chairperson, Pleasant Hill Church, Seagrove; Kathy W. Hayes, Secretary, Mt. Zion-Pleasant Hill Charge, Seagrove)
- 33 Increase Accessibility for Annual Conference (Randy L. Wall, Chairperson, for WNCC United Methodist Rural Fellowship)
- 43 Camp Tekoa Trustees (Board of Trustees of Camp Tekoa)
- 45 Dissolution of State Commission on Campus Ministry (North Carolina State Commission on Campus Ministry)

Charles D. White, Jr., *Conference Secretary*

Z. CHURCH EXTENSION, INC.

After 25 years of service to churches in the Western North Carolina Conference of The United Methodist Church, Church Extension, Inc., is folding its tent in 2006. Operating initially as a conference-staff function and later as an independent affiliate, Church Extension has helped build more than 80 churches, fellowship halls, parsonages, and other church facilities since 1981, at substantial savings to their congregations.

The board of directors of Church Extension voted on March 9, 2006, to begin the legal process of dissolving the corporation, which is expected to cover several months. Remaining financial assets of Church

Extension will be transferred to the Western North Carolina Conference to be used within the conference for churches eligible for Duke Endowment support and/or for church-building projects of Western North Carolina Conference building teams. All other resources of Church Extension, including tools and equipment, will be given to the conference Mission Response Center.

The mission of Church Extension has been:

To help churches and church-related institutions in the Western North Carolina Conference of The United Methodist Church—especially in rural areas—build and renovate places of ministry at reduced costs by using volunteers in consultation, construction, and management.

Many dedicated individuals have contributed to the success of Church Extension over the years, but none more than Joe L. Ervin. Joe was initially recruited by Bishop L. Scott Allen to head up the operation, known then as Extension Services, after demonstrating that the volunteer-based model was highly effective. He continued to direct Extension Services until 1995, retiring after a viral infection, contracted on a building team to Brazil, seriously impaired his vision. Church Extension continued to benefit from Joe's advice and support and the broad base of volunteers loyal to him in the years after his retirement. Many other hard-working volunteers have served on the board of directors and local church committees and helped on construction projects.

The landscape for Church Extension activities has been significantly altered in the last five to ten years. With consolidations and closings, and with membership declining in small, rural churches that comprise the primary market for Church Extension, the demand for the organization's services has begun to wither. That factor has been compounded by increasingly more restrictive building codes that put many building tasks beyond the skills of volunteers, the aging of the volunteer base, and diminishing skills among those who are physically able to handle taxing construction tasks.

Church Extension changed its building model two years ago to address the changing environment. The new model produced dramatically positive results at Mill Grove Church, in Indian Trail, and at Eden Church, near Madison. Almost a year lapsed following completion of the multipurpose facility at Eden, with no additional projects. The lack of ongoing projects has made it difficult for Church Extension to make economical use of its resources.

The decision to dissolve the corporation is one that was not made lightly. Many board members and volunteers have ties of accomplishment, sentiment, and fellowship that go back many years. Those who have interests and skills for construction, however, know that there are other opportunities available to them through other agencies of the Western North Carolina Conference. Their talents will continue to serve the church.

Finally, we close this final report of the work of Church Extension with a list of many of the church and church-related projects that stand as a fitting testimony to Joe Ervin, a founding member of this organization, and the volunteers who made it successful in serving The United Methodist Church:

Brevard's Chapel, Denver	Hinton Rural Life Center, Hayesville	Addie's Chapel, Marion
Green Hill, Lenoir		Clinchfield, Marion
Ebenezer, Denver	Spring Creek, Hot Springs	Rehobeth, Polkville
Mt. Pleasant, Stanley	Avery's Creek, Asheville	UMAR House, Hayesville
Saint James, Denver	Martin's Creek, Brasstown	Sweetwater, Hayesville
New Hope, Iron Station	Epworth, Gastonia	Cherokee, Cherokee
Bingham Memorial, Tuloca	Marvin, Catawba	Mount Tabor, Madison
Camp Tekoa, Hendersonville	Brown's Chapel, Long Island	Mount Zion, Madison
Lovell's Chapel, Pilot Mountain	Harmony Grove, Lewisville	Mount Pleasant, Greensboro
Wesley Foundation, Boone	Piney Grove, Advance	Spruce Pine, Spruce Pine
Valle Crucis, Valle Crucis	St. John's, Hickory	Boger City, Lincolnton
Mundy's Chapel, Mooresboro	St. Mark's, Charlotte	The Children's Home Learning Center, Winston-Salem
Durham, Shelby	Bess Chapel, Lincolnton	Wesley Foundation, Greensboro
Garrett's Grove, Reidsville	Glencoe, Stokesdale	Mill Grove, Indian Trail
Palestine, Stokesdale	Eden, Madison	Peace, Summerfield
Bethel, Rural Hall	Christian Ministry, Lenoir	Level Cross, Level Cross
Christ, Salisbury	Beaver Creek, North Wilkesboro	Simpson-Gillespie, Charlotte
Faith, Mooresville	Little Country Church, Lincolnton	Jackson Park, Kannapolis
Hopewell, Polkville	Tucker's Grove, Lincolnton	Brown Summit, Brown Summit
Mt. Pleasant, Sherrills Ford	Saint Paul's, Newton	W. Harvey Pardue, <i>President</i>

AA. DISCIPLE BIBLE OUTREACH MINISTRIES OF NORTH CAROLINA, INC.

After seven years of successful ministry, Disciple Bible Outreach Ministries is expanding its work, both in North Carolina and to the rest of The United Methodist Church.

- **District DISCIPLE Training Events for All North Carolina Methodists:** Beginning this year, DBOM will work to take DISCIPLE Bible Study training to every district across North Carolina. Both clergy and laity will be invited and encouraged to attend. By offering the trainings in each district, and by making them available to all at no cost, we hope to eliminate the barriers of cost and inaccessibility that often keep churches from participating in DISCIPLE Bible Study. District trainings will be conducted over a three-year period. The district training schedule will be available soon.
- **On-Line Training Across the United Methodist Connection:** Last year, DBOM began work with the Foundation for Evangelism to offer on-line training in both the DISCIPLE Prison Ministry and

Rings of Fellowship programs. These trainings are now available via the DBOM website, www.disciplebibleoutreach.org, and enable volunteers throughout the United Methodist connection to receive training in DBOM's unique model of evangelism.

- **DISCIPLE AND RINGS OUTREACH:** DBOM continues to be faithful to her two powerful outreaches in the adult prisons and juvenile youth development centers, DISCIPLE Bible Study and RINGS OF FELLOWSHIP. This year, the RINGS OF FELLOWSHIP student manual was translated into Spanish and is now available from the DBOM office. Using these new resources, Spanish-speaking RINGS groups are now in process. The construction of three new 1000 prison units underscores the need, both for these ministries to the prison population and for new local church prison volunteers. If you feel called to this ministry, please call us. Preparations are currently under way for the fall 2006-spring 2007 season.
- **DBOM Special Sunday, August 27, 2006:** A special Sunday offering will be received for DBOM in the churches on August 27, 2006. We are deeply grateful for the support DBOM received in 2005 and pray that every church will join us in our work to transform lives for Jesus Christ in both the prisons and pews!

Mark C. Hicks, *Executive Director*
Gray Southern, *Board Chairperson*

Board members from Western North Carolina Conference: Lynne B. Caldwell, David H. Christy, Randolph H. Harry, Patricia Pegram, Mike Smith, James T. Trollinger, and Carl M. Worthy, Jr.

BB. FINCH-HUNT INSTITUTE FOR HOMILETICAL STUDIES

The Finch-Hunt Institute for Homiletical Studies, established through the generosity of the late George D. and Lucy Finch, of Thomasville, North Carolina, and the vision of Bishop Earl G. Hunt, Jr., and other conference leaders, is devoted to the strengthening of Western North Carolina Conference pulpits. Laity and clergy both support the institute and benefit from its emphasis on continuing education as a means towards vital and effective preaching.

The primary offering of the institute occurs in February, when the annual Finch Lectures on Preaching are presented as part of the Mission to Ministers, which is cosponsored by the Western North Carolina Conference Commission on Witness Ministries, Division on Evangelism.

Some 250 pastors from the Western North Carolina Conference gathered on February 7, 2006, to hear two outstanding speakers. Bishop William H. Willimon was the 2006 Finch Lecturer on Preaching. Mark Mittelberg, long-time evangelism director at Willow Creek Community Church, was this year's lecturer on evangelism. The event was held at Christ Church, in Greensboro. The Board of Trustees met for dinner following the event. Bishop Willimon addressed this group. The financial report was presented by the treasurer and approved.

The 2007 Mission to Ministers will be held Tuesday, February 6, at Providence Church, in Charlotte.

Other programs of the Finch-Hunt Institute include the annual Bishop's Reading Program and awards to those who demonstrate excellence in preaching. Winners of the sermon award program in the recent past have been Cathy A. Cook (2004), Donna M. Claycomb (2004), Marianne M. Romanat (2002), D. Wayne Ratcliffe (2002), Mary P. Kinken (2001), David A. Cook, Jr. (2001), Andrew D. Baxter (2000), Karen L. Easter (2000), Jonathan D. Marlowe (1999), Daniel J. Lyons (1999), and Lara W. Greene (1998).

This report is submitted with great appreciation to the laity and clergy who support the institute.

