

“Living the
Faith:
Mission in
Action.”

Journal of the Diocese of Olympia

95th Annual Convention
November 11–12, 2005
St. Mark’s Cathedral
Seattle, Washington

Journal of Proceedings

2005 Annual Convention

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Section 1

Minutes of the 95th Annual Diocesan Convention of the Diocese of Olympia
St. Mark's Cathedral, Seattle, Washington
November 11–12, 2005

Friday, November 11, 2005

Issue Forums/Briefings

The 95th Convention of the Diocese of Olympia began with issue forums and briefings in three sessions on the following topics: Diocesan Council issues; peace and justice issues; Personnel Commission; the Episcopal Church defined; and disaster response.

Due to a storm, power on the hill was knocked out five minutes prior to the call to order at 1 PM. After discussion, it was decided to move forward with the agenda using loud voices, emergency lighting in the stairwells, flashlights, candles and eventually a bullhorn and battery-powered sound system.

1. Call to Order

The 95th Convention of the Diocese of Olympia was called to order by the Rt. Rev. Vincent W. Warner, bishop diocesan.

2. Certification of Quorums

The Rev. John Schaeffer, Secretary of Convention, declared he had satisfactory evidence that a canonical quorum in both orders was present and **moved** that Convention dispense with the reading of all names. **Motion was seconded and PASSED.**

3. Convention Organized for Business

Bishop Warner declared the 95th Convention of the Diocese of Olympia organized for business.

4. Opening Worship

5. Introduction of the Head Table

Bishop Warner introduced the members sitting at the head table: *Miller Adams*, Dispatch of Business; *Betsy Greenman*, Canon to the Ordinary; *Don Mullins*,

Chancellor and acting Parliamentarian; and *John Schaeffer*, Secretary of Convention.

6. Greetings from the host congregation

Bishop Warner called on Dean Robert Taylor to bring greetings and welcome those gathered.

7. Committee on Dispatch of Business

Bishop Warner recognized Mr. Miller Adams, chair, who **moved** Dispatch of Business document 05/A/13 for acceptance; **seconded and PASSED.** Additional items were reviewed, including the rules for speaking from the convention floor and for submitting resolutions within the “six-hour” window.

8. Report of the Committee on Privilege

Bishop Warner recognized the Rev. Randal Gardner, chair, Committee on Privilege, to present the report on the granting of privilege of Convention (seat and voice). Randy referred to document 05/E/4. A **motion to grant seat, voice and vote** to 12 young adults – in response to a canon change in 2004 – **PASSED** on a two-thirds vote in each order voting separately. The remainder of the report from the Committee on Privilege was **moved, seconded and PASSED** by a show of green cards.

9. Election of Secretary of Convention

Bishop Warner recognized Mrs. Peggy Habegger representing the Nominations Committee, who placed the name of the Rev. John Schaeffer in nomination for Secretary of Convention. **Motion was made, seconded and PASSED.** The Rev. John Schaeffer was elected Secretary of Convention.

10. Appointment of Assistant Secretaries

Secretary John Schaeffer requested the approval of Convention of the appointment of Dede Moore as convention coordinator; Barbara Brower, Norah West, Diane Wells, Carla Robinson, and Carrie Rohlik as assistant secretaries serving the current convention. Appointments were *APPROVED* by a show of green cards.

11. Appointment of Parliamentarian

Bishop Warner appointed Mr. Don Mullins as the parliamentarian for the 95th Convention; *APPROVED* by a show of green cards.

12. Chancellor & Vice Chancellor

Bishop Warner appointed the Hon. Donald Mullins, Esq., chancellor of the Diocese of Olympia. Bishop Warner appointed the Hon. Duncan Bayne, Esq., vice chancellor of the Diocese of Olympia. Both appointments were *APPROVED* by the show of green cards.

13. Convention Committees

Bishop Warner appointed the Convention Committees and Commissions by reference to document 05/E/3, with the request that Convention approve the appointments as presented and in place. Convention *APPROVED*. [See pg. 51 for written report.]

Commission on Ministry

Bishop Warner appointed the following members to the Commission on Ministry. Convention *APPROVED*.
Susie Zych, St. Benedict, Lacey (three-year term)
Dwight Russell, St. Thomas, Medina (three-year term)
Kathleen Patton, St. Stephen, Longview (one-year unexpired term)

Board of Directors

Bishop Warner appointed the following members to the Board of Directors. Convention *APPROVED*.
Kathy Truong, Holy Apostles, Bellevue (one-year term)
Bill Lucks, Trinity Church, Seattle (three-year term)
Todd Curry, St. Thomas, Medina (three-year term)

Diocesan Council

Bishop Warner acknowledged the new or reappointed/elected members of the Diocesan Council from regional ministries and program commissions.
The Rev. John Roddam, St. Luke, Seattle (Be-Attitudes Regional Ministry)
The Rev. Armand Kreft, Epiphany Parish of Seattle (Commission for Evangelism)
Dr. Joan Oliver, Good Shepherd, Vancouver (re-elected, Columbia Regional Ministry)
Ms. Sally Young, All Saints, Seattle (re-appointed, Commission for Faith Formation)

14. Election of the Trial Court

Bishop Warner nominated the following persons to be members of the Ecclesiastical Trial Court. Convention *APPROVED*.

Ms. Kathryn Barron, St. Paul, Port Townsend
Mr. Mac Brown, St. Mark's Cathedral, Seattle
The Rev. William Burnett, rector emeritus, St. Augustine's in-the-Woods, Freeland
The Rev. Richard Scott, St. Antony of Egypt, Silverdale
The Rev. Pat Taylor, retired

15. Report – Committee on Nominations

Bishop Warner called on Mrs. Peggy Habegger, representing the Nominations Committee, for the report. Peggy placed the following names in nomination [see pg. 31 for a written report on nominees].

Nominations for the Standing Committee

Clerical Order

Zula Johnston, St. Benedict, Lacey
Jim Neal, St. Hugh of Lincoln, Allyn
Nigel Taber-Hamilton, St. Augustine, Freeland

Lay Order

Mary Lyons, St. Stephen, Longview
Steve Paul Moen, St. Mark's Cathedral, Seattle

Receiving no further nominations from the floor, Bishop Warner declared the nominations closed.

Nominations for Diocesan Council

Peter Pitarys, St. Thomas, Medina
Richard Younge, St. Clement, Seattle
Janice Higby, St. Matthew, Castle Rock (from the floor)

Receiving no further nominations from the floor, Bishop Warner declared the nominations closed.

Nominations for Cathedral Vestry

Miller Adams, Trinity Parish, Seattle
Tom Casey, St. Thomas, Medina

Receiving no further nominations from the floor, Bishop Warner declared the nominations closed.

Historiographer

Carle Griffin, St. George, Seattle. Receiving no further nominations, Bishop Warner declared the nominations closed. Br. Carle Griffin was *ELECTED* Historiographer by a show of green cards.

Treasurer

Steve Faust. Receiving no further nominations, Bishop Warner declared the nominations closed. Steve Faust was *ELECTED* Treasurer by a show of green cards.

Archivist and Records Manager

Diane Wells. Receiving no further nominations, Bishop Warner declared the nominations closed. Ms. Diane

Wells was *ELECTED* Archivist and Records Manager by a show of green cards.

Nominations for General Convention Alternate

Mrs. Peggy Habegger explained that one lay deputy had resigned since the election in 2004 and, per our canons, each deputy/alternate moves up and a new fourth alternate is elected if there is another diocesan convention prior to the General Convention.

Lay Order

Paula Harris-White, St. Clement, Seattle

Addison Linville, St. John, Olympia

Joan Oliver, Church of the Good Shepherd, Vancouver

Dale Rammerman, Christ Church, Anacortes

Receiving no further nominations, Bishop Warner declared the nominations closed.

15. Introduction to voting procedures

17. First ballot

Bishop Warner recognized Mr. Josh Hosler, elections official, to introduce the balloting system to be used in the 2005 elections. Bishop Warner declared the polls open. The first ballot was completed.

18. Bishop's Address

Bishop Warner delivered his address to the 95th Convention of the Diocese of Olympia. [*Text of the Bishop's Address begins on pg. 22 of this Journal.*] In the course of the bishop's address, Bishop Warner announced his intention to retire in 2007 and **called for the election of the next bishop diocesan.**

19. Introduction of the Joint Board

Bishop Warner called on Mr. Jim Church, president of the Standing Committee, to introduce the Joint Board for the election of the next bishop diocesan. [*See document 05/F/22, pg. 66.*]

20. Report of the first ballot

Bishop Warner recognized Elections Official Josh Hosler for the report of the first ballot.

Diocesan Council

Simple majority (232) needed to elect.

Janice Higby 102

Peter Pitarys 113

Richard Younge 248

ELECTED: Richard Younge

Standing Committee

Clerical Order (four-year term)—concurrence between orders (66 clergy/168 lay on this ballot) required to elect.

Zula Johnston 42 clergy 81 lay

Jim Neal 46 clergy 122 lay

Nigel Taber-Hamilton 42 clergy 132 lay

NO ELECTION

Standing Committee

Lay Order—concurrence between orders (60 clergy/161 lay on this ballot) required to elect.

Mary Lyons 71 clergy 176 lay

Steve Paul Moen 48 clergy 144 lay

ELECTED: Mary Lyons

Cathedral Vestry

Simple majority (225) needed to elect.

Miller Adams 312

Tom Casey 137

ELECTED: Miller Adams

General Convention 4th alternate

Lay Order—concurrence between orders (64 clergy/161 lay on this ballot) required to elect.

Paula Harris-White 49 clergy 82 lay

Addison Linville 15 clergy 47 lay

Joan Oliver 35 clergy 120 lay

Dale Rammerman 27 clergy 71 lay

NO ELECTION

21. Second ballot

Bishop Warner declared the polls open. The second ballot was completed.

22. Outreach Mission Recognition

Bishop Warner recognized the Rev. Greg Peters, who talked about Jubilee ministries and asked members of delegations from congregations designated as Jubilee Ministries to stand for recognition.

24. Bishop's Cross presentation

Bishop Warner presented the Bishop's Cross to Dorothy Armstrong. *It's a real gift when others around you see you as forthright, knowledgeable and capable, never ruffling feathers, and having the respect of all. Truth telling is a trait I personally appreciate in an individual. This woman knows how to speak the truth with grace and compassion. Most recently she has been senior warden at St. Elizabeth's, Burien, during a time of transition and call when they grappled with issues of music, worship style, biblical interpretation and theological beliefs. It is her ministry beyond the parish that under-girds this presentation. She has been St. Elizabeth's representative on the board of*

Hospitality House, a shelter for homeless women run jointly by a number of churches in the Burien area. She has been a strong advocate and communicator for this ministry. She understands that this is important both for the parish being able to provide a ministry to the community, and also in the ways that St. Elizabeth's benefits through this involvement. Again, looking beyond the parish, using her administrative skills, she worked in support of opening St. Elizabeth's for use by outside groups including Hope Christian Fellowship. She is servant leadership in action. It is with a great deal of pleasure that I present the Bishop's Cross to Dorothy Armstrong.

25. Episcopal Relief & Development presentation

Bishop Warner recognized Mr. David Baylor, who, along with several young people, talked about a recent mission trip to El Salvador.

31. Evening Prayer

The power having not returned, the remainder of the agenda was postponed due to darkness and cold. Bishop Warner declared the convention in recess until 8:30 AM Saturday morning. Evening prayer by candlelight concluded the day's business.

Saturday, November 12, 2005

Convention rejoiced at the return of power to the Cathedral, giving light and heat to the second day of the convention.

32. Opening Worship

33. Call to Order

Following opening worship, Bishop Warner called the convention to order. Bishop Warner recognized Mr. Miller Adams who presented the revised order of business for the day. Miller proposed two motions to streamline the work of the convention.

Moved that with respect to all resolutions the chair will be allowed to allocate a total of 12 minutes for comments from the floor, three speakers for the resolution, each given two minutes, and three speakers against the resolution, each given two minutes, provided, however, that the presenter of the resolution or a representative of the presenting organization would have an opportunity to speak twice; **seconded** and **PASSED** with a two-thirds majority.

Moved that with respect to six-hour resolutions and for the purpose of deciding if the convention will consider the resolution on its merits the chair will recognize only one speaker for and one speaker against the six-hour resolution, each given the normal two minutes, provided, however, that the presenter of the six-hour resolution or a representative of the

group that presented the six-hour resolution will be allowed to speak twice; **seconded** and **PASSED**.

28. Report of the second ballot

Bishop Warner recognized Elections Official Josh Hosler for the report of the second ballot.

Standing Committee

Clerical Order (four-year term)—concurrence between orders (51 clergy/138 lay on this ballot) required to elect.

Zula Johnston	27 clergy	33 lay
Jim Neal	37 clergy	117 lay
Nigel Taber-Hamilton	37 clergy	124 lay

NO ELECTION

General Convention 4th alternate

Lay Order—concurrence between orders (52 clergy/136 lay on this ballot) required to elect.

Paula Harris-White	47 clergy	54 lay
Addison Linville	6 clergy	28 lay
Joan Oliver	34 clergy	131 lay
Dale Rammerman	15 clergy	58 lay

NO ELECTION

29. Third Ballot

Bishop Warner declared the polls open. The third ballot was completed.

26. Committee on Constitution and Canons

Bishop Warner recognized Mr. Doug Oles for the report from the Committee on Constitution and Canons (C&C), noting how Doug always provides a very serious presentation about the canons.

Oles: As we gather together on this bright morning truly empowered, many might say that it's appropriate to dedicate this moment to some contemplative prayer and focus on the faith and the unity that should bring us together. But this is not that moment. This is a report of the Committee on Constitution and Canons – and my have things changed since 4:15 PM yesterday when this committee was supposed to give its report. As you may recall, at that time, when I was prepared to speak, it was so dark you could barely read the handouts and didn't really know what you were being presented with. The speakers were barely audible so you had to assume that they were saying the best and most inspiring things. The floor microphones weren't working so that amendments weren't possible. In short, conditions were perfect....

Doug proceeded to move the committee recommendation on each of the proposed changes.

Second vote on changes to Constitution:

Our diocesan Constitution provides (in Article XXI) that it may be amended by a majority vote of the two orders voting separately at two successive annual meetings of Convention. At the 2004 Convention, in order to facilitate voting by Lutheran pastors who are licensed to exercise authority in Episcopal congregations, the delegates passed an amendment to Article VII to add a sentence at the end of Section 3 that is now offered for adoption on second reading.

Article VII, Section 3

Members of the clergy who are canonically resident within this Diocese, and who are either ecclesiastically employed within this Diocese or domiciled within this Diocese when the Convention meets shall be entitled to a seat and to a vote. Priests and pastors, licensed by the Bishop, who have charge of an Episcopal congregation in the Diocese when Convention convenes shall also be entitled to a seat and vote. *PASSED* in each order voting separately.

First Vote on changes to Constitution:

Article XVII, Section 2 (Assessments)

In 2004, convention referred back to the Committee a proposal to clarify the "penalty" that may be imposed on parishes and missions that fail to pay assessments. The Committee offers the following revised draft for passage on first reading.

The Convention shall also have power to impose such penalty as it may deem proper within its lawful power for neglect to pay such assessment when imposed. If a congregation has paid less than 75% of its assessment in any two consecutive years, then in the

following year Convention may vote to deprive that congregation's lay delegates of their right to vote at Convention, but no congregation shall under this article be denied rights to a seat or voice at Convention. A motion to deny voting authority at any Convention meeting must be made no later than the first report of the Committee on Privilege. *PASSED* in each order voting separately.

Article VII, new Section 4(f) (Additional Youth Lay Delegates)

At the 2004 Convention the delegates enacted a new Section 5 for Canon 2. It provides that "[t]he Convention, once convened in session, may grant the privileges of seat and vote, in that session, to a total of up to 12 adult Communicants in Good Standing (aged 16-21), by a vote of not less than two-thirds of the members present (both orders voting together)." Unfortunately, the new canon creates a conflict with Article VII, Section 4 of the Constitution, which purports to enumerate all the lay members of Convention. Second, it allows "seat and vote" without referring to voice. Third, it fails to specify any procedure for selecting the added lay delegates. The Committee concluded that (a) the procedure for adding young adult lay delegates should properly be set forth in Article VII of the Constitution and not in Canon 2, and (b) a nominating procedure should be provided. To promote geographical diversity, the Committee recommends allowing each Regional Ministry to nominate one such young adult delegate (adding an incentive for active participation in Regional Ministry gatherings).

The lay members of Convention shall consist of ...

(f) one young adult (ages 16-21) selected by each Regional Ministry in its last regular meeting prior to Convention. [The existing Section 4 (f) would be renumbered as Section 4 (g).

Discussion: *Mr. Mike Akin, St. John's Church, Olympia,* expressed his opinion that one representative per region was too restrictive and recommended a no vote on the proposal. *Mr. Doug Oles* noted that congregations may still elect delegates in this age range to represent the congregation, the proposal does not restrict the youth, but states that this special category of youth will have a limit. *PASSED* in each order voting separately.

Vote on change to Canons:

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

enacted” unless the Convention votes unanimously for the changes to take immediate effect.

Canon 4 Title

The title of Canon 4 should be changed from “Committee of Convention” to “Committees of Convention,” for the obvious reason that more than one committee is described.

Canon 12, Section 1(a) (Permitting Investments with Brokers)

In an effort to reconcile the Canons with widespread current practice (i.e., allowing placement of Church funds with investment brokers), the Committee recommends the following change to Canon 12, Section 1(a):

Trust and permanent funds and all securities of whatsoever kind shall be deposited with a Federal or State Bank, a licensed securities broker, or a Diocesan Corporation, or with some other agency approved in writing by the ~~Ordinary~~ Bishop, under either a deed of trust or an agency agreement providing for at least two signatures on any order or withdrawal of such funds or securities. But this paragraph shall not apply to funds and securities refused by the depositories named as being too small for acceptance. Such small funds and securities shall be under the care of the persons or corporations properly responsible for them.

Following one clarification, changes to Canon 4 Title and Canon 12, Section 1(a) *PASSED* in each order voting separately.

Canon 12, Section 2 (Approval for Sale or Encumbrance of Church Property)

The Committee also recommends an update to Canon 12, Section 2. By way of background, the National Canons are clear in requiring consent of the Bishop, acting with advice and consent of the Standing Committee, as a condition for the encumbrance or alienation of church property. In particular, we note Title II, Canon 6, Section 2 (applying to a “dedicated and consecrated Church or Chapel”), and Title I, Canon 7, Section 3 (applying generally to “real property”). The Committee does not, however, understand that these requirements were intended to govern routine refinancing of existing debt, and it also seems helpful to specify a timetable in which approval or rejection may be expected. The Committee therefore recommends the following changes to Canon 12, Section 2:

No Vestry, trustee, or other body, ~~with authority~~ with authority ~~by Civil or Canon Law~~ to hold, manage or administer real property for any Parish, Mission, ~~Congregation or other diocesan institution~~, shall encumber

or alienate the same or any part thereof (save for the refinancing of an existing loan without increasing its current amount), without the previous written consent of the Bishop, acting with the advice and consent of the Standing Committee of the Diocese, under such further regulations as may be prescribed by the Canons of this Diocese or of the National General Convention. The Bishop's failure to deliver a rejection within sixty (60) days after receiving a proper written request for approval shall be deemed an approval under this canon.

Canon 9, Section 10 (duplicating Canon 12, Section 2)

Canon 9, Section 10, has evolved over the years into being essentially a duplication of Canon 12, Section 2. It reads:

No Vestry or Bishop's Committee shall encumber or alienate any church, chapel, rectory or other Parish building, or any land pertaining thereto without the previous written consent of the Bishop, acting with the advice and consent of the Standing Committee of the Diocese.

The Committee therefore recommends deletion of Section 10, with a consequent renumbering of Sections 11 and 12.

Discussion: In answer to a question, Doug clarified the definition of “bishop” as used in the canon. In response to a comment from *the Rev Cris Amburgey*, member of the Standing Committee, Doug explained the decision of the C&C to use 60 days as the appropriate response time. *Mr. Paul Johns, St. Mark's Cathedral, Seattle*, offered a **friendly amendment** (accepted by the C&C chair) to change “amount” to “current amount,” in Canon 12. Changes to Canon 12, Section 2, as amended, and deletion of Canon 9, Section 10, were *PASSED* in each order voting separately.

Canon 17 (Lay Readers ? Diversity)

To begin with, it appears that Canon 17 no longer serves any valid purpose and may be deleted. It refers to licensing “Lay Readers,” a procedure now replaced by licensing of “Worship Leaders” under Title III, Canon 4 of the National Canons. As a replacement Canon 17, the Committee proposed a provision expressing the Convention’s desire for the Bishop to consider diversity of gender, ethnicity and region in making appointments under the Canons, as follows:

Canon 17: Lay Readers Diversity in Appointments

~~No person shall be authorized to officiate regularly as a Lay Reader in this Diocese without a written license from the Ecclesiastical Authority, for a term not to exceed three years. Lay Readers shall in all cases conform to the provisions of the Canons of General Convention. In appointing members to diocesan commissions, committees, boards and other bodies, the appointing authority shall give due consideration to the value of diversity in gender, ethnicity and geography.~~

An **amendment** to change the definition of diversity by adding diversity of "opinion" as a consideration *FAILED*. An **amendment** to delete everything after the word "diversity" in the final sentence *PASSED* in each order voting separately. The changes to Canon 17 as amended *PASSED* in each order voting separately.

Canon 22 (Commission on Ministry)

At the annual Convention in 2004, the Committee was asked to re-examine its proposed amendment to Canon 22, which was intended to permit more than 10 members on the Commission on Ministry. The Committee has therefore modified its 2004 proposal to incorporate the principle that Standing Committee may nominate its representative on the Commission on Ministry, as follows:

There shall be a Commission on Ministry consisting of at least ten members.

- a. One member of the Commission shall be ~~a member of~~ chosen by the Standing Committee from among its members who shall be appointed for a one year term by the Bishop at the Annual Convention. Such members shall serve one-year terms and may be re-appointed.
- b. Of the remaining ~~nine~~ members of the Commission, no fewer than ~~three, nor more than six,~~ one third shall be clergy canonically resident in the Diocese and no fewer than ~~three nor more than six~~ one third shall be lay adult Communicants in Good Standing in the Diocese. ...

PASSED in each order voting separately.

The Rev. Mike Morrissey, St. Bede's Church, Port Orchard, raised a point of order stating that a proposed amendment to the canons addressing the number of deputies to General Convention, submitted by the Peninsula clericus in accordance with the policies and procedures of this diocese (because resolutions do not have the force of law) had not been properly placed before this 2005 diocesan convention. He added that no specifics of the deliberation of the C&C were forwarded to those who submitted the proposed amendment. He asked that this be made a matter of record and that when a resolution dealing with election of deputies comes before this convention it is rolled together, with a recommendation to refer back to C&C for action.

Mr. Doug Oles clarified that resolutions do have the force of law – and that over the years resolutions have resulted in changes to the canons. He added that if any member wants to propose a resolution that amends the canons it has to be submitted to the C&C for review and help in clarifying wording so that there

is consistency in the canons. This noted proposal was in front of the C&C at two of its three meetings and discussed at length. An email pointing out three different defects in the proposed resolution was sent following this discussion. The email noted that the proposal could be made through the resolutions committee, but the C&C committee declined to include it in its report.

Bishop Warner suggested that Mr. Doug Oles, the Rev. Mike Morrissey and Mr. Duncan Bayne, vice chancellor, collaborate on how this topic might be moved through the process.

41. Bishop's Cross presentation

Bishop Warner presented the Bishop's Cross to Nancy Rogers and Marj Brustad (Val Brustad).

*There's a wonderful story about a man who came to St. Luke's, Ballard, because he wanted to talk with a priest. Not finding anyone in the office, he followed the laughter downstairs where a group of parishioners were addressing the newsletter. He was immediately put to work. When the priest appeared the man said, "Please wait. Give me a few minutes to finish this address." That's what happens when you have a motivator, an ambassador for Christ in your midst. This woman rallies people to do the work of the Lord. It can be paying a friend's bills while the person is serving as a missionary in another country, or preparing meals for the hungry. For over 17 years, the Friday Lunch Program at St. Luke's has provided three-course meals to between 70 to 90 people every week (except for a two-month summer break) to the homeless and older people on limited incomes. When asked how she manages to make this happen week after week, you are likely to hear her say, "I pray and God always answers and sends those he wants to help. He always provides all I need." In addition to a meal, the guests often find a table with a variety of foods-to-go, as well as sleeping bags, warm socks and heavy clothes. She is a woman of prayer and a woman of action. It is with a great deal of pleasure that I present the Bishop's Cross to **Nancy Rogers**.*

"I always thought that her greatest gift was that she simply loved people." This is the reflection of someone who had known this woman for more than 20 years. This woman worked tirelessly and quietly all her adult life in the service of others. She served on Kairos and Cursillo teams in this diocese and helped to build the program for the Diocese of Spokane. She counseled and helped mothers with young children and made sure they knew about the free milk program. She collected and delivered bibles and toiletries for seaman who arrived at Seattle ports and were not allowed to leave their ships. With her husband, she collected and bought teddy bears and delivered them to patients undergoing surgery in hospitals. And then, this last year, driving back from eastern Washington with her husband, she suffered a massive stroke that ended her life. But even in her death she continues to serve others. This is a woman who had always been attentive to caring for herself, her health and her well being, in the midst of caring for others. When she died, her lungs, kidneys and liver were donated

as living gifts to others. The family originally envisioned her liver in the body of a 50 year old biker – preferably one who rode a Harley – who would find himself surprised that he was now a vegetarian. They were close – her liver went to a 50 year old construction worker. The family received a letter from the woman who received her lungs in which she listed all the things she had not been able to do and the joy she was now finding in the simple act of being able to go shopping. As painful as her death was and is to her family, they celebrate the fuller life she has given to the donor recipients. It is with a great deal of respect and thanksgiving for her ministry that I ask her husband, Val, to accept the Bishop’s Cross for **Marj Brustad**.

34. Report of the third ballot

Bishop Warner recognized Elections Official Josh Hosler for the report of the third ballot.

Standing Committee

Clerical Order—concurrence between orders (49 clergy/145 lay on this ballot) required to elect.

Zula Johnston	12 clergy	17 lay
Jim Neal	43 clergy	117 lay
Nigel Taber-Hamilton	42 clergy	155 lay

NO ELECTION

General Convention alternate

Lay Order—majority of both orders combined, as defined in the canons (196 on this ballot) required to elect.

Paula Harris-White	93
Addison Linville	18
Joan Oliver	218
Dale Rammerman	60

ELECTED: Joan Oliver

35. Fourth Ballot

Josh Hosler explained the procedures for the fourth ballot for Standing Committee – clerical order, with only members of the clergy order voting for the four-year term from among the top two candidates on the third ballot. Bishop Warner declared the polls open. The fourth ballot was completed.

23. Report of the Committee on Resolutions

Bishop Warner recognized Ms. Judy Andrews for the report from the Resolutions Committee. Judy read the **Courtesy Resolutions**, into the record: **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its appreciation for the leadership and ministry of our bishop diocesan, Vincent Warner, and for his wife, Shen. **Be it resolved** that the 95th annual convention of the Diocese of Olympia give thanksgiving for the leadership and ministry of our presiding bishop, the Most Reverend Frank Griswold, and that of his wife, Phoebe. **Be it resolved** that the 95th annual convention of the Diocese of Olympia give thanksgiving for the leadership and ministry of our bishop suffragan, the Rev. Bavi Edna “Nedi” Rivera, and her

husband, the Rev. Bob Moore. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks and appreciation to those who planned and executed the transition and liturgy for the ordination of Nedi Rivera, our bishop suffragan, with special thanks to Barbara Fox, our transition team chair. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks to all persons, lay and clergy, who have given freely of their time and talents to provide leadership for this diocese over the past year, and especially those who are completing their terms on the Diocesan Council and various boards, commissions, committees, and task forces. **Be it resolved** that the 95th annual convention of the Diocese of Olympia send its love and best wishes to Lillian, beloved wife of Ivöl Curtis, and to our bishops retired, Robert Cochrane and his wife, Terry, and Sanford Hampton and his wife Mari. **Be it resolved** that the 95th annual convention of the Diocese of Olympia sends its greetings to Mary, wife of David Cochran, bishop retired of Alaska, and to the Rt. Rev. Cabell Tennis, retired of Delaware, and his wife, Hyde, who make their home in our diocese. **Be it resolved** that the 95th annual convention of the Diocese of Olympia remember in their prayers all those in countries around the world where war or the threat of war is a daily reality, and for all in military service who risk life and personal safety on our behalf to bring about peace, especially the military chaplains in their rounds, duties and deployment. **Be it resolved** that the 95th annual convention of the Diocese of Olympia recognize and celebrate the 100th anniversary of All Saints’, Seattle, and the 50th anniversary of Grace, Lopez Island. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks and appreciation for the leadership of Jim Church as president of the Standing Committee. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks to the Secretary of Convention, the Rev. John G. Schaeffer, and to those who assist him in preparing for this convention. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks for the ministry of all who have worked so hard on this conventions planning, St. Mark’s Cathedral, our convention host congregation, Liturgy and Music for creating our wonderful liturgies, Chair of Dispatch of Business, Mr. Miller Adams, and especially Dede Moore, Convention Coordinator, for their dedicated and effective work. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks to those who serve as pages, tellers, and work in other capacities behind the scenes making it possible for this convention to be together and to conduct its business to the glory of God. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its thanks and appreciation to the diocesan staff who work faithfully on behalf of the people and congregations of our diocese and the wider church each and every day in the spirit of servant leadership. **Be it resolved** that the 95th annual convention of the Diocese of Olympia express its appreciation for the leadership and ministry of our Archbishop of Canterbury, Rowan Williams and his wife. **Judy then moved** for adoption of the courtesy resolutions; **PASSED BY ACCLAMATION WITH APPLAUSE.**

Judy placed on the floor **Resolution #1—Will you strive for justice and peace among all people, and respect the dignity of every human being? – A shared anti-racism ministry, and moved** its adoption.

Resolved, that this 95th Convention of the Diocese of Olympia, acting on the repeated urgings from Bishop Vincent Warner for diocesan-wide anti-racism work as well as the recent re-launching of the Episcopal Church Center’s Anti-Racism Training and the mandates of the 1991 General Convention (Resolution

D113) and of the 2000 General Convention (A047 and B049) as well as Resolution A010 from the 2003 General Convention, calls all leaders of the church, ordained and lay, to participate in anti-racism dialogues on an ongoing basis as a core spiritual practice. **And be it further, Resolved**, that all members of church leadership, that is, including but not limited to all members of the clergy, Diocesan Council, Standing Committee, Commission on Ministry, Board of Directors, Regional Conveners, members of vestries and bishop's committees, all members of diocesan commissions and committees, liturgy and music committees, lay leaders of church ministries, and all church school teachers commit ourselves to ending institutional and other forms of racism and to participating in ongoing anti-racism dialogues organized at the diocesan level by the Missioner for Ethnic Ministries and the Anti-Racism Training Task Force. This training will provide: 1) the opportunity for theological reflection on Jesus' vision of community; respecting the dignity of every human being; 2) information about racism today, and steps needed to become a multi-cultural congregation; and, 3) effective methods and materials for bringing this dialogue into our faith communities for the purpose of being faithful disciples of an inclusive church and a symbol of Pentecost to the world. **And be it further, Resolved**, that by the end of 2007, participation in the diocesan-sponsored dialogues on ending racism will be a requirement an expectation of all church leadership, just as we currently require other kinds of training to be in place as part of the responsibilities of leadership. We call our faith communities to mutual accountability for a just church and a just world. [See Section 3, pg. 47, for explanation and Resolutions Committee rationale.]

Discussion: *The Rev. Fred Jessett, Good Samaritan, Sammamish*, on behalf of the Anti-Racism Training Task Force, offered an **amendment** to change in the second resolved "...that all members of church leadership, that is, including but not limited to, all members of..." and in the third resolved, "...diocesan-sponsored dialogues on ending racism will be a requirement an expectation of all church leadership..."; **seconded**.

The Rev. Nigel Taber-Hamilton, St. Augustine's-in-the-Woods, Freeland, noted that behind the words of the resolution were the words of the baptismal covenant that we should respect the dignity of every human being, and urged support of the resolution. *Mr. Duncan Bayne, St. Mark's Cathedral and Vice Chancellor*

moved for division of the amendments; **PASSED. Both amendments PASSED.**

Mr. Steve Tellari, St. James' Church, Kent, proposed an **amendment** adding, "A parish may have the option of designing its own anti-racism training in consultation with the Anti-Racism Task Force to meet this requirement. This would include a component of theological reflection"; **seconded**. The rationale was that many parishes have expertise in anti-racism training, cultural competency and theological reflection. *Mr. Bruce Whitehouse* spoke against the amendment stating that anti-racism training is different from diversity or cultural training. *Mr. Bob Chapman, St. Dunstan's Church, Shoreline*, spoke against the amendment noting that while parishes may have the needed leadership it is the discussion in the context of the wider diocese that needs to happen. The amendment **FAILED. Resolution #1, as amended, PASSED.**

NEW. Report of the fourth ballot

Bishop Warner recognized Elections Official Josh Hosler for the report of the fourth ballot.

Standing Committee

Clerical Order—vote by clergy order only, top two candidates from the third ballot, majority (60 on this ballot) required to elect.

Jim Neal	60
Nigel Taber-Hamilton	58

ELECTED TO A FOUR-YEAR TERM: Jim Neal

NEW. Fifth ballot

Because a one-year term is also open on the Standing Committee in the clerical order a fifth ballot was required for a run-off between the two remaining candidates – majority to elect, vote by clergy only. Bishop Warner declared the polls open. The fifth ballot was completed.

Bishop Warner recognized chair of Dispatch of Business, Mr. Miller Adams, who noted some further changes in the agenda.

23. Report of the Committee on Resolutions

Bishop Warner recognized Ms. Judy Andrews to continue the report.

Judy Andrews placed on the floor Resolution #2—Commending the election of Suheil Dawani as bishop-elect of the Episcopal Diocese of Jerusalem, and **moved** its adoption.

Resolved, that this 95th Convention of the Diocese of Olympia send greetings and commends the election of Suheil Dawani as bishop-elect of the Episcopal Diocese of Jerusalem, and we offer our prayers for his consecration on January 6, 2006. **And be it further, Resolved**, that we pledge ourselves to strengthening our companion relationship with the Diocese of Jerusalem and our parish partnerships with our Palestinian brothers and sisters in Christ. [See Section 3, pg. 47, for explanation and Resolutions Committee rationale.]

Discussion: *The Rev. Fletcher Davis, St. Augustine's in-the-Woods Church, Freeland*, and member of the Bishop's Committee for Justice and Peace in Israel/Palestine, provided some background and explanation for the resolution. **Resolution #2 PASSED.**

Ms. Judy Andrews placed on the floor **Resolution #3—Concerning just and humane immigration, and moved** its adoption.

Resolved, that this 95th Convention of the Diocese of Olympia recognizes the contributions to our economy, our church and our country which have been and continue to be made by immigrants from countries afflicted by poverty, war, famine and oppression; and further recognizes the deep injustices and suffering caused by current immigration policies – deaths, separation of families, unfair labor conditions and practices, and restraints on education and opportunities for immigrant children; and further recognizes that these injustices affect members of our own Episcopal congregations and members of the communities in which we live and serve; **Therefore be it, Resolved**, that this convention advise the Washington office of the Episcopal Church that we support the national church Executive Council resolution on Comprehensive Immigration Reform passed at its June 2005 meeting in Louisville, Ky., calling for national legislation which will:

- permit the orderly entry of legal workers to the United States to respond to recognized labor force needs,
- ensure that close family members be allowed to enter or be reunited with individuals legally entering the United States to accept employment,
- permit undocumented migrants residing in the United States at the time of the enactment of legislation to pursue legal residence and eventual

citizenship if they are employed or responding to an offer of employment,

- ensure that migrants working legally in the United States be granted the rights and benefits accorded United States workers, including the right to change employment.

[See Section 3, pg. 47, for explanation and Resolutions Committee rationale.]

Discussion: *The Rev. Jo Beecher* representing the Hispanic Ministry Committee provided background on the resolution. *The Rev. Blaine Hammond, St. Peter's Church, Seaview*, spoke in favor of the resolution and talked about his experience working in Hispanic ministry. *Mr. Steve Tellari, St. James Church, Kent*, provided additional background information on current bills before the legislature. **Resolution #3 PASSED.**

Ms. Judy Andrews placed on the floor **Resolution #4—In support of the Millennium Development Goals, and moved** its adoption.

Resolved, that the Diocese of Olympia, as a part of fulfilling its mission to “reconcile all people to God and each other in Christ,” and in accordance with the challenge set forth by the 73rd and 74th General Convention (2000 and 2003) and the 1998 Lambeth Conference:

1. sets a goal to begin in 2008 to give 0.7% of the annual diocesan unrestricted budget to fund international development programs;
2. challenges all communities of faith in the Diocese of Olympia, to give 0.7% of their budgets to international development programs, such as Episcopal Relief and Development;
3. challenges all Episcopalians in the Diocese of Olympia, to give 0.7% of their income to international development programs; **and be it further,**

Resolved, that all Episcopalians in the Diocese of Olympia be encouraged to contact their elected representatives urging them to support the United States' government's fulfillment of its commitment to funding international development aid at 0.7% of U.S. GNP; and that the Secretary of Convention shall write the President of the United States and each of the members of the U.S. Congress representing western Washington that the Diocese of Olympia, meeting in Convention, urges them to support the United States government's fulfillment of its commitment to funding international development aid at 0.7% of U.S.

GNP. [See Section 3, pg. 48, for explanation and Resolutions Committee rationale.]

Discussion: Mr. Val Brustad, chair, Commission for the Church in the World, provided background on the resolution. The Rev. Pat Trytten, Christ Church, Tacoma, offered an **amendment** to, in the first resolved, in item #1, add to the end of the sentence, "under the direction of the Standing Committee of the Diocese of Olympia," making clear who has the responsibility to set the goals and administer the money; **seconded**. Mr. Val Brustad spoke against the amendment noting that the Diocesan Council already has responsibility for the diocesan budget and the responsibility should rest with that body. **Amendment failed.**

Mr. Dave Baylor, Episcopal Relief and Development, spoke in favor of the resolution and referred convention members to the packet of information on the MDG goals. Mr. Bob Thorndyke, St. Paul's Church, Bellingham, **moved to divide** the question into two separate resolved statements; **seconded**. He noted that the first resolved dealt with issues internal to the Diocese of Olympia over which we have some direct control while the second was a recommendation to the government of the United States, a matter of lobbying, and something over which we have only minimal control. Mr. Steve Tellari, St. James Church, Kent, urged convention to vote against the division and asked convention to consider the motion in its entirety. **Motion to divide FAILED.**

Ms. Christine Smith-Clark, diocesan comptroller, asked if the resolution referred to the unrestricted budget or the total budget. The Rev. Mike Morrissey, St. Bede's Church, Port Orchard, offered a **friendly amendment** to add, in the first resolved, #1, "of the annual diocesan unrestricted budget," to clarify the issue as requested by the diocesan comptroller; **ACCEPTED. Resolution #4 as amended PASSED.**

Ms. Judy Andrews placed on the floor **Resolution #5—The commemoration of "Genocide Day" as a Lesser Feast in the calendar of the church year, and offered no recommendation.**

Resolved, that this 95th Convention of the Diocese of Olympia request the Standing Liturgical Commission of the General Convention to consider the inclusion of "Genocide Day," (April 24) as a Lesser Feast in the Calendar of the Church Year; to prepare appropriate collects and scriptural texts for its celebration, and that such be presented for consideration to the 75th General Convention in Columbus, Ohio, in June of 2006. **And be it**

further, Resolved, that in addition to the remembrance of the martyrdom of Armenian Christians, Genocide Day be broadly celebrated in recognition and commemoration of the several other 20th century genocides including the holocaust, Cambodia, Bosnia, Rwanda, Darfur, etc. [See Section 3, pg. 48, for explanation and Resolutions Committee rationale.]

Discussion: Mr. Jason Anderson, St. Michael & All Angels Church, Issaquah, **moved to refer** the resolution to the diocesan Liturgy and Arts Commission for further review; **seconded**. The Rev. Nigel Taber-Hamilton, St. Augustine's in-the-Woods Church, Freeland, urged convention to vote against the referral because if it was referred it would be too late to forward the resolution to General Convention (GC) 2006. The Rev. Peter Kalunian, Church of the Resurrection, Bellevue, author of the resolution, concurred noting that the intent of the resolution was to have it forwarded in time for the 2006 GC. Mr. Jason Anderson responded that more careful theological reflection was needed, which is what the Commission for Liturgy and the Arts is for, and this body does not yet have enough information to vote on this resolution.

The Rev. Joseph Hickey-Tiernan, Christ Church, Tacoma, spoke against the motion to refer because of the delay and said that with substitute resolutions this diocese could be in the forefront on this issue. Mr. Duncan Bayne, vice chancellor, spoke in favor of referring stating that the resolution as proposed needs perfecting and more discussion with people who can help bring the proper language to the resolution. He pointed out that this convention taking action on the resolution to forward it to the GC is not the only way it gets there. The eight diocesan deputies would be happy to work with anyone who wants to get something to GC to make sure that it is in the proper form and time so that it is considered by the appropriate bodies at the GC.

A **suggestion** by the Rev. Phil Lewis, St. Aidan's church, Camano Island, for a solemn fast day rather than a commemoration, was ruled **out of order** because he was not speaking to the referral.

A **point of order** was raised asking if the maker of the motion should have been given an opportunity to speak prior to the motion to refer. Mr. Don Mullins, parliamentarian, ruled a **friendly amendment** on the resolution offered by the Rev. Peter Kalunian **out of order** during the discussion of the motion to refer.

The Rev. John Ruder spoke, as a member of the national Standing Commission on Liturgy and Music, noting that there are many problems with this resolution getting into the report from this Commission to the GC.

There are guidelines noting that the primary way is first to celebrate a martyr and their companions on a particular day locally and, with that, commend our celebration, our commemoration, and the power that comes to us as we remember the martyrs, to the GC.

The Rev. Peter Kalunian responded that, in his experience, it can also be referred directly through the standing liturgical officer at the national church. *Mr. Steve Tellari, St. James' Church, Kent*, commented, first of all, that we do not commemorate genocide, we don't celebrate ...

A **point of order** was called by *the Rev. Peter Kalunian* stating that his amendments would address these issues if the referral failed and commented that he had not been given the opportunity to speak with members of the Resolutions Committee prior to the convention. The **vote on the motion to refer was to close to call** and a hand-count by the pages was required; **the motion to refer PASSED** with a vote of 263 in favor of referral and 148 against referral.

37. Recognition of Denny Bacon and presentation from St. James', Cathlamet

Bishop Warner noted that Mr. Denny Bacon served this diocese for many years and always had his heart in the work that he did. Following his recent marriage, he has moved to Santa Barbara to be with his new wife. Bishop Warner recognized *the Rev. Irene Martin, Ms. Gerry Brennan* and *the Rev. JoAnn Prestegard* from *St. James' Church, Cathlamet*, who talked about their ministry and noted that Denny had asked others to share in his joy at his marriage by making gifts to the St. James' Family Center. They presented to Bishop Warner, to be forwarded to Denny, a handprint poster made by the kids at the St. James' Family Center. Bishop Warner noted that he would convey to Denny the love, affection and thanksgiving of the convention.

NEW. Report of the fifth ballot

Bishop Warner recognized Elections Official Josh Hosler for the report of the fifth ballot.

Standing Committee

Clerical Order—vote by clergy order only, run-off between remaining two candidates for the one-year term, majority (59 on this ballot) required to elect.

Zula Johnston	61
Nigel Taber-Hamilton	55

ELECTED TO A ONE-YEAR TERM: Zula Johnston

38. Report from the Treasurer

Bishop Warner recognized newly elected treasurer, Mr. Steve Faust, for the report.

Faust: I want to begin by thanking you for the confidence you placed in me by electing me to be treasurer. I will do my best to serve the interests of the diocese, the convention to which this office reports, and the wider diocese. As was mentioned, for a long time, this office has been in the hands of Denny Bacon. He was treasurer, finance manager and property manager. He was also a member of the bishop's leadership team. This was a complex and consuming job and when he decided to follow his heart to Santa Barbara the decision was to divide the tasks. A volunteer treasurer would handle the finance portion and a representative of the Board of Directors, serving with a small stipend, would handle property affairs on behalf of the Board. Bill Goodenough is the representative of the Board of Directors for property matters. The tasks of the treasurer have to do with finances, basically preparation of the budget and overseeing the financial office.

We're all aware that this is a time of change in the diocese, in the national church and in the larger society, but it's always a time of change. Church finance is not a thing apart from the Niagra of change that is washing over this society. Change affects how church construction is financed, how remodeling gets paid for, how pensions are funded, how clergy mobility is enabled or discouraged (by housing prices) and how health care is paid for and delivered. It's not for us to lament change. It is rather for us collectively and congregation by congregation to seek solutions to our cash realities. ...

On behalf of Bill Goodenough: a couple of words about the Mission Development Fund (MDF) and the Building Loan Fund (BLF). The MDF had a year-end balance of \$1.3 million. The assets of the MDF were deployed into loans to missions and in the holding of raw land for future congregation sites. The nine loans to missions are all non-performing. This amounts to \$614,000 of essentially static money. The future site investments are: \$604,000 at Orchards in Clark County and \$16,000 in Whatcom County. This is static money as well, but could be mobilized.

The BLF has suffered from a reluctance of financial institutions to do very much in church financing. The BLF has found itself making what amounts to permanent loans. The 2004 year-end balance of the BLF was \$4.3 million – thirty congregations have loans totaling \$4.3 million. Nine of these loans are non-performing and the interest in arrears on these loans amounts to \$61,000. If you do the math, we're left with \$210,000 of available funds in the BLF. There are contingent claims on these funds in the form of a sewer levy at Good Samaritan, Sammamish; diocesan mortgage guarantees for the St. James' Family Center in Cathlamet and on the raw land at Orchards, and bond guarantees where congregations have sold bonds to finance construction at Holy Spirit, Battle Ground, and Grace Church, Bainbridge Island. The important thing to take away from this segment is that there is very little money available for building loans. In fact, the only loan approved so far in 2005 by the Board of Directors was a \$50,000 loan that was approved to put a new roof on Christ Church, Puyallup, and that was less than half the cost of the roof.

Diocesan operating budget: I'm pleased to report that once again there was an unqualified opinion given by the auditor. While I'm talking about audits, I'll just throw in the apparently annual treasurers' plug for congregations that have not submitted evidence of an audit in their congregations to do so. It's a requirement and duty of those who lead congregations to do that.

The operating fund ended with a balance of \$301,000, a large amount of money in conventional terms. But, that's our working capital, and that's 13 days of expenses. In normal terms you'd like to have about 30 days worth of expenses in your working capital so the diocese operates a very lean cash budget. ... In finance matters the motives of the church are quite different than they are in the for-profit world however the yardstick is the same: you can only spend a dollar once; you cannot spend a dollar you do not have without incurring debt; and, you cannot safely incur debt unless you can demonstrate from past experience, not hopeful prospects, that the monthly payments can be made. While the larger congregations seem able to generate the required funds, I know that cash is harder to come by in smaller and mid-size congregations. And these congregations can often see the effects of deferred property maintenance just in the walk from the parking lot to the front door. And these cash strains affect everything – assessments get deferred, clergy and lay hours get scrutinized and often reduced, debts go unpaid – debts to the Board of Directors.

Should the Board of Directors act like a for-profit lender when payments are not made on time? Remember that I said that 9 of the 30 building loans are in arrears and all of the MDF loans are in arrears. Historically the Board of Directors has not pressed for payment. We have to ask ourselves if that should change, if circumstances require that we re-consider. This is a large question and one that we cannot answer easily but only with prayerfulness and collegiality and trusting in one another's good will. ...

I think that three things can help us. The first would be trust in our tradition. ... *break in tape* ... The third would be unblinking honesty about our prospects. If we approach our problems with these three things in mind we will come closer to consensus about how to finance our mutual ministry. I look forward to joining all the stakeholders in that discussion.

39. Action on the 2006 Budget

Mr. Steve Faust stated that, having absolutely no hand in developing the 2006 budget, he would **move** for its ratification. The **2006 budget** was **RATIFIED** with no discussion.

46. Convention Eucharist

Following lunch, convention reconvened with the Convention Eucharist. Bishop Vincent Warner was the celebrant; Canon Betsy Greenman preached (*see pg. 26 for the text of the Convention sermon*). The Eucharist included a commissioning of those elected during this convention.

48. Bishop's Cross presentation

Bishop Warner presented the Bishop's Cross to Ann & Ross Worley and Anne Liepman.

*Island living has its own set of challenges and opportunities. Ask anyone on Lopez Island. It is a place where you tend to know your neighbors. You see the needs of others up close and personal. Over a dozen years ago this couple moved from Woodinville to Lopez. Already active members of the Episcopal Church, they quickly found a home at Grace Church. They were involved in the congregation's ministries: served on the Bishop's Committee, altar guild, lay reading, and taught both children's and adult education. They also looked beyond themselves to the needs of their community, especially the need for a coordinated distribution of free food for needy families. Between them they had the skills and gifts to make it happen. They became the heart and soul of Grace Church's outreach program. She was instrumental in having a standing resolution adopted which dedicates 10% of Grace's pledged income to outreach. They raised an additional 10% as a result of the tsunami. He volunteers at the Lopez Island Medical Clinic, providing counsel to island residents needing advice regarding Medicare coverage and access to various types of Medigap insurance as well as keeping current on the latest information. Anyone who has tried to navigate these complex systems knows the patience and attention to detail it takes to make things happen. Together they stock the Food Bank, a 24/7 supply of free food on the island. This involves collecting food at the Village Market, or purchasing it from the Oak Harbor Commissary (he's a retired Army officer). They also began the federal food program, bringing in surplus food from Bellingham once a month. Their ingenuity and creativity seems to know no bounds. It is with a great deal of pleasure that I present the Bishop's Cross to **Anne and Ross Worley**.*

*There is a certain tall, blonde lady at St. Bede's, Port Orchard, who was a young person in Frankfurt, Germany, during the Allied bombing campaign in WWII. She came to America and became a naturalized citizen. She knows what it is like to start each day worrying about not having anything to eat, much less where the next full meal will come from. For the past 10 years she has run a well-oiled feeding machine when St. Bede's hosts its monthly mission at the Port Orchard Family Kitchen to provide a free full-course meal to all comers. Her crew is kept in strict formation and on a tight schedule, much like the German trains of her youth. But her expectations around hospitality are as firm as her tight schedule: All guests are treated with respect, even when some can be very demanding. When the 7+ hour shift is over, all have been fed, the kitchen spic and span and the crew exhausted. Everyone, this is, except the tall, blonde lady. She looks as fresh as ever, not a hair out of place as she begins to plan the next month's meal. You might get the impression that she is a very task oriented person. If so, you are only getting a small snapshot of the whole picture. As a hospice worker for 11 years, she has provided a strong pastoral presence for those in the final stages of their life journey. Her care and concern for others feeds their souls as well as their bodies. It is with a great deal of pleasure that I present the Bishop's Cross to **Anne Liepman**.*

40. Report of the Committee on Resolutions

Bishop Warner recognized Ms. Judy Andrews to continue the report of the committee. Judy placed on the floor Resolution #10—Cost of Living adjustment for 2006, and **moved** its adoption.

Resolved, that this 95th Convention of the Diocese of Olympia authorize the setting of the Cost of Living Adjustment for 2006 for diocesan congregation ranges at 2.6%. [See Section 3, pg. 50, for explanation and Resolutions Committee rationale.]

Resolution #10 PASSED with no discussion.

Judy placed on the floor Resolution #9—2007 diocesan assessment rate, and **moved** its adoption.

Resolved, that this 95th Convention of the Diocese of Olympia approve the recommendation of the Diocesan Council that the 2007 diocesan assessment rate factor be set at 18% of the Net Disposable Income (NDI). [See Section 3, pg. 49, for explanation and Resolutions Committee rationale.]

Discussion: *The Rev. Katherine Sedwick, Trinity Church, Seattle*, noted that the Diocesan Council was not aware of Bishop Warner's planned retirement when the rate was proposed with a 2% reduction and expressed concern that this reduction would hurt the smallest congregations supported by that money at a time when we will be welcoming a new bishop. She offered an **amendment** to change the rate back to 20% for 2007, the current approved rate; **seconded**. The **amendment FAILED**. **Resolution #9 as submitted PASSED**.

Judy announced that Resolution #8—Unemployment Policy had been withdrawn.

Resolved, that this 95th Convention of the Diocese of Olympia remove the policy on unemployment established at the 86th Diocesan Convention in 1996. [See Section 3, pg. 49, for explanation and Resolutions Committee rationale.]

47. Report of the Committee on Resolutions

Ms. Judy Andrews placed on the floor Resolution #6—Deputies to General Convention noting that the recommendation of the Committee was that the resolution **not be passed**.

Resolved, that no more than ~~half~~^{two} of the Diocese of Olympia's deputies to General Convention (~~in either the clergy or lay order~~) be residents of communicants of churches in the same regional ministry. The 95th annual diocesan convention instructs the Committee on Constitution and Canons to submit to the 96th annual diocesan convention an amendment to Article XII incorporating this resolution into our diocesan constitution. [See Section 3, pg. 48, for explanation and Resolutions Committee rationale.]

Discussion: *Ms. Karen Younge, St. John's Church, Kirkland*, and drafter of the resolution, noted that several friendly amendments were to be offered. *The Rev. Dick Scott, St. Antony's of Egypt Church, Silverdale*, offered the following **friendly amendments**: In the first line delete the word "half" and replace it with the number "two" and delete "in either the clergy or lay order." In the second line delete the word "residents of" and replace it with "communicants of churches in." Add to the resolution "The 95th annual diocesan convention instructs the Committee on Constitution and Canons to submit to the 96th annual diocesan convention an amendment to Article XII incorporating this resolution into our diocesan constitution."

Mr. Duncan Bayne, vice chancellor, raised a point of order suggesting that the convention should not be considering more than one amendment at one time. The **amendments** were **ACCEPTED** by Ms. Karen Younge as **friendly amendments**.

Ms. Heidi Zamzow, Grace Church, Lopez Island, spoke to the spirit of the resolution noting that it seems in some respect to be a city mouse, country mouse scenario. If we're to be radically inclusive we need to look at opinion, not just ethnic and socio-economic issues. *The Rev. Nigel Taber-Hamilton, St. Augustine's in-the-Woods Church, Freeland*, applauded the idea behind the resolution but noted that to pass this resolution would remove our representation from a number of General Convention (GC) committees because the way you get on those committees is to go to GC more than once. *The Rev. Nigel Taber-Hamilton* made a **motion to table**, which was deemed **out of order** because he had spoken to the resolution prior to calling to table.

The Rev. Blaine Hammond, St. Peter's Church, Seaview, **moved to table** the resolution; **seconded** and **PASSED**.

Ms. Judy Andrews placed on the floor Resolution #7—Special penalty imposed for withholding payment of

assessment in protest noting that the recommendation of the Committee was that the resolution **not be passed**.

Resolved, that this 95th Convention of the Diocese of Olympia require that any congregation that paid nothing toward their assessment obligation that was due to the Episcopal Church in Western Washington between October 1, 2003, and July 31, 2005, is assumed to be withholding payment in protest. Every such congregation shall be assessed a special penalty as follows:

1. Any congregation that paid nothing toward their assessment obligation that was due to the Episcopal Church in Western Washington between October 1, 2003, and July 31, 2005, shall pay the arrearage of what they owe before December 31, 2005, together with a penalty of 10% of their unpaid assessment as of July 31, 2005. This will not apply to any congregation that had specific agreement with Diocesan Council in writing.
2. Any congregation, not in clergy transition or under specific written agreement with Diocesan Council to otherwise meet this obligation, which fails to meet this penalty obligation shall incur an additional 5% penalty of their unpaid assessment that will be due and payable on or before March 31, 2006.
3. Failure to meet the aforesaid deadlines shall cause the Parish to be designated as an "Aided Parish" under Canon 14: Section 3(a)1.

[See Section 3, pg. 49, for explanation and Resolutions Committee rationale.]

Discussion: *Mr. Bob Weaver, Trinity Church, Everett,* noted that, in light of additional canonical changes, the **resolution was WITHDRAWN**.

The convention dealt with **Six-hour resolutions**. Ms. Judy Andrews referred convention members to the first resolution, **Resolution #11, Penalty imposed for withholding payment of assessment**.

Resolved, that Canon 7 shall be amended by adding the following new paragraph j to section 1: Any congregation, not in clergy transition or under specific written agreement with Diocesan Council to otherwise meet their assessment obligation, which fails to meet this obligation in any six month period, shall incur a 5% penalty of their unpaid assessment that will be due and payable, together with the

unpaid portion of their assessment obligation, on or before 90 days after receipt of notification from Diocesan Council of the imposition of such penalty. *[See Section 3, pg. 50, for explanation and Resolutions Committee rationale.]*

Discussion: *Mr. Tom Boyns, a member of Diocesan Council,* noted that he would support the motion to refer but since there is nothing currently in our canons addressing this issue the conversation must happen. *Mr. Bob Chapman, St. Dunstan's Church, Shoreline,* noted that since we are already voting on canonical things at other points, he believes this matter is already being handled and urged convention not to consider. **Motion to consider Resolution #11 FAILED.**

Ms. Judy Andrews referred convention to **Resolution #12 – Response to the Windsor Report (Combined)**.

Whereas, the Windsor Report sets forth specific recommendations for ECUSA to maintain communion in the larger Anglican Communion; and whereas the Primates of the Anglican Communion unanimously called ECUSA and other provinces to implement the recommendations of the Windsor Report; and whereas 22 of the 38 provinces of the Anglican Communion have declared "broken" or "impaired" communion with ECUSA through their synodical processes, including most of SE Asia, South America and Africa; and whereas, the Four "Instruments of Unity" in Global Anglicanism have voiced concern about the direction of ECUSA in these matters; and whereas, the Windsor Report calls for repentance from ECUSA or "walk apart;" therefore, be it **Resolved**, that this Diocese of Olympia Convention desires to be a full and active member of the worldwide Anglican Communion through ECUSA and: affirms the recommendations of the Windsor Report; calls for the recommendations of the Windsor Report to be implemented in this diocese and ECUSA, in particular that the bishops, clergy, vestries and bishop's committees and search committees refrain from knowingly ordaining, electing, calling or confirming the call or election of any non-celibate homosexual person to serve as a deacon, priest or bishop in this Diocese and to refrain from authorizing or participating in any Rite of Blessing for same sex unions; and expresses regret for the pain and disunity fostered by ECUSA's actions which have been counter to the recommendations of the Windsor Report. *[See*

Section 3, pg. 50, for explanation and Resolutions Committee rationale.]

Following comments on whether or not the motion as presented should be considered, including a comment from Ms. Karen Younge, St. John's Church, Kirkland, that the resolution as presented was not representative of the resolution that she had submitted, **the motion to consider Resolution #12 FAILED**. Bishop Warner commented on the position of the House of Bishops and his own position stating that, "We are working...to honor the Windsor Report and to travel to other parts of the Communion to be in dialogue with those, particularly in Africa, where we may have differences. We're not ignoring it at all ... however, we have different opinions and, from what I heard today, the conversation needs to continue but obviously not [through] legislation."

Ms. Judy Andrews referred convention to **Resolution #13 – Solidarity with All Saints Episcopal Church in Pasadena, California, Diocese of Los Angeles (Amended)**.

Resolved, that this 95th Convention of the Diocese of Olympia stands with and offers our prayers for All Saints Episcopal Church, Pasadena, California, and the Rt. Rev. Jon Bruno, bishop of the Diocese of Los Angeles for All Saints' commitment to promoting peace, equality and social justice as they respond to potential sanctions from the Internal Revenue Service; that is, loss of tax-exempt status due to an anti-war sermon preached in October, 2004. [See Section 3, pg. 50, for explanation and Resolutions Committee rationale.]

Mr. Steve Tellari, St. James' Church, Kent, provided additional background on the situation. **A motion to consider Resolution #13 PASSED**.

Discussion: Mr. Steve Tellari, St. James' Church, Kent, reminded those gathered of the fact that our civil liberties, human liberties and rights, and our first amendment freedoms are precious, especially as a church because we are responsible for teaching moral values. **Resolution #13 PASSED**.

Ms. Judy Andrews announced, to applause, that this concluded the resolutions to the 95th convention.

43. Reading of Constitutional amendments to the national constitution

Bishop Warner recognized Secretary of Convention John Schaeffer. As required by the National Church, proposed amendments to national constitutional

articles were read to the diocesan convention, preceding the final vote on these amendments at the 75th General Convention in 2006: Article II.2, Article I.7, and Article I.2.

27. Jubilee Certificate presentations

Bishop Warner called on the Rev. Pete Strimer to begin the presentations. Pete noted that he and Ms. Hisako Beasley are the diocesan Jubilee officers. Two new Jubilee centers were recognized. Pete asked the Rev. Jerry Shigaki to make the first presentation.

Shigaki: It's a joy and an honor to recognize the Mission to Seafarers and to present this Jubilee Center certificate. I've been working with Charlie [Hubbard] and the staff for a number of years and I'm impressed because truly they are doing mission in action.

Hubbard: I'd like to thank Bishop Warner, Bishop Rivera and the diocesan staff for their continued support. I'd like to thank the congregations and the individuals of this diocese who continue to support us financially. I'd like to thank the congregations and people of this diocese who contribute regularly for the ditty bag program.... Without the seafarer there would be no shipping companies. Without the shipping companies there would be no global economy.

The Rev. Pete Stimer called on Bishop Nedi Rivera to present the certificate to the Komo Kulshan Cluster.

Rivera: Three weeks ago I was up in the Komo Kulshan Cluster for several days and on Sunday of that week we celebrated the new ministry of the Cluster, their time together and their missionaries. ... At the Celebration of New Ministry, all of us were given an emblem of the ministry and it is this wonderful blue spiral and the symbolism is ministry in motion. ... Thank you for your ministry in motion. This is your certificate that says to you – you are a Jubilee center in western Washington.

Ms. Diane Ramerman (on behalf of the Cluster): We are actually five congregations banded together in a cluster. We are ecumenical because we include a Lutheran church. We are also multicultural because we include Iglesia de la Resurreccion, an Hispanic church. Each church has its unique gifts and its unique ministries. Together we make quite a place. ... We are truly a ministry in motion and, we hope, an example of networking as the body of Christ.

The Rev. Pete Stimer noted that each of our Jubilee Centers is an outward and visible sign of the theme of our convention of living the faith and mission in action. He added that it was his feeling that if every one of our congregations would do discernment, they would most likely find that they are a Jubilee center as well.

36. Outreach Mission recognition

Bishop Warner recognized the Rev. Mary Gould for the second Outreach Mission recognition. Mary talked about the issues of housing and homelessness and asked members of delegations from congregations

that participate in ministry to the homeless to stand for recognition.

45. Committee on the Admission of New Parishes report

Bishop Warner recognized Ms. Carol Everson and Mr. Dick Blount for the report, noting that the Rev. David James was also a member of the committee. Carol & Dick reported on meetings with members of Church of the Good Shepherd, Vancouver, noting that “with a membership of 776 persons and average Sunday attendance of 405 the Church ... meets all of the requirements of becoming a parish. In fact, their enthusiasm and their programs are a model for each of us.” On behalf of Bishop Warner and the Committee, they wholeheartedly recommended that the 95th convention accept the Church of the Good Shepherd, Vancouver, as a parish in the Diocese of Olympia. Convention approved by **ACCLAMATION**. Members from Church of the Good Shepherd, Vancouver, were welcomed by the convention.

The Rev. Bob Rhodes: We've said many times in the last thirty plus years that no one is a greater consumer of diocesan resources than we have been. We're deeply grateful for the support of the whole diocesan family, for our bishops, for the responsiveness of the diocesan staff, and for the congregations that we serve with in the diocese. Seventeen years ago when Bishop Warner made his first trip to Clark County and met with our leaders he asked what we were going to do on behalf of the diocese. We said that ... the best thing we could do would be to represent all of you by being passionate for Jesus Christ in the neighborhood in which we serve. This is a wonderful opportunity for us to say thank you for your support ... and also to express renewed commitment on our part to continue to try to do that in the years to come.

42. The Living Tree witness

Bishop Warner invited Mr. Carl Knirk to introduce the Living Tree witness. Carl introduced himself as the bishop's deputy for planned giving and stewardship. He talked about recent reports of “donor fatigue” and his feeling that there is no such thing. He noted that “we live in incredible abundance” and we “give out of joy and gratefulness for all that God has given to us.” He asked those gathered to remember the Episcopal Charities Appeal (ECA) and to encourage congregation participation in the Thanksgiving offering. He also reminded convention members of the Living Tree campaign – to grow the Bishop's Society to 2000 members by the year 2010 – kicked off at the 2004 convention and noted the fir seedling he (like others) had received at that time and

how it had grown in size in just one year. He added that the Bishop's Society currently has 1009 members making it the largest diocesan recognition society in the Episcopal Church. Carl introduced Carol and Mark Anderson from Church of the Ascension, Seattle, as Bishop's Society members 1000 and 1001.

Carol: It takes a certain amount of pressure to get me to stand and speak in front of such a large audience. On top of that, I am publicly accepting the label of procrastinator. That is not a real motivating factor to speak. Yet, here I am. ... Having grown up at Ascension, marrying and having three children baptized there, I have always been keenly aware of the powers to be found in being a member of a church family. ... I have had the opportunity to experience the warmth of watching financial contributions help spread God's love just as I have felt the joy of serving others. ... As parents, Mark and I, with grateful hearts, have watched life complete its circle with our own children now being supported by the members of Ascension's wonderful parish family. ... If Mark and I had taken the time to sit down and think about it, I know we would have wanted to find a way to ensure that the life of this church family and the larger church itself would continue into the future. Fortunately, the founding members of the Bishop's Society did find the time. And, yet, we still procrastinated. ... Taking action to include the church of the Ascension in our wills has even further enhanced all areas of our church experience. ...