J. Lawrence McCleskey, *Chairperson*
Julianne Brittain, *Executive Vice-President*
Patricia W. Wiseman, *Secretary*
David B. Wall, *Treasurer*

CC. TRUSTEES OF THE EUGENE M. COLE FOUNDATION

The will of Eugene M. Cole established the Eugene M. Cole Foundation in 1944 to provide benefits for retired ministers and surviving spouses for the Western North Carolina Conference. In 2005, the foundation directed monthly payments to the conference treasurer to supplement the cost of health-care benefits to retired ministers and spouses. The monthly payments totaled \$204,000 in 2005. The trustees have determined that the monthly payments for health-care benefits shall continue for 2006.

The foundation is governed by three trustees elected by the annual conference: James C. Windham, Jr., chairperson; Juanita T. Henderson, vice-chair; and M. Anthony Orsbon, secretary.

James C. Windham, Jr., *Chairperson*

Proposal: Cole Foundation Trustee

(Referred as Petition 46 to Forum Group 5)
(Adopted by conference on June 9, 2006)

The trustees of the Eugene M. Cole Foundation propose that James C. Windham, Jr., whose term as trustee expires in 2006, be re-elected for another three (3)-year term, expiring in 2009.

DD. THE UNITED METHODIST FOUNDATION OF WESTERN NORTH CAROLINA, INC.

Dear Brothers and Sisters in Christ,

What a pleasure it is to share with you the ministry of the United Methodist Foundation of Western North Carolina, Inc. Although the foundation was chartered in 1967, its intentional ministry did not begin until 1985, when, by annual conference action, a plan was put in to place to make the foundation a vital ministry partner with United Methodists in the Western North Carolina Conference. Our goal is to carry on the good work that those before us started many years ago, by endowing Methodism throughout our annual conference.

The year 2005 was another landmark year for the foundation. Our assets reached an all-time high of \$85,969,558. Of these total funds, approximately \$4.6 million were new monies that were invested through the foundation. To our existing clients, we thank you for the faith you demonstrate in us by continuing to utilize the ministries of the foundation. For those of you that are new to the foundation, welcome to the family! We promise to do all within our power to help you be the best stewards of God's blessings that have been entrusted to you. For those of you that are yet to be clients, we hope you will seriously consider our ministries of endowment development, planned-giving education, and fund management. It is our pleasure to be in ministry with you.

This year brings about new opportunities for the foundation. Following the example of many other United Methodist foundations throughout the United States, and answering the call to new and vital ministry, the foundation is offering a Church Loan Program and Development Fund. This program will provide United Methodist churches and church-related institutions with funds needed to complete building/renovation projects and will offer investors a guaranteed rate of return, all the while knowing they are helping to strengthen United Methodist ministries. To learn more about this ministry, please contact the foundation office at 800-562-7929, ext. 146.

In an effort to provide new ministries that foster the mission of making disciples of Jesus Christ, the *Royce and Jane Reynolds Leadership Fund* of the United Methodist Foundation and the Western North Carolina Conference Office of Congregational Development have developed the *Royce and Jane Reynolds Academy for Evangelism and Discipleship*. This two-year program is open to 25 pastors from the Western North Carolina Conference and helps train them to be leaders of leaders and to equip the church leadership to be evangelistic in their approach to ministry. The *Royce and Jane Reynolds Certificate Program in Church Leadership* continues to be a vital ministry of the foundation. Partnering with The Divinity School at Duke University and The Center for Creative Leadership in Greensboro, the foundation has helped develop clergy leadership skills for 174 pastors over the last six years. The *Royce and Jane Reynolds Fund* continues to support ministries that adhere to the Great Commission. Ministries funded in 2006 include: Youth Ministry Initiative of the North Wilkesboro District; Seed Sowing Campaign of the Greensboro District; The Gathering of the Asheville District; Hispanic Ministry Initiatives in the Waynesville and Charlotte Districts; Jim Griffith Coaching, sponsored by the Western North Carolina Conference Office of Congregational Development; Christian Peer Leadership Development program of Pfeiffer University; Television Ministry Outreach of First Church, High Point; St. Timothy Church, Greensboro, Outreach Program; Celebrate Recovery Program at Christ Church, Hickory; Beginnings 2: Life in the Spirit program at Central Church, Concord; St. Stephens Church Development of Christ Church, Hickory; ELADE – evangelism workshops in South and Central America and the World Methodist Evangelism Institute. Applications for consideration in 2007 will be available through the foundation office, beginning the last quarter of this year. Completed applications must be received in the foundation office by February 1, 2007. For more information, contact the foundation at 800-562-7929, ext. 146.

Supporting our retired clergy and their families has been a priority for the foundation over the years. Through the *Superannuate Endowment Fund*, a permanently restricted endowment of the United Methodist Foundation, we provide supplemental retirement benefits to retired clergy and their surviving dependents. During Holy Week of 2006, \$149,764.97 was distributed. Thanks to the vision of laypersons that have affection toward our clergy and their families, this fund will provide financial resources in perpetuity.

As always, it is a pleasure to be in ministry with our brothers and sisters in Christ. When the foundation can be in ministry with you, please give us a call.

Sam H. Smith, Jr., *Chairperson, Board of Directors*
David A. Snipes, *President*

EE. BROTHERHOOD/SISTERHOOD OF THE WESTERN NORTH CAROLINA CONFERENCE

We want to thank all the laity who have become non-beneficiary members of the Brotherhood/ Sisterhood and have allowed us to suggest that the benefit be raised to \$9,000. The Brotherhood/Sisterhood is an important connection of the clergy of the conference. It is one way that we can pull together and express our gratitude for the life and ministry of another of our brothers or sisters in ministry.

**Treasurer's Report
Statement of Cash Receipts and Disbursements
July 1, 2005 – March 13, 2006**

Receipts:	
Advance Payments for Calls	\$ 4,088.29
Revenue from Calls: Clergy	47,554.00
Revenue from Calls: Lay Members	52,825.00
Revenue from Notes: Clergy	6,151.00
Interest Income	1,107.45
Other Revenues	<u>750.26</u>
Total Receipts	\$112,476.00
Disbursements:	
Death Benefits	\$ 46,935.00
Net Salaries	11,308.06
Federal Taxes	1,262.00
State Taxes	700.00
FICA Taxes	1,766.20
Medicare Taxes	413.18
Office Supplies	144.36
Printing and Outside Copies	1,141.53
Postage and Shipping	4,834.63
Computer Expenses	560.00
Rent Expense	400.00
Telephone Expense	1,069.88
Payroll Tax Expense	0.00
Laity Expense	0.00
Dir. Operating Expense	3,372.84
Professional Services	371.00
Investment Handling Fees	0.00
Travel/Mileage	610.61
Transfer funds to Cash Invest	18,000.00
Other Operating Expenses	<u>1,445.53</u>
Total Disbursements	<u>\$ 94,334.82</u>
Change in Cash During Period	<u>\$ 18,141.18</u>
Cash Balance, Beginning	<u>10,547.49</u>
Cash Balance, Ending	<u>\$ 28,688.67</u>

Proposals

(Adopted in meeting of Brotherhood/Sisterhood membership)

1. That the assessment rate for clergy members be \$8.00 per call, that lay participants contribute \$3.00 per call, that the initiation fee for new clergy members be \$10.00, and that the benefit paid to beneficiaries of deceased clergy be \$9,000.00 (up from \$8,500.00).
2. That both laity and clergy be encouraged to include the Brotherhood/Sisterhood in their wills.
3. That clergy members be encouraged to pay in advance an annual estimated assessment of \$112.00, based on an average of 14 assessments per year.
4. That persons with notes be encouraged to begin payments on any outstanding balances.
5. That assessments are to be paid upon receipt of notice or within 60 days of the notice.
6. That each local church be encouraged to observe Brotherhood/Sisterhood Sunday on the third Sunday in February or on another Sunday more suitable to the particular congregation.
7. That the by-laws of the Brotherhood/Sisterhood be amended by deleting Section VI in its entirety and inserting the following words in its place:
 - VI. Membership in the Brotherhood/Sisterhood
Clergy members of the Western North Carolina Conference of The United Methodist Church may become beneficiary members of the Brotherhood/Sisterhood by making application and the payment of a \$10.00 initiation fee, provided that, if the applicant became a member of the annual conference after having reached his/her 35th birthday, the applicant will be required to give a non-interest-bearing promissory note for all assessments levied by the association since the applicant's 35th birthday. The promissory note may be repaid at any time, but if it is unpaid, the balance will be deducted from the death-benefit check.

Rex L. Gibbs, *President*

A. Owen Peeler, *Vice-President*

Christopher M. Westmoreland, *Recording Secretary*

Robert W. Combs, *Executive Director*

James A. Harrell, Sr., and Jack Young, *Co-Directors of Laity*

**Brotherhood/Sisterhood Roll
2006-2007**

Adams, C.L.	Burton, J.M., Jr.	Davis, C.	Freeman, Patrick	Herold, J.W.
Adams, G.L.	Burton, J.M., Sr.	Davis, C.N.	Freshour, A.R.	Herron, R.E.
Adams, H.C.	Burton, M.K.	Davis, D.C.	Fritts, R.E., Jr.	Herron, V.C.
Adams, T.D.	Byers, R.T.	Davis, E.V.	Frye, K.H.	Hershberger, G.A.
Addo, P.E.A.	Bynum, L.E.	Davis, G.M.	Fulk, J.M., Jr.	Hiatt, E.E., Jr.
Aldridge, J.M., Jr.		Davis, J.	Fulk, J.M., Sr.	Hill, F.A.
Allcorn, D.K.	Cagle, J.F.	Davis, J.B.	Funderburk, D.K.	Hillyer, D.E., Jr.
Allcorn, S.M.	Caldwell, L.B.	Davis, J.E., Jr.	Furr, J.C.	Hilton, R.D., Sr.
Allen, C.W.	Campbell, D.J.	Davis, T.A.		Hinson, H.L.
Allen, D.R.	Campbell, R.H.	Dawkins, H.C.	Gaddy, D.W.	Hipps, R.H.
Allen, T.L.	Campbell-Robinson, H.	Day, A.P.	Galloway, J.W.	Hitch, G.C.
Allred, G.H.	Cantor, E.D., Jr.	Dean, E.E., Jr.	Gibbons, C.F.	Hobson, B.G.
Alventosa-Brown, J.	Canty, S.L.	Dean, R.I.	Gibbs, D.W.	Hockett, D.C.
Alvord, V.G.	Carpenter, K.D.	DeBerry, P., Jr.	Gibbs, L.C.	Hodnett, M.E., Jr.
Amason, J.D.	Carter, E.K.	Dennis, B.J.	Gibbs, P.H.	Holcombe, T.D.
Andrews, H.F.	Carter, H.S.	Deyton, J.H.	Gibbs, R.L.	Holland III, A.R.
Andrews, J.R.	Carter, M.C., Jr.	Dickens, J.G.	Gibert, A.S.	Holland, Cornelius
Andrews, W.E.	Carter, R.L., Jr.	Dickson, C.H.	Gibson, T.L.	Holland, J.W.
Andrews, W.M.	Cartner, J.D.	Dingus, W.H.	Gilbert, D.W.	Holliday, B.M.
Armstrong, J.M.	Cash, D.R., Sr.	Dodd, R.V.	Giese, K.W.	Hood, R.L.
Armstrong, J.M., Jr.	Cash, L.W.	Donahue, C.E.	Giles, S.L., Jr.	Horn, K.A.
Arnold, C.L.	Cassady, T.L.	Doser, W.R.	Gilland, J.C.	Houser, E.H.
Ashe, D.W.	Cates, P.K.	Doub, R.D.	Glahn, P.L.	Howard, J.F.
Auman, G.E.	Caudill, C.J.	Dougherty, B.G.	Glass, B.D.	Howell, J.C.
Auman, J.L.	Cauble, R.L.	Dowdle, J.O., Jr.	Golden, J.B., Jr.	Howle, R.A.
Auman, T.L.	Cecil, J.H.	Dowdy, A.M.	Goode, M.H.	Hubbard, L.E.
Autrey, S.L.	Champion, B.J.	Dukes III, L.S.	Gordon, A.F., Jr.	Hubbard, S.D.
	Childers, D.W.	Duncan, D.J.	Gordon, G. B.	Huffman, L.B.
Bailey, D.A.	Childers, W.H., Jr.	Duncan, G.M.	Gordon, M.B.	Huffman, R.E.
Ballard, M.J.	Chloe, D.C.	Dunker, C.F.	Gottula, J.R.	Huffstetler, B.M.
Banyai, P.D.	Chopin, P.P.	Duvall, J.A.	Gottula, K.W.	Humphries-Bivens, P.
Barbee, W.L.	Christy, D.H.	Dyar, W.H.	Gould, R.J.	Hunsucker, L.G.
Barden, L.E.	Christy, J.C.	Dye, M.J.	Graves, E.L.	Hunter, B.V.
Barden, B.J.	Christy, J.P.		Graves, J.H.	Hunter, R.L.
Barden, M.L.	Christy, M.H.	Eanes, R.H., Jr.	Gray, M.D.	Hunter, T.R.
Barnes, S.E.	Cirksena, R.J., Jr.	Easter, K.L.	Greene, D.S.	Hunterley, J.B.
Barnhardt, D.R.	Clanton, R.A., Jr.	Edmonds, O.R.	Greene, L.W.	Hutchings, C.R.
Barnhardt, R.T.	Clark, L.J.	Edwards, F.H.	Grice, F.W.	
Barr, C.B.	Clayton, R.L., Jr.	Edwards, J.F.	Griffin, G.T.	Ingram, B.A.
Barrett, J.S.	Clifton, L.B.	Eggers, L.A.	Griffis, T.L.	Ingram, F.E.
Barringer, G.R.	Clinard, H.C.	Eller, K.R.	Griffiths, G.S.	Ingram, R.M., Sr.
Bartley, E.J.	Clinard, R.M.	Ellis, L.D.	Groh, D.G.	Ireson, C.H.
Baxter, D.L.	Clodfelter, B.C.	Ellison, W.B.	Guy, C.R.	Isenhour, O.B.
Beall, T.M.	Clodfelter, J.P., Jr.	Emory, M.J.	Guy, D.A.	Ison, F.H.
Beam, D.W.	Clodfelter, W.D.	Epps, J.F.	Gwyn, B.L.	Ivey, H.D.
Beard, D.R., Jr.	Cockman, E.A.	Ervin, B.N.		
Beaty, F.D.	Cole, J.W.	Ervin, J.L.	Hacklander, P.K.	Jarrett, R.B.
Beck, B.R.	Cole, P.B.	Evans, J.H.	Hahn, R.J.	Jeffries, W.T.
Beck, H.C.	Coles, A.L.	Everett, A.	Haines, S.D.	Jenkins, P.M.
Benfield, C.M.	Collins, G.D.		Haire, E.R.	Jessup, B.J.
Beverly, A.E.	Collins, M.W.	Faggart, J.R.	Hall, J.T.	Johnsen, J.W.
Biggers, E.L.	Colson, J.D.	Faggart, W.H.	Hall, R.O.	Johnson, B.E.
Bigham, W.O.	Combs, J.F.	Fair, L.O.	Hamilton, James R.	Johnson, J.L.
Billings, J.W.	Combs, R.W.	Falls, Fred, Jr.	Hamlyn, D.M.	Johnson, J.S.
Bingham, K.W.	Combs, S.R.	Farabow, M.S.	Hammill, T.L.	Johnson, K.M.
Bishop, S.B.	Compton, H.R.	Ferguson, L.L.	Harbin, M.E.	Johnson, LaNell
Black, E.L.	Conder, A.R.	Ferree, J.K.	Harkey, E.S.	Johnson, S.T.
Blalock, J.F., Jr.	Conder, T.E., Jr.	Few, J.F.	Harrelson, C.G.	Jones, B.M.
Blanton, W.N., Jr.	Conover, C.H., Jr.	Finney, R.H.	Harris, A.B.	Jones, K.R.
Blizzard, L.K.	Conrad, D.E.	Fisher, D.L.	Harris, B.P.	Jones, R.R.
Boggan, R.E., Jr.	Cook, D.A., Jr.	Fite, R.D.	Harris, J.D.	Jones, S.T.
Boggs, J.S.	Cook, E.A., Jr.	Fitzgerald, J.C.	Harris, M.L.	Jordan, D.M.
Bogle, J.R.	Cook, F.B.	FitzJefferies, H.D.	Hartsell, C.J.	Jordan, N.F., Jr.
Boliek, A.P.	Cooke, J.H.	Flack, C.A.	Hatherly, K.L.	Joyce, S.D.
Bottoms, F.G.	Cooke, R.J.	Fleming, H.D.	Hatley, M.T.	Joyner, A.L., Jr.
Bowen, J.E.	Crady, B.M.	Fletcher, L.W.	Hauser, J.J.	Joyner, M.E.
Bowman, G.O.	Crady, L., Jr.	Flynn, D.J.	Hawk, J.H.	Judy, C.W.
Bradley, E.F.	Cranfield, B.W.	Forbes, V.L.	Hawkins, G.L.	Judy, K.W.
Brake, J.L.	Cranfill, K.R.	Forbis, W.T.	Hawkins, W.T.	Justice, H.A.
Branton, T.R.	Crawley, J.W.	Ford, A.G.	Hawks, W.G.H.	
Bremer, D.C.	Creech, H.L., Jr.	Foster, A.D.	Haynes, D.W.	Kale, J.W.
Briggs, L.T.	Croom, S.A.	Foster, G.B.	Haynes, J.O.	Kalish, S.B.
Brittain, T.B.	Crouse, K.D.	Foster, R.A.	Headner, J.P.	Kammerer, C.P.
Brooks, G.A.	Crowder, R.J.	Foust, W.N.	Heath, E.M.	Kaser Odor, K.E.
Brown, A.W., Jr.	Curtis, J.K.	Fowler III, J.W.	Hechler, Y.C.	Kayler, C.J.
Brown, H.A.	Curtis, M.E.	Fox, D.B., Jr.	Hedgpath, E.H.	Kayler, R.E.
Brown, W.A., Jr.		Fralic, K. M.	Heermans, E.D.	Keaton, J.C.
Buckner, F.W.	Dalton, G.W.	Franklin, J.K.	Heermans, J.P.	Kelley, D.R.
Bumgarner, L.G.	Daniels, J.C.	Freeman, E.R.	Helms, M.W.	Kelly, L.M.
Bunch, R.P.	Darnell, J.D.	Freeman, G.D.	Herbin, F.L.	Key, J.T.
Burson, R.N., Jr.	Davenport, J.P.	Freeman, K.G.	Herin, T.J.	Key, M.J.
Burton, G.A.	Davis, B.F.	Freeman III, M.L.	Herman, J.F.	Killian, T.S.

Kim, Abraham
 Kincaid, E.C.
 King, R.M.
 Kirk, R.H.
 Kirk, T.A.
 Kitley, R.M.
 Knoespel, J.W.
 Koonts, R.A.
 Krall, N.M.
 Kurtz, M.D.