Mark: The church has always been an important part of our family. We've benefited from the stewardship of the generations that have launched, nurtured and maintained this church. Like each of you, we've pitched in with our yearly pledge commitment of dollars, time and talent to help build and sustain the church. But we hadn't looked much beyond that. When presented with the idea that Carol and I could support this church after our deaths it did sound like a good idea. ... But we never did. Not until we got some loving, gentle prodding. ... It literally took only a few minutes with our attorney and the simple act of including the church in our wills has left us feeling even more committed and connected with you the body of Christ. Carol and I urge you to prayerfully think about it. And, then, we urge you to do something about it. You certainly don't want Carl Knirk calling you to give next year's procrastination message.

49. Outreach Mission Recognition

Bishop Warner recognized Mr. Val Brustad for the third Outreach Mission recognition. Val talked about prison ministry in our diocese and asked members of delegations from congregations that participate in this ministry to stand for recognition.

50. “Share Your Story” cards

Bishop Warner called on Bishop Nedi Rivera to talk about the “Share Your Story” cards. Bishop Nedi talked about the gospel imperative to tell our story, reminding those gathered of the comment in the sermon earlier in the day to “get out there and tell the story because if you want people to believe they have

to know what to believe in and they won't know unless they have been told the story." She explained that the deck of cards being distributed was intended to help in this endeavor by providing questions and openings for us to tell our story and for us to ask others to tell their story.

51. Report from the Personnel Commission

Bishop Warner recognized Ms. Barbara Larson for a report from the Personnel Commission. Barbara referred convention members to document 05/E/2 and thanked those who attended the forums on Friday for the input provided to members of the Commission. She noted the names of the Commission members – and added Jim Hindle, Good Samaritan, Sammamish, which was omitted.

52. Disaster Response in our church and in our community

Bishop Warner called on the Rev. Pete Strimer and the Rev. Jerry Shigaki to begin the report. A video presentation was shared regarding the recent disaster of Hurricane Katrina. Following the video, the Rev. Rachel Taber-Hamilton shared her experience working with the Red Cross as a member of the Association of Professional Chaplains in Alabama after the hurricane.

Taber-Hamilton: At the end of this past August, really less than two months ago, our country experienced one of the greatest disasters of our national history. Hurricane Katrina devastated an area equivalent to the size of Great Britain. ... Hundreds of thousands of US citizens became victims of multiple losses over night. ... The Episcopal Church can be very proud of the cumulative efforts it has made and continues to make in the relief efforts in the affected dioceses of Mississippi, Louisiana, Alabama and Florida. ... My ten years of service as a professional hospital chaplain and a community critical incidence responder did prepare me to expect scenes of human devastation and the intensity of emergency response. But, what I had not expected was the extent to which the cultural conflicts, racism and poverty informed how the disaster response was managed – locally and nationally. This was a pre-existing social disaster generations in the making that Katrina forcefully revealed to the collective gaze of our nation and the world. ... Just as poverty is not really as much about the poor as it is about the economic systems which ensure the poor's existence so to is racism not really that much about ethnic minorities as about the social systems that establish the norms against which the quality of humanity is measured. ... Between the volcanoes of Washington State and the fault line in the Pacific Ocean off our coast it is likely that we will have our day of disaster. We have heard natural scientists in our area say it is not a matter of if but when. ... With or without a tsunami we must be first-responders to the human-made disasters of racism and poverty

that create barriers to the mutual good that become no more surmountable in the midst of a greater chaos.

Mr. David Baylor, Episcopal Relief and Development (ERD), noted a recent survey of congregations about response to Hurricane Katrina. From the 40 congregations responding, \$68,594.34 had been contributed through ERD by 22 congregations. Three congregations reported \$1,850 each sent to other relief organizations. As of October 6, \$10 million had been contributed to ERD for hurricane relief.

Mr. Kuni Sherota, St. Peter's Church, Seattle, talked about finding a visual representation of prayers with the idea of Origami prayer cranes.

Sherota: Origami is the ancient Japanese art of paper folding. Our youth started folding each crane with a simple prayer during the last high school youth conference. The theme of the conference was "Help Wanted." The project was a way to provide spiritual and prayerful support. As the project was broadened, many people from both inside and outside of our church community started participating. Folding cranes gave us some time and opportunity to reflect on what happened, discern our gifts and open a discussion about how we could help and how we could prepare ourselves for future disasters.

Kuni concluded by noting the 1000 cranes flying over the convention at the back of the Cathedral and said that the cranes would be presented to St. Paul's Church, our diocesan partner parish in New Orleans.

The Rev. Connie Moorehead introduced the "We Will Stand With You" program being developed nationally to connect the entire Episcopal Church in an effort to rebuild communities ravaged by the storms. She said that Bishop Warner had committed the Diocese of Olympia to be a participant.

Moorehead: The program is designed to encourage a Christ-centered, enduring and relational system of support to our sisters and brothers who have been affected by these storms. It does so by matching one or more dioceses with a church devastated by the storm. I am pleased and moved to announce that we now have our partner church. On behalf of the Diocese of Olympia I want to say to the people of St. Paul's, New Orleans, "We will stand with you." And, not us alone, but as many as nine other dioceses will partner with St. Paul's in its rebuilding effort. St. Paul's church and school, set just blocks from the 17th Street Canal levy – the first to be breached by Hurricane Katrina – sat under five feet of water for days and has suffered terribly. As beautiful as its building is, it is the ministry of St. Paul's whose loss hurts its community the most.

The Rev. Pete Strimer continued the presentation by introducing a conversation titled "Talking in Time of Need." This program, funded by the diocesan Office of Communications, will provide to each congregation (as requested) trained facilitators and a method for having conversations around emergency preparedness with the local communities and neighborhoods.

Bishop Rivera concluded the presentation by talking about the Amos Group, working in concert with the other disaster response initiatives.

Rivera: We took as our theme that passage from Amos, "Do you know what I want? I want justice, oceans of it. I want fairness, rivers of it. That's what I want, God says. That's all I want." ... We begin where all Christians begin when they live their faith, in prayer. We've committed ourselves to starting before each of the next task force meetings with an hour of prayer. I invite you to join us, either at the meeting or where you are at, waiting on God to help us determine what steps we'll take in Advent, in Epiphany and in Lent and then we'll see what we can do as we get into Easter and Pentecost as the Holy Spirit empowers us.

53. Transitions

Bishop Warner recognized some of the transitions that have happened during the last year. First time delegates were also recognized. [See document 05/A/12 in section three, pg. 29 of this Journal.]

54. Recognition of volunteers, youth presence and staff

Bishop Warner recognized members of the youth presence, pages, volunteers and the diocesan staff. He also recognized members from St. Mark's Cathedral, the host congregation, and the musicians and members of the Liturgy and Arts Commission. He also thanked those at the head table for their work at this convention.

55. Charge to the Convention & Diocese

Bishop Warner provided his charge to the convention: Take things back to your congregations. Report on what happened. Take the Share Your Story cards. The theme has been "Mission in Action." Each congregation needs to think about action

steps. The diocese is all of us, not diocesan house. I've said that for 17 years. People say, "We're going to the diocese." Please know that we are all part of one another. Please know that we are called to respect the dignity and differences of one another and, if we believe differently, that's a position of faith. ... We need to honor minorities in every way – from theology to ethnicity. Honor those who are different from you and recognize your abundance. ... Sometimes I don't think we realize what a wonderful diocese we have. ... I will charge you with words that are familiar: *"I appeal to you therefore, sisters and brothers, by the mercies of God, to present your bodies as a living sacrifice, holy and acceptable to God, which is your spiritual worship. Do not be conformed to this world, but be transformed by the renewing of your minds so that you may discern what is the will of God, what is good and acceptable and perfect. Let your love be genuine. Hate what is evil. Hold fast to what is good. Love one another with the bonds of mutual affection."* Sorry St. Paul, I used a bit of my own language. From the Prayer Book – *"Out do one another in showing honor. Do not lag in zeal."* We've heard a lot of it in the past two days. *"Be ardent in Spirit. Serve the Lord. Rejoice in hope. Be patient in suffering. Persevere in prayer. Contribute to the needs of the saints and extend hospitality to strangers."* That, of course, comes from St. Paul in Romans 12 and I think that sums up what we are called to do with mission in action. Go in peace, in a few minutes, and continue with the work that we have celebrated here.

56. Final Announcements

57. Closing Worship

Secretary John Schaeffer announced that the 96th Convention was scheduled for October 27-28, 2006, at a location to be determined. A dismissal followed.

Adjournment

Bishop Warner declared the 95th Convention adjourned.

Section 2

Addresses

Bishop's Address – the Rt. Rev. Vincent W. Warner
95th Diocesan Convention

May God be with us. We've known each other, some of us now for seventeen years, some of us for less time—some quite well, others not as well. You know that my primary understanding of the way we go about ministry is to pay attention to servant leadership which means paying attention to our relationships with one another. It is all about relationships; our relationships with one another, our relationship with God, our relationships with those with whom we disagree. Our most important relationship is with God and with Jesus the Christ.

The question for each of us is how do we witness to that in our ministries?

My “stubbornness” that people speak of from time to time is really my faith that God will get us through. Whatever it is that we face—lights out, electricity off, cold cathedrals, divisions, financial concerns, social justice—**God will get us through.**

The context, the theme of our convention is derived from understanding that our faith is better known and is more alive by sharing each other's stories; we live out that story in our lives – putting the mission into action. We are not about maintaining an institution but about mission. We are not about being stuck in a rut of controversy but in seeing Christ in the work that we do.

The context of these days is framed in the lives of two saints; Martin of Tours, Bishop in the '70's (370, that is) who lived out the response to the Gospel imperative to feed the hungry, cloth the naked, give drink to the thirsty, visit the sick and imprisoned. His ministry was focused on a ministry of justice. God, somehow, in the midst of a lot of conflict, **God got him through!**

Today is also Veteran's day in which we remember those who fight and have fought for justice and peace. Many are against war but none should be against the soldiers who fought on behalf of their country. Many speak of how they survived the horrors of war. And I remember when I was a child and heard those from the Second World War, who came home with stories of how they met God in the places of pain and suffering. And now I hear soldiers when I go on bases, who have been deployed and deployed and deployed again. And they come back willing to return or they come back and they take themselves from Iraq to the US Gulf Coast and help rebuild after the destruction of hurricanes. The pain and suffering that they go through is immense but for many of them they are thankful when **God gets them through.** And we are called to pray for them.

Tomorrow is the feast of Charles Simeon, teacher and promoter of missionary work.

This priest, though often embattled in the congregation which he served for over fifty years; fifty years of conflict, preached the Gospel and, through his teaching and preaching, encouraged missionary work. And **God got him through.** The Gospel of John, with the challenge from Jesus to Peter and the disciples to feed my sheep, is the context Gospel for Charles Simeon.

And so we are in relationship these two days with the saints who have gone before, whom we celebrate, who call us to a ministry of justice and a ministry of mission. And God is with us on this journey, now and always.

You know as I do that the history of the Diocese of Olympia has always been strongly focused on mission and on justice. We are the people of God who are called to proclaim boldly by word and action the reconciling Gospel of Jesus Christ. From the very beginning of this diocese we have stood for justice and been on the side of those in need. It is no accident that the 1969 General convention held in Seattle was the one in which the special fund was initiated to raise money for social justice ministry during presiding Bishop John Hienz's time.

It is no accident that we have vibrant congregations in ministry to the marginalized, the poor, those in need and that we respond with money, people and resourcefulness when disaster strikes. To date prior to Katrina we had raised \$471,000 for ERD for disaster response in 2005 in this diocese. I want to thank you for that and I want to say that those who have suffered from these disasters are pleading that we stay with them for the long term. Dave Baylor is our diocesan representative for ERD and he will not stop trying to motivate us to help and give confidence to those who have been affected by disasters. Because he knows that **God will get us through**. Thank you, Dave.

As we gathered as a community to look at all the things we need to do in the Gulf Coast we became aware that we had a lot to do right here in our back yard, right here at home in relationship to the homeless, the poor and those in prison. The church exists to serve others.

William Temple says that clearly. Jesus said "Feed my sheep," both within and without the institution (that part's not in John). I am always amazed at the places such as the Diocese of Jerusalem, which has a small number of congregations but a huge number of ministries to those in need; or places like St. James, Cathlamet which is in a county where they are the center of the ministry of social justice and concern and will remain so with our support; or places like All Saints, Rainier Valley; which is a small church that does a great deal for a great many and we are called (particularly some of our larger congregations) to support them like we support congregations in the Diocese of Jerusalem. And we must find a way to do that right

here in our own back yard. Sometimes we put our focus on enlarging the church and the numbers (and that's important) but sometimes we have less focus on the greater impact of mission. Perhaps, if we focused more on the impact of our ministries the rest would take care of itself because **God will get us through**.

The challenges of ministry for us today have not changed. How do we meet the needs of the world? How do we live in relationship in ways that show the world that the church is a place, a safe place, where they can come to for hope and for faith? Will the divisions of the wider church, and those within our diocese, put up barriers in ways that block those who seek Christ and block the mission we pursue?

There are those who during the time of the suffragan election expected the diocese to end 2004 in deep financial trouble. We came out \$100,000 ahead. **God got us through**.

Thanks be to God for the ongoing gifts of our Bishop Suffragan whom we called – and who began with us a little over a year ago – with her outstanding gifts for evangelism, ethnic ministry and faith formation. **God got us through** on that election.

There are those at every General Convention that say the church is going to come apart. And there are those who will project for the next General Convention that the church will be more divided than ever. It will not! **God will get us through**.

There are those who will try with any transition to look at what has been wrong rather than what has been right. This is the difference between those of us who look at God as a God of grace even in the most challenging times

and those who look at God as a God of judgment all the time. I believe in a God of grace who gets us through. And I believe that the judgment we have we bring on ourselves. **God will get us through this transition**.

As you know, we have two congregations who have indicated their possible withdrawal from our diocese. They say they have withdrawn from the diocese. I have not accepted their resignation. Those congregations are St. Stephen, Oak Harbor, and St. Charles, Poulsbo. Over the past year we have been in several meetings where we tried to understand how the relationship we have in Christ might transcend the differences we have in our theological and biblical perspective. We have stayed in relationship as people of faith.

However, this has not been without great cost to those Episcopalians who left St. Stephen's because they did not agree with the direction in which it was going. These faithful people, whom Bishop Sandy Hampton and the Rev. Charlie Forbes have been caring for, have felt outside and disenfranchised. At my request, these faithful people have formed a vestry and are the Episcopal church of St. Stephen. There are two delegates and two alternates at this convention, Wilma Patrick and Bob Taylor, Andy Taylor and Margo Weiss.

The Windsor Report to the Primates is very clear that parishes do not leave an Episcopal Diocese. Clergy and people may choose to leave but parishes do not. We pray together whenever we meet and we have had wonderful meetings together.

At my request, as a witness to our efforts to continue in relationship, I asked that people

from St. Charles and St. Stephens, now seeing themselves Anglican congregations, be present. They are Dean Kiess and Diana Long. Please welcome them in your midst. What they do, they do out of a position of faith. What I do, I do out of a position of hope because **God will get us through this.**

At our most recent conversation I made it clear that there would be a Letter of Understanding delivered to the clergy in Poulsbo and Oak Harbor. That letter will state that it is time for action on non-negotiable agreements about the ability of those who are St. Stephen's Episcopal Church to be in their parish building, as well as about the relationship of the clergy to the communion of the Episcopal Church, along with other items.

I have informed the Standing Committee that at their December meeting I will review with them the options recommended by myself and the Chancellor, related to the canonical process about abandonment of the communion. **God will, I am confident, get us all through.** But we must remain in relationship regardless of the outcome.

The Episcopal Church is a church that is radically inclusive. When we are told that we should feed the sheep, some ask the question, who are the sheep? My response is that the sheep that Jesus asks us to feed includes everyone. There is no one of whom we can say we have no need of you; neither gender, nor culture, nor sexuality, nor race; neither the poor nor the wealthy; neither the sick nor the healthy – no one is marginalized for any reason from the love of Jesus Christ.

The Episcopal Church is called to support the priesthood of all believers. That is, through our

baptisms, we say we will respect the dignity of all and work for justice and peace for all people. Bishops are called to support and uphold those who would serve rather than telling them how to serve. This diocese has the largest Bishop's Society in the Episcopal Church – over 1,000 members. The Living Tree legacy will provide support for ministry and mission for years to come. We have to do the work now to support the ministries we will have for justice and for feeding the sheep in the future.

Today we need to be in action, on mission, building the present, on the past, and for those to come. As you know I have stated two non-negotiable values in these seventeen years: 1) that we will work from the values of servant leadership, which means the bishop is at the bottom of any triangle and that the people of God are at the top. And my role is to uphold you and serve you and lead from that position. 2) that this diocese would address the ever present issue of racism. I know that many people do not like the term "anti-racism." The reality is that it is a negative term but there's no way to face our racism unless we admit that we are racists. And we have to face into it. This effort is on-going.

We are a diocese in a part of the world that draws others to meet here. Last summer the national meeting of the Episcopal Asia America Ministries gathered here. They loved it here. They came here because we are multi-cultural. They found it refreshing here in the Northwest in opposition to some things they saw on the East Coast. That was good to hear. This next year we will have the Episcopal Urban Caucus here and in 2008 the

Communicators of the Episcopal Church. The Executive Council has been here. We are clearly a part of the larger church.

In an age of anxiety for the whole world this convention provides us with the opportunity to come together and trust in the grace of God to heal all divisions and make all things new – in God's time, not ours. **God will get us through.** In my convention address last year I outlined action steps for 2005.

1) I said that I would be on-the-road two days a week to be able to visit, pray, and be present with you. I've done that. I found it a struggle but a blessing. And thank you for those windows into your life and the time that we've had together.

2) I said I would call a group of people together as a reality-testing group. We call it the Wisdom group. They are lay and ordained people. And we all need to meet with each other for wisdom about life, about ministry, about our calls. I appreciate the conversation and the insights from these faithful people from across the diocese.

3) I said that I would visit with the parishes designated in 2004 as aided parishes. Many of them are not aided parishes anymore. I have been in conversation with the leadership and, in most cases, have visited in the congregation.

4) I called for us to look at our assessment one more time, not for a huge study, rather for ways to better support the congregations because the work occurs in the congregations on the front lines. That work is on-going. You will be asked to consider, in this convention, a reduced assessment rate. However I didn't know at that time that I would be retiring when I planned to retire.

And you may need to think about what you want to leave a new diocesan bishop with in terms of assessment.

5) I asked that you read the Windsor report. My reason for commending that report to you was two-fold: first, it is a report that provides information about how the church has and is working on things that divide us around the world; second, it is important for us to know what is happening in the wider community of the Anglican communion. But I have said to the clergy and I will say to you: it's not our work to spend a lot of time on the Windsor Report. It's the work of the Primates. And I entrust that to them. And I expect **God will get us through** without trying to spend a lot of time on those issues ourselves. And I hope you will support me in that.

6) I asked that clergy, vestries and bishop's committees find ways to work with the Office of the Bishop to focus our mission of evangelism, stewardship, ethnic ministries and the communication of the Gospel. That has been carried off with commission and with staff.

7) The final two action steps were ones I gave to you. I asked that each of you find a way to serve, hands-on, in your part of God's world, wherever that takes you. The other step was for you to get a spiritual partner, someone to be present to you just as I have the Wisdom group. Only you know how these action steps have developed during this past year. I've tried to be accountable to you. I wonder how many of you have done those last two steps. You know that I do the confirmation/baptismal service every week. You know how it starts: "There is one Body, and one Spirit." Christ's

dream was that we become one in mission. The reality is that we are called to be "one body, one spirit, one hope in God's call to us." That's what the *Book of Common Prayer* says. It must be true.

Now, I want us to transport ourselves through the miracle of mind and heart, to the land of the Galilee, to the place where Jesus spoke to Peter, where there is a statue of Peter looking up at Jesus while he says, "Feed my sheep" three times, just as Peter had denied him three times. You're on the edge of a large body of water, 13 miles wide, 7 miles long, the smell of grass and orange blossoms all around. This is where I think of Jesus' ministry occurring most. A group of fishermen are coming to shore. They are the followers of Jesus, who has died and risen and has appeared three times to these disciples. He has helped them catch fish, he has built the fire for breakfast and now they are discussing what their ministry will be when he leaves them.

Peter is asked by the risen Christ, "Simon, son of John, do you love me?" Peter replies, "Of course I do, Lord." Jesus says, "Feed my sheep."

Again Jesus asks, "Do you love me?" Peter replies, "Yes, I do." Then Jesus says:

"Feed my sheep." And yet, a third time, the exchange occurs.

This interaction marked a transition time. Jesus was leaving. He was telling his disciples that they would be responsible for the ministry. They would be the ones to baptize and teach, and to feed the sheep.

Jesus gave the charge to the disciples who were with him on the journey. He charged all the baptized to be about the work. He handed his ministry to all of God's

people; to the priesthood of all believers. We are still working on the ministry of the baptized as the primary reality of ministry. God continued through the ages, and continues today to get us through.

Our context today in this diocese is also one of transition. As you know, I am today calling for the election of a Bishop Diocesan. That's not a Coadjutor. A coadjutor comes and there's an overlap. When someone is elected as Bishop Diocesan then I hand them the staff and I leave. I informed you by letter in October that at this convention I would take this action. The Standing Committee and Diocesan Council have elected the required Joint Board to oversee the establishment of the Search and Transition Committees that will move this diocese into the process of election. Sometime in the winter of 2007 there will be an election and in mid-May of 2007 during the Easter Season there will be a consecration. At that time, when your next Bishop Diocesan, in the appropriate liturgical event, becomes Bishop of Olympia, I will hand the crosier, symbol of being the shepherd of this diocese, to that person and I will retire from my role as your diocesan bishop. The statement by Paul that some tilled the soil, others planted and others watered is an apt one for these times. We are all in transition, all the time. However, when this diocesan bishop calls for an election it means not only am I retiring but others close to me will be retiring also.

Before I say a word about that, Dede Moore in her wisdom said to me, "Now what happens, bishop, if everybody applauds when you say you're retiring?" I would say that if anything we need to

applaud ourselves because we have gotten through 17 years, while agreeing to disagree on some things. I'm happy for that. And I think we need to applaud the fact that as Episcopalians, but mostly as baptized Christians, we have stayed together in conversation in very turbulent times in the world and in the church. Thanks be to God. **God has gotten us through!**

What's very significant is that this change needs to happen. And that means that Betsy Greenman, who has been serving this diocese for a quarter of a century as Canon to the Ordinary; Donald Mullins, Esq., Chancellor; and Barbara Brower, Executive Assistant will be leaving their roles also. And we have lots of work do yet but we

need to thank them for the ministry that they continue in this diocese.

During this process of a search for a Bishop Diocesan none of the staff will be part of the process. When your Bishop-elect begins the transition into our diocese, we will be present to support and assist in any way we are able, which includes several of us retiring and getting out of the way.

And so, with deep gratitude for our life together, with the knowledge that God has been with us every step of the way in good times and difficult times, and with a clear sense that it is the right time in my life and yours, I call for the Diocese of Olympia to move into the process to elect a Bishop Diocesan. I have very mixed feelings about this because I've never had more energy for the

proclamation of the Gospel than I do right now. But I expect the next 18 months to be vigorous, vital and energetic as you face the next chapter and prepare for the next diocesan. Thank you for the gift of being present with you these past 17 years.

I remember coming to the walkabout, the "dog and pony show" 17 years ago. I fell in love with the people of this diocese. And that love has simply grown. I am so grateful for you. The only thing that I need say at the end of an address that is so different content but also in presentation than anything I've done before is that **God will get us through** and God will lead us on in mission.

Thanks be to God for you and your ministries. Amen.

Sermon by Canon Betsy Greenman, Canon to the Ordinary 95th Diocesan Convention

May the words of my mouth and what you are able to hear today come together and make some sense. Amen.

Yesterday, in his convention address, Bishop Warner spoke of the bedrock of his faith that God will get us through. In today's epistle Paul, as translated by Peterson in *The Message*, says it another way. "Everyone who calls, 'Help, God,' gets help." This reminds us of the promises we made in our baptisms. You know the words. I will, with God's help. For 25 years, and that is, I am frequently reminded, one-quarter of a century, the stuff of transitions has been a large part of the ministry that we have shared.

As I read over the list of the congregations in this diocese, 102 of them, the only one that has not been in transition in clergy leadership at least once during that 25 years is the mission that is today being admitted as a parish, Good Shepherd, Vancouver. Over these years we have worked together with

God's help to shape the nature of these times of transition out of the context of the life of each congregation. Now why in the world would I begin a convention sermon talking about the call process. Well, it has to do with the life of Charles Simeon, priest, who's ministry we remember today.

Bishop Rivera told us some of his history this morning. I'd like to elaborate a little bit on how he was called to be the vicar of Trinity Church, Cambridge. The former vicar of Trinity Church, Cambridge, died in October 1782 just as Charles Simeon was about to leave the university to live in his fathers home. Simeon had often walked by the church, he tells us, and said to himself "How I would rejoice if God were to give me that church that I might preach the gospel there and be a herald for him in the university." His dream came true when the bishop of York appointed him curate in charge, being ordained deacon and not yet priest at the time.

Simeon's wealthy father had nudged the bishop, and the pastor at St. Edwards, where Simeon preached the prior summer had given him an endorsement. Charles Simeon preached his first sermon there on November 10 of 1782, but the parishioners did not want Charles Simeon. They wanted the assistant curate, Mr. Hammond. Simeon said he was willing to step down but the bishop told him that even if he did decline the appointment he would not appoint Hammond so Simeon stayed into his 55th year. Very gradually – very gradually – he overcame the opposition.

The story continues with Simeon not being allowed to preach the second Sunday service because the parishioners had invited Mr. Hammond to do that. Over time there was an argument about the pews being locked and parishioners not showing up to sit in them, but not letting other people in to the locked pews. Simeon got a legal decision that this was wrong, but he chose not to use it. Rather, he said, "Let us..." It says that his steady and relentless ministry of the word and prayer and community witness gradually overcame the resistance. Having overcome many weaknesses, including losing his ability to speak in more than a whisper, he looked toward his 60th year as a time to take Sabbath time. But, as it often happens, God had other plans. Simeon heard the master saying, "You entertained with satisfaction the thought of resting from your labor, but now you have arrived at that very time and I have doubled, trebled and quadrupled your strength that you may execute your desire on a more extended plain." And so, with God's help, Charles Simeon stayed the course and engaged in preaching, teaching and encouraging missionary work for another 17 years.

The traits which stand out from Charles Simeon's life and as mentioned in the collect, are patience, seeing God in all things, simplicity of preaching and a gentle and contented mind. The lessons appointed for this day help us understand the faith that was the basis for these traits. Charles Simeon heard the Word of the Lord, trusted God and acted upon his understanding of the Gospel. Because of his passion for the Gospel and his encouragement about mission he greatly influenced the spreading of the Good News.

The simple message of the Gospel. Just as we are so able to complicate life with process and procedures and parliamentary procedure and a variety of things, we are also very ready to complicate the Gospel message. Paul's letter to the Romans, written by a then obscure Roman citizen

and sent by snail mail – thank heavens there wasn't email – or perhaps that would be camel and ship mail – to Rome landed in the midst of a bustling city where edicts, decrees, official pronouncements, poetry and philosophy flourished. It is rather amazing that Paul's letter, not a simple short one, had the influence that it did. Paul in his letter to the Romans was working out the implications of what it means to believe in the risen Christ.

Paul's letter was not a simple message of the Gospel. It is, however, in the passage that we heard today, very clear, direct and straightforward. It might be translated this way – get out there, tell the story, because if you want people to believe they have to know what to believe in and they won't know that unless they hear the story. Or as Peterson says in *The Message*, "Everyone who calls 'help God,' gets help."

But how can people call for help if they don't know who to trust, and how do they know who to trust if they haven't heard of the one who can be trusted and how can they hear if nobody tells them and how is anyone going to tell them unless someone is sent to do it. Unless Christ's word is preached there is nothing to listen to. After yesterday we can all resonate to the experience of trying to hear and trying to be heard. Paul didn't have to deal with the exigencies of modern technology. He found a hill and stood on it and with God's help declared his faith. We can do no less.

The uncomplicated Gospel of Jesus. It all began with baptism. John the apocalyptic prophet in the wilderness baptized Jesus. After time in the wilderness Jesus called disciples to follow him. The outlook and practices of Jesus and his followers differed from that of John.

Jesus' message, in sharp contrast to the future-oriented apocalyptic one of John, focused on life in the here and now, the reality of God reigning. What in daily practice did it mean to change one's life and begin living a life in which it is God who is reigning? Jesus talked a lot about what God was doing. Jesus was a lay person. His authority, his active ministry, came from the baptism and his discernment of God's presence with him. God's reign is really the only theological term that Jesus used. Some have thought that the Kingdom of God or God's reign was pointing to a future time, but Jesus was talking about God reigning in the here and now. Trusting in the immediacy of God's reign Jesus gave the disciples the mission instruction manual: "Take nothing for the journey, you are enough. God will provide for you.

When you enter a house eat what is set before you, cure the sick there and say to them, God's reign has reached you. When you pray say, 'Let your reign come. Our days bread give us today and cancel our debts for us as we to have cancelled for those in debt to us and do not put us to the test.'"

There is an explicit reciprocity in what Jesus has to say about God reigning. We receive from God through what God motivates other people to do for us. And others receive from God through what God motivates us to do for them. Jesus response to life was to point to God. He saw God's hand in all things. He understood that nature as well as humankind is God's creation and Jesus trusted that God is in charge. The Gospel Jesus proclaimed came in Word and in action. His life and teachings point toward a God whom we can trust and who cares for us. Perhaps we need to re-write the children's song, Jesus Loves Me, and sing it – God loves us, this we know, because Jesus tells us so.

I'm a preachers' kid. One of the gifts of being a preachers' kid was that when visiting missionaries came to speak we'd usually have a meal and conversation with them. There is one person who I will always remember. His name was Dr. Riggs. Dr.

Riggs was an ordained Congregational minister who went to Turkey to teach English at Robert College in Istanbul. Now, I had a really hard time understanding how he could be a missionary if he taught English. Why wasn't he teaching bible or theology, or at least church history? What he told me was that in Turkey he was not allowed to discuss his faith. Well that answer didn't help me at all. However, he went on to say that if people inquired of him what values he based his life on or why he lived in the manner he did then he was free to answer their question and talk about his faith and his values. His missionary opportunities were opened up when the way he lived witnessed to what he believed. The story of the Word of Christ was heard because of what his actions in life spoke.

God reigns. With God's help, God's reign will be known and heard by the actions we show to each other and to those whom we meet along the way. Patience. Trust. Seeing God's hand in everything and walking simply with Christ.

God loves us, this we know, because Jesus tells us so. Amen.

Section 3

Reports to the 2005 Convention

Clergy & Staff Transitions since Convention 2004 (05/A/12)

Canonical clergy

Charles Atcheson
Robin Joy Smith
Armand Kreft, Epiphany Parish of Seattle

Melissa Skelton, St. Paul, Seattle
David C. Moore, St. Margaret, Bellevue
Deborah Heathcock, St. Andrew, Tacoma

Clergy who have retired from full-time ministry

Thomas R. Minifie, St. Philip, Marysville
Robert H. Williams, Epiphany Parish of Seattle

Donald Mackay, St. John, Kirkland
Margaret Lewis, Emmanuel, Mercer Island

Clergy transferred to other dioceses

Jodene Hawkins to Hawaii
Shawn Carty to Idaho
Gary Lobdell to Western North Carolina
Dorian McGlannan to Michigan
Glen De Shaw to Rio Grande

Jeffrey Littlefield to California
Casey Longwood to Oregon
Patricia Walker-Sprague to California
Petra Owen to Sheffield (England)

Renunciation of ordination vows

Robert S. Downs, Jr.