 Lackey, C.L.
 Lain, C.A.
 Lair, R.E., Jr.
 Lambert, A.E.
 Langford, S.O.
 Langford III, T.A.
 Lanier, R.S.
 Lasater, A.L.
 Latimer III, C.T.
 Lear, W.J.
 Leatherwood, J.M.
 Lee, D.W.
 Lee, E.D.
 Lee, H.J.
 Lee, S.T.
 LeBaube, R.E.
 LeMasters, F.H.
 Lemons, E.M.
 Lemons, J.B.
 Leonard, D.B.
 Lewis, M.W.
 Lewis, P.A.
 Lindquist, C.A., Jr.
 Lindsey, C.R.
 Lindsey, J.A.
 Listenbee, S.O.
 Little, G.H.
 Lookadoo, D.G.
 Lovelace, W.E.
 Lowder, P.D.
 Lowe, V.W.
 Lowman, E.H.
 Lucas, J.C.
 Luther, J.E., Jr.
 Luther, J.D.
 Lutz, D.H.
 Lynn, E.R.
 Lyons, D.J.
 Lytle, R.J.d

 Macdonald, M.A.
 Macon, F.K.
 Maddox, J.E.
 Madison, J.C.
 Magnuson, R.A.
 Maness, C.M., Jr.
 Manning, C.C.
 Marbry, C.D., Jr.
 Marcellus, C.H., Jr.
 Margarita, D.S.
 Marlowe, A.R.
 Marlowe, J.D.
 Martin, D.B.
 Martin, D.G.
 Martin, S.G.
 Martin, S.L.
 Mashburn, M.D.
 Mason, D.M.
 Mason, D.O.
 Mayo, B.B.
 McAbee, K.M.
 McClellan, M.D.
 McCleskey, J.L.
 McClintick, H.E.
 McConnell, J.T.
 McCombs, J.A.
 McGuire, J.W.
 McHale, D.F.

 McIntosh, M.D.
 McKelvey, W.H.
 McKim, D.A.
 McKinney, E.D.
 McLawhorn, R.T.
 McLean, T.C.
 McMurry, J.C.
 McWhorter, J.L.
 Medlin, W.T., Jr.
 Medlin III, W.T.
 Melton, J.T.
 Melton, L.M.
 Michael, R.B.
 Michael, S.G.
 Miller, B.R.
 Miller, D.W.
 Miller, J.J.
 Miller, J.K.
 Miller, P.J.
 Milleson, B.W.
 Mills, R.W.
 Montgomery, G.G.
 Moore, C.A.
 Moore, J.A.
 Moore, S.H., Jr.
 Moore, T.S.
 Morgan, L.S.
 Morris, S.A.
 Morrison, B.S.
 Morrison, H.L.
 Morton, C.E.
 Moss, A.W.
 Moss, O.R.
 Moss, R.T.
 Murray, J.D.
 Murrow, M.C.
 Myers, G.L., Jr.
 Myers, H.P., Jr.
 Myers, J.L.
 Myrick, C.K.

 Napper, W.L.
 Needham, G.H.
 Newell, J.K.
 Newman, B.M.
 Newman, D.A.
 Northcraft, S.B.
 Northington, J.A.
 Northrup, P.B.
 Norton, Z.G.
 Noyes, D.C.

 O'Ferrell, L.R.
 Oakley, J.S.
 Ollis, J.P.
 Outlaw, J.K., Jr.
 Overcash, R.A.
 Owen, P.S., Jr.
 Owenby, L.E.
 Owens, N.B.
 Owens, W.N.

 Padilla, M.B.
 Page, C.E.
 Park, P.W.
 Parker, B.J.
 Parker, M.J.
 Parker-Reece, B.L.
 Parris, D.L.
 Parsons, R.T., Jr.
 Patzfahl, R.L.
 Payne, A.D.
 Peeler, A.O.
 Pegues, Walter
 Pendleton, K.S.
 Penland, D.R.
 Penry, C.K.
 Perkins, P.F., Sr.
 Peterson, M.L.

 Petree, J.R.
 Peurifoy, R.C.
 Peurifoy, V.B.
 Pharr, P.A.
 Pheagin, W.H., Jr.
 Ploch, R.R.
 Plowman, E.L.
 Plummer, C.M.
 Pollock, G.L.
 Pollock, H.M.
 Porter, T.R.
 Portis, M.S.
 Powell, C.G.
 Powell, D.N.
 Powell, J.J.
 Powell, J.L.
 Powell, T.A.
 Prichard, J.O.
 Pryor, W.D.
 Pyatt, J.L.

 Queen, Harry

 Raines, J.A.
 Rainey, S.K.
 Ralls, R.J.
 Ramsey, G.L.
 Randolph, R.D.
 Rankin, N.B.
 Ratcliffe, D.W.
 Reece, E.A.
 Reed, R.L.
 Reep, J.D.
 Reeves, J.R.
 Reid, J.L.
 Rice, R.A., Jr.
 Riggs, E.R.
 Rintz, J.W.
 Roach, R.E.
 Roberson, G.W.
 Roberts, J.A.
 Roberts, T.K.
 Roberts, T.R.
 Roberts, W.W.
 Robinson, A.A., Jr.
 Robinson, G.P.
 Rochester, N.L., Jr.
 Rodriguez, C.A.
 Rogers, B.E.
 Romanat, M.M.
 Romanello, R.E.
 Rorie, D.M.
 Rose, G.W.
 Roseboro, R.E.
 Roseman, M.D.
 Rosenquist, V.B.
 Rouch, M.A.
 Routh, D.W.
 Rowell, L.J.
 Rowland, C.L.
 Royals, G.C.
 Rudisill, G.W.
 Ruffy, J.M.
 Russell, R.G., Jr.
 Rutledge, T.E., Jr.

 Sailors, R.R.
 Sain, D.D.
 Sanders, J.K.
 Sartin, C.W.
 Scandale, N.A., Jr.
 Scarborough, S.C.
 Schwantes, H.E.
 Scott, J.A.
 Scott, L.W.
 Sellers, H.R., Jr.
 Sellers, Liston, Jr.
 Settle, C.E.
 Setzer, R.D.

 Shepard, J.J.
 Shepherd, B.K.
 Sherfey, J.H.
 Sherrill, C.G.
 Sherrill, H.D., Jr.
 Sherrill, H.M.
 Sherrill, K.C.
 Sherrill, R.N.
 Shives, H.D.
 Shoaf, F.C.
 Shuford, M.A.
 Sides, S.H.
 Sigmon, T.R.
 Silis, J.R.
 Silis, M.R.
 Sisk, C.W.
 Sluder, D.K.
 Smisor, H.N.
 Smith, D.E., Jr.
 Smith, D.S.
 Smith, D.W.
 Smith, H.D.
 Smith, J.E.
 Smith, K.H.
 Smith, S.L.
 Smotherman, D.P.
 Snider, N.T.
 Snipes, D.A.
 Snow, O.L.
 Spencer, A.Y.
 Spencer, R.L.
 Spillman, J.P., Jr.
 Spivey, A.C.
 Stadler, L.E., Jr.
 Stamey, R.H.
 Stanton, D.S.
 Staples, L.W., Jr.
 Starnes, T.P.
 Steagald, T.R.
 Steed, R.G., Jr.
 Steele, B.T.
 Stephens, E.U.
 Stephens, I.A.
 Stevens, W.L.
 Stewart, C.A.
 Stinson-Wesley, J.T.
 Stith III, F.A.
 Stockton, T.B.
 Stokes, E.B.
 Stokes II, J.L.
 Stokes, J.R.
 Storey, N.B.
 Stowe, D.P.
 Strader, R.H.
 Strange, L.H.
 Strickland, E.L.
 Summey, R.C.
 Swann, M.M.
 Sweet, W.A.
 Sweezy, N.N.
 Swofford, M.K.

 Tate, J.P.
 Taylor, J.L., Jr.
 Taylor, J.M.
 Taylor, P.J.
 Taylor, T.K.
 Therrell, W.F.
 Thomas III, J.H.
 Thore, W.C.
 Thumm, M.V.
 Thurman, J.M.
 Tingle, R.A.
 Tisdale, J.K.
 Tolbert, M.R.
 Trollinger, J.T.
 Troutman, G.D.
 Turman, D.W.
 Turner, C.M., Jr.

 Tyson, C.E.

 Underwood, S.C.

 Van Meter, A.R.
 Varner, J.H.
 Vickers, M.N.
 Vickers, S.N.
 Vredenburg, Y.L.

 Wachs, W.R.
 Wall, R.L.
 Wallace, E.L.
 Ward, J.A., Jr.
 Ward, J.R.
 Warner, J.M.G.
 Warner, S.B.
 Watwood III, H.L.
 Weaver, A.B.
 Webb, J.S.
 Webb, J.T., Jr.
 Webb, S.F.
 Webb, S.S.
 Weekley, J.M.
 Weeks, T.W.
 Weiler, M.L.
 Weisner, R.D.
 Welch, M.B.
 Welch, P.P.
 Welch, R.C.
 Wensil, T.D.
 Westfall, J.M.
 Westmoreland, C.M.
 Westmoreland, J.R.
 White, C.D., Jr.
 White, D.L.
 White, J.K.
 White, J.L.
 White, W.R.
 Whiteside, B.M.
 Whitley, A.L.
 Whitlock, D.E., Jr.
 Wilkinson, H.C.
 Wilkinson, H.R.
 Wilkinson, L.D.
 Williams, E.W.
 Williams, G.E.
 Williams, H.M.
 Williams, J.B., Jr.
 Williams-Gilbert, C.
 Wilson, A.A.
 Wilson II, C.W.
 Wilson, L.B.
 Wimmer, M.F.
 Winstead, M.E.
 Witherington III, Ben
 Witherspoon, L.H.
 Witty, R.L., Jr.
 Wolfe, R.G.
 Wombough, W.B.
 Woodard, L.H.
 Woodward, W.W.
 Wooten, M.B.
 Workman, M.M.
 Worley, Edwin
 Worthy, C.M., Jr.
 Wray, L.L.
 Wright, F.A.
 Wyant, D.A.
 Wyman, W.C., Jr.

 Yarborough, E.S.
 Yarbrough, J.B.
 Yates, W.G.
 Young III, C.S.
 Young, H.C., Jr.
 Yount, P.W., Jr.
 Yow, J.L.

FF. THE DUKE ENDOWMENT

Mr. Duke astutely noted that the bone and sinew of our country is made from her rural communities, and time and again we are reminded of his perceptive observation. If you were to examine the origins of our regional, state, national, and conference leaders, there is a great possibility that many of them were reared in rural settings. Central to the formation of these leaders, and, indeed, central to the formation of Mr. Duke, is The United Methodist Church.

In our state, the vast majority of United Methodist churches meet Mr. Duke's definition of rural. In fact, over 1,300 United Methodist rural churches brighten the landscape of our two conferences. But that landscape has changed for our churches. At one time, they served in communities made up of thriving manufacturing and farming economies, but in many counties the manufacturing plant has left town and farming is dwindling. This twin hit has created a vacuum of resources, and it is a rare occasion when the word "thriving" is used to describe our state's rural areas. This is an unfortunate misperception because "thriving" is exactly what many of these communities and the United Methodist churches in them are doing, despite their long odds.

For example, in Cashiers, North Carolina, our brothers and sisters in Christ recognized the need for dental care among the economically "left behind" in their region. In their research, they found that a lack of dental care may lead to a number of illnesses that affect the body, not to mention cause dental pain. Many of the men, women, and children they now serve had few alternatives and often were forced to endure the excruciating pain brought on by years of neglect to their teeth. The faithful congregation at Cashiers recognized this need and began an important health ministry to alleviate it. Duke Endowment funds helped these thoughtful Christians open a free clinic providing state-of-the-art dental care to all in need.

At Cedar Grove, in Orange County, Duke Endowment funds were used for a community garden. Sounds simple, doesn't it? More than fruits and vegetables are grown on this five-acre patch of land. The Cedar Grove community was stunned by a murder in their quiet hamlet. Along with the shock and fear, a growing mistrust of fellow citizens began to blossom in their town. To date, the crime has not been solved, but the community has begun to heal by working together in the garden. Old and young, rich and poor, Anglo, African-American, and Hispanic work side by side, planting and tilling in God's great earth. Together, they have sown the seeds of reconciliation, relationship, and healing, along with tomatoes and cucumbers and corn. The harvest in this garden will yield a newfound understanding of their brothers and sisters in the community, along with fresh produce to be shared with those in need.

Thriving is exactly what these two rural churches are doing, and they are not alone. The grants just noted are but two of hundreds of programs in which The Duke Endowment participated with rural churches over the past year. In 2005, The Duke Endowment made grants totaling \$11.5 million to churches involved in building programs, child-care ministries, food and hunger ministries, community services, Latino ministries, affordable housing, health ministries—ministries that follow Jesus, make disciples, and transform the world! Brothers and sisters, rural United Methodist churches *are thriving*, and we celebrate the work they are doing in and for the Kingdom.

In the spirit of these vital churches, The Duke Endowment is pleased to be involved in one of the most exciting projects in our 82-year history. The endowment, along with Duke Divinity School, is developing the "Thriving Rural Communities" program. This program seeks to strengthen rural churches by "attracting strong clergy to the rural church, training them and other leaders for the challenges of serving in those settings, motivating rural clergy to be excellent leaders, and helping churches replicate successes." We plan to achieve these goals through a long-term commitment to our conferences and the rural church by offering, with the divinity school at Duke, a number of meaningful programs targeting rural clergy, churches, and laity.

We hope to attract clergy by offering six Rural Ministry Fellowships. Fellows will receive full tuition to Duke Divinity School and, upon completion, will covenant to serve in rural parishes for at least five years. We think they will want to stay even longer, once in ministry. During their seminary days, they will serve in model rural churches, gaining invaluable real-life experience. Upon completion of the degree, rural fellows will be nurtured with collegial groups and on-going seminars to "enhance their understanding of rural issues, challenges, and opportunities." We are delighted that the first class of fellows will enter in the fall semester 2006. The endowment also strives to strengthen rural churches and will share the lessons learned and the best practices of thriving rural churches with all rural churches so that "thriving" is synonymous with rural. Finally, opportunities for lay persons will be included in, and become a vital part of, this exciting program.

Each year, we at the endowment are blessed to be involved with ministries that demonstrate that rural churches can, and do, *thrive*. It is our hope that the "Thriving Rural Communities" program will share that blessing with the entire conference and, indeed, the entire state.

Robb Webb, Assistant Director, Rural Church Division

GG. NORTH CAROLINA PASTORS' SCHOOL AND DUKE DIVINITY SCHOOL CONVOCATION

On October 10-12, 2005, almost 500 clergy gathered for the annual Convocation and Pastors' School at Duke Divinity School. The event focused on the theme, "A New Creation: Building a Ministry of Reconciliation." Held in conjunction with the dedication of the new divinity school Westbrook Building and the naming of the Langford Building, the event featured inspiring lectures, seminars, and worship services. The James A. Gray Lectures were presented by Ellen Davis, professor of Bible and practical theology at Duke Divinity School and a gifted theologian whose work focuses on reclaiming the importance of the Old Testament, and Willie Jennings, senior associate dean for academic programs and assistant research professor of theology and black church studies at Duke Divinity School. L. Gregory Jones, dean and professor of theology at Duke Divinity School and a leading scholar on issues of forgiveness and reconciliation, and Samuel Wells, new dean of Duke Chapel and noted theological ethicist, presented the Franklin S. Hickman Lectures. Convocation preachers Ross Olivier, one of the key pastor leaders in the "Journey to a New Land" initiative of the church in post-apartheid South Africa; Hope Morgan Ward, bishop of the Mississippi Annual Conference; and L. Gregory Jones led worship during the event. The keynote panel, "Journeys of Reconciliation," featured four leading practitioners affiliated with the newly instituted Duke Center for Reconciliation: Emmanuel Katongole, Chris Rice, Julie Duany, and Mark Gornik. Sixteen different continuing education seminars enrolled over 350 pastors. The seminars included, "Preaching from II Corinthians," "Should Every Congregation Be Multi-Racial?" and "Biblical and Theological Resources for Reconciliation."

The 2006 Convocation and Pastors' School will be held October 9-11 and will feature pastor and author Eugene Peterson and theologian Craig Dykstra. A detailed brochure will be available from Duke Divinity School later this summer. Individuals are encouraged to contact the Center for Continuing Education for more information (www.divinity.duke.edu/learningforlife, email div-conted@duke.edu, phone 888-845-4216).

G. Paul Phillips, *Chairperson*

HH. SCHOOLS OF THEOLOGY

1. CANDLER SCHOOL OF THEOLOGY

Candler School of Theology is grounded in the Christian faith and shaped by the Wesleyan tradition of evangelical piety, ecumenical openness, and social concerns. Its mission is *to educate—through scholarship, teaching and service—faithful and creative leaders for the church's ministries in the world*. These purposes define Candler's role as a school of Emory University and of The United Methodist Church and point to the unique challenges and opportunities we face in leading a national research university in re-discovering what it might mean to relate to a major denomination.

Our school, unique in its placement within a top-20 research university and its commitment to educate pastoral and academic leadership, is poised to play an active role in the positive transformation of the church and the world. Religion has bound and divided communities since the beginning of time, and now is no different. When polled about their research, over 300 Emory professors named "religion" as a theme in their work. Ethically aware, theologically profound voices are desperately needed in our society, and Emory draws on its Methodist heritage and looks to Candler to bring wisdom, clarity, compassion, and tolerance to the conversation. For example, leading off one of our university strategic initiatives, "Understanding Religions and the Human Spirit," is Carol Newsom, C. H. Candler Professor of Old Testament.

Candler's faculty continues to be among the most distinctive in theological education. Forty-four members hold full-time appointments, and six hold part-time appointments. An additional 15 serve in an adjunct capacity. Woodie W. White and Marshall L. (Jack) Meadors, Jr., serve as United Methodist bishops in residence. Bishop L. Bevel Jones III remains at Candler, working with the Development Office.

In our commitment to the practice of ministry, we partner with 80 churches to ensure that ministerial preparation takes place in both the local church and on the campus. Candler's contextual education program intentionally pairs a faculty member with supervisors from church and community ministries, so that teaching teams represent the church and the academy. Thirty-two teaching supervisors support our contextual education and teaching parish (student pastor) programs. Dr. Alice Rogers has broadened the Teaching Parish Program, and it now includes students appointed to churches in the Alabama-West Florida, North Alabama, North Georgia, South Georgia, and South Carolina annual conferences.

This year, enrollment was 513, with 417 in the master of divinity program, 55 in the master of theological studies program, 15 in the master of theology program, seven in the doctor of theology program, and 19 enrolled as special, non-degree students. Eighty-three percent of students are enrolled full time. The student population is 25% United States ethnic minority, 9% international, and 48% women. More than 52 denominations are represented, with 60% of M.Div. students being United Methodists from 40 annual conferences. Other denominations of the Methodist family represented at Candler include African Methodist Episcopal, African Methodist Episcopal Zion, Nazarene, Methodist-Wesleyan, and the Methodist Churches of Brazil, Korea, and the Caribbean.