Vaughn Pascal Nelson

Clergy licensed

Timothy listowanohpataakiwa
Marilynn Brown
Richard Bullock
Robert Moore

Robert Carver
Robert Gallagher
Gordon Blue
Philip Paradine

Robert Brown
James Friedrich
Julie Bird

Deacons ordained

Sara "Sally" Carlson, Holy Spirit, Vashon
Alan Gates
Mary MacKenzie, Emmanuel, Mercer Island
Jacqueline Smith, St. Andrew, Tacoma

Glen De Shaw
Philip Lewis III, St. Aidan, Camano Island
Rebecca Scott, St. James, Kent
Travis Smith, Church of the Apostles, Fremont

Priests ordained

C. Leroy Borders, St. Matthew, Castle Rock
Linda Santman, St. Matthew, Castle Rock
Shawn Carty

Elizabeth Jane Cochran, St. Matthew, Castle Rock
Jeffrey Littlefield
Gary Lobdell

Candidates for ordination/sponsoring congregations (as of 11/01/05)

Marilyn Cornwell, Emmanuel, Mercer Island
Elisabeth Fitzgibbons, St. Mark's Cathedral, Seattle
Janis Johnson, Redeemer, Kenmore
Linda Potter, St. Columba, Kent
Ann Saunderson, Christ Church, Puyallup

Vicki Sogaru, Holy Spirit, Battle Ground
Paul Haggland, St. Elizabeth, Burien
Helen McKee, St. Stephen, Longview
Shana Price, St. George, Seattle

Postulants/sponsoring congregation (as of 11/01/05)

Rilla Barrett, St. James, Sedro-Woolley
Connie Carlson, St. Andrew, Seattle
David Culp, Holy Spirit, Vashon Island
Dent Davidson, St. Mark's Cathedral, Seattle
Mark Eddy, St. Dunstan, Shoreline
Elizabeth Forbes, St. Peter, Seaview
Ron Harris-White, St. Clement, Seattle
Kay Kessel-Hanna, St. Thomas, Medina
William Larson, St. Luke Memorial, Tacoma
James Lofstrand, St. Hilda-St. Patrick, Edmonds
Stephen McHale, St. Mark's Cathedral, Seattle
Anne Khin-Myatt Ni, St. Luke, Seattle
Cyd Sanborn, St. Paul, Mt. Vernon
Kunihoto Shirota, St. Peter, Seattle
Aune Strom, St. Thomas, Medina

Charles Brock, St. Mark's Cathedral, Seattle
Les Carpenter, St. Margaret, Bellevue
John Daniels, St. Thomas, Medina
Arienne Davison, Christ Church, Seattle
D'Arcy Figuracion, St. Luke, Tacoma
Drew Foisie, St. Margaret, Bellevue
Paula Harris-White, St. Clement, Seattle
June Johnson, St. Timothy, Chehalis
Andrew Leech, Christ Church, Anacortes
Richard Marchand, Trinity, Seattle
Lucas Mix, St. George, Seattle
Elizabeth Rene, St. Mark's Cathedral, Seattle
Brian Sellers-Petersen, St. Mark's Cathedral, Seattle
Kyle Stillings, Christ Church, Seattle
Nan Waldie, St. Margaret, Bellevue

New to the Diocesan Staff

The Rev. Joan Anthony, Canon for Congregation Development (new role)
Carla Robinson, Administrative Assistant to the Missioner for Ethnic Ministries, Canon to the Ordinary, Canon for Congregation Development, and the Bishop Suffragan in her work related to Ethnic Ministries.
Carrie Rohlik, Central Services and Finance Assistant/Insurance Administrator

Final Agenda (05/A/13)

"Living the Faith: Mission in Action"
95th Diocesan Convention
November 11–12, 2005
Convention Agenda

Friday, November 11, 2005

All Day	Registration (<i>Bloedel Hall</i>)
8:30 AM-1:30 PM	Certification (<i>Bloedel Hall</i>)
9-9:50 AM	Issue Forum / Briefing – Session 1
10-10:50 AM	Issue Forum / Briefing – Session 2
11-11:50 AM	Issue Forum / Briefing – Session 3
	Diocesan Council Issues (<i>Council Room, Diocesan House</i>)
	Peace & Justice Issues (<i>Great Hall, Diocesan House</i>)
	Personnel Commission (<i>Northup Room, Cathedral</i>)
	Episcopal Church Defined (<i>Thomsen Chapel, Cathedral</i>)
	Disaster Response (<i>Skinner Hall, St. Nicholas School</i>)
12 PM	Lunch (<i>Pick-up pre-ordered lunches in Bloedel Hall, Cathedral</i>)
1-2 PM	Business of Convention
	<ul style="list-style-type: none">• <i>Call to Order / Certification of Quorum</i>• <i>Declaration Convention Organized for Business</i>• <i>Opening Worship</i>• <i>Introduction of the Head Table</i>• <i>Greetings from the Host Congregation</i>• <i>Report of the Committee on Dispatch of Business</i>• <i>Report of the Committee on Privilege</i>• <i>Nomination & Election of Secretary / Appointment of Assistant Secretaries</i>• <i>Appointment of Parliamentarian, Chancellor, Vice Chancellor & Convention Committees / Election of the Trial Court</i>• <i>Report from the Nominations Committee</i>• <i>Introduction to voting/First ballot</i>
2-2:30 PM	Bishop's Address
2:30-3 PM	Break

3–5 PM	Business of Convention <ul style="list-style-type: none"> • <i>Introduction of the Joint Board</i> • <i>Report of the first ballot, Second ballot</i> • <i>Outreach Mission Recognition #1</i> • <i>Courtesy Resolutions, Resolution 1, 2, 3, 4, & 5</i> • <i>Bishop's Cross #1</i> • <i>ERD presentation</i> • <i>Constitution and Canons Committee report</i> • <i>Jubilee Certificate presentations</i> • <i>Report of the second ballot, Third ballot</i>
5–5:30 PM	Evening Prayer & Observance of Veteran's Day
6 PM	Reception at the Museum of History & Industry
Saturday, November 12, 2005	
8–9:30 AM	Certification of alternates (<i>Bloedel Hall</i>)
8–11 AM	Registration (<i>Bloedel Hall</i>)
8:30–10:30 AM	Business of Convention <ul style="list-style-type: none"> • <i>Opening worship</i> • <i>Call to order</i> • <i>Report of the third ballot, Fourth ballot</i> • <i>Outreach Mission Recognition #2</i> • <i>Presentation from St. James', Cathlamet</i> • <i>Treasurer's report</i> • <i>Action on the 2006 budget</i> • <i>Resolution 10, 9 & 8</i> • <i>Bishop's Cross #2 & #3</i> • <i>The "Living Tree" witness</i> • <i>Reading of National constitutional amendments</i> • <i>Admission of new parish</i>
10:30–11 AM	Break
11 AM – 12:15 PM	Convention Eucharist <ul style="list-style-type: none"> • <i>Canon Betsy Greenman, preaching</i> • <i>The Rt. Rev. Vincent Warner, celebrant</i>
12:15–1 PM	Lunch (<i>Pick-up pre-ordered lunches in Bloedel Hall</i>)
1–3:15 PM	Business of Convention <ul style="list-style-type: none"> • <i>Resolution 6 & 7, Six-hour resolutions</i> • <i>Bishop's Cross #4 & #5</i> • <i>Outreach Mission Recognition #3</i> • <i>"Share Your Story" Cards</i> • <i>Report from the Personnel Commission</i> • <i>Disaster Response in our church and in our community</i> • <i>Transitions</i> • <i>Recognition of youth presence, pages, volunteers & diocesan staff</i> • <i>Charge to convention & diocese</i> • <i>Final announcements</i>
3:15–3:30 PM	Closing Worship
3:30 PM	Adjournment

Nominations Committee Report to Convention (05/B/3)

Each candidate was asked to describe their congregation and/or diocesan positions held, pertinent experience, and goals or interests related to the office, in 100 words or less. Candidates were also asked to answer the following question in 50 words or less: A focus for our diocese is to "share our story and live our faith." How does your experience of God inform your daily life and ministry? Members of the Committee: *The Rev. Katherine Sedwick*, chair, Trinity Church, Seattle; *Mr. Tom Cashman*, St. Columba's Church, Kent; *Mrs. Peggy Habegger*, St. Stephen's

Church, Seattle; Mrs. Jan Hanson, St. Stephen's Church, Longview; the Rev. Rachel Taber-Hamilton, St. Augustine in-the-Woods Church, Freeland; and Mr. Steve Tellari, St. James' Church, Kent.

Nominees At-A-Glance

Diocesan Council: Peter Pitarys, St. Thomas' Church, Medina; Richard Younge, St. Clement's Church, Seattle. *Standing Committee:* Clerical: Zula Johnston, St. Benedict's Church, Lacey; Jim Neal, St. Hugh of Lincoln Church, Allyn; Nigel Taber-Hamilton, St. Augustine in-the-Woods Church, Freeland. *Lay:* Janice Higby, St. Matthew's Church, Castle Rock; Mary Lyons, St. Stephen's Church, Longview; Steve Paul Moen, St. Mark's Cathedral, Seattle. *Cathedral Vestry:* Miller Adams, Trinity Parish, Seattle; Tom Casey, St. Thomas' Church, Medina. *Secretary:* John Schaeffer. *Archivist & Records Manager:* Diane Wells. *Treasurer:* Steve Faust. *Historiographer:* Carle Griffin, St. George's Church, Seattle.

Diocesan Council

Between Diocesan Conventions, the Council oversees the budget and program goals of the Diocese, carrying out priorities adopted by Convention. Council develops a proposed budget to be approved by the next Convention. Members accept assignments, work on task groups, and attend regional, committee and commission meetings as necessary. The Diocesan Council includes the bishop, bishop suffragan, ten (10) members (clergy or laypersons), which are elected from each of the ten regional ministries, up to six (6) members (clergy or laypersons) appointed by diocesan program commissions, and three (3) at-large members elected by Convention. *Members of the Diocesan Council who are either continuing or newly appointed/elected by program commissions and regional ministries include the following:* Be-Attitudes Regional Ministry, ***the Rev. John Roddam*, St. Luke's Church, Seattle (2008); Columbia Regional Ministry, ***Dr. Joan Oliver*, Good Shepherd, Vancouver, (2008); The Eastside Episcopal Churches, *Mr. Charlie Hubbard*, All Saints', Bellevue, (2006); Evergreen Regional Ministry, *to be elected fall 2005* (2008); Holy "C" Regional Ministry, *position open* (2007); Mount Baker Regional Ministry, *Mr. Andy Leech*, Christ Church, Anacortes, (2006); Peninsula Regional Ministry, *Ms. Pat Churchley*, St. Andrew's, Port Angeles, (2006); Rainier Regional Ministry, *the Rev. Ed Sterling*, St. Andrew's, Tacoma, (2007); Sno-Isle Regional Ministry, *Mr. Cleveland Riley*, St. Augustine's in-the-Woods, Freeland, (2006); Willapa Regional Ministry, *Mr. Jim Campbell*, St. Mark's, Montesano, (2007); Commission for Church in the World, *Dr. Chris Christensen*, St. Mark's Cathedral, Seattle, (2006); Commission for Congregations, *Mrs. Carolyn Forbes*, St. Philip's, Marysville, (2007); Commission for Ethnic Ministries, *the Rev. Anna Maria Korathu*, St. George's, Seattle, (2007); Commission for Evangelism, *Ms. Laura Faley*, St. Paul's Church, Mount Vernon (2007); Commission for Faith Formation, ***Ms. Sally Young*, All Saints' Church, Seattle (2006); Commission for Stewardship/Planned Giving, *The Rev. Kim Forman*, Ascension, Seattle, (2007); Convention At-large: *the Rev. Connie Moorehead*, St. Clement's, Seattle (2006); *the Rev. Jeff Sells*, St. David of Wales Church, Shelton (2007);. ***Newly appointed/elected or reelected.*

Mr. Peter Pitarys, St. Thomas' Church, Medina: Peter is a marketing consultant, business owner, and MBA, who received a master's degree in pastoral studies following his retirement from business. Recently he conducted a year-long *pro bono* study on pastoral care organization in 55 churches in the diocese, followed by leadership of several workshops. At St. Thomas, his lay ministry activities include serving as convener of the pastoral care network, acting as a Stephen Minister, and initiating transportation and nursing home ministries. He currently serves on the vestry, chairs the committee revising the church's strategic plan, and is on a team developing a structure for all lay ministry activities at St. Thomas. In the community, he has assisted as a volunteer in an Alzheimer's program and served on the board of an adult day center. He believes a combination of theological discernment and business discipline can contribute to the development of an effective diocesan plan for the future. *"Jesus represents the perfect example of how we can unselfishly help those in need, both in our congregations and in our community. As Christians, we all live out this legacy differently. My passion is pastoral care, with a particular concern for providing help to the elderly. I also look for opportunities to utilize the lifelong gifts developed in my career and personal experience to help the church in any way it asks."*

The Rev. Richard Younge, St. Clement's, Seattle: Richard is currently a member of St. Clement's Church, Seattle. He has been in the Diocese of Olympia since 1980, when he accepted a call to be the Episcopal campus minister at the University of Washington. In 1986 he became the

Episcopal Church campus minister at Grambling State University in western Louisiana, and returned to Seattle when he retired at the end of 1990. In the early 1980's he served as interim priest at parishes in Seattle, Des Moines, Auburn and Shoreline. Since his retirement he has continued his interim ministry at parishes in Puyallup, Tacoma, Auburn, Browns Point, Lake City, and, most recently, his home parish. Richard served as an examining chaplain, a board member for the Episcopal Charities Appeal, the Diocesan School of Ministry and Theology, and the Episcopal Caring Response to AIDS (Walk in Love). He was a member of the 2003 BACCOM team, the Suffragan Bishop Call Committee in 2004, and is currently a member of the African-American Ministry and the Sudanese Ministry committees. In the spring of 2005, Richard was appointed by Bishop Warner to the Diocesan Council to fill an unexpired at-large term left vacant upon the relocation of a Council member. *"Through hearing and accepting the Church's message about the life, teaching, ministry, death and resurrection of Jesus of Nazareth I have come to experience God as the ultimate ground of everything I can see or imagine, and therefore as the source and reason for my own life. In his welcome and acceptance of all people regardless of their ethnicity, gender or class, his witness for peace and reconciliation and wholeness in the human community...in these and many similar ways I believe that Jesus embodies who God is. Jesus invited others to enter into a new, way of life by following his example. Relying on the guidance of his Spirit, I work to embody him in my own life and ministry in my own time and place and particular circumstances, and by so doing to grow into the full measure of the stature of Christ."*

Standing Committee

The Standing Committee serves as a council of advice for the bishop and becomes the diocesan "ecclesiastical authority" in the bishop's absence. It makes decisions about the sale, encumbrance, or disposal of the real property belonging to parishes of the Diocese. It interviews and makes recommendations to the bishop on candidates for Holy Orders, and the consent of the Standing Committee is required for ordination. The Standing Committee also gives or withholds consent to the election of bishops throughout the church and has judicial responsibilities in the case of clergy misconduct where the clergy or the complainant does not accept the adjudication of the bishop. This year, due to a resignation, there are two positions open on the Standing Committee: a four-year term and a one-year term. The 2005 Convention will first elect to the four-year term the person who receives a majority in each order, voting separately. Once the four-year term is filled additional ballots will be required to elect for the one-year term from the remaining candidates. Continuing members of the Standing Committee include: *Ms. Dorothy Gibson*, St. Andrew's Church, Seattle (2006); *the Rev. Cris Amburgey*, St. Andrew's Church, Tacoma (2007); *Ms. Evelyn "Evie" Beard*, Trinity Church, Everett (2007), *the Rev. Steve Garratt*, Christ Church, Seattle (2008); and *Ms. Nancy Jacobs*, St. Margaret's Church, Bellevue (2008).

The Rev. Zula J. Johnston, St. Benedict's, Lacey: For the past two years during the call process, Zula has served as deacon administrator at St. Benedict's Church in Lacey. St. Benedict's is a mission of approximately 200 families. It enjoys strong lay leadership and a lively prayer life. The Holy Spirit has recently led St. Benedict's to a call for a new vicar. Before she was ordained, Zula served for 26 years in the Army Nurse Corps. She has experience in small and large group facilitation. *"God is best found in community, in reconciliation, in dialogue and in shared journeying. The hunger to seek God is best fed together. The challenge is that we are doing this through our own brokenness. It might be messy, but it can be done holistically and with integrity. We are redeemed. Alleluia! Alleluia!"*

The Rev. Jim Neal, St. Hugh of Lincoln, Allyn: Jim serves our Lord with the total ministry team at St. Hugh of Lincoln Church, Allyn. Being ordained in 2003 under Title 9, he brings firsthand experience to address the recent changes in the Title III Canon on Ministry, which emphasizes ministry of the baptized and using discernment to address issues within the congregation. Jim and his wife, Wilma, moved to the Shelton/Allyn area after 35 years of living in Redmond where he worked in Seattle for IBM. He attended St. John's Church, Kirkland, for 30 years, serving in many positions: vestry, senior warden, stewardship chair, search committee chair, Stephen Minister, finance committee, lay reader and LEM. *"Walking with Christ since my Cursillo in 1973 and having experienced personal healing, I believe God is leading me in my life and in my ministry at St. Hugh while serving my community with other neighboring churches. I tell my faith story to others through my sermons and in personal sharing."*

The Rev. Nigel Taber-Hamilton, St. Augustine's, Freeland Since 2000, Nigel has been rector of St. Augustine's in-the-woods, Freeland. His 25 year involvement in diocesan, provincial, national and international church affairs (especially in the areas of baptismal ministry, the ordination process and ecumenism), his experience in institutional structures, and his commitment to inclusivity and consensus-building have prepared him exceptionally well for a role on Standing Committee. He is committed to working on your behalf with integrity and generosity. Member diocesan commissions on: ministry (chair), liturgy and music, mission strategy, and stewardship; diocesan alternate to '06 General Convention; author/ developer of diocesan Permanent Diaconate Program; provincial Commission on Ministry. *"My experience of God in private prayer, worship and community is the bedrock on which my commitment to the theological values expressed in the baptismal covenant is built. Those values – faithfulness to Christian identity, fortitude in times of challenge, service to and respect for all, and the struggle for justice and peace – make integrity, respect, reconciliation, and relationship central in my life."*

Ms. Janice Higby, St. Matthew's, Castle Rock Janice has been a youth advisor for over 35 years at St. Stephen's Church, Longview, and a member of the diocesan Youth Council from 1990 to present. During a

three-year break from youth programs she served on the Oregon Cursillo Secretariat, serving as president for one year. She has been on vestry at St. Stephen's, enjoyed teaching Sunday school, coordinated vacation bible school, and was employed as director of religious education for two years. At St. Matthew's Church, Janice has been music leader and a member of the Total Common Ministry Circle. She also served a term on the diocesan Commission for Faith Development. *"Relationship with God brings harmony and purpose to my life. God calls me sometimes into action that is overwhelming and unfamiliar. That is where God is my strength, affirming my faith. When I seek harmony with God, prayers are answered."*

Ms. Mary L. Lyons, St. Stephen's, Longview At St. Mark's Cathedral, Mary served as catechumenate co-leader and member of the Commission for Evangelism with Bishop Hampton. At St. Stephen's Church, Longview, since Sept. 2004, she has supported faith formation through the development of a Christian initiation class. Capitol Hill planted the city in her, while her Indiana childhood and current home in Longview nurture her awareness of smaller community perspectives. She openly celebrates the variety of cultures in our diocese and accepts with humor "God's bizarre call" to make this place heaven on earth. Her postulancy in the Third Order of St. Francis encourages her in humility, love and joy. *"In 1987, I was the office manager of a Seattle law firm when I suffered a sudden cardiac arrest. That event changed my brain (I need reasonable accommodations with written documents) and my perspective of 'God'... Now, every time I don't practice faith, I get stuck in the mud of stubbornness and stop."*

Mr. Steve Paul Moen, St. Mark's Cathedral, Seattle Congregation experience: St. Mark's Cathedral vestry, 1981-84 & 1986-89 (treas., 1981-87, sr. warden, 1987-88); chalice bearer, lay eucharistic visitor, 1988 to present; chair, search committee for organist/choirmaster following retirement of Dr. P. Hallock; EFM, 1997-2001. Community experience: Board of Directors, Seattle-King County Defender and Washington Appellate Defender; judge pro-tempore, Seattle Municipal Court; Music Advisory Council, Seattle Parks Department; Washington Music Educators' Association, Young Musicians Fund. Professional History: law clerk, U.S. District Court (Seattle) 1966-67; deputy prosecuting attorney for King County 1967-70. Private law practice since 1970. His goal is to contribute skills and experience to the work of the Standing Committee. *"My embracing of the Gospel of Jesus Christ occurred since returning to the church 28 years ago after two decades as a nominal 'cradle Episcopalian.' My ministry has become part of everything I do, in my professional and volunteer activities; and is probably best described by Bishop Bennett J. Sims' concept of 'servant leadership.'"*

Cathedral Vestry

Under the new Cathedral governance model, adopted by Convention in 2002, the membership of the Cathedral Vestry will now be comprised of representatives of the Diocese and the community in addition to the St. Mark's parish. The Canons of the Diocese of Olympia state: "The vestry shall aid and support the rector to promote the spiritual welfare and the growth of the parish. The vestry shall transact the temporal affairs of the parish." [Canon 9, section 8] Behind this dry statement is the opportunity for service, spiritual growth, and ministry during a very dynamic time at the Cathedral. Continuing diocesan representatives on the Cathedral Vestry: *Mr. George Robertson*, St. Stephen's Church, Seattle (2006); and *Ms. Connie Espe*, St. Margaret's Church, Bellevue (2007).

Mr. Tom Casey, St. Thomas' Church, Medina: Tom served as the Commission for Evangelism representative to the Diocesan Council for five years. He has been a member of the Commission for Evangelism of the diocese for six years and served as chair of the Diocesan Council's Communications Committee for four years. Prior to that Tom was a member of the St Thomas' Church, Medina, vestry for five years and has served as a lay reader there since 1988. Tom is an account executive for a radio network. *"I have a passion for evangelism and church growth. I have worked with other members of the Evangelism Commission on the Bring-A-Friend Sunday, Church of the Apostles plant, grants to congregations for attendance of the Start-Up Start-Over conferences and sponsorship of visiting speakers for the diocesan Resource day."*

Mr. Miller Adams, Trinity Parish, Seattle: Local Congregation – vestry (twice), junior warden, finance committee, stewardship committee, lay reader and other ad hoc committees. In the Diocese of Olympia – Personnel Committee, chair of the Resolutions Committee for Convention, chair of the Committee on Dispatch of Business for Convention, on the rotation for evening prayer at the Cathedral, member of the committee overseeing the Diocesan Investment Fund. For the larger church – chancellor of Province VIII of the Episcopal Church of the USA, and trustee for the Church Divinity School of the Pacific (CDSP). Miller's goal as a member of the vestry of St. Mark's would be to bring a perspective as a life-long member of the oldest parish of the diocese. *"The ebb and flow of my life is daily influenced by the knowledge that without evidence of the will of God, my efforts will be for naught. I must always seek God's direction, allow this to influence my life, and be thankful for the guidance I receive."*

Secretary of the Diocese

The Secretary of the Diocese takes part in the planning, preparation and leadership of Convention. The secretary receives (through the assistant secretary) all resolutions, amendments, and official written business of Convention. The secretary is official signatory of Convention correspondence and is an officer of the Diocese. As an officer, the secretary serves on the Board of Directors. **The Rev. John G. Schaeffer:** John has served as Secretary of Convention since 1989 (a total of 17 conventions). He is a retired priest of the Diocese since 1994, but continues to serve as Secretary of Convention, secretary of the Board of Directors, and visitor on behalf of the bishop to retired clergy and spouses, as well as to clergy widows. He has been appointed by the Church Pension Fund to serve as coordinator of the chaplains to retired clergy for Province VIII. He also serves on the diocesan Constitution and Canons Committee. *"A major challenge to the Episcopal Church is to continue to grow in numbers and at the same time to be inclusive yet affirming our unique identity. Over the past several years we have been divided over social and moral issues oftentimes resulting in a 'we' and 'they' attitude that fails to recognize our oneness in Christ. A unique quality of the Episcopal Church has been our ability to follow the Via Media, which allows us to live with tension while proclaiming our unity within the Body of Christ."*

Archivist and Records Manager

The archivist & records manager is the official custodian of diocesan records and is responsible for the direction and implementation of the archives and records management program of the Diocese of Olympia. **Ms. Diane T. Wells:** Diane Wells is completing her eleventh term as Archivist and Records Manager. Her goal is to continually improve the physical care and usefulness of diocesan collections and provide archival and records management expertise to the congregations, ministries and institutions of the Diocese. Among other projects, Diane is currently updating the Records Management Manual with particular emphasis on electronic records and preparing vital documents for microfilming. She is active in professional organizations including the newly formed Episcopal Archives Network and is past chair of the Archivists of Religious Collections Section of the Society of American Archivists. She has Masters Degrees in history and library science and a certificate in records management. *"God has given us His Word and the amazing capacity for memory that we may know His Word and learn from our reflections and those of others. The focus of my entire ministry is on preserving those memories – on keeping our stories so that they may be shared – thereby providing the foundation of history from which to draw insight and strength in the daily living of our faith."*

Treasurer

The treasurer of the Diocese has responsibility for the assets of the Diocese, including investments, cash, and real property. The treasurer advises the bishop on financial matters and serves as an officer of the diocesan corporation. The position is accountable to the bishop and Diocesan Convention. The treasurer also serves as a member of the Board of Directors, the James F. Hodges Diocesan Investment Fund, the Budget and Finance Committee of Diocesan Council, the ERT (Early Response Team), and the Commission on Church Architecture. **Mr. Steve Faust:** Steve has served as treasurer of the Greater Seattle YMCA and the Church Council of Greater Seattle. Diocesan positions include chair of the Personnel Commission and member of a convention-mandated committee created to consider various Lambeth statements, which reported conclusions to Convention. He has been a convention delegate on several occasions. Steve is a member of Epiphany Parish of Seattle and serves the parish as a licensed lay

Eucharistic minister, chalice bearer and member of the worship committee. He is a life-long banker and currently an executive officer of a small bank in Seattle. *"I experience God in word and prayer and song. I endeavor to bring what I hope will be pleasing to God to my thinking and working time, my reflection time and my joyful time. Kids today say 'it's all good.' The kids are right."*

Historiographer

The historiographer is responsible for creating, maintaining, and continuing a history of the Diocese, including its significant leadership and events. **Br. Carle Griffin**, OCP, *St. George's Church, Seattle*: Br. Carle seeks to continue serving as historiographer to carry on the work of preserving the history of our diocese. His knowledge of the Episcopal Church has grown through work in many parish roles, as well as through membership in the Community of the Paraclete. His knowledge of diocesan history has expanded through studying source material in the archives. His goals include acquisition of new records for the archives, recording oral histories and writing a comprehensive history of the diocese. He has B.A. and M.A. degrees in history from the University of California, Berkeley, and an AAS degree in culinary arts. *"I have faith in the salvation available to all through discipleship to Jesus Christ in the Episcopal Church. By studying the stories of those who built the Diocese of Olympia, we can understand and find inspiration in their accomplishments."*

Nominations for General Convention alternate (05/B/4)

The General Convention is the governing body of the Episcopal Church, consisting of the House of Bishops and the House of Deputies meeting together every three years. The next meeting is scheduled for June 2006, in Columbus, Ohio. Every diocese is entitled to seat eight representatives in the House of Deputies, four clergy and four lay. The General Convention acts together to enact legislation and frequently seems submerged in paperwork (though folks are working to reduce the load; in 1991 the Phoenix meeting had over 700 resolutions introduced—in 2003 in Minneapolis it was half that number). Much of its work is actually done in committees before the legislation hits the floor and committee assignments are avidly sought, for this is where legislation can best be influenced, amended or even cancelled. Most committee assignments are made on the basis of seniority, and as we have tended to have a stable representation of deputies our diocese has been blessed over the years with many such assignments. The down side to this system is that new faces tend to not get committee assignments. Although the deputies are free to and expected to vote independently when the time comes (and by rule of the House every deputy is required to be seated and voting), the group gets much out of caucusing and open discussion, both at the time of convention and before. The 2004 Diocesan Convention elected a full slate of deputies (four clergy and four lay) and alternates (four clergy and four lay). However, due to the resignation of the second lay deputy, the other lay deputies and the alternates have all moved up one slot, making the first lay alternate the fourth lay deputy. This leaves open the position of fourth lay alternate. Article XII, Section 4, of our diocesan Constitution states: "If at the time of the Annual Meeting of the Convention in the year preceding the regular meeting of the General Convention, a vacancy shall have occurred among the Deputies and Alternates elected at a previous meeting of Convention, nominations and an election to fill the vacancy shall be made an order of business." Candidates for General Convention were asked to describe their congregation and/or diocesan positions held, pertinent experience, and goals or interests related to the office, in 100 words or less. Candidates were also asked to answer the following question in 50 words or less: *How would your theology be reflected in discussions/decisions in which you would be involved, if elected?*

Dr. Joan Oliver, *Good Shepherd, Vancouver (Columbia Regional Ministry)*: Joan has been an Episcopalian since 1962, and at Good Shepherd, Vancouver, since 1987. She has served on the Bishop Suffragan Search Committee, as convenor of the Columbia Regional Ministry, and on the GS Bishop's Committee. She is a member of Diocesan Council and the Communication Committee. She is on the faculty of DSOMAT, teaching both Early Church History and Ethics. All of these activities have led her to an awareness of the relationship between the local church, the diocese, and the larger Episcopal Church and Anglican Communion. She is a retired nurse and college instructor. *"While I tend to be conservative/traditional in my theology, I prayerfully center myself on Christ, the Gospel, and the Scriptures, praying that the Holy Spirit will lead me as I seek to do the work of the church."*

Mr. Dale B. Ramerman, *Christ Church, Anacortes & Komo Kulshan Cluster (Mt. Baker Regional Ministry)*: Experience/goals: Vestry member; sr. warden. Dale facilitates adult education; assists in a Cluster youth program; serves as Evening Prayer worship leader, reader and licensed Eucharistic minister; and accompanies his spouse who is a Eucharistic visitor. He is an usher; mows lawns; volunteers in the thrift shop, and served as 2004 stewardship chair. Dale is a third year EFM participant and trained EFM facilitator. His vision is that the five-church Komo Kulshan Cluster will become a mutual ministry community that calls out the gifts of all of the baptized, working for reconciliation and spreading the good news of the gospel in the Skagit Valley. Dale is a retired Superior Court Judge. *"Our challenge is to live lives of reconciliation, spreading the Gospel. That Good News, and our faith communities, are for everyone. In Christ there is neither Greek nor Jew, male nor female. We welcome each to participate"*

fully in response to God's call to serve. These values would inform my discussions and votes."

Ms. Paula Harris-White, St. Clement's Church, Seattle (Holy C Regional Ministry): At St. Clement's Church Paula has served as a morning forum series presenter, co-editor St. Clement's *Record*, lector, licensed chalice bearer, Episcopal Church Women member, vestry member, Outreach Commission chair, Christian Education and Formation Commission chair, and liturgical scheduler, working with ushers, acolytes, lectors and chalice bearers. At the diocesan level, she has served as the chair of the

Nominations Committee 2002 and 2003, Minority Youth Conf. presenter, Anti-Racism Training Task Force member, and a member of the African American Ministry. Currently a postulant for Holy Orders, Paula's goal is to help make the Diocese a more welcoming and inclusive body and to grow the church. *"God has called me to work to be a unifying presence in the church, to be a part of its mission by 'proclaiming the Gospel, and promoting justice, peace and love.' To unify the church, we must bring all the people together, we must heal the rifts, knowing that we each are valued and loved, and that we each are a reflection of Christ."*

2006 Recommended Diocesan Budget (05/C/2)

Dear Sisters and Brothers in Christ, The first draft of the 2006 budget showed "pool" amounts that were left to the discretion of the program staff/administrators to allocate. In conversation over the course of several weeks and two meetings, the diocesan program staff members considered these "pool" numbers, as well as changes that needed to be incorporated in the 2006 budget that were not included in the preliminary draft, i.e., 2006 is a General Convention year, staffing changes approved by Bishop Warner and the leadership team, programs that were that were becoming non-viable based on continued across-the-board reductions in funding, etc. After assuring that priority items – evangelism, faith formation, ethnic ministries, growth of congregations – were covered and programs supported to the necessary level, this revised draft of the 2006 budget was presented to the Diocesan Council on July 14.

Members of the Diocesan Council approved this revised 2006 balanced budget and present it for your review and ratification at the fall convention. The program staff members appreciated the opportunity to provide input for the second draft of the budget and felt that the conversations were important not only for the process but also as they work together around funding and staffing decisions to support the ministry of this diocese.

A summary of the 2006 proposed budget showing general allocations by budget area can be found on pg. 4. Charts for both Revenue (pg. 3) and Expenses (pg. 5) are also included. Funding for the priority areas in Empowering Congregations – Evangelism & Growth, Ethnic Ministries, Faith Formation, Supporting Congregations, Stewardship and Planned Giving, and Communications – totals \$1,625,317, or 36% of the proposed 2006 diocesan budget.

The budget detail (pg. 6-9) includes items funded partially or fully from restricted revenues, salaries and benefits, and the new recommended "pool" amounts for each program area. Details with tentative allocations of these "pool" amounts can be found in the End Notes (pg 10-11). While these allocated funds are the current best thinking, it will be left to each commission and program area to determine the final allocation of funds in each area in 2006. A narrative, written by each of the program areas, is included (pg. 12-16). The narrative is provided to further develop and explain the individual line items.

We encourage each person to prayerfully consider this budget, and to join with us to ratify this 2006 budget at the fall convention.

Additional updates on Council decisions: It is still Council's desire to move toward a lower assessment rate and a zero-based budget process. Based on input from the spring Pre-Convention Gatherings, however, the Council agreed to moderate the process to allow more time for input from the stakeholders, and to consider taking on these two important projects consecutively rather than concurrently.

Zero-based budget process: At its meeting on July 14, Council reaffirmed a desire to complete a zero-based budget process in the near future. Canon Betsy Greenman agreed to convene a task group to design the process and identify the stakeholders to be involved. The task group will report on progress and make further recommendations at either the September or December meeting of Council.

Assessment rate: After considering the comments and discussion from the spring Pre-Convention Gatherings, the Council, at its July 14 meeting, voted to leave the assessment rate for 2006 at 20% of NDI (as voted at the 2004 diocesan convention). The Council proposed assessment rate for 2007 will be 18% of NDI (to be voted on at the fall convention). Council members agreed that while no technical change would be made to the way that assessments are calculated it would be important to continue to work with congregations to deal with individual financial situations on a pastoral basis.