Good things are happening as we develop and put into action a plan for the life-long learning of church leaders. An exceptional conference, *Faith, Politics, and Public Policy*, is planned for October 8-10, 2006. Candler's own faculty with expertise in this field, as well as Jim Wallis, Jim Forbes, Susan Pace Hamill, and

several others, will provide leadership. Information about this and other upcoming events is available at <http://candler.emory.edu>.

Progress has been made toward the construction of two new buildings to house the Pitts Theology Library, faculty and administrative offices, state-of-the-art classrooms, a teaching chapel, and the university's Ethics Center, with groundbreaking on Phase I planned for spring 2007. The university plans to gather its rich religious resources within and near the Candler facilities to create a "religious complex," centered around Candler.

The faculty has completed an inspiring strategic plan that calls for the facilities noted above, new faculty chairs, program support, and increases to our scholarship endowment. Last year, 80% of eligible students received scholarship support from Candler, with an average scholarship covering 80% of tuition. Gifts from the United Methodist Ministerial Education Fund (MEF) have played a large role in this success; however, so much more still needs to be done. More than 60% of Candler's M.Div. graduates leave school with educational debt. This burden undermines their effectiveness in ministry, such that some seek alternative employment. Your continued support, gifts and prayers mean a great deal as we work to provide a strong educational program, as well as support for the courageous and committed students who choose to undertake the challenge of theological education.

It has been my privilege to serve as Candler's dean for the last six years. Next year, I will be on sabbatical, working on the long overdue "new" book on the history of the Methodist Church in America and other writing endeavors. Thereafter, I will return to Candler as a member of the faculty. Thank you for your support throughout my deanship and for your support of Candler—and my successor—in the years to come.

Russell E. Richey, *Dean and Professor of Church History*

2. THE DIVINITY SCHOOL OF DUKE UNIVERSITY

Duke Divinity School prepares students to become effective, faithful leaders in the church through its attention to spiritual formation and transforming ministry, as well as to academic rigor.

The school is an integral part of Duke University, and divinity students enjoy and contribute to the university's intellectual resources. Several new programs allow students to pursue joint degrees with other schools on campus in disciplines such as nursing and law. A partnership with the University of North Carolina at Chapel Hill allows a joint master of divinity/master of social work degree.

Programs:

Duke Divinity School is delighted to announce a doctor of theology degree program to help prepare a new generation of leaders for church-related positions and for faculty posts in theological schools. The first class of students is expected to enter the program in the fall semester 2006. The Th.D. will address fresh areas of research, such as evangelism and mission, the intersection of divinity and health care, and the intersection of divinity, peacemaking, and reconciliation. The new degree program is accompanied by funding for post-doctoral fellows in evangelism and new funding for doctoral education in evangelism.

The Center for Reconciliation was formally launched at Duke Divinity School in late 2005. Led by co-directors Chris Rice and Emmanuel Katongole, the center is dedicated to the resolution of conflicts at local, national, and international levels through leadership development, research, and outreach programs.

The divinity school also significantly strengthened its leadership in the area of Wesley studies. Randy Maddox, one of the country's foremost scholars in this field, joined us from Seattle Pacific University as professor of theology and Wesleyan studies. In addition, Ed Phillips came to the divinity school from Garrett-Evangelical Theological Seminary to serve as associate professor of the practice of Christian worship. Paul Chilcote arrived as visiting professor of the practice of evangelism, following service at Asbury Theological Seminary, Africa University in Zimbabwe, and parish ministry.

In support of ministerial education, the divinity school has begun a \$10-million financial aid initiative to secure additional scholarship endowment. Financial aid is essential for our core mission of preparing leaders for the church of Jesus Christ. More information about this effort may be obtained by calling the divinity school development office at (919) 660-3456. Scholarship support must come from individuals and churches who understand the critical need of this investment.

Facilities:

Duke Divinity School dedicated its 53,000-square-foot addition and renovation project in October 2005. The addition was named in honor of The Reverend Hugh Westbrook, a 1970 divinity school graduate who has supported the school generously. The addition includes significant classroom space, Goodson Chapel, a large refectory, and offices for admissions and student life. It also includes an office suite for the Duke Institute on Care at the End of Life, a multi-disciplinary effort begun in 2000 to improve care at all levels for those near death and to support those who work with them.

The portion of the school completed in 1972, formerly New Divinity, was renamed The Thomas A. Langford Building, in memory of the professor and dean who later served as Duke University provost.

The divinity school incorporated numerous works of art into its new facilities. Additions included a bronze sculpture depicting the biblical parable of the prodigal son, two stained-glass windows, two silk-screened glass panels based on original papercuts interpreting Psalms 42 and 43, a quilted triptych depicting the Tree of Life, and a marble bas relief of St. John baptizing Christ. A series of 14 sermons on the theme of "Art as Evangelism" was delivered in the late summer and fall, based on the artwork, all of which is rooted in Scripture.

Students:

In the fall of 2005, Duke Divinity enrolled a diverse body of 576 students. The median age overall for the school was 26. The median age for master of divinity students was about 24.

Students hailed from 40 states and several foreign countries. Most were from the United Methodist tradition, but more than 50 denominations were represented in the school. The student body was 53% male and 47% female. Twenty percent of students were ethnic minorities, including 14% African-American.

The divinity school's Field Education Department continued to enhance its program of summer placements. Duke Divinity had 197 students in full-time, formal placements (not including student pastors and people working in ministry other than field education). Four students were placed in South Africa, two in Uganda, and one in Brazil. The remaining students served in 20 U.S. states. The school has another 148 placements for the academic year.

Faculty:

Professors Chilcote, Maddox, and Phillips were part of a substantial group of excellent new faculty members at Duke Divinity School in 2005. After an extensive search process, Duke University President Richard H. Brodhead appointed the Reverend Dr. Sam Wells as the new dean of Duke Chapel. He also accepted an appointment at the divinity school as research professor of Christian ethics. Jo Bailey Wells, who is married to Sam, took a new position as director of Anglican studies and associate professor of the practice of Christian ministry and Bible.

Tammy Williams, who had been with the school in a post-doctoral position, joined the faculty in a tenure-track position as assistant professor of theology and black church studies. Timothy Tyson accepted an invitation to serve as visiting professor of American Christianity and Southern culture. Lauren Winner became both a visiting lecturer and a student in our master of divinity program.

Honors & Achievements:

Duke Divinity School's faculty members were active on campus, across the country, and around the world last year.

The American Society of Church History celebrated the career of David C. Steinmetz, Amos Ragan Kearns professor of the history of Christianity, at its winter meeting. The society hosted a panel discussion of the influence of Professor Steinmetz's research and teaching on Reformation studies over the last 40 years.

Geoffrey Wainwright, Robert Earl Cushman professor of Christian theology, chaired the final session of the current round of the doctrinal dialogue between the World Methodist Council and the Roman Catholic Church in the fall. The dialogue is expected to lead to the signing of a joint declaration in 2006, resolving some of the theological disputes that led to the 16th century Protestant Reformation.

Dean L. Gregory Jones was appointed to a third five-year term as leader of the divinity school. We are thankful for the relationships among The United Methodist Church, this conference, and Duke Divinity School, and we look forward to another year of working to prepare men and women for Christian ministry. To learn more about Duke Divinity School, please visit our web site at www.divinity.duke.edu.

L. Gregory Jones, *Dean*

3. GAMMON THEOLOGICAL SEMINARY

The School of the Prophets, Gammon Theological Seminary, founded in 1883, is one of 13 accredited United Methodist seminaries in the United States. Gammon is the only historically African American theological seminary related to The United Methodist Church. Gammon was established by the Methodist Episcopal Church, in connection with Clark University. Gammon is located at 653 Beckwith Street, Atlanta, Georgia. It is the United Methodist component of the Interdenominational Theological Center, a model of excellence in ecumenical theological reflection and academic preparation for ministry.

The partnership between Gammon and the Interdenominational Theological Center offers a broad curriculum in the scholar-minister tradition and offers a holistic educational experience that continues to stress scholarship and service. Students prepare for preaching, teaching, administration, counseling, and a range of other spiritual and secular roles, with a blend of scholarship in the classroom and practical experience in the community. The ecumenical, interracial, and multi-cultural environment introduces students to the diversity they will encounter in developing and implementing faith-based solutions to the contemporary challenges of congregations and communities they will serve after graduation.

The interdisciplinary curriculum integrates theological studies with preparation for the ministry, merging theory and practice to equip the student for scholarship in the academy, service in the parish, and leadership in the community. Degree programs offered are the master of divinity, master of arts in Christian education, master of arts in church music, doctor of ministry, and doctor of theology in pastoral counseling. Cross-registration arrangements are maintained with Candler School of Theology at Emory University, Columbia Theological Seminary, Clark Atlanta University, and Morehouse School of Medicine.

Gammon alumni serve the community and larger society as bishops, pastors, college presidents, pastoral counselors, professors, education administrators, campus ministers, chaplains, denominational executives, government officials, and community leaders.

The renovation project on the Gammon Hall administration and student living facility has been completed. It will be with the help of our alumni and friends that the debt on the cost of the renovation—approximately \$3 million—will be retired as soon as possible.

The vision for the 21st century for our seminary is to strengthen and promote financial security for the institution with its fundraising efforts and to increase recruitment of prospective students that will honor its historic mission and embrace its promising future.