You Diocesan Council,

Tom Boyns, Be-Attitudes Regional Ministry (chair, Budget and Finance (B&F)); *Jim Campbell*, Willapa Regional Ministry (B&F); *Chris Christensen*, Church in the World (B&F); *Pat Churchley*, Peninsula Regional Ministry; *Laura Faley*, Evangelism (B&F); *Carolyn Forbes*, Congregations;

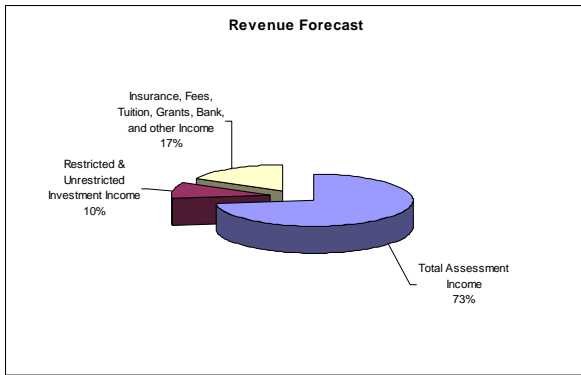
Kim Forman, Planned Giving/Stewardship; Phil Helmer, Evergreen Regional Ministry; Charlie Hubbard, Eastside Episcopal Churches; Anna Maria Korathu, Ethnic Ministries; Andy Leech, Mount Baker Regional Ministry; Connie Moorehead, At-Large 2006; Joan Oliver, Columbia Regional

Ministry; Cleveland Riley, Sno-Isle Regional Ministry; Jeff Sells, At-Large 2007; Ed Sterling, Rainier Regional Ministry; Sally Young, Faith Formation (B&F); Richard Younge, At-Large 2005; and Bishop Vincent Warner.

Description	2006	2005	2004	Actual	2003	Actual
Assessments	\$3,793,129	\$3,759,529		\$2,998,410		\$2,966,015
Less 15% Non-Payment Shortfall	(568,969)	(563,929)				
Prior Years' Assessments	50,000	87,229		70,033		118,183
Total Assessment Income	\$3,274,160	\$3,282,829		\$3,068,443		\$3,084,198
Unrestricted Investment Income						
Hodges	2,500	2,500		2,500		2,500
Henry	77,774	74,158		90,055		88,512
Thanksgiving	234	223		271		266
Total Unrestricted Income	\$80,508	\$76,881		\$92,826		\$91,278
Restricted Investment Income						
Christiansen (line 135)	8,354	7,966		9,646		9,507
Clapp (line 73, 177, 210)	31,209	29,759		36,138		35,519
Clergy Emergency (line 89, 134)	13,018	12,413		15,073		35,204
College Work (line 94)	9,721	9,270		11,257		11,064
Episcopate Endow #1 (line 128, 132, 136, 184)	137,377	130,991		159,069		162,506
Episcopate Endowment #2 (line 137, 181)	75,678	72,857		81,830		75,055
Horn Fund (line 197)	35,212	41,970		40,774		40,075
Mission Ministry Fund (line 68)	25,300	28,898		27,705		29,610
Phillips Fund (line 177)	18,258	14,875		18,673		19,262
Pruden Fund (clergy residency fund) (line 67)	677	645		784		770
St. Bernard's Chapel (line 212)	1,012	965		1,172		1,152
Theological Education (line 88, 133)	26,214	24,996		30,354		29,834
Human Need Endowment (line 124)	6,679	6,360				-
Total Restricted Income	\$388,709	\$381,965		\$432,475		\$449,558
Other Income						
Bank and Other Income	4,000	13,000		3,629		16,069
Transfers and Grants				127,602		16,287
Prior Years' Carry Forward						
Insurance Administration (line 160, 164)	18,000	20,000		14,400		16,000
Total Other Income	\$22,000	\$33,000		\$145,631		\$48,356
Fees, Tuitions, and Reimbursements						
Total Ministry (line 87)	3,000	7,125		1,600		7,355
Huston Center Fees (line 196)	500,000	500,000		495,390		511,312
St. Andrew's House (line 200, 201)	121,000	121,000		126,963		90,706
Print Shop (line 118)	26,000	26,000		26,702		38,572
Printer 20% (Cathedral) (line 114)	11,548	10,000		10,000		10,000
DSOMAT Reserve/Carryover (line 79) !!	20,500					
DSOMAT School Expenses (line 86)	7,500	7,500		8,880		6,699
Youth Events (line 90, 91, 92, 93)	43,000	43,000		21,498		33,565
Grant and DIF Administration (line 158, 159)	8,000	10,000		7,500		8,189
Total Fees, Tuitions, etc.	\$740,548	\$724,625		\$698,533		\$706,398
Total revenues Available :	\$4,505,925	\$4,499,300		\$4,437,908		\$4,379,788

Revenue Forecast

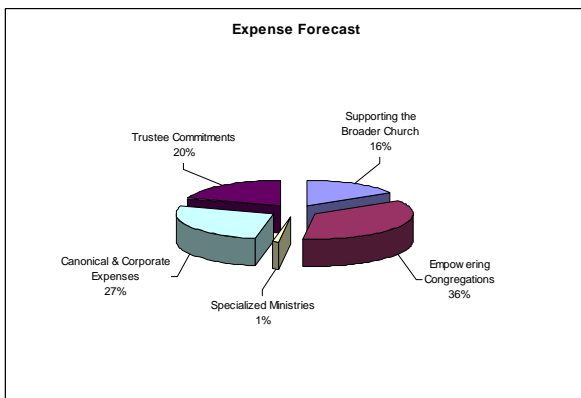
Total Assessment Income	\$3,274,160
Restricted & Unrestricted Investment Income	\$469,217
Insurance, Fees, Tuition, Grants, Bank, & Other Income	\$762,548
	<u>\$4,505,925</u>



<i>1. Supporting the Broader Church (Wider Church Covenants)</i>	\$720,043
Support for the National Church, Province VIII, the Washington Association of Churches, Ecumenical work and St. Mark's Cathedral.	
<i>2. Empowering Congregations (Programs for Ministry)</i>	\$1,625,317
Focusing on Supporting Congregations, Evangelism and Growth, Faith Formation and Ethnic Ministries, undergirded by Stewardship, Planned Giving and Communications.	
<i>3. Specialized Ministries</i>	\$45,915
Supporting education and assistance in the areas of Alcohol and Substance Abuse, Walk in Love, Justice and Peace in Israel/Palestine, the Mission to Seafarers, St. James Family Center, Refugee Resettlement, the Committee for the Environment, the Jubilee Network and the Commission for the Church in the World.	
<i>4. Canonical & Corporate Expenses</i>	\$1,208,217
Supporting the Bishop and his office, the Bishop Suffragan, Canon to the Ordinary, the Treasurer's office, Archives, all Governance functions (Convention, Diocesan Council, the Standing Committee, the Board of Directors, etc.), the Liturgy and Arts Commission, Insurances and Benefits.	
<i>5. Our Trustee Commitments</i>	\$906,433
Huston Center, St. Andrew's House, Diocesan House and St. Bernard's Chapel. (Almost \$700,000 of this is supported by revenues generated by Huston Center and St. Andrew's House. The balance is the annual cost of operating and staffing diocesan house (receptionist and custodian).	
Total of all expense categories	\$4,505,925
Total of all revenues	<u>\$4,505,925</u>
Credit or debit balance	\$0

Expense Forecast

1. Supporting the Broader Church (Wider Church Covenants)	\$720,043
2. Empowering Congregations (Programs for Ministry)	\$1,625,317
3. Specialized Ministries	\$45,915
4. Canonical & Corporate Expenses	\$1,208,217
5. Our Trustee Commitments	\$906,433
Total of all expense categories	<u>\$4,505,925</u>



Description	2006	2005	2004	Actual	2003	Actual
Supporting the Broader Church						
Wider Church Covenants						
Nat'l Church Apportionment	575,215	544,271		547,258		553,802
St. Mark's Cathedral Partnership	100,000	100,000		100,000		100,000
Province VIII Assessment	23,328	23,328		23,328		10,000
WA Assoc of Churches	20,000	20,000		20,000		20,000
Ecumenical and Interfaith	1,500	1,000		1,493		1,806
Total Supporting the Broader Church	\$720,043	\$688,599		\$692,079		\$685,608
Empowering Congregations						
<i>Program for Ministry</i>						
Supporting Congregations						
Canon for Cong. Dev. (previously Line 76)	70,000	57,815		38,750		47,002
Total Benefits for above position	28,749	included above		included above		included above
Grants to Congregations	250,000	250,000		276,000		240,000
Mortgage Grants	35,000	35,000		34,000		70,000
Assessment Relief for Growth	35,000	47,800		-		113,716
Support for Congregations --	26,000	33,750		36,184		32,631
<i>[Includes: C4C, CSC, Leadership & Training, Warden's conference, Komo Kulshan Missioner (phased out in 2006), Demographic Data, Office general] ***</i>						
Clergy Residency **	677	645		952		770
Mission Ministry Grant **	25,300	28,898		27,705		29,610
Subtotal	\$470,726	\$453,908		\$413,591		\$533,729
Evangelism and Growth						
Evangelism Program --	45,300	57,113		75,690		62,039
<i>[Includes: Evangelism training, TV Eucharist, Yellow Pages Ads, Church of the Apostles (COTA)] ***</i>						
Land Purchase Reserve **	20,000	25,000		32,722		11,906
Subtotal	\$65,300	\$82,113		\$108,412		\$73,945
Faith Formation						
Mutual Missioner Salary (moved to line 60)						
Youth & Young Adult Missioner	56,544	74,267		47,135		73,305
Resource Center Director (50% FTE)	14,770	29,594		42,570		49,448
DSOMAT Director (50% FTE)**	20,500	-		17,602		32,704
Project Manager (formerly Admin. Asst., 75% FTE)	32,574					(previously included in line 184)
Total Benefits for Above Salaries	41,102	included above		55,827		included above
Faith Formation Program --	23,500	22,692		22,100		25,523
<i>[Includes: Ministry Resource Day, Clergy Days, Resource Center, Education for Ministry (EFM) Contract, Program General, Young Adult Training, Cathedral Day, Convention (Youth Presence & pages)] ***</i>						
DSOMAT Program -- Includes:	7,800	8,250		9,003		10,216
<i>[Includes: Adult formation, Administrative expenses] ***</i>						
DSOMAT School Expenses **	7,500	7,500		10,270		8,155
Total Ministry Program *	7,125	7,125		610		9,512
Children's Curriculum/Consultation*	7,300					
Pastoral Care/Clergy **	3,018	2,413		3,029		3,000
HYC ** & JYC **	8,810	8,810		8,800		7,837
Provincial/National **	4,000	5,000		2,482		3,359
Training Events **	3,400	3,400		1,073		820
Six Day *	25,790	26,800		17,264		22,561
College Work/UW *	50,000	50,000		52,485		45,000
Subtotal	\$313,733	\$245,851		\$290,250		\$291,440
Ethnic Ministries						
Ethnic Missioner Salary	54,369	68,669		66,093		54,034
Total Benefits	17,446	included above		included above		included above
Ethnic Ministries Program --	89,859	94,929		102,143		92,759
<i>[Includes: Ethnic Ministry Commission, HFJ Cambodian Ministry, Chinese Ministry, Hispanic Ministry, First Nations Ministry, African American Ministry, Sudanese Ministry, Anti-Racism Training] ***</i>						
Subtotal	\$161,674	\$163,598		\$168,236		\$146,793
Stewardship and Planned Giving						
Director Salary	76,628	97,536		92,044		88,743
Administrative Assistant (50% FTE)	18,630					(previously included in line 184)

Total Benefits for above positions	38,683	included above	included above	included above
S & PG Program --	37,499	39,615	36,433	53,276
<i>[Includes: Program general, Stewardship Education] ***</i>				
Subtotal	\$171,440	\$137,151	\$128,477	\$142,019
Communications				
Director Salary	70,679	91,664	65,122	78,954
Graphic Designer Salary	43,597	55,908	38,925	50,748
Webmaster/IT Salary	48,453	61,374	45,450	57,099
Communications Assistant Salary	14,912	19,280	-	-
Printer Salary *	42,133	55,706	44,602	47,448
Total Benefits for Above Salaries	79,473	included above	58,879	included above
Communications Program --	117,197	125,500	136,865	135,263
<i>[Includes: Program general, The VOICE, Collateral materials, Photo library, Consultations, Video project, FYI, Directory] ***</i>				
Print Shop **	26,000	26,000	20,335	19,623
Subtotal	\$442,444	\$435,432	\$410,178	\$389,135
Total Empowering Congregations				
Specialized Ministries/Church in the World				
Church in the World Program --	39,236	41,450	46,645	76,041
<i>[Includes: Committee on Cultural and Racial Unity, Committee on Alcohol & Substance Abuse, Walk in Love, Justice and Peace in Palestine/Israel, Jubilee Network, Refugee Resettlement, St. James Family Center, Sts. Martha & Mary, Mission to Seafarers, Vancouver Waterfront, Committee for the Environment, Church in the World grants] ***</i>				
Emergency Assistance Grants **	6,679	6,360	24,003	-
Total Specialized Ministries	\$45,915	\$47,810	\$70,648	\$76,041
Canonical and Corporate Expenses				
Diocesan Bishop's Office				
The Bishop's Salary *	140,100	176,703	176,259	166,603
Total Benefits	44,850	included above	included above	included above
Bishop's Office Program --	8,000	6,830	5,275	4,759
<i>[Includes: Standing Committee, Care for Retired Clergy, Diaconal Presence, Episcopal Assistance] ***</i>				
Office General *	48,000	46,827	47,792	43,984
Theological Education **	21,214	24,996	15,740	39,960
Clergy Emergency Grants **	10,000	10,000	11,962	48,149
Christiansen Grants **	8,354	7,966	10,152	7,768
Lambeth Conference Reserve **	2,000	2,000	2,000	1,000
Consecration Reserve **	1,600	1,600	1,474	1,474
Subtotal	\$284,118	\$276,922	\$270,654	\$313,697
Bishop Suffragan's Office				
Bishop Suffragan's Salary	90,614	114,396	-	-
Total Benefits	29,111	included above	-	-
Bishop Suffragan Program --	45,500	36,775	9,482	18,185
<i>[Includes: Commission on Ministry, Ministry Discernment, Office General] ***</i>				
Search, Election, Consecration, Relocation	-	12,500	72,296	-
Subtotal	\$165,225	\$163,671	\$81,778	\$18,185
Assisting Bishop's Office				
Assisting Bishop, Office General, Admin. Asst.	-	-	41,423	79,455
Subtotal	\$0	\$0	\$41,423	\$79,455
Canon to the Ordinary's Office				
Canon to the Ordinary Salary	88,121	106,128	101,577	99,645
Total Benefits	22,572	included above	included above	included above
Canon to the Ordinary Program --	39,000	100,875	60,314	40,142
<i>[Includes: Office General, Consultant Training (TACS), Abuse/Misconduct Training, Congregations in Conflict, Misconduct Case Manager, Misconduct Settlement] ***</i>				
Subtotal	\$149,693	\$207,003	\$161,891	\$139,787
Treasurer's Office				
Treasurer's Salary (moved to line 177)				
Comptroller Salary *	66,628	77,296	60,000	71,140
Accountant Salary *	44,530	62,628	41,226	50,720
Accounting Assistant Salary *	18,630	25,440	12,763	41,903

Total Benefits for Above Salaries	43,462	included above	53,695	included above
Treasurer's Office Program --	11,853	15,163	17,650	16,182
<i>[Includes: Treasurer General, Comptroller General] ***</i>				
Insurance General **	2,500	2,650	2,650	5,670
Subtotal	\$187,603	\$183,177	\$187,984	\$185,615
Archives				
Archivist Salary	24,025	39,557	37,394	35,047
Total Benefits	19,714	included above	included above	included above
Archives Program --	9,397	9,927	10,065	10,025
<i>[Includes: Office General, Historiographer] ***</i>				
Subtotal	\$53,136	\$49,484	\$47,459	\$45,072
Diocesan Governance				
Governance Coordinators Salary (60% FTE)	25,537	35,522	34,007	32,493
Total Benefits	12,746	included above	included above	included above
Governance Program --	37,175	23,263	36,745	40,502
<i>[Includes: Convention, Diocesan Council, Pre-Convention Meetings, Board of Directors, Regional Ministry Programs, Governance General, Other Commission Expenses, Liturgy & Arts Commission, Architecture Commission, Personnel Commission] ***</i>				
Board Rep '06 * (previously line 157)	24,000	67,556	50,630	67,052
Subtotal	\$99,458	\$126,341	\$121,382	\$140,047
Other Governance Program --	50,136	50,905	23,484	22,812
<i>[Includes: Journal of Convention, C&C, Audit Expenses, Legal Expenses, General Convention Reserve] ***</i>				
Cathedral Dean Search Reserve **	2,500	2,500	2,500	2,500
Subtotal	\$52,636	\$53,405	\$25,984	\$25,312
Support Staff Resources 1.8 FTE in '06				
Total Salaries & Benefits * #	108,348	150,149	163,311	193,828
Subtotal	\$108,348	\$150,149	\$163,311	\$193,828
Property and Liability Insurance				
Property/Liability Insurance Premium	48,000	40,400	37,293	36,100
Subtotal	\$48,000	\$40,400	\$37,293	\$36,100
Benefits				
Compensation/Benefits Reserves	15,000	24,122	7,473	13,097
Medicare Supplement	45,000	45,900	36,501	59,984
Subtotal	\$60,000	\$70,022	\$43,974	\$73,081
Total Canonical/Corporate Expenses	\$1,208,217	\$1,320,574	\$1,183,133	\$1,250,179
Trustee Commitments				
Huston Center				
Operations **	500,000	500,000	493,152	506,373
Horn Projects **	35,212	41,970	27,778	86,603
Subtotal	\$535,212	\$541,970	\$520,930	\$592,976
St. Andrew's House				
Operations **	102,000	102,000	132,377	90,706
Bayne Cottage **	19,000	19,000	1,443	1,540
Subsidy	40,000	40,000	40,000	34,356
Subtotal	\$161,000	\$161,000	\$173,820	\$126,602
Diocesan House				
Receptionist Salary	34,789	45,883	34,115	40,827
Custodian Salary	32,005	52,243	29,073	35,318
Total Benefits for Above Salaries	40,215	included above	28,354	included above
Casual Labor	3,200	3,200	1,083	960
Diocesan House General	29,000	50,600	27,167	22,695
Plant Services General *	70,000	68,403	65,177	58,820
Subtotal	\$209,209	\$220,329	\$184,969	\$158,620
St. Bernard's Chapel **	1,012	965	1,527	1,516
Subtotal	\$1,012	\$965	\$1,527	\$1,516
Total Trustee Commitments	\$906,433	\$924,264	\$881,246	\$879,714
TOTAL ALL EXPENSE CATEGORIES:	\$4,505,925	\$4,499,300	\$4,346,250	\$4,468,603
	\$4,505,925	\$4,499,300	\$4,437,908	\$4,379,788
Results	\$0	\$0	\$91,658	-\$88,815

<i>End Notes</i>	<i>2006 Tentative Allocation</i>	<i>2005 Budget</i>	<i>2004 Actual</i>	<i>2003 Actual</i>
C4C & CSC	2,500	1,000	2,500	3,756
Leadership & Training	4,000	3,750	4,096	5,002
Warden's Conference	1,500	1,000	1,593	1,207
Komo Kulshan Missioner	-	18,000	18,000	18,000
Demographic Data	8,000	10,000	9,995	4,666
Supporting Congregations - Office General	10,000	-	-	-
<i><u>Total Line 65</u></i>	\$26,000	\$33,750	\$36,184	\$32,631
Evangelism Training	15,000	15,113	6,284	33,550
TV Eucharist	15,300	15,000	14,665	12,000
Yellow Pages Advertising	-	12,000	29,987	16,489
Church of the Apostles (COTA)	15,000	15,000	24,754	-
<i><u>Total Line 71</u></i>	\$45,300	\$57,113	\$75,690	\$62,039
Ministry Resource Day	8,500	7,500	7,962	8,200
Clergy Days	1,000	1,500	627	2,371
Resource Center	5,000	5,000	5,982	6,948
Education for Ministry (EFM) Contract	2,500	2,500	2,500	-
Faith Formation - Program General	3,500	3,637	3,480	2,572
Young Adult Training	1,000	1,055	179	1,827
Cathedral Day	-	-	53	1,677
Convention (Youth Presence & Pages)	2,000	1,500	1,317	1,928
<i><u>Total Line 82</u></i>	\$23,500	\$22,692	\$22,100	\$25,523
Adult Formation	3,300	3,300	3,421	4,730
DSOMAT Administrative Expenses	4,500	4,950	5,582	5,486
<i><u>Total Line 84</u></i>	\$7,800	\$8,250	\$9,003	\$10,216
Ethnic Ministry Commission	10,365	11,250	11,243	15,238
HFJ Cambodian Ministry	47,500	50,000	50,000	50,000
Chinese Ministry	4,631	4,875	6,500	6,000
Hispanic Ministry	14,250	15,000	19,999	16,518
First Nations Ministry	1,959	2,062	1,979	2,912
African American Ministry	1,425	1,500	1,925	-
Sudanese Ministry	712	750	1,000	-
Anti-Racism Training	9,017	9,492	9,497	2,091
<i><u>Total Line 99</u></i>	\$89,859	\$94,929	\$102,143	\$92,759
S&PG - Program General	30,000	31,140	28,909	43,654
Stewardship Education	7,499	8,475	7,524	9,622
<i><u>Total Line 106</u></i>	\$37,499	\$39,615	\$36,433	\$53,276
Communications - Program General	14,797	46,500	47,466	40,158
The VOICE	76,000	72,000	79,638	84,438
Collateral Materials	5,000	-	-	-
Photo Library	2,000	-	-	-
Consultations	7,400	-	-	-
Video Project	5,000	-	-	-
FYI	5,000	4,000	5,596	6,417
Directory	2,000	3,000	4,165	4,250
<i><u>Total Line 116</u></i>	\$117,197	\$125,500	\$136,865	\$135,263
Committee on Cultural & Racial Unity		1,500	1,495	493
Committee on Alcohol & Substance Abuse		1,700	1,654	2,300
Walk in Love		4,000	4,000	3,120
Justice & Peace in Palestine/Israel		5,000	6,992	10,000
Jubilee Network		1,500	1,704	1,978
Refugee Resettlement		11,250	15,000	15,000
St. James Family Center		3,750	5,000	13,888
Sts. Martha & Mary		3,750	5,000	8,000
Mission to Seafarers		3,750	5,000	5,000
Vancouver Waterfront		-	-	400
Committee for the Environment		750	800	-
Church in the World		4,500	-	15,862
Church in the World -- Not Yet Allocated	39,236			
<i><u>Total Line 122</u></i>	\$39,236	\$41,450	\$46,645	\$76,041
Standing Committee	1,500	1,500	2,700	2,137
Care for Retired Clergy	3,000	3,330	2,265	2,622
Diaconal Presence	500	750	310	-
Episcopal Assistance	3,000	1,250	-	-

	<u>Total Line 130</u>	\$8,000	\$6,830	\$5,275	\$4,759
Commission on Ministry		4,500	4,260	-	2,070
Ministry Discernment		10,000	12,515	9,482	9,354
Bishop Suffragan - Office General		31,000	20,000	-	6,761
	<u>Total Line 142</u>	\$45,500	\$36,775	\$9,482	\$18,185
Canon to the Ordinary - Office General		15,000	14,000	13,446	16,572
Consultant Training (TACS)		5,000	4,875	5,544	5,191
Abuse/Misconduct Training		2,000	2,000	1,810	1,819
Congregations in Conflict		2,000	2,000	2,001	2,131
Misconduct Case Manager		10,000	13,000	8,217	9,598
Misconduct Settlement		5,000	65,000	29,296	4,831
	<u>Total Line 153</u>	\$39,000	\$100,875	\$60,314	\$40,142
Treasurer General		2,000	4,700	4,700	2,833
Comptroller General		9,853	10,463	12,950	13,349
	<u>Total Line 162</u>	\$11,853	\$15,163	\$17,650	\$16,182
Archives - Office General		9,022	9,383	9,454	9,300
Historiographer		375	544	611	725
	<u>Total Line 169</u>	\$9,397	\$9,927	\$10,065	\$10,025
Convention		23,000	10,000	23,752	28,027
Diocesan Council		3,500	3,000	4,834	4,137
Pre-Convention Meetings		1,000	1,000	1,858	1,035
Board of Directors		2,500	1,700	1,450	2,154
Regional Ministry Program		-	563	50	318
Governance General		3,000	3,000	336	589
Other (New) Commission Expense		500	250	-	5
Liturgy & Arts Commission		2,800	3,000	3,628	3,512
Architecture Commission		375	375	335	614
Personnel Commission		500	375	502	111
	<u>Total Line 175</u>	\$37,175	\$23,263	\$36,745	\$40,502
Journal of Convention/C&C		1,636	1,725	2,850	478
Audit Expenses		9,500	9,500	9,668	6,600
Legal Expenses		27,000	27,000	5,133	4,401
General Convention Reserve		12,000	12,680	5,833	11,333
	<u>Total Line 179</u>	\$50,136	\$50,905	\$23,484	\$22,812

2006 Budget Narrative

Income

Assessments (line 1-4)

Assessments are based on the net disposable income reported annually by congregations. The rate of assessment is set each year by the Diocesan Convention for the second succeeding year (i.e., the 2005 Convention will set the 2007 rate). Payment of the assessment is mandatory for a congregation to stay in union with Convention (that is, to continue to function as a part of the Episcopal Church). Of the total, 15% in 2006 is budgeted as a reserve to allow for congregations that don't meet their obligation. Assessment relief is determined by Diocesan Council upon recommendation by the Early Response Team (ERT) of Council. Assessment relief for growth appears as an expense (line 64).

Unrestricted Investment Income (line 6-10)

Unrestricted income from endowment funds is available for general operating expenses.

Restricted Investment Income (line 12-26)

Restricted income is designated for specific purposes as follows:

Christiansen - educational and religious uses within the city of Seattle (line 135).

Clapp - land purchase reserve (line 73), board rep. (line 177) and diocesan house plant services (line 210).

Clergy Emergency - pastoral care of clergy (line 89) and clergy emergency grants (line 134).

College Work - University of Washington Canterbury Ministry (line 94).

Episcopate Endowment #1 - support of the Office of the Bishop (line 128, 132, 136, 184).

Episcopate Endowment #2 - Bishop Search (line 137) and Dean Search (line 181), 10% for new program, balance for programs.

Horn Fund - capital improvements and maintenance at Huston Center (line 197).

Mission Ministry Fund - supports Church of the Holy Spirit, Battle Ground, through a mission ministry grant (line 68).

Phillips - supports the Board Rep. (line 177).

Pruden - clergy residency program (line 67).

St. Bernard's Chapel - supports the chapel at Snoqualmie Pass (line 212).

Theological Education - education grants for clergy and lay leadership (line 133) and, pending Board approval, children's curriculum/consultation

Human Needs Endowment - provides emergency assistance grants in the area of the church in the world and specialized ministries (line 124).

Other Income (line 28-33) & Fees, Tuition and Reimbursements (line 35-45)

Income is received from camp and conference participants, print shop revenue and Cathedral use of the print shop. In addition, the Accounting Office generates fees for administration of grants, insurance and the Diocesan Investment Fund (DIF).

Expenses

Wider Church Covenants (line 50-56)

Wider Church Covenants include support for shared ministry through the asking for the *National Church* (based on a formula approved by the triennial General Convention of the Episcopal Church), support for *Province VIII* (one of nine provinces in the Episcopal Church USA consisting of the dioceses of Alaska, Arizona, California, Eastern Oregon, El Camino Real, Hawaii, Idaho, Los Angeles, Nevada, Northern California, Olympia, Oregon, San Diego, San Joaquin, Spokane, Taiwan, Utah and the Navajoland Area Mission), the *Washington Association of Churches* (our faith-based state public policy education and advocacy network), *St. Mark's Cathedral* and *ecumenical work* in western Washington.

Supporting Congregations (line 59-69)

Congregations and the support of ministry through people, dollars and resources is the primary goal of the *Commission for Congregations* (C4C), *Canon for Congregation Development* (the Rev. Joan Anthony), and the Canon to the Ordinary (Dr. Betsy Greenman). Work with congregations through the commission includes three dollar-support programs: *Operating Grants*, *Mortgage Grants* and *Assessment Relief for Growth* grants. Applications are received annually for operating and mortgage grants. Assessment relief for growth grants is a program that is being phased out -- the basis was originally a percentage of unrestricted income when assessment payments exceeded budgeted shortfall, which is no longer a reality. Operating and mortgage grants are recommended annually to Diocesan Council, with the criteria being growth and support of developing communities of ethnic ministry.

Leadership and Training and the *Warden's Conference* line items provide seed money for a variety of leadership opportunities as well as support for gatherings such as those of interim clergy, diocesan consultants and other resource groups. *Clergy Residency* is an endowed fund that helps support a newly ordained person in a two- or three-year training position in a congregation. The *Komo Kulshan Missioner* support will come through the congregation grant application process in 2006. This will put the total diocesan financial support of this cluster ministry into the operating grant. *Mission and Ministry* grant is an endowment set up by the Rev. Canon Paul Langpaap to be allocated on an annual basis by the bishop diocesan. *Demographic Data* with the Percept company is a diocesan contract that provides access to in-depth information for areas throughout western Washington. The umbrella contract offers connection to Link2Lead resources and numerous other databases. C4C members assist congregations and regions in using this data.

Evangelism and Growth (line 70-74)

The purpose of the *Commission for Evangelism* is to equip the congregations of the diocese to share the good news of Jesus Christ with others, and to remain accountable to God and the diocese. The commission offers training to congregations in the essentials for sharing the good news, including: inviting, welcoming, engaging/incorporating newcomers, sharing our faith journey and telling our story. Financial assistance is made available to congregations to attend *Start Up!*, *Start Over!* and *Upward Bound*, national conferences on congregation growth. *Bring A Friend (BAF)* to church is a major initiative sponsored by the commission, focusing on a Sunday in October and year round, with training offered to congregations on how to prepare for BAF.

The commission helps underwrite a joint Lutheran/Episcopal postmodern mission emerging church in Fremont in Seattle, *Church of the Apostles*. The commission offered training to over 500 individuals this past year. The Sunday morning televised *Eucharist*, broadcast at 5 a.m. on cable, KONG-TV, is a long-standing program of the Commission, reaching 4500 viewers each week.

Faith Formation (line 75-95)

The Faith Formation program offers training, education, consultation and resources for congregations with specific programs for children, youth and young adults and, through DSOMAT, programs for adults. This office provides staff support for the Commission for Faith Formation, the Diocesan School of Ministry and Theology (DSOMAT), diocesan Young Adult, High School and Junior High Conferences and Children's Ministry as well as consultation and resources for all major ministries.

This budget area supports two *Junior High Youth Conferences (JYC's)* and three *High School Youth Conferences (HYC's)* as well as a week-long *High School Conference (6-Day)*. Over 150 volunteers assist in these events. The Junior and Senior High conferences are hosted by congregations around the diocese. 6-Day is held at our own Huston Camp and Conference Center. *Young adult weekend retreats* with themes focusing on discernment and on leading a Christian life are also offered. *Training events* for children, youth leaders and teachers are another aspect of this ministry.

The *Diocesan School of Ministry and Theology (DSOMAT)* and the *Resource Center* provide programs and resources for the education, training and equipping of adults in this diocese through DSOMAT, Education for Ministry (EFM), Clergy Days and other programs. Training is designed and coordinated for liturgical, pastoral and a variety of other ministries to strengthen congregational life throughout the diocese. The funding for the *Diocesan Resource Center* and the work of the *Ministry Resource Coordinator* makes available religious educational material, Episcopal Church materials and audio-visual resource materials to both clergy and laity as well as providing theological materials for DSOMAT. The Earth Ministry collection is also housed in this center. Ninety-five percent of our congregations have been consistently served by the Resource Center. The Ministry Resource Coordinator provides networks for sharing people resources and gifts between congregations and regions in the diocese. Consultations are offered on-site or at the Resource Center for curriculum, resource selection and program development for all ages.

Ministry Resource Day provides a chance for members of the diocese to attend a one-day event with workshops in all areas of ministry - from planned giving to outreach to ethnic ministries, and more. In 2005, close to 500 people selected from 58 different workshops in four sessions. Many of the workshops are offered more than once during the day to facilitate attendance. Workshops are sponsored by the diocesan program commissions, committees and ministries. This idea-filled day is free and open to all. *Total Ministry* program is connected to the work of Canon Joan Anthony in congregations where ministry of the baptized teams are studying. *Clergy Days* and *Pastoral Care of Clergy* are budget items used to support time when clergy are called together through the bishop's office and also to assist in some clergy emergency work.

Ethnic Ministries (line 96-101)

The *Commission for Ethnic Ministries* and the *Ethnic Missioner* support, empower and develop ethnic ministries in the Diocese of Olympia. The commission's mission is to promote the health and development of a culturally and ethnically diverse diocese. The *missioner* coordinates multi-cultural workshops and the discernment weekend for people of color. The *Cambodian Ministry*, Holy Family of Jesus Church, Tacoma, provides spiritual nourishment, supports a rapidly growing youth ministry and addresses the social needs of the surrounding community. The *Chinese Ministry*, Holy Apostles, Bellevue, provides numerous ministries within the congregation and the greater Chinese community. The *Hispanic Ministry* supports current Hispanic ministries, provides start-up funding and sponsors diocesan-wide seminars. The *First Nations Ministry* provides a link between Native American communities and the 102 congregations with the celebration of Enmegahbowh, David Pendleton Oakerhater and other activities.

The *African American Ministry* brings African Americans together to celebrate their rich heritage and to establish bridges of understanding with the larger

community. The *Sudanese Ministry* addresses the spiritual needs of this community. The *Anti-Racism Training Ministry* has provided anti-racism seminars to over 400 individuals throughout the diocese.

Ethnic Ministries has been decreased by approximately \$2,000 over the 2005 budget. Each program under the Commission for Ethnic Ministries has been decreased by 5 percent from the previous year. Although this is an area of growth the church is called to serve, it is becoming difficult to implement comprehensive programs with continued budget reductions.

Stewardship and Planned Giving (line 102-108)

The *Planned Giving & Stewardship* office provides congregations with resources and training to develop the ministry of planned giving as well as support for annual campaigns and development of a theology of giving in gratitude for all that God has given to us. The office staffs campaigns such as the Student Scholarship Committee and manages one-time appeals that have a diocesan-wide impact, such as the roast for Bishop Hampton in late 2004. The *Episcopal Charities Appeal* committee falls under the commission's work and the ECA chair is a member of the commission. Staff oversee marketing, accounting and distribution of these funds. ECA distributed \$115,000 in 2005 to 33 ministries in western Washington, all with Episcopal connections.

The *Bishop's Society*, started in 1993, recognizes anyone who has remembered the church or any Episcopal ministry in their estate plans. It has grown to 1000 individuals and is now the largest diocesan recognition society in ECUSA. Staff includes the Bishop's Deputy for Planned Giving/Stewardship, a part time administrative assistant and consultation from the Episcopal Church Foundation representative serving the West Coast.

Communications (line 109-119)

The Office of Communications produces the *Episcopal Voice*, maintains the diocesan website, publishes the *FYI* (a monthly leadership newsletter) and puts out *The Net*, an electronic newsletter connecting the Church Communicators Network spread out across the diocese. Beginning in 2005, the office launched *Across the Diocese*, a weekly informational electronic newsletter. The office hosts and organizes the annual Church Communicators Conference and provides grant funding and consultation to congregations working in the area of communications ministry.

In the past three years, the office has produced four videos -- focusing on the suffragan bishop consecration and the 150th anniversary of the diocese -- as well as particular projects for committees and congregations. A general purpose informational brochure will be distributed before the end of 2005. While funding for this department has been reduced in each of the past two years, it continues to provide important services and support to the diocese and its congregations.

Specialized Ministries/Church in the World (line 121-125)

Beginning with the 2006 budget, the commission will be stewards of funds designated to support a variety of work in the areas of social justice, outreach and relief services that in prior budgets had individual line items. The commission will expand the screening and review process it has used over the past five years for the small and simple grants it has awarded to congregational outreach ministries. Total funding for these efforts has been reduced by 33% since 2003, making the discernment process a challenging one.

Diocesan Bishop's Office (line 127-138)

The budget for the Office of the Bishop funds the day-to-day expenses associated with that ministry. The *Standing Committee* serves as a counsel of advice to the bishop as described in national and diocesan canons. *Pastoral Care of Retired Clergy* funds the visitor on behalf of the bishop, remembrances at times of illness and celebration, and the annual bishop's gathering with retired clergy, spouses and widows. *Diaconal Presence* reimburses travel expenses of deacons who accompany our bishops on visitations. *Episcopal Assistance* pays the honorarium and travel expenses on those occasions when the diocesan bishop invites another bishop to function for a particular reason on his behalf. The *Office of the Bishop* administers three endowment (restricted) funds: *theological education* grants for clergy and lay leadership; *clergy emergency* grants; and the *Christiansen Fund*, which is restricted in use to educational and religious purposes within the City of Seattle.

Bishop Suffragan's Office (line 139-145)

The budget for the Office of the Bishop Suffragan funds the day-to-day expenses associated with that ministry. The *Commission on Ministry* is organized to carry out the responsibilities as described in the canons. *Ministry discernment* expenses relate directly to persons seeking ordination -- from the time of their initial nomination by a congregation through ordination. Prior to Bishop Rivera's consecration, Commission on Ministry and ministry discernment expenses were in the diocesan bishop's section of the budget.

Canon to the Ordinary's Office (line 150-155)

Canon to the Ordinary (Dr. Betsy Greenman) is the staff person who, with the bishop diocesan, works with clergy and congregations in transition, as well as with congregations when there are times of conflict and/or issues of misconduct. Canon Greenman provides staff support for the Personnel Commission, the Committee on Constitution and Canons and the Commission for Congregations. She is the bishop diocesan's representative on the St. Mark's Cathedral Vestry and the representative from the Office of the Bishop to the board of the Clergy Association of the Diocese of Olympia. She is also the diocesan deployment officer. In these roles her focus is to encourage and support clergy and leaders in congregations and to represent the values and vision of the bishop diocesan.

Consultants work, without fee, through the Canon's office to provide assistance in congregations in transition, to facilitate retreats, to support mutual ministry reviews and to assist in a number of areas where an external facilitator/consultant is helpful. This budget line provides ongoing training for these volunteers. The areas dealing with *Abuse and Misconduct* are managed by a person whose work is overseen by the canon and the bishop diocesan.

Training and resources for clergy and leaders are provided as well as investigation and support, for all involved, in cases of abuse and misconduct. The focus of this work is to bring health and to make decisions that lead to wholeness.

Treasurer's Office (line 156-165)

The *Treasurer's Office* is responsible for the financial transactions and records of the Operating, Trust, Building Loan, Mission Development and Diocesan Investment funds of the diocese. In addition, this office audits the annual NDI reports from the congregations, staffs the budget process, files state tax forms, and processes financial transactions and prepares reports for federal, state and local government grants. In addition, the diocesan medical, dental, property and liability insurances are the responsibility of this office. The office trains and serves as a resource to congregation treasurers. Staff includes a volunteer treasurer, a comptroller, an accountant and a part-time assistant who also supports the Board of Directors and the board representative.

Archives (line 166-171)

Archives and Records Management is a canonically required program. The *Archivist and Records Manager* is the official custodian of diocesan records and is responsible for the direction and implementation of this program. The mission of the Archives and Records Management program is to preserve the historical record and to support the current ministry and community life of the diocese. Its goal is to identify, collect, preserve and make available records of enduring value and to serve the informational and records management needs of the diocese -- including compliance with administrative,

fiscal and legal requirements. In addition the program aids the congregations, ministries and institutions of the diocese in the preservation and care of records through written guides, workshops and personal consultations.

The *Historiographer* is responsible for chronicling the history of the Diocese of Olympia and for making it available to the diocese through written works, oral presentations, participation in professional forums and other mediums of communication. He is also responsible for assisting diocesan congregations, ministries and institutions with the capture and preservation of their history and for encouraging these efforts.

Diocesan Governance (line 172-178) and **Other Governance Program** (line 179-182)

The *Convention* and *Pre-Convention Gatherings* provide worship and fellowship opportunities for elected delegates and clergy from every congregation. Members of Convention discuss issues and resolutions and elect to diocesan offices. Funding under Diocesan Governance provides for a 3/5's time *Governance Coordinator* who is responsible for oversight, administration and coordination of the Convention, Pre-Convention Gatherings, Diocesan Council and the Ministry Resource Day. The *Diocesan Council* is the Convention-in-recess and as such is responsible for the programs and budget of the Diocese.

The *Board of Directors* manages the funds and real estate held by the diocesan corporation. The *Board Representative* (previously Treasurer) is contracted to oversee the physical needs of the Diocese's physical assets -- Diocesan House, St. Andrew's House, Huston Center and St. Bernard's Chapel. He also represents the board in all property matters involving mission congregations and reports pertinent information to the board on these projects. The Representative makes recommendations to the board regarding loan requests from congregations applying for loans from the Building Loan Fund. He also advises the bishop about the financial viability of loans that congregations seek from outside sources to assist the bishop in making a recommendation to the Standing Committee.

The *Commission on Church Architecture* provides advice and resources for congregations and institutions involved with building/construction projects. The *Liturgy and Arts Commission* is a resource for the bishop and diocese in all matters regarding worship, liturgy, music and the arts. Members of the L&A Commission plan the worship for the annual convention, provide leadership through workshops at Ministry Resource Day, and explore additional ways in which music, worship and the sacraments can become enlivened in our lives. The governance area supports administrative costs for the *Personnel Commission* and provides a small amount for any new initiatives that may come up during the year in the form of *Other Commission Expense*. Other Governance Program funds the production, printing and mailing costs for a limited number of the *Journal of Convention* and the diocesan *Constitution and Canons*. In addition, funds are provided to support any future *Cathedral Dean Search* (restricted income) and diocesan *Audit* and *Legal* expenses. The *General Convention Reserve* annually sets aside funds to cover the triennial costs for all eight deputies and two alternates (first in each order) to attend the ten-day General Convention of the Episcopal Church. The next General Convention is scheduled for June 2006 in Columbus, Ohio; deputation members were elected at the 2004 diocesan convention.

Support Staff Resources (line 183-185)

Support Staff Resources is the support staff shared by the Offices of the Bishop, the Bishop Suffragan, the Canon to the Ordinary and the Ethnic Missioner.

Property and Liability Insurance (line 186-188)

Funds the cost of property and liability coverage for the Liability, Directors and Officers, and non-owned auto for the diocesan corporation.

Benefits (line 189-192)

Provides for the likelihood of an increase in insurance premiums for diocesan staff. Also covers the majority of the cost of Medicare supplement policies for retired diocesan staff.

Huston Center (line 195-198)

Huston Camp and Conference Center is located in the foothills of the Cascades in Gold Bar, and is a space for retreats and workshops for congregations and organizations, as well as the diocesan summer youth camping program. Huston Center is fully funded through fees, reimbursements and restricted income.

St. Andrew's House (line 199-203)

St. Andrew's House on Hood Canal is a gathering space for retreats and workshops for congregations and organizations from across the diocese. The Diocese will provide a \$40,000 operations subsidy in 2006; fees and reimbursements generate all other funding. It is hoped that the facility will become self-supporting in the near future.

Diocesan House (line 204-211)

Diocesan House provides space and services to the staff of the Office of the Bishop, committees, commissions and organizations. The *receptionist* answers and directs calls, greets visitors, orders supplies, coordinates equipment maintenance, prepares and distributes mail and provides miscellaneous clerical support. The *custodian* maintains and repairs Diocesan House and grounds.

St. Bernard's Chapel (line 212-213)

Located on Snoqualmie Pass, the Chapel offers spiritual sustenance for skiers, hikers and members of the local community at the Pass. The chapel is fully funded by restricted funds.

Resolutions Committee 2005 Report to Convention (05/D/3)

MEMBERS OF THE RESOLUTIONS COMMITTEE: **Ms. Judith Andrews**, *St. Mark's, Cathedral, Seattle, chair*; **the Rev. Patty Baker**, *St. Clare's Church, Snoqualmie*; **the Rev. Jo Beecher**, *Komo Kulshan Cluster, Mount Vernon*; **Mr. Sam Fleshman**, *St. Andrew's Church, Tacoma*; **the Rev. Richard Green**, *St. Stephen's Church, Longview*; **Ms. Mary Maxon**, *Emmanuel Church, Mercer Island*; **Mr. Ralph Provencal**, *St. Benedict's Church, Lacey*; and **the Rev. Jeff Sells**, *St. David of Wales Church, Shelton*.

Resolution #1 – Will you strive for justice and peace among all people, and respect the dignity of every human being? – A Shared Anti-Racism Ministry. *Submitted by the Anti-Racism Training Task Force, the Hispanic Ministry Committee, the Rev. Anne Barton, the Rev. Jo Beecher, the Rev. George Anne Boyle, Polly Shigaki, the Rev. Sue Reid, and the Rev. Patricia Taylor.* **Resolved**, that this 95th Convention of the Diocese of Olympia, acting on the repeated urgings from Bishop Vincent Warner for diocesan-wide anti-racism work as well as the recent re-launching of the Episcopal Church Center's Anti-Racism Training and the mandates of the 1991 General Convention (Resolution D113) and of the 2000 General Convention (A047 and B049) as well as Resolution A010 from the 2003 General Convention, calls all leaders of the church, ordained and lay, to participate in anti-racism dialogues on an ongoing basis as a core spiritual practice. **And be it further, Resolved**, that all members of church leadership, that is, all members of the clergy, Diocesan Council, Standing Committee, Commission on Ministry, Board of Directors, Regional Conveners, members of vestries and bishop's committees, all members of diocesan commissions and committees, liturgy and music committees, lay leaders of church ministries, and all church school teachers commit ourselves to ending institutional and other forms of racism and to participating in ongoing anti-racism dialogues organized at the diocesan level by the Missioner for Ethnic Ministries and the Anti-Racism Training Task Force. This training will provide: 1) the opportunity for theological reflection on Jesus' vision of community; respecting the dignity of every human being; 2) information about racism today, and steps needed to become a multi-cultural congregation; and, 3) effective methods and materials for bringing this dialogue into our faith communities for the purpose of being faithful disciples of an inclusive church and a symbol of Pentecost to the world. **And be it further, Resolved**, that by the end of 2007, participation in the diocesan-sponsored dialogues on ending racism will be a requirement of all church leadership, just as we currently require other kinds of training to be in place as part of the responsibilities of leadership. We call our faith communities to mutual accountability for a just church and a just world. Explanation: Jesus answered the question about the most important commandment thus: "The first is, 'Hear, O Israel: the Lord our God, the Lord is one; you shall love the Lord your God with all your heart, and with all your soul, and with all your mind, and with all your strength.' The second is this, 'You shall love your neighbor as yourself.' There is no other commandment greater than these." (Mark 12:29-31) To love God, neighbor and self is the work of our lives and love is only possible between peers. We must see each other and ourselves as equally beloved of God. Where there are immoral power differences in our relationships, love is not possible. Therefore, we invite the whole church into a relational ministry as followers of Jesus seeking His Kingdom. **Resolutions Committee Recommendation:** DO PASS. **Rationale:** The Committee was unanimous in its affirmation of this resolution. The Committee recognized the work of the anti-racism task force which has already trained over 400 individuals in 31 congregations throughout the diocese. It also recognized that many people in leadership positions have yet to take the training. Passage of this resolution will call for all remaining clergy and lay leadership in the Diocese to participate in anti-racism dialogues as part of their ongoing leadership training. This resolution is encouraged by Bishop Warner and mandated by General Convention resolutions in 1991, 2000 and 2003. The task force is confident that this training can be made available to all clergy and lay leadership with proper funding and facilitation by the end of 2007. (See pg. 10 for action on Resolution #1.)

Resolution #2 – Commending the Election of Suheil Dawani as Bishop-Elect of the Episcopal Diocese of Jerusalem. *Submitted by the Bishop's Committee for Justice and Peace in Israel/Palestine.* **Resolved**, that this 95th Convention of the Diocese of Olympia send greetings and commends the election of Suheil Dawani as bishop-elect of the Episcopal Diocese of Jerusalem, and we offer our prayers for his consecration on January 6, 2006. **And be it further, Resolved**, that we pledge ourselves to strengthening our companion relationship with the

Diocese of Jerusalem and our parish partnerships with our Palestinian brothers and sisters in Christ. Explanation: While many Arab Christians trace their Christian heritage to the first century, the history of the Anglican Church in Jerusalem goes back only to 1845. Yet, over the last 150 years, the Episcopal Diocese of Jerusalem has played a significant role in providing assistance to the poor and vulnerable, particularly in the areas of health and education. The Episcopal Diocese of Jerusalem, which includes Israel, Palestine, Jordan, Lebanon, and Syria, works to better the lives of Christians, Muslims and Jews alike in hospitals, schools, orphanages and homes for the elderly and disabled. There are now 7000 Arab Christian Episcopalians in 29 parishes and 34 service ministries provide spiritual, physical and emotional care to many hundreds of thousands in the Holy Land. The companion relationship between the Diocese of Olympia and the Diocese of Jerusalem was established in 2000 to support our Christian brothers and sisters in their struggle to survive the social, cultural and economic effects of over forty years of military occupation in the West Bank, Gaza and East Jerusalem, and to assist them in maintaining an Episcopal presence and witness in the Holy Land. An Episcopal clergyman since 1977, Canon Dawani has served at St. George's Cathedral since 1997 and is the General Secretary of the Diocese. He has been instrumental in helping to establish interfaith summer camps for Christian, Muslim and Jewish youth, and in promoting ecumenical and interfaith dialogue. Canon Dawani is presently rector at St. Andrews, Ramallah, the parish companion of St. Thomas' Church in Medina. He is to be consecrated as Bishop Coadjutor on January 6, 2006. **Resolutions Committee Recommendation:** DO PASS. **Rationale:** Given the long-established Companion Diocese relationship and parish partnerships with the Diocese of Jerusalem and the continuing need for justice and reconciliation in the region, the Resolutions Committee recommends the passage of this resolution. (See pg. 11 for action on Resolution #2.)

Resolution #3 – Concerning just and humane immigration. *Submitted by the Hispanic Ministry Committee.* **Resolved**, that this 95th Convention of the Diocese of Olympia recognizes the contributions to our economy, our church and our country which have been and continue to be made by immigrants from countries afflicted by poverty, war, famine and oppression; and further recognizes the deep injustices and suffering caused by current immigration policies – deaths, separation of families, unfair labor conditions and practices, and restraints on education and opportunities for immigrant children; and further recognizes that these injustices affect members of our own Episcopal congregations and members of the communities in which we live and serve; **Therefore be it, Resolved**, that this convention advise the Washington office of the Episcopal Church that we support the national church Executive Council resolution on Comprehensive Immigration Reform passed at its June 2005 meeting in Louisville, Ky., calling for national legislation which will: permit the orderly entry of legal workers to the United States to respond to recognized labor force needs; ensure that close family members be allowed to enter or be reunited with individuals legally entering the United States to accept employment; permit undocumented migrants residing in the United States at the time of the enactment of legislation to pursue legal residence and eventual citizenship if they are employed or responding to an offer of employment; and ensure that migrants working legally in the United States be granted the rights and benefits accorded United States workers, including the right to change employment. Explanation: So far in fiscal year 2004-2005, 246 immigrants have lost their lives crossing the Arizona/Mexican border section alone. Another 100+ have lost their lives in remote parts of Texas and there are no records of deaths of those lost on the Mexican side of the desert border. Anti-terrorist efforts to seal the U.S./Mexican border with physical barriers and military enforcement has simply led to immigrants crossing the border in the more dangerous and more ecologically-fragile desert areas. There are 5000 visas available for entry of low-wage workers into the United States (Cato Institute) and there is a shortage of 500,000 workers for these jobs. This resolution will demonstrate our Christian solidarity with the victims of a poorly thought

out immigration policy and encourage our national church office to work on our behalf to bring an end to danger and death for many members of our community. As Christians we are called to remember Mary and Joseph fleeing across the desert to Egypt for the survival of their family. We read in the Bible, "When an alien resides with you in your land, you shall not oppress the alien. The alien who resides with you shall be to you as the citizen among you; you shall love the alien as yourself, for you were aliens in the land of Egypt." (Lev. 19:33-34). **Resolutions Committee Recommendation:** DO PASS. **Rationale:** The Committee concurred with the explanation to this resolution. (See pg. 12 for action on Resolution #3.)

Resolution #4 – In support of the Millennium Development Goals. Submitted by the Commission for the Church in the World. Resolved, that the Diocese of Olympia, as a part of fulfilling its mission to "reconcile all people to God and each other in Christ," and in accordance with the challenge set forth by the 73rd and 74th General Convention (2000 and 2003) and the 1998 Lambeth Conference: sets a goal to begin in 2008 to give 0.7% of the annual diocesan budget to fund international development programs; challenges all communities of faith in the Diocese of Olympia, to give 0.7% of their budgets to international development programs, such as Episcopal Relief and Development; challenges all Episcopalians in the Diocese of Olympia, to give 0.7% of their income to international development programs; **and be it further, Resolved**, that all Episcopalians in the Diocese of Olympia be encouraged to contact their elected representatives urging them to support the United States' government's fulfillment of its commitment to funding international development aid at 0.7% of U.S. GNP; and that the Secretary of Convention shall write the President of the United States and each of the members of the U.S. Congress representing western Washington that the Diocese of Olympia, meeting in Convention, urges them to support the United States government's fulfillment of its commitment to funding international development aid at 0.7% of U.S. GNP. **Explanation:** Every day more than 60,000 people worldwide die needlessly because food and basic healthcare is not available to them. Of those, 30,000 are children. In September 2000, all 191 members of the United Nations pledged support to the Millennium Development Goals, a mutually agreed upon structure for the nations of the world to join together and practically address the eight biggest threats to human security in the world today. (For more information, see www.developmentgoals.com). The U.S. government currently is not meeting its thirty-year-old goal of giving 0.7% of GNP to international development assistance, and the US is last in proportional giving among the twenty richest nations (at 0.13% of GNP). The Episcopal Church can lead by example in contributing 0.7% of its annual budgets to international relief and development, as directed by Lambeth 1998 and General Convention 2000 and 2003 – all of which challenged the church to fund international development at 0.7%. Last year's convention called for a year of study by all delegates and congregations concerning the Millennium Development Goals. This resolution follows up the year of study with a commitment to action. **Resolutions Committee Recommendation:** DO PASS. **Rationale:** The Committee concurred with the explanation offered by the presenters of the resolution. It also recognized the fiscal impact on the Diocese, congregations, and individuals. Since the United States is last among the twenty richest nations in proportional giving for international development, it was seen as a transformative opportunity for the Episcopal Church to lead by example in beginning to align our nation's actual practice of giving with our overdeveloped self image of generosity. (See pg. 12 for action on Resolution #4.)

Resolution #5 – The Commemoration of "Genocide Day" as a Lesser Feast in the Calendar of the Church Year. Submitted by the Rev. Dr. Peter Kalunian and vestry members, Church of the Resurrection, Bellevue. Resolved, that this 95th Convention of the Diocese of Olympia request the Standing Liturgical Commission of the General Convention to consider the inclusion of "Genocide Day," (April 24) as a Lesser Feast in the Calendar of the Church Year;

to prepare appropriate collects and scriptural texts for its celebration, and that such be presented for consideration to the 75th General Convention in Columbus, Ohio, in June of 2006. **And be it further, Resolved**, that in addition to the remembrance of the martyrdom of Armenian Christians, Genocide Day be broadly celebrated in recognition and commemoration of the several other 20th century genocides including the holocaust, Cambodia, Bosnia, Rwanda, Darfur, etc. **Explanation:** April 24, 1915, marks the anniversary of the first modern genocide, a planned attempt by the Ottoman Turks to terminate the Armenian people and the first act of "race murder" of the 20th century. Over the course of the next several years more than one million Armenian Christians had died. Yet a century of genocide was just beginning. The "quip" of Adolph Hitler on the eve of Holocaust of "Who remembers the Armenians" emboldened the Nazis to exterminate millions of Jews and Gypsies during the period of the Second World War. Yet there would be more as the decades of the century continued. The communist Khmer Rouge campaign of death in the 1970's in which two million Cambodians perished; the attempted destruction of Iraq's Kurdish population by Saddam Hussein in the late 1980's; the "ethnic cleansing" of Muslims and Croats by Serbians in Bosnia in the 1990's; the massacre of more than 800,000 Tutsi and moderate Hutu in Rwanda during the 100 days in 1994; and as the century ended, the beginnings in Sudan of the still unfolding tragedy in Darfur. Arguably, the 20th century was a century of genocide. To honor the memory of the countless victims of ethnic cleansing and race murder, and to corporately pray that such tragedies are never repeated, the Church must call the faithful to awareness and prayer by the annual commemoration of "Genocide Day" in honor of all who have perished. **Resolutions Committee Recommendation:** NO RECOMMENDATION. **Rationale:** While the underlying purpose of this resolution has merit, the Resolutions Committee felt certain concerns needed to be addressed before the Committee could make a recommendation. The Committee would want this resolution to be successful if it were to be submitted to General Convention in 2006 and recognized that if it were to recommend a referral back to a committee, the window of opportunity would be missed. The issues surrounding the observation of a Genocide Day are complex and deeply rooted in history, theology and ethnicity. The Committee would propose, for example, that the word "celebration" in the text of the resolution be replaced with a word more appropriate to the subject and that a neutral date be chosen to recognize a broader focus of all people who have suffered from mass genocide rather than just one group. (See pg. 13 for action on Resolution #5.)

Resolution #6 – Deputies to General Convention. Submitted by St. John's Church, Kirkland. Resolved, that no more than half of the Diocese of Olympia's deputies to General Convention (in either the clergy or lay order) be residents of the same regional ministry. **Explanation:** This diocese is not homogeneous. Congregations vary from large to small in size, in communities ranging from urban through suburban to small towns and rural areas, and from liberal to conservative in outlook. Article XII, Section 1, of the diocesan Constitution states in part "Deputies shall represent this Diocese in the General Convention of the Episcopal Church of the United States of America." Requiring that the deputies come from at least two regional ministries will better reflect the variety of needs, concerns and perspectives found in the Diocese of Olympia. **Resolutions Committee Recommendation:** DO NOT PASS. **Rationale:** The Committee recognized that it is difficult to identify candidates who truly represent the diversity in character of our regions and churches within the Diocese. It is also difficult to identify candidates from across the spectrum of the Diocese who have the ability to travel to General Convention and take the time away from work and family. The Resolutions Committee did not see that this resolution would solve these underlying problems in choosing a representative Convention deputation. In addition, this resolution does not present any mechanism to achieve the results it requires. Similar resolutions that contained proposed mechanisms were submitted to the Constitution and Canons Committee for their examination. The Constitution and Canons Committee discussed

the drafts, identified problems with the mechanisms proposed and returned the resolutions suggesting the problems that would need to be addressed. The Committee recommends that those interested in these issues use this as an opportunity to begin the broader conversation needed to create a solution that will effectively address the underlying problems. (See pg. 16 for action on Resolution #6.)

Resolution #7 – Special penalty imposed for withholding payment of assessment in protest. *Submitted by the delegation from Trinity Church, Everett: Angela Griffin, Bill Griffin, Dorothy Hutchison, Morris Hutchison, Susan Marsh Kaftanski, Marie Bond & Bob Wheeler; and Evelyn Q. Beard, delegate-at-large.* **Resolved**, that this 95th Convention of the Diocese of Olympia require that any congregation that paid nothing toward their assessment obligation that was due to the Episcopal Church in Western Washington between October 1, 2003, and July 31, 2005, is assumed to be withholding payment in protest. Every such congregation shall be assessed a special penalty as follows: 1) Any congregation that paid nothing toward their assessment obligation that was due to the Episcopal Church in Western Washington between October 1, 2003, and July 31, 2005, shall pay the arrearage of what they owe before December 31, 2005, together with a penalty of 10% of their unpaid assessment as of July 31, 2005. This will not apply to any congregation that had specific agreement with Diocesan Council in writing. 2) Any congregation, not in clergy transition or under specific written agreement with Diocesan Council to otherwise meet this obligation, which fails to meet this penalty obligation shall incur an additional 5% penalty of their unpaid assessment that will be due and payable on or before March 31, 2006. 3) Failure to meet the aforesaid deadlines shall cause the Parish to be designated as an "Aided Parish" under Canon 14: Section 3(a)1. **Explanation:** Several congregations have totally withheld payment of their assessment following the actions taken at General Convention in 2003. The scale of non-payment by a few congregations has restricted the capacity of the Episcopal Church in Western Washington to provide the services required. The usual budgeted amount of non-payment of assessment has been 3% of the total assessment revenue to allow for congregations in clergy transition and short-term financial difficulties, and has been sufficient. In 2003, the experience was 13% and it appears to approach 18% in 2004. The withholding of assessment payment in protest is economic blackmail directed at an inappropriate target with consequences that are devastating to the health of our entire community. This has raised the issue of economic justice for those congregations that pay their assessment. There is provision for imposing a penalty in the Constitution under Article XVII: Assessments, Section 2: *The Convention shall have power to impose such penalty as it may deem proper within its lawful power for neglect to pay such assessment when imposed;* however, the impact of current unprecedented levels of non-payment and underpayment require some specific proactive remedy. The opportunity to enter a specific agreement with Diocesan Council for repayment maintains the necessary flexibility for compassionate understanding or extenuating circumstance. The exemption of congregations in clergy transition honors the experience that during such times a congregation's financial health can be impacted as well. **Resolutions Committee Recommendation:** DO NOT PASS. **Rationale:** The Committee first recognized the good work of those congregations that had paid their assessments. The Committee also appreciated the frustration felt by many that those congregations paying their assessment are carrying those not paying by reason of protest and the wish to levy some consequences upon those protesting. However, the Committee felt that this was a punitive response and that a punitive response would be inappropriate under the circumstances because it could further fuel the conflict. In addition, the Committee had concerns about the appropriateness of invoking Canon 14 since it does not appear to be designed to address the issues here. Another concern involved the presumption created in the resolution that congregations not paying within the prescribed time period are protesting. The Committee felt that the better procedure would involve a case-by-case consideration. It also

noted that the Constitution and Canons Committee has proposed an amendment to Article XVII that would require that penalties, if any, be levied by the Convention on a case by case basis. The amendment was approved by the Convention last year and comes before the Convention this year for final approval. (See pg. 16 for action on Resolution #7.)

Resolution #8 – Unemployment Policy. *Submitted by the diocesan Personnel Commission.* **Resolved**, that this 95th Convention of the Diocese of Olympia remove the policy on unemployment established at the 86th Diocesan Convention in 1996. **Explanation:** (Note: this resolution was presented to the 94th Convention in 2004 and failed. A substitute resolution suspended the policy for one year (2005) and requested that the Personnel Commission provide materials for, and make recommendations to, the congregations of the Diocese regarding funding said unemployment benefit.) This resolution and the following explanation are the recommendations of the Commission to the congregations of the diocese. The unemployment policy established by the 86th Diocesan Convention in 1996 had no source of funding attached and was set up as a policy mirroring the State of Washington unemployment policy. The policy was made in an effort to provide the opportunity of this benefit for clergy and laity working in church institutions in the Diocese of Olympia. Without funding, when a congregation did not provide funds, claims were appealed to the Bishop's office and the liability rested on the diocesan budget. According to RCW 50.44.040, those who are employed by "a church or convention or association of churches, or an organization which is operated primarily for religious purposes and which is operated, supervised, controlled or principally supported by a church or convention or association of churches..." are exempt from the requirement of unemployment insurance as established by the State of Washington. Any business or organization may voluntarily participate in the unemployment insurance program. However, if any part of the association, convention or affiliation participates it obligates all parties (per conversation with staff officer at Unemployment Securities office). The standard established by the State of Washington for unemployment insurance is 75% of the salary for 17 weeks, or 120 days. Currently, the requirement established in 1996, by the Diocese of Olympia, is that comparable unemployment insurance be provided, with no definition about funding the benefit. This requirement has not been funded by most of the parishes or missions of the Diocese, and creates a false sense of security for employees of the congregations as well as an un-funded liability. All of the parishes and missions of the Diocese have an association with each other and with the Diocese of Olympia, Inc. Therefore, no parish or mission may voluntarily establish unemployment insurance through the State of Washington independently, without obligating the other parishes and missions of the Diocese. Realizing that the establishment and maintenance of some form of unemployment insurance for parish and mission employees, both clergy and laity, is a justice issue of importance for members of the Diocese, the Personnel Commission makes the following recommendation: *as an element of the employment agreement with the employee, the parish or mission can stipulate and fund a severance package inline with the State requirement for unemployment insurance, i.e., 75% salary for 17 weeks, or 120 days.* **Resolutions Committee Recommendation:** DO NOT PASS. **Rationale:** The Committee felt that this resolution was not responsive to the justice issue raised concerning lay employees' unemployment. What is required is a policy from the Diocese which would establish guidelines for congregations for hiring and severance of lay employees. (See pg. 16 for action on Resolution #8.)

Resolution #9 – 2007 Diocesan Assessment Rate. *Submitted by the Diocesan Council.* **Resolved**, that this 95th Convention of the Diocese of Olympia approve the recommendation of the Diocesan Council that the 2007 diocesan assessment rate factor be set at 18% of the Net Disposable Income (NDI). **Explanation:** In accordance with Canon 7, Diocesan Convention determines the assessment rate for the second year of assessment following determination; thus the 2005 Convention sets the 2007 assessment rate. It is the recommendation of the Diocesan

Council that the assessment rate be reduced to 18% of Net Disposable Income (NDI) for 2007. This recommendation is made based on the desire of Bishop Warner, the bishop's leadership team and Council members to partner with our congregations in ministry. At the spring Pre-Convention Gatherings the Council presented information about the possibility of changing the way in which the assessment would be calculated. This is still under consideration, as is developing more pastoral responses to congregations in financial difficulties. However, making a drastic change without input from all the stakeholders – governing bodies, vestries, bishop's committees, congregation treasurers, etc. – would not be fiscally responsible. It is therefore the decision of Council to recommend a small reduction in the assessment rate under the current system while further research and discussion is undertaken to move toward a new calculation method. It should be noted that a 2% reduction in assessment rate could result in approximately an 18% reduction in discretionary spending (Programs for Ministry). **Resolutions Committee Recommendation:** DO PASS. **Rationale:** Recognizing the role of the Council and the Bishop in the oversight and management of the budget, the Resolutions Committee recommends passage of this resolution. The Committee also expressed its hope that the ministry programs continue to be supported and carried out at the diocesan level. (See pg. 16 for details & action on Resolution #9.)