Walter H. McKelvey, *President*

4. UNITED THEOLOGICAL SEMINARY

Mission Statement: *United Theological Seminary is a Christ-centered graduate school of The United Methodist Church that equips leaders for the church in a pluralistic world through the nurture of piety, the love of learning, and the pursuit of justice.*

A year of change occurred for us in 2005 as we relocated to a new campus after 80 years in the previous location. As part of a two-year planning process beginning in 2001, the seminary staff and trustees examined buildings and facilities and came to the conclusion that the school's historic location on Harvard Boulevard would not meet the seminary's future needs. On February 18, 2005, we signed the documents that closed the purchase of a new campus in Trotwood, Ohio. The property, formerly owned by the Jewish Federation of Dayton, consists of an 80-acre campus at 4501 Denlinger Road.

Renovations began in April 2005, and seminary staff began to move into the new facility in September of 2005. A gala three-day celebration of the new campus was held October 10-13, 2005, with more than 600 people participating in the celebratory events.

The new campus gives the seminary many new opportunities, with expanded classrooms, state-of-the-art technology, a new space for the EUB Heritage Center, a renovated library, programs in Wellness Ministry, and partnerships with the community. The new facility has academic and recreational resources that will allow us to make programmatic, educational, and economic impacts on the entire region.

The technology at the campus creates one of the most sophisticated learning centers in the area, suitable for nearly every constituent group conceivable. Our recreational facilities, which include indoor and outdoor swimming pools, a walking track, softball fields, and tennis courts, have provided us with new opportunities for educational programming and community partnerships. Already, a partnership between the city of Trotwood, the YMCA, and UTS has provided a unique initiative to serve children and families with a day-camping program held on the campus last summer.

The academic plan at UTS includes a full range of degree programs and initiatives, including on-line learning and distance education. The M.Div. degree, with its noteworthy contextual education program, is among the more dynamic in the country, while the doctor of ministry program is innovative in its mentor-based contextual model.

United Theological Seminary began a Wellness Initiative in July 2004 in order to explore the establishment of a Center for Wellness Education within the Institute for Applied Theology at the school. The program includes health screening and assistance for incoming students, curriculum development for wellness education with the degree programs, and a full range of strategies for assisting congregations in the exploration of health, healing, and holiness.

The outreach of the seminary through the Institute for Applied Theology includes the Center for Urban Ministry; the Center for Worship, Preaching, and the Arts; and the Pohly Center for Supervision and Leadership Formation. With the addition of the Wellness initiative, the seminary is prepared to address many of the current and emerging needs of lay persons, clergy, and the larger church.

G. E. Zeiders, *President and CEO*

5. WESLEY THEOLOGICAL SEMINARY

A Mission-Shaped Seminary

Wesley is a place of mission-hearted people and mission-minded scholarship for a mission-centered church. Located in Washington, D.C., we are one of the largest and the most diverse seminaries in the world. Members of just one graduating class will minister to more than half a million people. The combination of our size, theological position, international reach, and location puts Wesley in a unique place to affect the church for the next generation.

A Church-Based Seminary

Wesley's reach and pull are worldwide. Our graduates are in ministry in all 50 states and in 20 countries as leaders of the church and other service organizations. Wesley has come to have such an impact because of the seminary's commitment to being where God is working in the world—centered in the church. We have built many lasting partnerships with congregations that have strengthened the individual churches and the seminary.

A Resource for the Church and the People of the Church

At Wesley, we nurture wisdom and creativity. Our faculty members teach from the deep center of thoughtful Christianity. We help students navigate the path to mature faith that comes from in-depth study of the texts and tradition. At the same time, we are the research and development arm of the church, looking for the new ways the Holy Spirit is moving in the world.

We have designed day, night, and weekend courses to accommodate all who seek to explore, learn, and deepen their faith. Wesley offers master of divinity, master of arts, master of theological studies, and doctor of ministry degrees. Additionally, we provide a diverse range of programs for clergy and lay members.

An Invitation

At Wesley, our graduates hold the promise of hundreds of ministries that stretch far into the future. We welcome all who would join us in our work. To learn more about or reconnect with Wesley, visit www.wesleysem.edu.

David McAllister-Wilson, *President*

II. SOUTHEASTERN JURISDICTIONAL CONNECTIONAL TABLE

The Southeastern Jurisdictional Connectional Table, under the leadership of Bishop Charlene P. Kammerer, continues to give leadership and set direction for the ministry of the Southeastern Jurisdiction. An organizational task group and a task group to study the relationship of SEJ agencies is studying the entire organization of the jurisdiction at the direction of the 2004 Jurisdictional Conference. They continue their work to make our unique jurisdiction more effective.

The entire jurisdiction was saddened by the complete destruction of Gulfside Assembly, located in Waveland, Mississippi, and one of our seven agencies, as the result of Hurricane Katrina. The Gulfside board of trustees has named a long-range study group to look to the future in order to determine how they might serve the needs of The United Methodist Church at this renowned historical African-American mission center.

The Southeastern Jurisdiction Ministries for Adult Rehabilitation (SEMAR) worked through a number of challenges this past year in order to reclaim its mission and vision for the future. The SEJ Connectional Table and SEMAR celebrate a partnership with the Western North Carolina Conference through Givens Estates, Inc., in Asheville. Givens has agreed to be the lead partner in a senior adult housing project located at Lake Junaluska.

We continue to celebrate the ministries of the remaining five agencies of the jurisdiction: Hinton Rural Life Center, Intentional Growth Center, Archives and History, Southeastern Jurisdictional Native American Ministries, and United Methodist Volunteers in Mission. They each offer their focused ministries with annual conferences and local churches. All seven agencies of the SEJ fall under the total ministry of the jurisdiction.

Ministry within the SEJ continues to expand and grow. The focus of the SEJ Ministry Team for this quadrennium is *Cultivating Spiritual Leaders*. Events and resources are aligning to this end as we take seriously the vision of *making disciple-makers* and connecting the jurisdiction through networking opportunities. Staff leaders are working to discern needs of the jurisdiction, with a focus on adults, youth and young adults, laity, clergy, and ethnic constituencies. At this writing, a new staff position, focusing on strengthening the African-American churches of our jurisdiction, is in process. Our staff is committed to moving into the future with careful planning and evaluation of existing resources.

The Lake Junaluska Conference and Retreat Center had 97,000 guest nights in 2005, down from the previous year. We are proud that 55% of those served are United Methodists. We have an extensive marketing program to tell the story and mission of Lake Junaluska and the jurisdiction. We have just completed renovation of an additional 50 rooms at the Terrace Hotel, which completes the renovation. The Harrell Center auditorium was recently re-carpeted, and the hallways and restrooms were rejuvenated. Inspiration Point, located at the west end of Lambuth Inn, is complete and will receive a life-size statue of Christ this spring, adding another significant place for reflection and spiritual formation at Lake Junaluska.

We appreciate the local churches that have chosen to meet the challenge of \$.50 per member for the quadrennial special asking for the renovation of the Lake Junaluska dam. Phase 3 of the work has been completed, and state of North Carolina inspectors have encouraged us to continue with the schedule that has been set for repairs. The special asking collections totaled \$113,470.36.

The SEJ Connectional Table approved the Junaluska Assembly Community Council (JACC) as an advisory group to Residential Services. The election and ratification of this council was completed by the residents and began meeting in March.

We continue to appreciate the apportionment payments from all annual conferences that support the SEJ connectional ministries. Total 2005 SEJ annual conference apportionment payments were \$1,768,794.88. The collection percentage was 82%. The council's allocation of that collection was \$1,631,890, an increase over the 2004 collection.

The General Commission on Religion and Race met with the staff and the connectional table of the jurisdiction in the fall, monitoring our progress in becoming inclusive. They were very complimentary of the hard work that has been done to ensure that the SEJ becomes an inclusive organization.

We continue to make progress with our capital campaign, having received \$8.3 million. Pledges for the Bethea Welcome Center are being completed, with the hope of beginning construction this year. Toward the end of the year, we will begin to raise funds to build a new clubhouse for the Junaluska Golf Course.

We are grateful for the work of the elected members on the connectional table and those who serve as leaders in other areas of ministry. Those who serve from the Western North Carolina Conference are: Bishop J. Lawrence McCleskey, Connie Locklear, Kathy FitzJefferies, Katie Bryant, Dr. Jimmy T. Pennell, Dr. Kenneth Lambert, Darwyn Van Gorp, and James T. Trollinger.

Jimmy L. Carr, *Executive Director*

JJ. TREASURER-DIRECTOR OF ADMINISTRATIVE SERVICES

I am thankful today that I have had the opportunity to serve another year in the ministry of administration.

Financial Support

During 2005, we extended the focus of our faith through \$24,004,168, or 83.34% of the apportioned budget. Shortfalls are not a good thing.

But I am thankful today for the \$227,000,000 that did flow through our churches this year. That is \$227,000,000 right out of the hands of persons working at desks, at a mill or on the hill—it doesn't matter where they work; it matters that they gave. When they see that plate coming down the aisle each Sunday, they aren't thinking of the budget, or pension, or Insurance, or shortfalls. They are thinking about their relationship with God. Amen?

And the bishop leads us to do more. And we can! For that I am thankful today.

Financial Responsibility

The Council on Finance and Administration commends the Conference Ministry Advisory Council for their intentional stewardship in matching their budget requests to "paradigm targets." The significant reduction in program requests is evidence that the ministries are practicing good planning and using the paradigm concepts endorsed by the conference in 2004. An overall 21% reduction (with almost 40% reduction in programming funds) means it will be incumbent on local churches to strive to fund the ministries of the conference at 100% in 2007. The CFA believes the CMAC has striven to achieve accountability by prioritizing funding based on our principle strategic goal of the conference, making disciples.