Resolution #10 – Cost of Living Adjustment for 2006. Submitted by the diocesan Personnel Commission. **Resolved,** that this 95th Convention of the Diocese of Olympia authorize the setting of the Cost of Living Adjustment for 2006 for diocesan congregation ranges at 2.6%. **Explanation:** As required by Canon 23, Sections 2 and 5, and Canon 12, Section 4, the Personnel Commission, at its June meeting, set the Cost of Living Adjustment (COLA) for 2006 for diocesan congregation ranges at 2.6%. This is based on the BLS (Bureau of Labor Statistics for West cities under 1,500,000 population) COLA information for the calendar year May to May. **Resolutions Committee Recommendation:** DO PASS. **Rationale:** The Personnel Commission's recommendation for the cost of living adjustment is consistent with its recommendations of previous years. (See pg. 16 for action on Resolution #10.)

Six Hour Resolutions

Resolution #11 – Penalty imposed for withholding payment of assessment. Submitted by Tom Boyns, St. Stephen's, Seattle. **Resolved,** that Canon 7 shall be amended by adding the following new paragraph j to section 1: Any congregation, not in clergy transition or under specific written agreement with Diocesan Council to otherwise meet their assessment obligation, which fails to meet this obligation in any six month period, shall incur a five percent penalty of their unpaid assessment that will be due and payable, together with the unpaid portion of their assessment obligation, on or before ninety days after receipt of notification from Diocesan Council of the imposition of such penalty. **Explanation:** Several congregations have withheld payment of their assessment, in whole or in part. Recently the scale of nonpayment has accelerated to a degree that restricts the capacity of the Episcopal Church in Western Washington to provide the services required. The usual budgeted amount of nonpayment of assessment has been three percent of the total assessment revenue to allow for congregations in clergy transition and short-term financial difficulties, and has been sufficient. In 2003, the experience was thirteen percent, and it appears to approach eighteen percent in 2004. This has raised the issue of economic justice for those congregations that pay their assessment. There is provision for imposing a penalty in the Constitution under Article XVIII: Assessments, Section 2 The Convention shall have power to impose such penalty as it may deem proper within its lawful power for neglect to pay such assessment when imposed however, the impact of current unprecedented levels of non-payment and underpayment require some specific proactive remedy. The opportunity to enter a specific

agreement with Diocesan Council for repayment maintains the necessary flexibility for compassionate understanding. The exemption of congregations in clergy transition honors the experience that during such times a congregation's financial health can be impacted as well. **Resolutions Committee Recommendation:** REFER TO CONSTITUTION AND CANONS COMMITTEE. **Rationale:** Resolutions submitted in the normal course and which amend the constitution or canons must be submitted for review to the Constitution and Canons Committee, the committee charged by the Canons to recommend changes or additions to the constitution and canons. The Resolutions Committee believed that this would be appropriate to have that Committee review the proposed amendment to Canon 7 prior to consideration by Convention. (See pg. 17 for details & action on Resolution #11.)

Resolution #12 – Response to the Windsor Report (Combined). Submitted by the Rev. Dr. John Roddam, St. Luke's, Seattle; the Rev. Mike Morrissey; and Karen Younge, St. John's, Kirkland. Whereas, the Windsor Report sets forth specific recommendations for ECUSA to maintain communion in the larger Anglican Communion; and whereas the Primates of the Anglican Communion unanimously called ECUSA and other provinces to implement the recommendations of the Windsor Report; and whereas 22 of the 38 provinces of the Anglican Communion have declared "broken" or "impaired" communion with ECUSA through their synodical processes, including most of the SE Asia, South America and Africa; and whereas, the Four "Instruments of Unity" in Global Anglicanism have voiced concern about the direction of ECUSA in these matters; and whereas, the Windsor Report calls for repentance from ECUSA or "walk apart;" therefore, be it **resolved** that this Diocese of Olympia Convention desires to be a full and active member of the worldwide Anglican Communion through ECUSA and: affirms the recommendations of the Windsor Report; calls to the recommendations of the Windsor Report to be implemented in this diocese and ECUSA, in particular that the bishops, clergy, vestries and bishop's committees and search committees refrain from knowingly ordaining, electing, calling or confirming the call or election of any non-celibate homosexual person to serve as a deacon, priest or bishop in this Diocese and to refrain from authorizing or participating in any Rite of Blessing for same sex unions; and expresses regret for the pain and disunity fostered by ECUSA's actions which have been counter to the recommendations of the Windsor Report. **Explanation:** The recent actions of the ECUSA threaten to divide us from the rest of the Anglican Communion and from one another within the Diocese. A moratorium on the ordination of non-celibate homosexuals and on blessing of same sex unions are specific actions we can take in the Diocese of Olympia to promote healing and reunion, rather than continued dissension and division. **Resolutions Committee Recommendation:** DO NOT PASS. **Rationale:** The Resolutions Committee felt that the dialogue and deliberation necessary for the subject of this resolution would not occur in the venue of proposing a resolution because of the constraints on time and the limitations of the resolution process itself. (See pg. 18 for details & action on Resolution #12.)

Resolution #13 – Solidarity with All Saints Episcopal Church in Pasadena, California, Diocese of Los Angeles (Amended). Submitted by Steve Tellari, St. James' Church, Kent. **Resolved,** that this 95th Convention of the Diocese of Olympia stands with and offers our prayers for All Saints Episcopal Church, Pasadena, California, and the Rt. Rev. Jon Bruno, bishop of the Diocese of Los Angeles for All Saints' commitment to promoting peace, equality and social justice as they respond to potential sanctions from the Internal Revenue Service; that is, loss of tax-exempt status due to an anti-war sermon preached in October, 2004. **Explanation:** The sermon at issue, "If Jesus Debated Senator Kerry and President Bush" was delivered by the Rev. Dr. George Regas, guest preacher. Federal tax law prohibits campaign intervention by organizations that are exempt under Section 501(c)(3), including churches. The IRS's concerns are based on remarks made in the sermon that the preacher was "implicitly opposing one candidate while endorsing

another." The IRS has disregarded the fact that the preacher explicitly stated that the sermon was not intended to tell anyone how to vote. All Saints' rector, J. Edwin Bacon, stated to The Episcopal News Service "teaching moral values is, after all, one of the Church's functions and to suggest that a preacher may not preach about promoting peace simply because the nation happens to be at war is in fact an affront to all who

have given their lives to protect just these liberties. The moral values expressed in this sermon included profound truths that reflect our faith... 'Blessed are the peacemakers, for they shall be called children of God.'" **Resolutions Committee Recommendation:** DO PASS. (See pg. 18 for details & action on Resolution #13.)

Commission on Personnel—Report to the 95th Convention (05/E/2)

The work of the Commission:

Items one and two are reports required by Canon to be provided to Convention from the Personnel Commission.

1. In accordance with Canon 23, Sections 2 and 5, and Canon 12, Section 4, of the Canons of the Diocese of Olympia, the Commission annually recommends adoption of the Resolution Authorizing Cost of Living Adjustment for the following year. The recommendation is a 2.6% increase to the salary ranges. Convention takes action on this when presented by the Committee on Resolutions. The salary ranges information sheet accompanies this report.

2. In accordance with Canon 23, Sections 2 and 5, and Canon 12, Sections 3 and 4, of the Canons of the Diocese of Olympia, the Commission has determined that:

a. All clergy employed in the Diocese in clerical positions are compensated at a rate not less than the minimum established by the Diocese. **Basis for this information is the salary report by the Church Pension Fund.**

b. Of 195 clergy employed and associated on staff in congregations or institutions, 165 are covered by written agreements specifying terms as to compensation, including housing and utilities allowance, pension and insurance benefits, and business expense allowances, as provided for in Canon 12, Section 3. In associated positions even where compensation is not provided, roles in ministry are defined and reviewed. **Basis for this information comes from the clergy and congregation files at the Office of the Bishop. Some congregations may not yet have provided copies to the office. This report reflects the number in hand.**

Items three, four, five and six reflect the topic areas in which work was accomplished by the Personnel Commission since the 94th diocesan convention.

3. The Compensation Manual for parochial clergy was presented and affirmed at the 94th Convention in 2004. A recommended policy change about un-employment was suspended for a year by the same convention. The work and recommendation of the Commission are in the resolution about unemployment presented to this 95th Convention.

4. The Commission is working on providing a standard template for Letters of Agreement. This effort will make the mandatory and suggested guidelines of salary, benefits and other contractual information standard. The portion which sets forth the goals and ministry responsibilities for each congregation will be unique and developed by each Rector and Vestry, Vicar and Bishop's Committee.

5. The Commission, in 2006, will work to provide more explicit standards for lay employee benefits, including resources for developing Letters of Agreement models.

6. The Commission on Personnel, several years ago, established the diocesan staff salary ranges by use of statistics from comparable positions in the public sector. Bishops' salary ranges were not part of that study. The Personnel Commission over the years has been trying to determine how to set this basis. Information from the national church Office of Pastoral Development provides some indexes for Bishop salaries. This information shows that the Diocese of Olympia Bishop salary is below the normal appropriate for the size, budget and number of clergy as well as the tenure of the diocesan bishop. Information from dioceses about how salaries are determined and who makes those decisions is all over the map. In 2005, at the encouragement of the Diocesan Chancellor, the Diocesan Council agreed to establish an Episcopal Compensation Review Committee. A member of the Personnel Commission works on that committee which includes two members from Council, two from the Board of Directors and one appointed by the Bishop Diocesan. The committee has begun its work.

Respectfully submitted, The Commission on Personnel: *Barbara Larson*, chair, St. George, Seattle; *the Rev. Mary Allen*, CADO representative, St. Philip, Marysville; *Mary DeVeaue*, St. John the Baptist, West Seattle, Lay Professional representative; *the Rev. Cynthia Espeseth*, All Saints, Bellevue; *Gayle Lee*, St. Thomas, Medina; *the Rev. Ann Lukens*, St. Michael and All Angels, Issaquah; *the Rev. Constance Moorehead*, St. Clement, Seattle; *the Rev. David Price*, St. Francis, Mill Creek; and, staff support, *Betsy Greenman*, *Carla Robinson*.

2005 Convention Committees (05/E/3)

CONSTITUTIONS & CANONS COMMITTEE

Ms. Judith Andrews, St. Mark's Cathedral, Seattle
Mr. Duncan Bayne, Diocesan Vice Chancellor,
Ms. Betsy Greenman, Canon to the Ordinary
* Mr. Douglas Oles, Church of the Redeemer, Kenmore
Mr. Gregory A. Hicks, St. Clement, Seattle
The Rev. Stephen Moore, All Saints', Bellevue

Mr. Donald Mullins, Diocesan Chancellor,
The Rev. John G. Schaeffer

RESOLUTIONS COMMITTEE

* Ms. Judith Andrews, St. Mark's Cathedral, Seattle
The Rev. Patty Baker, St. Clare, Snoqualmie
The Rev. Jo Beecher, Komo Kulshan Cluster

Mr. Sam Fleshman, St. Andrew, Tacoma
The Rev. Richard Green, St. Stephen, Longview
Ms. Mary Maxon, Emmanuel Church, Mercer Island
Mr. Ralph Provencal, St. Benedict, Lacey
The Rev. Jeff Sells, St. David of Wales, Shelton

COMMITTEE ON PRIVILEGE

* The Rev. Randal Gardner, Emmanuel Church,
Mercer Island
Ms. Dede Moore, All Saints, Bellevue
Canon Betsy Greenman

NOMINATIONS COMMITTEE

Mr. Tom Cashman, St. Columba, Kent
Mrs. Peggy Habegger, St. Stephen, Seattle
Mrs. Jan Hanson, St. Stephen, Longview
The Rev. Rachel Taber-Hamilton, St. Augustine's
in-the-Woods, Freeland
* The Rev. Katherine Sedwick, Trinity Church, Seattle
Mr. Steve Tellari, St. James, Kent

COMMISSION ON PERSONNEL

The Rev. Mary Allen, St. Philip, Marysville (CADO representative)
Ms. Mary DeVeau, St. John the Baptist, Seattle
(Lay Professional representative)
The Rev. Cynthia Espeseth, All Saints, Bellevue
Canon Betsy Greenman, Staff Support
The Rev. Jim Hindle, Good Samaritan, Sammamish
* Mrs. Barbara Larson, St. George, Seattle
Ms. Gayle Lee, St. Thomas, Medina
The Rev. Ann Lukens, St. Michael and All Angels,
Issaquah
The Rev. Constance Moorehead, St. Clement, Seattle
The Rev. David Price, St. Francis, Mill Creek
Ms. Carla Robinson, Staff Support

COMMISSION ON CHURCH ARCHITECTURE

* Mr. Mark Anderson, Church of the Ascension, Seattle
The Rev. Robert Biever, All Saints, Tacoma
Mr. Guy Falskow, St. Stephen, Seattle
Mr. Gary Gideon, St. Paul, Bellingham

Mr. Don Glad, St. Stephen, Seattle
Mr. Bill Goodenough, Church of the Ascension, Seattle
Mr. Jack Irby, Seattle
Mr. Kenneth Large, Good Samaritan, Sammamish
Mrs. Jeannette Moore, St. Hugh of Lincoln, Allyn
Mr. Allen Moses, Church of the Redeemer, Kenmore
Mr. Frederick Pneuman, St. Thomas, Medina
Mr. Ralph Provencal, St. Benedict, Lacey

COMMISSION ON MINISTRY

Ms. Lucy Brand, Ex-Officio, Secretary for Vocations
Ms. Barbara Brower, Ex-Officio, Recorder
The Rev. Peter DeVeau, St. John the Baptist, Seattle
Mr. Kerry Fitzgibbons, St. Paul, Seattle
The Rev. Steve Garratt, Christ Church, Seattle (Standing
Committee representative)
The Rev. Kathy Glenn, St. Andrew, Tacoma
Canon Betsy Greenman, Ex-Officio
The Rev. Randy Lord-Wilkinson, St. Paul, Bremerton
The Rev. Constance Moorehead, St. Clement, Seattle
The Rt. Rev. Bavi Rivera
Ms. Holly Roddam, St. Luke, Seattle
The Rev. Dr. Marda Steedman-Sanborn, St. James, Kent
Mrs. Karen Summerville, Epiphany Parish of Seattle
The Rt. Rev. Vincent W. Warner
* Mrs. Barbara Wilson, St. Mark's Cathedral, Seattle

INSURANCE COMMITTEE

Ms. Patricia Angell, Emmanuel Church, Mercer Island
Mr. Gerald Coe, St. Mark's Cathedral, Seattle
* Mr. Stephen Day, Epiphany Parish of Seattle
Mr. Earl Fauser, St. Margaret, Bellevue
Mr. Steve Faust, Epiphany Parish of Seattle
Mr. Phillip Haas, St. Margaret, Bellevue
Mr. William Meacham, St. John, Kirkland
Ms. Carrie Rohlik, Staff liaison
Mr. Raymond Sheldon, St. Barnabas, Bainbridge
Mrs. Chris Smith-Clark, Staff liaison
Ms. Kathy Wells, St. Mark's Cathedral, Seattle
Mr. David Williams, Church of the Good Shepherd, Vancouver

Report of the Committee on Privilege (05/E/4)

Canon 2, section 5, states, "The Convention, once convened in session, may grant the privileges of seat and vote, in that session, to a total of up to 12 adult Communicants in Good Standing (aged 16-21), by a vote of not less than two-thirds of the members present (both orders voting together). It is recommended that the following youth be accorded this privilege at the 95th annual diocesan convention.

Youth Presence:

Leonard Accos, St. Paul's, Bellingham
Jennifer Achebe, St. Benedict's, Lacey
Jesse Barnum-Reece, All Saints, Bellevue
Bridget Crawford, St. James, Kent
Greg Demmon, St. Antony of Egypt, Silverdale
Emma Jeffries, St. Luke, Vancouver

Katie Knowles, St. Margaret's, Bellevue
Amy Phillips, Redeemer, Kenmore
Alex Pynsky, St. John's, Snohomish
Craig Sinclair, Holy Cross, Redmond
Sara Unbehaun, St. John's, Olympia
Sara Van Houten, St. Paul's, Bellingham

The Committee on Privilege recommends that the following persons be given the privilege of seat and voice at the 95th Annual Convention of the Diocese of Olympia.

Retired Bishops now residing in the diocese, if present

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

The Rt. Rev. William Choi, Bishop Retired

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

Mrs. Diane Wells, Archivist and Records Manager (voice only)

Diocesan Lay Staff members who are not members of Convention

Ms. Betsy Greenman, Canon to the Ordinary

Ms. Christine Smith-Clark, Comptroller

Ms. Dede Moore, Convention Coordinator

Mrs. Kathleen Hamilton, Director of Faith Formation (voice only)

Mr. Greg Hope, Coordinator, Refugee Resettlement Ministry (voice only)

Mr. Carl Knirk, Bishop's Deputy for Planned Giving/Stewardship

Mr. Steve Faust, Acting Treasurer

Lay members of the Board of Directors who are not members of Convention

Mr. William Bain, Emmanuel Church, Mercer Island

Mr. Ed Benshoof, Emmanuel Church, Eastsound/ Orcas Island

Mr. William Goodenough, Church of the Ascension, Seattle

Mr. Ron Harris-White, St. Clement's Church, Seattle

Ms. Kathryn Truong, Church of the Holy Apostles', Bellevue

Those making presentations to Convention who are not members of Convention (voice only, unless indicated)

Mr. Miller Adams, Chair, Dispatch of Business (seat and voice)

Mr. Dent Davidson, Convention Musician

Mr. Josh Hosler, Elections

Ms. Judith Andrews, Chair, Resolutions Committee

Mr. Doug Oles, Chair, Constitution and Canons Committee

Mr. David Baylor, Episcopal Relief & Development

Mr. Dick Blount, Ms. Carol Everson, Admission of New Parishes

ELCA Pastors serving Episcopal Congregations

The Rev. Pamela Armstrong, St. Paul's, Pt. Townsend

The Rev. Sandra Kreis, St. Christopher's, Olympia

The Rev. Terry Kylo, Komo Kulshan Cluster

The Rev. Karen Ward, Church of the Apostles & St. Thomas', Medina

Developing Congregations, Specialized Ministries & Others

Mr. Matt Hornyak, St. Germain's, Hoodspport

Clergy canonically resident, but not domiciled or ecclesiastically employed within the Diocese of Olympia, if present:

Adams, Richard

Kolbet, Paul

Snyder, Ken

Barrow, Gordon Hurst

Lindsey, Barrett

Sonnesyn, Roger

Bell, John

Lueckert, Diana

Southwell, Robert

Berge, Clark

Maier, Andrea

Stewart, Daniel

Bogel, Marianne

McCaw, Mary

Tomter, Patrick

Clark, Corbet

McDaniel, Judith

Viggers, Jack

Cleveland-Stout, Jennifer

Miller, A. Scott

Walker, Randolph

Elkins, Donald

Paolozzi, Joann

Walker-Sprague, Patricia

Ellis, Marshall

Ramsey-Musolf, Michael

Westpfahl, Carol

Gates, Alan

Rozendaal, Jay

Willton, G.W Paul

Hawkins, Jodene

Skanse, Oliver

Wolfe, Eugene

Keller, Patterson

Smith, Don

Wyatt, Michael.

Kimball, Melodie

Smith, Homer

Clergy licensed in the Diocese of Olympia, if present:

Allaire, Nancy

Friedrich, James

Miller, Donald

Anderson, Mary

Gallagher, Robert

Minter, Russell D.

Ayers, Phillip

Greenwood, Don

Moore, Robert

Ballinger, Kathryn

Hakiel, Nick

Paradine, Philip

Barnett, Webster

Hammond, Constance

Pearson, Kevin

Beveridge, Robert

Harlacher, Richard

Powers, Robert

Bird, Julie

Harris, Carl

Redding, Ann

Blue, Gordon

Helsel, Verle

Rouffy, Edward

Bourne-Raiswell, Margaret

Hubbard, Winfield

Scannell, Alice

Brown, Marilyn

listowanohpataakiwa, Timothy

Totman, Glenn

Brown, Robert

Larive, Armand

Tudor, William

Carver, Robert

Larson, L. John

Van Eenwyk, John

Chrisman, Robert

Marie, Christine

Watson, Stennis

Dexter, Raymond

Maxwell, William

Wood-Hull, LD

Elliott, James

McMurtry, Herbert

Submitted by, Committee on Privilege, The Rev. Randal Gardner, Chair; Ms. Dede Moore; Canon Betsy Greenman.

Report of the Commission for Congregations (05/F/6)

Purpose and Vision

The Commission for Congregations is responsible to the Bishop and Diocesan Council to promote the health and development of congregations. This is done by focusing on three main tasks.

1. Develop strategy, policies, and tools for supporting growth (in Spirit, Faith, and membership) in the Diocese, both with new starts (planted congregations) and redevelopment within existing congregations.
2. Oversee diocesan financial support to congregations, in collaboration with the Committee for Support of Congregations.
3. Develop partnerships with other Commissions, Regional Ministries, and congregations to ensure that diocesan growth strategy is implemented.

C4C is a commission of the Diocese of Olympia charged with helping to fulfill the mission of being people of God who proclaim boldly by word and action the reconciling love of Jesus through the strengthening of existing congregations and strategically establishing new congregations.

Commission work during 2005

Our work is currently focused in three primary areas;

- Resource management - monitoring the accountability and health of congregations and recommending the distribution of grant monies.
- Redevelopment/New Development - working with New Starts and Education Formation; connecting with other Commissions and ministries to deliver helpful programs.
- Demographic Information - using the PERCEPT information to help congregations understand their communities better and plan for more effective ministry in them.

In 2005 the Commission:

- provided in-depth demographic material to seven congregations;
- distributed the grants-to-congregation monies through the grant application process to 2 parishes, 13 missions and 3 ethnic congregations;
- encouraged partnership conversations among congregations;
- encouraged congregations in transition in neighboring areas to begin ministry resource conversations;
- welcomed the Rev. Canon Joan Anthony as full time staff for congregation development;
- reviewed proposal from the Board of Directors to request C4C review of projects coming to the board;
- considered strategy perspective provided by one members experience;
- determined the importance of continuing the grants for the fourth quarter and made adjustments for three congregations;
- determined the Percept resource would be a budget expense.

The diocesan demographic information for congregations is constantly refreshed and available. Members of the Commission provide assistance to congregations regarding use of this material. The Link2Lead demographic information is available to anyone who registers. This is part of the contract the Commission has with the Percept organization. The link appears on the diocesan website: www.ecww.org

Members of the Commission for Congregations: *the Rev. Joan Anthony*, canon for congregation development; *the Rev. Geoffrey Ethelston*, Redeemer, Kenmore; *Mrs. Carolyn Forbes*, Council representative, St. Phillips, Marysville; *the Rev. Deborah Heathcock*, priest-in-charge, St. Andrew's, Tacoma; *the Rev. Ann Hicks*, vicar, All Saints, Vancouver; *Mr. James McKenzie*, Good Samaritan, Sammamish; *Ms. Laura Poston*, Church of our Saviour, Monroe; *the Rev. Mary Allen*, rector, St. Philips, Marysville; *the Rev. Cynthia Espeseth*, associate, All Saints, Bellevue; Staff: *Canon Betsy Greenman*, *Ms. Carla Robinson*.

Report of the Historiographer, Br. Carle Griffin, OCP (05/F/7)

During the past year as your historiographer, I have accomplished the following:

- In October 2004, discovered at General Theological Seminary in New York a collection of bishops' papers that includes numerous letters and other works of the first six bishops who served in western Washington. This was an exciting find.
- With the help of diocesan archivist Diane Wells, obtained support of the national Episcopal Church

archives for filming the collection of bishops' papers at GTS.

- o Researched the history of St. Andrew's House and drafted a book now being prepared for publication.
- o Continued researching the history of the northwest as context for diocesan history.
- o Organized a task force for recording oral histories of diocesan workers.

In the coming year I plan to publish a booklet on St. Andrew's House, to record two to four oral histories, to update the index to diocesan canons and constitution, to complete a survey of diocesan newspapers, and to move forward the project to copy bishops' papers at General Theological Seminary. I appreciate the opportunity to serve the diocese.

Report of the Archivist and Records Manager (05/F/8)

The Archivist and Records Manager is the official custodian of diocesan records and is responsible for the direction and implementation of the Archives and Records Management Program of the Diocese.

In July 1882, Bishop John Adams Paddock traveled to Alaska. His trip diary is in the Archives. In 1892 Episcopalians in Everett petitioned the Missionary District of Olympia for permission to organize a new parish. The original petition is in the Archives. In 1931 Camp Huston was first held at its present site. Early photos are in the Archives. In 1962 the "Space Age Christianity Forum" with introductions by Bishops Lewis and Bayne was broadcast on KOMO radio from the Playhouse at the Seattle World's Fair. Tapes of the broadcast are in the Archives. In 2005 Bishop Bavi Edna Rivera was consecrated. The DVD of her consecration is in the Archives.

From diaries to DVDs, thousands of items in a multitude of formats are preserved, organized and made available for the use of the people of the Diocese of Olympia.

This is your Archives – documenting and supporting the ministry of the Episcopal Church in western Washington. Please call, email or visit to find out how the Archives may be of service to you.

Collections: As indicated above, our collections are broad and varied. They include records of all diocesan offices, convention, commissions, committees and ministries as well as parish and mission records and records of diocesan and affiliated institutions and organizations – and come in a wide variety of formats.

This year processing continues to concentrate on vital records including legal and tax documentation as well as the records of the former Provost's office. In addition, Print Shop records, our most complete source for diocesan publications, have been processed and a major project has been begun to process the records of the former Education Department. Other record collections processed this year include: Communications; Historiographer, Annie Wright Seminary, Episcopal Retirement Homes of Western Washington, and the Tacoma Hilltop Project. Photo processing continues and an updated artifact inventory is underway.

Microfilm Projects: Microfilming our most valuable documents is one way to assure their protection. The Diocesan Council minutes and Board of Directors minutes have now been filmed through 2004. Other microfilm projects will follow as funds allow.

Records Management Manual: A key component of the Archives and Records Management Program is having a Records Management Manual that accurately reflects the organizational structure of the Diocese, the creation and use of records, and professional records management standards. While the Manual is continually updated to reflect minor changes, a new revised edition begun in 2004 will be complete by the end of 2005.

Reference: Responding to requests for information from diocesan staff, congregations, ministries, institutions and individuals is at the heart of archival service. These requests come in every day and number from 200-250 annually. In addition, the Internet has increased the number of requests for information from outside the Diocese. While diocesan requests have priority, responding to outside requests presents an opportunity to interact with the larger community and such inquiries are welcomed.

Reference services are available by mail, telephone and email. The Archives also has a web page that can be accessed at www.ecww.org/archives/index.cfm or by clicking on DIRECTORY on the diocesan web site.

Outreach: I continue to work with congregations in their efforts to protect and maintain their records and am happy to respond to any request for consultation. Workshops on archives and records management topics are also available. At Ministry Resource Day 2005, Chancellor Don Mullins and I presented a session on the legal ramifications of keeping and managing records. Tours of Diocesan House are also provided through the Archives.

On the national level, I continue as a member of the Association of Records Managers and Administrators (ARMA) and the National Episcopal Historians and

Archivists (NEHA). At this year's NEHA meeting I presented a paper entitled "Priest of the Pacific, the Rev. Dr. Herbert H. Gowen – The Early Years," detailing the early career of one of our most distinguished clergy. Also, after completing my term as Section Chair, I now serve as Chair of the Nominations Committee for the Archivists of Religious Collections Section of the Society of American Archivists and I am a founding member of a new group of professional Episcopal archivists called the Episcopal Archivists Network.

Volunteers: Again, I would like to thank Catharine Reid who continues to work on photograph collections and 'other duties as assigned,' and the members of the History, Archives and Records Committee who continue to provide counsel and support.

History, Archives and Records Committee: Barbara Benson, Richard Gould, Jane Hershman, and ex-officio member, Bro. Carle Griffin, OCP, Historiographer. Submitted by: Diane Wells, CA, Archivist and Records Manager

Communications Committee report (05/F/9)

The Communications Committee of Diocesan Council and the Office of Communications continues to offer important direct services to the congregations of the diocese through a number of programs and initiatives.

Church Communicators Conference: Following on the inaugural conference in 2004, the 2005 Church Communicators Conference by all measures was a great success. The conference featured keynote addresses by Robert Williams, the director of communications for the national church and Carol Barnwell, the communications director for the Diocese of Texas. Each also presented workshops, Robert on the national church's TV ad campaign and Carol on communication strategies. In addition, there were workshops on digital photography, website and newsletter critique, and distribution lists. The next conference is set for January 28, 2005, at Trinity, Everett. Its theme is e-V@ngelism and will focus on the many aspects of the use of electronic communication to spread the Good News to our communities. Presenters will include Sean McConnell, director of communications for the Diocese of California, Bowie Snodgrass, web content editor for the national church, and Rosa Lee Harden of Via Media. Sean has written a book on podcasting and has just launched one of the most innovative church websites in the country.

Web Design Workshop: Many of our churches are now moving from an original website that was built for them by a volunteer to more professional sites. The committee and the communication's office offered a summer training in web design featuring the use of either Front Page or DreamWeaver that was attended by 30 people.

Share Your Story Consultations and Grants: In the past months, the Office of Communications has consulted with over 18 congregations and ministries on their communication needs. This has led to funding support for a number of projects in congregations such as St. John's, Seattle (Bus signs, banners, and water bottles), St. Hilda/St. Patrick's, Edmonds (Easter door hangers and print ads), Resurrection, Bellevue (direct mail), St. Anne's, Washougal; Holy Spirit, Battle Ground; St. Matthew's, Castle Rock; the Columbia and Evergreen regions (website development), and much more. These consultations continue to be the central service offered the wider diocese by the Communications Office.

Diocesan Communication Tools: The Office of Communications continues to produce high quality communication tools for the diocese. This year we introduced Across the Diocese, a weekly e-newsletter sharing news and events from around our churches and regions. The Episcopal Voice, published in Jan., March, April, June, July, Sept., Oct., and Dec., won 11 Polly Bond Awards at this year's Episcopal Communicators conference. The leadership newsletter FYI is published monthly and our website www.ecww.org provides constant up to the minute information for our community.

Commission for Church in the World (05/F/10)

Mission statement: It is the mission of the Commission for the Church in the World of the Diocese of Olympia to assist God's people in western Washington to fulfill their baptismal commitment to seek and serve Christ in all persons, loving our neighbors as ourselves and to strive for justice and peace among all people, respecting the dignity of every human being and, indeed, of all God's creation.

Church in the World Ministries: *Chapel of Sts. Martha & Mary in the Public Market, Committee for the Environment, Bishop's Committee on Justice & Peace in Israel/Palestine, Cultural & Racial Unity Committee, Mission to Seafarers, Refugee Resettlement Ministry, Episcopal Peace Fellowship, Episcopal Women's Caucus, Integrity/Puget Sound, Walk in Love AIDS Ministry, Hospital Ministry, Jubilee Ministry, KAIROS (Prison Ministry), Committee on Alcohol & Substance Abuse.*

The Commission for the Church in the World (CITW) connects a number of the ministries that represent the ways in which our diocesan community lives out its baptismal covenant in service to the world. One major project of the Commission will be the publication of the newly revised Directory of Outreach and Direct Services in early 2006. To date, 52 congregations have responded to the survey collecting the information for the directory. Below are three examples of the work of our task forces, committees, and ministries.

Mission to Seafarers: Using a UTO grant the Mission to Seafarers hired Mr. Thomas Kuk of the Chinese Episcopal Church Holy Apostles as ship visitor focusing primarily on ministering to the Chinese seafarers that crew the vessels that call at the Port of Seattle. In this regard he has visited with 1,050 Chinese seafarers on 43 vessels and has taken 140 Chinese crew shopping and on errands. Commencing with the first weekend of June and ending the last weekend of September we provided free transportation to the crews on the Princess Cruise Line vessels and Holland America Cruise Line vessels for city excursions. We transported 1,054 crew members. Between Dec. 1,

2004 and Jan. 15, 2005, the mission distributed 996 Christmas Ditty Bags to the seafarers on the ships that called at the Port of Seattle as part of our Christmas at Sea program. Sept. 10, 2005, Princess Cruise Line hosted a lunch onboard the Cruise Ship Diamond Princess as a fund raiser for the Mission to Seafarers. Over 90 people attended this event with all the money raised going to this ministry as Princess Cruise Line paid for the lunch including crew wages.

Episcopal Peace Fellowship: The Episcopal Peace Fellowship and the Saint Clare Fellowship of the Third Order of the Society of Saint Francis are joining with several other groups in the Puget Sound area to oppose the militarization of our youth. This school year the Military Out of Our Schools group will work on two major initiatives: 1) Opt Out Events at area schools by providing forms so youth may decline inclusion on school lists given to military recruiters; 2) Conscientious Objector Counselor Training. A coalition of 40 Puget Sound area parents, activists, war veterans and others have convened regularly with the purpose of countering the military recruitment that occurs daily in most high schools.