A piece of good news is that, for the third time in four years, our Health Benefits Committee is pleased to announce that both Active and Retiree Plans are stabilized and built back part of their under-funded reserves. The changes you made four years ago have apparently worked to stabilize the Retiree Plan and have begun to secure it for the future.

To secure the Retiree Health Benefit for the future, the 2005 action of the conference to eliminate prescription drugs from the plan has resulted in an \$11,000,000 reduction in plan liability to be realized over the next several years. Maintaining this funding line in the Conference Support budget, however, has not given the Retiree Health Benefit the visibility it deserves if we are to secure that benefit for the future. The CFA and Board of Pension and Health Benefits have, therefore, proposed in 2007 to make the Retiree Insurance Supplement a separate fund. This identity will give the conference a clear opportunity to support and secure the benefit.

The auditing firm of McGladrey and Pullen has completed our audit with "No Qualifications." On another note, the auditors gave us an "Emphasis Paragraph" on the results of our audits of the constituent ministries. As a result of this mention, these ministries have significantly improved their reporting over the last few years. At this moment, I just can't say enough good things about the great work of the district administrative assistants. They are essential partners in our ministry of administration.

Financial Reflection: Links in the Connection

Last year at this time, we reflected together on the "real currency of our work being changed lives." We can be thankful today for the 4,855 persons making first-time confessions of faith last year. And the bishop leads us to win more. And we can! Because evangelism is a link in our connection.

This year, please reflect with me for a moment on intercession, as prayer-in-action. Because intercession is a link in our connection.

On Ash Wednesday, our pastor, Ken Carter, sent out a short essay on the Mystery and Intercession. To paraphrase a line: "Intercession holds together both the person in need and the glory and majesty of God." To me, it is like a mediation between the human and the Divine. Sounds a little like a chapter in a new book—maybe this is sounding like an ad for Ken Carter's books anyway—so, if it does become a book, I hope you'll buy it and read it. Maybe he'll donate the royalties!

In the last few years, it seems the Episcopalians and Presbyterians are having trouble finding common ground in their connections, especially on sexual orientation. People stuck between division and the Divine. About the only thing holding them together are their pension funds. I guess their Hymnal Committee may want to add a verse to "Blest Be the Tie" to read more like, "Blessed Be the Pension Funds that bind."

Speaking of pension funds, our own pension fund has invested \$700,000,000 in financially viable, socially responsible investments. I was privileged to visit one such investment this last year. It is the Welcome House, a substance-rehabilitation ministry especially designed for Native Americans in the treatment and culture. This ministry has been in place over 30 years. Last year, with a loan from GBOPHB, they were able to move into a new building, doubling their capacity to serve 80 persons at a time for 90-day residency periods. They have an excellent success rate with their clients. It is a wonderful success story.

The General Board of Pension and Health Benefits lends where secular investors fear to tread, making sound financial investments in socially responsible ministries interceding for those down between dependency and the Divine. The GBOP intercedes, because intercession is a link in our connection. Amen?

Closer to home, think of our Children's Home. For 97 years, our residential home has been interceding for thousands of families caught between disruption dysfunction and the Divine. The Children's Home intercedes because intercession is a link in our connection.

At a recent meeting of campus ministers, a community-college campus minister shared the compelling story of a young single mother struggling to find community, hope, and faith. Her story is certainly replicated across all our campus ministries as they intercede for students stuck between the secular and the Divine. Our conference campus ministries intercede, because Intercession is a link in our connection.

Recently, a student just returning from a disaster response team to Biloxi, Mississippi, shared her testimony. She confessed that in the nine months since Katrina, the images of the devastation had somewhat dulled in her mind, until she arrived in Biloxi. Her team worked on the reconstruction of a woman's home. The student could see the real benefit in the physical reconstruction. The owner also expressed her thankfulness for the reconstruction team. But she added that what meant the most to her was the reconstruction of her faith in a caring community. Our conference disaster response ministries, in hundreds of churches, with thousands of volunteers, intercede from as far away as the Gulf Coast to as near as here in Haywood County.

Our churches interceded for hundreds of persons relocated from New Orleans to North Carolina. We were renting empty apartments, giving furniture from our homes to furnish those apartments, giving days of time and money to secure a fresh start for those who lost all their possessions and hope. Our disaster response from hurricanes and flooding interceded, bringing reconstruction of buildings and reconstruction of faith to those caught between a disaster and the Divine. Our disaster response ministries intercede because intercession is a link in our connection.

When I was a young man, our pastor used to remind us periodically that he prayed intercessory prayers for each member of the church, by name, daily, interceding for those caught between the daily and the Divine. When I heard that, I felt connected.

Last February, I was on the phone with Phillip, a person I call a friend, even though, since he has been on one or more committees I staff, I guess I work for him, too. Anyway, in the middle of this sensitive phone conversation, where decisions were being made, he stopped and said, "You know, Bill, I pray for you daily." And I said, "What?" And he quickly followed with, "Larry and I covenanted years ago to pray for you daily, and we still do." When I heard that, I felt connected.

Thinking back on the Episcopalians and the Presbyterians, struggling to find their connection, stuck somewhere between division and the Divine: Pray we never go that way.

Let us United Methodists lay claim for ourselves to James 5:16, which says, in part, "Pray for one another and you shall be healed."

Because intercession is a link in our connection. Amen? Amen.

William C. Wyman, Jr., *Treasurer-Director of Administrative Services*

KK. STATISTICIAN

On behalf of the annual conference, and from me as statistician, I extend sincere gratitude to the 14 district statisticians; to my assistant, Shannon Redden; to our computer programmer, Kenneth Perry; to Yvonne Gritt, Dot McDaniels, and Barbara Rouse in our Treasury Services Department; and to all pastors, membership secretaries, financial secretaries, and treasurers in the churches. We could not have done the job of statistical reporting for last year without all of these.

The complete report of the statistician has been posted on the conference website since April and will appear in the 2006 journal in September. A copy of the condensed report is printed in your supplement. You may wish to have that before you as I continue.

As the 2005 year-end reports began to come in, it very early appeared that we might not have extended our 15-year record of net membership increases. Somewhat like a political analyst looking at early poll results, I was worried. When the final reports were in, it was clear that we had, indeed, sustained our first net loss in membership since 1989, a loss of 646 persons.

To the extent that it may help us feel a little better about this, we need to know that, with 293,089 professing members, we still have more professing members than at any time prior to 2004. A loss of 646 persons is, as my inestimable friend Bill Wyman would say, "a bad thing," but at least the loss did not set us back even to the level of 2004.

Statistically speaking, how can we explain the loss?

First, let us look at the 3 ways a person can be received into professing membership:

Profession of faith or restoration (Lines 2A and 2B in the condensed report),

Transfer from another United Methodist church (Line 3), and

From membership in another denomination (Line 4).

In 2005, we had losses in all 3 of those categories:

Profession of faith and restoration, down 629, or 10.5%.

Transfer from other United Methodist churches, down 340, or 9.8%; and

From membership in other denominations, down 392, or 11.5%.

479 churches received no one by profession of faith, and

274 churches received no members at all.

Then, there are the 4 ways a person can be removed from membership, and we had increases in 3 of those 4:

Charge conference action or withdrawal (Lines 5A and 5B), up 422, or 10.4%;

To membership in other denominations (Line 7), up 23, or 1.5%; and

By death (Line 8), up 120, or 3.2%.

Only transfers to other denominations (Line 6) were down, by 140, or 5.9%.

Other decreases are also of great concern:

Weekly worship attendance (Line 10) declined by 866.

166 fewer persons were baptized (Line 11).

The number of persons in confirmation classes (Line 14) declined by 463.

Membership in United Methodist Men (Line 26) was down 185.

Membership in United Methodist Women (Line 28), down 1,030.

Membership in United Methodist Youth (Line 30), down 1,583.

But there are some reasons for celebration, too:

62,025 persons are participating in Christian formation groups other than Sunday School (Line 19B).

734 Volunteers in Mission teams, involving 4,651 persons, were sent out in 2005 (Lines 25A and 25B).

747 weekday ministry programs, serving 24,320 persons, were in operation in 2005 (Lines 32A and 32B).

All of our property valuations are up, with total church, parsonage, and other property now valued in excess of \$2 billion (Lines 33-35).

On the financial side of things, our churches paid out more than \$227 million (Line 76), an increase of 4%, a rate slightly greater than the 2005 cost of living increase.

The most striking thing about the 2005 report, in my view, was that our churches paid only 81% of their general church, jurisdictional, and annual conference administrative and benevolent apportionments and askings. We should never be satisfied with a payout rate of less than 100%. We have some work to do!

That being said, however, we can celebrate the fact that our churches paid out \$47.8 million in benevolent and administrative causes beyond the local church, 21% of the total spending during 2005. Included in that benevolent giving were mission specials, especially for tsunami and hurricane relief, totaling \$2.7 million.

The figures reported for last year reflect the increasing costs of operating our parishes:

Pastoral compensation and expenses of \$46.4 million (Lines 64-66), up 4.2%.

Other employee compensation of \$42 million (Lines 69-70), up 5.3%.

Program and operating expenses up of \$48.7 million (Line 72), up 6.5%.

Debt payments of \$28.5 million (Line 73), up 12%.

It is interesting to note that, while debt payments were up, payments toward capital improvements and buildings (Line 74) were down from \$25 million to \$19.3 million, a decrease of 23%.

What all of these figures mean is an analysis that all conference leaders and concerned members should be taking into consideration in the days to come. I commend the 2005 report to that kind of careful examination, and I express to all of you my gratitude for the privilege of serving as your statistician.

Charles D. White, Jr., *Secretary-Statistician*