Bishop's Committee for Justice and Peace in Israel/Palestine (BCJPIP): The Bishop's Committee for Justice and Peace in Israel/Palestine (BCJPIP) was established by Bishop Warner in 2000 to support the work and witness of the 31 Episcopal parishes and 34 hospitals, schools and human service agencies of our companion Episcopal Diocese of Jerusalem. Through education, advocacy and prayer, BCJPIP is committed to supporting our Christian brothers and sisters in their struggle to survive the social, cultural and economic impacts of nearly forty

years of military occupation and to assist their efforts to bring about a just and non-violent resolution of the conflict between Arabs and Jews. A centerpiece of the work of the committee has been the formation of sister church relationships, currently numbering 11. These partnerships enable correspondence and visits, as well as funding drives for the work of partner churches, schools, clinics and hospitals in the Diocese of Jerusalem. Most importantly, companion churches are committed to praying regularly for each other, usually during the Sunday prayers of the people. The latest sister church partnership to be developed is between Epiphany Parish in Seattle and St. John the Baptist's Episcopal Church in Irbid, Jordan. On March 18, 2006, the Rev. Canon John Peterson will be guest speaker at a daylong diocesan conference at St. Thomas', Medina. Canon Peterson is now on staff at the National Cathedral, was for several years the dean of St. George's College in Jerusalem, and recently retired as secretary general for the Archbishop of Canterbury. Watch for more details soon. BCJPIP keeps current on events in Israel, the West Bank and Gaza through eyewitness accounts of members of the committee, reports and letters from our companions in the Diocese of Jerusalem, and a national network that includes the Episcopal Peace and Justice Ministries, American Friends of the Diocese of Jerusalem, and Churches for Middle East Peace. Connections with international organizations such as World Vision, a humanitarian service NGO, and the ecumenical Sabeel center, headquartered in Jerusalem also provide in-depth information.

Commission for Ethnic Ministries (05/F/11)

The Commission for Ethnic Ministries works to promote and to develop a culturally and ethnically diverse diocese. It is dedicated to supporting ethnic congregations. The Commission encourages lay and ordained leadership of individuals of color. It strives to build bridges of trust and understanding between the Anglo and Ethnic Minority communities throughout the diocese. The following are highlights of 2005.

Ministries of the Commission for Ethnic Ministries:

- o Circle of Color Support Group—aspirants and postulants met with the Suffragan Bishop and the Missioner throughout the year for prayer, mutual support, discernment, and theological reflection.
- o Clergy of Color Support Group—Quarterly gatherings were held to provide ongoing support for clergy.
- o Discernment weekend for individuals of color—28 individuals attended a discernment for ministry weekend. It was an opportunity to be in community, to share stories, develop relationships and experience a time of personal discernment. Presently there are seven people of color who are postulants for Holy Orders to the priesthood, four individuals in the diaconate track, and four aspirants.
- o Multi-Cultural Clergy Support Group—The Missioner met with a group of supportive Anglo clergy on a bi-monthly basis to discuss and to implement strategies to enhance ethnic ministries in our diocese.

African American Committee—The committee sponsored a successful all day seminar *Singing the Lord's Song in a Strange Land: Empowering African American Ministry in the Diocese of Olympia*. This event, which was co-sponsored by St. Clement's and All Saints, was in commemoration of Absalom Jones, first African-American Episcopal priest. The keynote speaker was the Rev. Angela Ifill, the Missioner for Black Ministries for the national Episcopal Church.

Anti-Racism Training Task Force (ARTTF)— Since February 2003, members of ARTTF facilitated an anti-racism seminar to over 400 individuals throughout the diocese. Over 30 congregations and 70 clergy have completed a workshop. Diocesan funds have been used for facilitator training, visitations and general operations.

Cambodian Ministry—The Friday evening, nationally recognized, youth program continues to be an energetic and exciting ministry. In July, Holy Family of Jesus hosted over 200 delegates from the Episcopal Asian-American consultation. Diocesan funds are used to pay the mortgage.

Chinese Ministry—this year the congregation continues to have a steady growth in membership. To further develop Chinese ministry in our diocese relationships have been established with the Mission to Seafarers, Christ Church Seattle, St. Mark's Seattle, and St.

Luke's Renton. Diocesan funds were used to maintain the administrative assistant on a part-time basis.

Episcopal Asian American Committee—This newly formed committee was established to provide mutual support to the three Asian congregations (Holy Apostles – Chinese, Holy Family of Jesus – Cambodian, and St. Peter's – Japanese/American/Multi-cultural). At the initial meeting there was discussion regarding the development of Filipino and Korean ministries.

First Nations Committee—A major highlight was the development of an Enmegahbowh, liturgical training packet. Seven congregations celebrated this First Nation's saint in their Sunday liturgy. In partnership with Grace Church, Bainbridge Island, ministry is being developed on the Suguamish reservation.

Hispanic Ministry—There are now six active congregations: Church of the Resurrection, Mount Vernon; St. Luke's, Vancouver; St. David's, Shelton; San Mateo, Auburn; St. John's, Olympia; and St. Elizabeth's, Burien. The committee is in transition as they are intentionally empowering individuals of Hispanic descent to be leaders. Four congregations have expressed an interest in developing Hispanic ministry. The majority of diocesan funds are designated for congregational development.

Sudanese Ministry—The Sudanese community worships at St. Columba's, Kent every Saturday. The ministry continues to be in transition. Diocesan funds are used for programmatic support.

Staff members: Commission for Ethnic Ministries chairperson, *Polly Shigaki*; Missioner for Ethnic Ministries, *the Rev. Jerry Shigaki*; Administrative Assistant, *Carla Robinson*; Commission representative to Diocesan Council, *the Rev. Anna Maria Korathu*.

Commission for Ethnic Ministries members: *Dianne Aid, Hisako Beasley, the Rev. Josephine Beecher, the Rev. George Anne Boyle, Rong By, Lee-Tin Cheung, the Rev. William Deng Deng, the Rev. Cynthia Espeseth, Charles Hubbard, the Rev. Constance Moorehead, Frank Prohaska, the Rt. Rev. Bavi Rivera, Marilyn Senour, the Rev. Mary Shehane, the Rev. Rachel Taber-Hamilton, the Rev. Dennis Taylor, the Rev. Patricia Taylor, Steve Tellari, Norah West, the Rev. Philip Wong.*

For additional information or if you would like to be involved with Ethnic Ministries please contact Carla Robinson at 206-325-4200 ext. 306.

Commission for Faith Formation (05/F/12)

A life-long journey in faith...Spiritual as well as Developmental...Formational! The Commission for Faith Formation continues to examine, develop, and evaluate the needs and programs of Christian formation for people of all ages. The Commission serves as the advisory board for Faith Formation. The following opportunities and events were offered around the Diocese this past year:

Children's Ministry: *Colleagues in Children's Ministry*, a committee which offers resource support, networking and training to those working with children in their churches throughout the Diocese, met on the third Tuesdays of the month during the academic year. Programs for these gatherings ranged from presentations of seasonal interest such as, Advent or Vacation Bible School, to topics dealing with day by day issues of curriculum and Sunday School. The committee provided input for workshops and events including diocesan Ministry Resource Day, 2005. Their ongoing work is guided by *The Children's Charter for the Church*, with its three focal points: "Nurture of the Child, Ministry to the Child and Ministry of the Child."

High School Youth Conference (HYC): Three weekend conferences were provided for youth in grades 9-12 in three different congregations within our Diocese. The theme for each of the weekends was supported through speakers, films, worship, music, and both large and small-group activities. The HYCs are dependent upon the support of clergy and laity within the hosting churches and the volunteer staff.

Junior High Youth Conference (JYC): Two of these weekend conferences were held serving grades 6-9. These events are similar in design to the HYC program, taking place in our churches, with more emphasis on active learning situations.

6-Day: 6-Day was held in June at Huston Camp and Conference Center. The youth and volunteer leaders in attendance lived in Christian community and experienced music, worship, speakers, workshops, prayer, games, and small and large-group activities. Clergy on staff as well as visiting

clergy from our Diocese lend support each day. Bishop Rivera was also a member of the staff for the week.

Christian Education/Youth Leader Training: A wide variety of classes were provided for the diocesan Ministry Resource Day in April. Multiple tracks included information for Sunday school teachers, Christian education directors, youth leaders and diocesan youth conference staff. Our Commission and the Resource Center provided a display of resources for ministry at Ministry Resource Day. Child abuse awareness training with instructors Jan and Mike Akin was offered in several regions this year. Conference staff training days also precede each of the youth conferences.

Church and Regional Support: The Commission has also provided assistance to children, youth, teachers, and youth leaders by helping to supply or locate resources. Youth leader meetings and regional gatherings were attended by Commission members. Our Ministry Resource Coordinator has consulted on-site or in the resource center with congregations, assisting with program development and resource selection in such areas as faith formation for all ages, prayer groups, bible studies, church growth, and leadership training.

Diocesan Convention: Eleven young people from around the Diocese were given seat, voice and vote as "Youth Presence" on the floor at Convention 2004. They participated in table discussions and brought a younger viewpoint to critical issues. Youth and youth leaders served as pages and tellers for Convention. Our Commission and the Resource Center also provided a display of resources for ministry.

Provincial Network: An adult and a youth represented the Diocese of Olympia at the Provincial Youth Council meeting held in Portland, OR. PYC is the decision-making program group of Province VIII Youth Ministries. It has the responsibility for planning and implementing all provincial youth events and programs, while overseeing the youth budget for the province. It also provides the most direct communication channel between diocesan and national youth networks. Youth and their adult chaperones from our Diocese attended the Episcopal Youth Event in July in Berea, KY. Our Diocese also hosts the annual fall meeting of the Western Episcopal Educators, the Province VIII program group for Christian Education.

Canterbury and Young Adult Ministry: Canterbury Campus Ministry provides weekly Holy Eucharist, designed for students as well as offering fellowship, service opportunities, spiritual support and an alternative spring break trip. Throughout the week we offer student led Bible Study, "Monday Morning Mochas and Scones" and Contemplative prayer. We Celebrate three Feast day Eucharists; King Kamehameha and Queen Emma, Absalom Jones and Martin Luther King Jr. to celebrate the diversity of the Church. Canterbury, in partnership with the Office of Faith Formation, provides retreat opportunities for post-grad young adults. Training at Ministry Resource Day is offered for congregations wishing to develop young adult ministries. The Commission continues to look for and develop ministry support for these programs.

Diocesan School of Ministry and Theology: The school continues

to offer core programs as well as an expanded selection of classes and trainings. The two-year *Cycle of Studies*, based at the diocesan offices in Seattle, features fundamental courses. The new Life-long Learning classes encourage others to become or remain part of this learning community. Training for *Eucharistic Visitors* and for *Worship Leaders* were offered this year. New workshops on the *Ministry of Healing Prayer* were added. These programs were held in various locations around the Diocese. The School website (www.dsomat.org) offers a complete listing of classes and programs, provides an on-line registration option, and includes links to various continuing education opportunities in the area.

Diocesan Resource Center: New and updated materials were added to the wealth of resources available for ministries in the center's collection (over 7700 books and 900 videotapes are available). The collection is broad, including samples of curriculum for all ages, materials dealing with congregations, church growth, stewardship, storytelling, leadership, liturgy and even a small collection of books for children. The Center provides information and resources for both the Diocesan School of Ministry and Theology and Earth Ministry. A list of the video materials available was added to the Resource Center page on the diocesan website, as was a monthly newsletter. This "Report from the Stacks"

featured annotated print and non-print materials on a selected theme, as well as a section called "Sharing the Abundance" (gift materials). Bibliographies of both written and video resources, by subject, were e-mailed to individuals to assist in their selection.

Commission For Faith Formation Members: Ms. Jan Akin, Dr. Chris Christensen, the Rev. Whitney Devine, the Rev. Jack Erskine, Mr. Robert Graham, Ms. Cherry Haisten, Ms. Kathleen Hamilton, Ms. Janice Higby, Ms. Shannon Jergenson, Ms. Mary Maxon, the Rt. Rev. Bavi Rivera, the Rev. Mary Shehane, Ms. Sue Tait and Ms. Sally Young.

Commission for Evangelism (05/F/13)

The purpose of the Commission for Evangelism is to equip the congregations of the diocese to share the good news of Jesus Christ with others, and to remain accountable to God and the diocese.

Staff members include: *Nedi Rivera*, Bishop Suffragan; *Carl Knirk*, Bishop's Deputy for Planned Giving/Stewardship; *Sharon Pethers*, Administrative Assistant; Commission Chair, *Laura Poston*, Our Saviour, Monroe; Commission Representative to Diocesan Council, *Laura Faley*, Mt. Vernon.

Bring-A-Friend Sunday, is now in its fourth year, recommended for October, 2005. Many congregations are doing Bring A Friend Sunday at other times during the year. It appears to be becoming part of the culture. Email invitations are available at the diocesan website: www.ecww.org. *Laura Faley* continues to offer congregational consulting around evangelism, greeting, church growth issues, with financial support available from the Evangelism budget to assist congregations in engaging her.

The **Television Eucharist**, on KONG TV, cable, airs Sunday mornings at 5 a.m. KING-TV donates airtime and production costs. The Rev. Mike Jackson organizes volunteers for the taping of these services. An estimated 5,000 viewers tune in every Sunday, making it, by far, the largest congregation on any given Sunday in our diocese.

A **Pastoral Care Study** of congregations was undertaken by Peter Pitarys, volunteer, resulting in a 100 page report, available from the Evangelism office. Peter has conducted four follow-up trainings this year, around the diocese, and is available to consult with congregations on assessing their pastoral care ministry and providing consultation on how it might be done.

Church of the Apostles (COTA), an "emerging church" and outreach ministry to unchurched post-moderns in the Fremont area of Seattle, has moved across the street at 43rd and Fremont, into the old St. Paul's Lutheran structure, now called the Fremont Abbey. Plans for developing COTA along with a community art center are underway. Worship happens Saturdays at 5 p.m. with multi-media and music, with a strong Lutheran/Episcopal ethos. Funds from the Evangelism budget are helping pay the salary of pastor Rev. Karen Ward. COTA received a three-year grant from Trinity, Wall Street, to underwrite their liturgist and music staff, allowing them to share their gifts and teach others.

Ten people from four congregations in the diocese attended **Start Up Start Over** this year, with funding help from the Evangelism budget.

A joint project this year was development of the **"Share Your Story" deck of cards**. These can be used in any setting to encourage folks to share their story of what it means to be a Christian. There are currently over 30 questions. If one is not comfortable with the question on the card they draw, they may draw another. The essence of this "evangelism" tool is providing a safe way to share our own journey with Christ with each other. Plans to take the cards to General Convention, 2006, are in the works. If you would like a free copy of the deck, contact the Evangelism office, 1-800-488-4978, ext. 323.

Submitted by Carl Knirk, Bishop's Deputy for Planned Giving/Stewardship

Commission for Planned Giving/Stewardship (05/F/14)

The purpose of the Commission is to provide servant leadership and encouragement for developing and sharing resources to strengthen the work of the Episcopal Church in Western Washington. The diocesan office for Planned Giving/Stewardship supports the Commission and its work in the areas of planned giving, stewardship, and Episcopal Charities Appeal.

Staff members include: *Carl Knirk*, Bishop's Deputy for Planned Giving/Stewardship; *Sharon Pethers*, Administrative Assistant; *Dale Brendan Simison*, Episcopal Church Foundation, West Coast Representative; Chair of the Commission, *Jay Rusling*, St. Margaret's, Bellevue; Commission Representative to Diocesan Council, *the Rev. Kim Forman*, Ascension, Seattle.

Commission for Stewardship & Planned Giving, Chair, Jay Rusling: The Deputy for Planned Giving/Stewardship works in partnership with Dale Simison, west coast representative for the Episcopal Church Foundation, and utilizes the many resources of The Episcopal Network for Stewardship. The Commission sets and reviews goals and objectives annually. A copy of these are available by contacting the Planned Giving/Stewardship office. This past year, 37 congregations received individual consultations/training, this is a 32% increase over 2004.

A total of 2,190 individuals received training through workshops, consultations, homilies, and presentations put on by the program. This is a 46% increase over 2004. In addition presentations were made at one national conference, to the clergy of another diocese, and two individual ministries.

The Bishop's Society has grown to 1,010 members as of Convention, 2005. Our Society is now the largest diocesan recognition legacy society in ECUSA. Approximately one third of all the dioceses have a recognition society in place. Anyone who has made arrangements for a gift to any Episcopal Church or ministry in their will or estate plans qualifies. The Society hosts one or two diocesan-wide events

to say thank you to members, and partners with congregations in recognizing individual legacy society members. Nearly 20 congregations now have Legacy Societies in place.

The Living Tree, a five-year campaign, was rolled out at Convention, 2004, with a goal of doubling the membership in the Bishop's Society by 2010, to 2000 members. Other goals of this five-year campaign are to develop legacy societies in one third of our congregations and have active planned giving ministries and endowments in place in half of our congregations.

Next year, the Commission plans to offer a clergy day on the topic of stewardship/planned giving with a guest presenter. In addition, a regional TENS (The Episcopal Network for Stewardship) conference will be held September 29/30 at the Sea-Tac Marriott Hotel. Four other northwest dioceses are helping underwrite and promote the conference. The day and a half of workshops (Friday afternoon to Saturday afternoon) will feature national and local presenters covering a variety of stewardship topics.

Episcopal Charities Appeal, Chair, The Rev. Jim Elliott: In 2005, ECA distributed \$117,000 to 33 ministries in western Washington, a 17% increase over 2004. The committee is focusing on new donors, encouraging all congregations to participate in the annual Thanksgiving Offering to benefit ECA, and growing the ECA Endowment through legacy gifts. ECA's first ever Annual Report will be sent out with the 2005 Holiday Mailing to former donors and congregations. *Submitted by Carl Knirk, Bishop's Deputy for Planned Giving/Stewardship*

Standing Committee (05/F/15)

The Standing Committee of the Episcopal Diocese of Olympia is made up of eight persons elected by Convention (one lay and one clergy each year) to serve for four years.

The canonical duties of the Standing Committee are: to serve as a board of advice for Bishop Warner; approval of Episcopal elections (required by national church canons); oversight of the election of bishops for the Diocese; final approval of candidates for ordination; approval of sale and encumbrance of church property; approval of the renunciation of vows by clergy.

We have been actively involved in all these areas during the year. Clearly, the most important area since the announcement by Bishop Warner of his retirement is the

beginning of the process leading to the election of a new Diocesan Bishop.

It has been an ongoing privilege to serve on this Committee with the wonderful dedicated people that Convention has elected. This year's committee has been comprised of: the Rev. Cris Ambergey, Ms. Evelyn Beard, the Rev. Marilyn Brandenburg, Mr. Jim Church, the Rev. Steve Garratt, Ms. Dorothy Gibson, Ms. Nancy Jacobs, and the Rev. Patricia Robertson. Patricia and I complete our four years of service at this convention. Respectfully submitted, *Jim Church*, President.

Diocesan Council Report to Convention (05/F/16)

Convention 2004 passed a resolution asking Diocesan Council to “involve the regions in hosting Council meetings with the intent of bring the Council more into the forefront with the regions and congregations” by holding two meetings each year “outside the greater Seattle area.” (Resolution 13, 2004) In 2005, Diocesan Council held meetings in the Willapa and Evergreen Regional Ministries – at St. John’s Church, Olympia, and St. Elizabeth’s Church, Burien – at which meetings members of the regions presented reports on activities in the individual congregations and the regions and participated in fellowship and conversation with Council members.

At its December retreat Council members had an opportunity to meet in a joint session with Standing Committee members. In addition, Council members discussed and approved grants to congregations – based on recommendations from the Commission for Congregations. Due to current budget restraints it was decided to fulfill grant requests through September (the first three quarters of the year). At the July Council meeting – based on the then current financial picture – fourth quarter grants to congregations were approved, with the exception of three congregations which were now in transition. In addition one congregation was given additional funding and the balance of the line item was held in reserve for use by the Commission during the remainder of the year.

A team ministry concept was presented to Council and accepted.

Much of this has now been implemented. Positions which had been cut to 50-80% in July 2004 were restored to full time retroactive to January 1.

Upon recommendation of Don Mullins, Diocesan Chancellor, Council approved the appointment of an ongoing committee with the charge to deal with Episcopal Compensation Review. The committee is to be composed of two members from Council, two members from the Board of Directors, one member from the Personnel Commission and one member to be appointed by the bishop. The work includes establishing a basis for the salary of Bishop Diocesan and Bishop Suffragan as well as making recommendations about specific compensation packages for Bishops.

The Budget and Finance Committee presented a budget, as well as a recommendation for

changes in the assessment rate and how it is calculated. A committee has been formed to explore zero-based budgeting and the impact that process could have on the diocese.

Upon resignation of the Rev. Dorian McGlannan – who accepted a Call out of the state – the Council elected the Rev. Richard Younge to complete her term, which expires with this convention. Council also voted – upon resignation of Denny Bacon – to approve the appointment of Steve Faust as acting treasurer until a formal election at the 2005 Convention.

A continuing awareness and concern that delegates to pre-convention and convention are not the decision makers in the congregation is an issue for which we have no answer.

*Submitted by: Carolyn Forbes,
Council member.*

St. Mark’s Cathedral – Master Planning Process (05/F/17)

My Dear Sisters and Brothers in Christ,

I write with good news to share, news which is significant for our life and future together as part of the Cathedral community. The news is that the Saint Mark’s Cathedral vestry has enthusiastically endorsed the creation of a Master Planning Task Force, to be charged with delivering to the vestry a comprehensive architectural design to encompass the entire Cathedral campus. The other exciting piece of news is that John Nesholm, Judith Whetzel and John Hoerster have all agreed to serve as co-chairs of this Master Planning Task Force.

The story of how we reached this point is a remarkable one. In 1997, the Century II capital campaign completed some much needed and magnificent work. At the completion of the last phase of that capital campaign, it was envisioned that additional work on the Cathedral would take place in the

future. The parish profile which led to my election in 1999 made reference to the need for this work. The strategic plan which was approved by the vestry in 2001 called for the creation of a new master plan, building on previous planning efforts, to finally complete the entire Saint Mark’s campus. (The strategic plan can be found on the Cathedral’s website: www.saintmarks.org or you may request a hard copy from the Cathedral office.)

Our thinking about the completion of the Cathedral campus changed in a significant way with the acquisition of the St. Nicholas building in 2003. The acquisition of this 45,000 sq. ft. historic building meant that the space needs of the Cathedral could be addressed in a way that had previously not been possible. The St. Nicholas building and surrounding land also

created an expansive, contiguous Cathedral campus. At the same time, the south parking lot, one block away from the Cathedral was generously purchased by friends of the Cathedral and is being held in trust for us until such time as we exercise the option to purchase it.

In preparation for the purchase of the St. Nicholas building, an extensive feasibility analysis of the Cathedral's needs for ministry and program space was conducted by Maria Barrientos in 2001. This comprehensive document laid out the core needs for space and documented the square footage available in a variety of physical structures on the Cathedral campus. We are in the process of updating that information.

In the fall of 2004, the vestry authorized the dean and senior warden to create a transparent master planning process for the entire campus. At the March 2005 vestry retreat, the vestry engaged in a substantive conversation about the "success criteria" for a master plan for the entire Cathedral campus.

Because of the depth and substance of the preparatory work that has been done over the past several years, the vestry and co-chairs of the Task Force believe that we will be ready to move to the selection of an architect in late spring of 2006, to develop schematic designs and initial plans for the entire Cathedral campus, using the historic materials and documents mentioned above.

The design will encompass the entire campus, including the Cathedral and St. Nicholas and other buildings, and will lead us to a capital campaign.

Many of us believe that we live in a moment in time in which we have an opportunity to move beyond particular capital projects and to envision the whole picture of how to complete the Cathedral and its campus as a place of ministry and mission for the Saint Mark's community, the diocesan family, and the northwest. There will, for certain, be many challenges along the way, but there will be even more opportunities to rejoice in work that will strengthen the witness of the Episcopal Church and the Cathedral in proclaiming the reconciling love of Christ and the justice and embrace of God.

We are so deeply thankful to John Nesholm, Judith Whetzel and John Hoerster for agreeing to co-chair the Master

Planning Task Force. John Nesholm is a long-time member of Epiphany Parish and has been a major force in the design and creation of Benaroya Hall, the Marian Oliver McCaw Hall, and Seattle's new Central Library. John is a visionary in both architectural practice and philanthropy. He is a founding partner of LMN Architects, for many years has served as president of the board of the Seattle Opera, and has been a significant and generous supporter of the arts through the Nesholm Family Foundation.

John Hoerster serves as chancellor of Saint Mark's Cathedral and has been a member here since 1985. He is chairman and managing director of Garvey Schubert Barer, a major Seattle-based law firm. At Saint Mark's, John is active on the Church in the World Coordinating Committee, served as chair of the search committee for a new dean in 1998-1999, served several terms as senior warden and treasurer of the Cathedral, and was co-chair of the Century II capital campaign.

Judith Whetzel has been a member of Saint Mark's since 1968 and is currently a member of the vestry and altar guild. She also served on the vestry in the 1970's when Cabby Tennis was dean of the Cathedral. She was Washington State's first arts lobbyist (1979-81) and executive director of PONCHO from 1981 to 1995. She currently serves on the board of the Seattle Opera and is vice president of the board of 4Culture.

The other Master Planning Task Force members are: *Nancy Alvord*, St. Stephen's, Seattle; *Carol Batchelder*, Ascension, Seattle; *Mimi Gardner Gates*, Saint Mark's; *B. Gerald (Gerry) Johnson*, Saint Mark's; *Janet W. Ketcham*, Saint Mark's; *Alexander (Lex) Lindsey*, Epiphany, Seattle; *Laura Ellen Muglia*, Saint Mark's; *Ruth True*, Saint Mark's; and *Kate B. Webster*, Grace, Bainbridge Island.

I know that you will share the excitement that the vestry and I have about the process that we as a Cathedral community are about to embark upon. You are invited to join us in keeping the co-chairs of the Master Planning Task Force in your own daily prayers.

This comes with my love and prayers, *the Very Rev. Robert V. Taylor*, Dean.

Board of Directors (05/F/18)

The Board of Directors of the Diocese of Olympia, Inc., has legal and fiduciary responsibility for the assets of the Diocese, including land, buildings, endowments and other funds. It is the mission of the Board to manage these assets to further God's work in this Diocese, both now and in the future.

The Board is comprised of 12 members noted below. The Board convenes monthly as needed (with the exception of July). Loans to congregations are made from:

Mission Development Fund (MDF)

Assets of 12/31/04	\$ 1,259,815.00
9 non-interest bearing loans	\$ 614,889.00
2 properties – Orchard, Clark County	\$ 605,500.00

Whatcom County	\$ 16,603.00
Available funds	\$ 22,821.00
Building Loan Fund (BLF)	
Assets of 12/31/04	\$ 4,354,545.00
30 interest bearing loans	\$ 4,082,990.00
(9 of 30 loans are non-performing or Renegotiated terms)	

Interest in arrears \$ 61,397.00
 Available funds \$ 210,188.00

Loans made in 2005

Christ Church, Puyallup for new roof \$ 50,000.00
 Other obligations: sewer, Good Samaritan, Sammamish; mortgage guarantor, St. James Family Center, Cathlamet, and Orchards property; bond guarantor, Holy Spirit, Battle Ground, and Grace Church, Bainbridge Island.

Highlights of actions taken during the past year (detailed actions are available from the Board upon request):

The Board authorized the Wallace River bank stabilization project. Project was completed in August, and was paid for from excess appreciation from the Horn Memorial for Camp Huston Trust Fund.

The Board established a committee responsible for adopting and carrying out a program to limit risk of injury

to persons or damage to buildings, property, land and other assets of the diocese and individual congregations.

Members of the 2005 Board of Directors: *the Rt. Rev. Vincent W. Warner*, president; *Mr. Bill Bain*, vice president, Emmanuel, Mercer Island; *the Rev. John G. Schaeffer*, secretary; *Mr. Denny Bacon*, treasurer; *Mr. Steve Faust*, interim treasurer, Epiphany, Seattle; *Mr. Donald H. Mullins*, chancellor, St. Stephen, Seattle; *Mr. Ed Benshoof*, Emmanuel, Eastsound/Orcas Island; *Mr. Bill Goodenough*, Ascension, Seattle; *Mr. Ron Harris-White*, St. Clement, Seattle; *the Rev. Dorian Mulvey*, Ascension, Seattle; *the Rev. Richard Scott*, St. Antony of Egypt, Silverdale; *Ms. Kathryn Truong*, Holy Apostles, Bellevue; and *the Rev. Thomas Dement*, St. Dunstan, Shoreline.

Submitted by Bill Goodenough, Board of Directors Representative for Property.

Insurance Committee Report (05/F/19)

The Insurance Committee is a group of insurance professionals from the areas of property/casualty, liability and employee benefits who advise the diocesan treasurer, Personnel Commission and Board of Directors. They periodically review the diocese’s needs and risks to insure that its needs are appropriately met. The committee is comprised of ten members, noted below.

Medical and Dental Insurance: We have received our 2006 renewal from Group Health Options and are excited to announce there will be only a nominal increase (roughly 2%) to the medical benefits this year. There is no change to the dental rate. No changes have been made to the plan coverage for medical or dental.

Property, Casualty and Liability Insurance: We have received a quote from our current carrier, Church Mutual Insurance Company, for property, casualty and liability and they indicated an overall rate increase of 8%. Individual congregations might see different rate changes, depending on

what coverage they carry and capital improvements to their facilities. A quote will be obtained from Church Insurance to determine whether or not they would be able to provide a competitive rate.

Members of the 2005 Insurance Committee: *Mr. Stephen Day*, chair, Epiphany, Seattle; *Mr. William Meacham*, St. John, Kirkland; *the Rev. Ray Sheldon*, Faith, Kingston; *Ms. Kathy Wells*, St. Mark’s Cathedral, Seattle; *Mr. David Williams*, Good Shepherd, Vancouver; *Mr. Phillip Haas*, St. Margaret, Bellevue; *Mr. Gerald Coe*, St. Mark’s Cathedral, Seattle; *Mr. Earl Fauser*, St. Margaret, Bellevue; and *Mr. Steve Faust*, Epiphany, Seattle.

Audits Outstanding (05/F/20)

Canon 6 Section 7 of the Diocese of Olympia requires that an audit of the prior year’s financial affairs of each congregation be filed annually. These audits are due to the treasurer of the diocese by September 1. Congregations that have NOT filed a 2004 audit as of November 1, 2005:

Parishes

Aberdeen St. Andrew
 Bainbridge Island St. Barnabas
 Bellevue St. Margaret
 Bellingham St. Paul
 Bremerton St. Paul
 Burien St. Elizabeth
 Chehalis St. Timothy
 Edmonds St. Alban

Friday Harbor St. David
 Gig Harbor St. John
 Kenmore Redeemer
 Kent St. James
 Lakewood St. Mary
 Marysville St. Philip
 Mercer Island Emmanuel
 Oak Harbor St. Stephen
 Poulsbo St. Charles

Port Townsend	St. Paul	<u>Missions</u>	
Puyallup	Christ Church	Allyn	St. Hugh
Redmond	Holy Cross	Bellevue	All Saints
Renton	St. Luke	Blaine	Christ Church
Seattle	St. Clement	Camano Island	St. Aidan
Seattle	St. George	Castle Rock	St. Matthew
Seattle	St. John the Baptist	Darrington	Transfiguration
Seattle	St. Paul	Enumclaw	St. Catherine
Seattle	St. Peter	Montesano	St. Mark
Sequim	St. Luke	Olympia	St. Christopher
Shoreline	St. Dunstan	Sammamish	Good Samaritan
Shelton	St. David	Seattle	All Saints
Snohomish	St. John	Seaview	St. Peter
Tacoma	Christ Church	Sedro Woolley	St. James
Tacoma	St. Matthew	Snoqualmie	St. Clare
Tacoma	St. Luke	South Bend	St. John
Vashon	Holy Spirit	Tacoma	Holy Family of Jesus
		Tahuya	St. Nicholas

Student Scholarship Committee Report (05/F/21)

The Student Scholarship Committee (SSC) was formed in 2001 to solicit funds diocesan wide to support students studying for Holy Orders from the Diocese of Olympia. The existing Mentzer Endowment fund, which is restricted to male students studying to become priests, is distributed annually by the diocesan bishop. One of the prime reasons for creating the SSC is to bring some equity in funding for women students and to show support for those who are following a call to become deacons.

The cost of residential seminary education can run more than \$30,000 annually. The norm for everyone studying for the priesthood in this diocese is that they spend at least one year in residence at an Episcopal seminary. Currently one-third of those studying for the priesthood from this diocese complete part of their theological education at the IETS (Institute for Ecumenical Theological Studies) at Seattle University.

Many students receive some support from their sponsoring congregation, but the sacrifice given by individual students and the toll on their families, including for many a long term debt that needs to be repaid, can be enormous. The SSC conducts an annual appeal in January to clergy, congregations, and former donors to support all those studying for Holy Orders from our diocese. Deacons received a stipend for the first time in 2004 and continue to get support.

In 2005 \$23,197 was distributed by the SSCA to twenty postulants and candidates studying to become priests, and to seven people studying to become deacons. This is still a

minimal amount of support in relation to total costs. In 2005 the Mentzer Fund proceeds will be approximately \$25,000.

The Seminarian Scholarship Fund Endowment, started in 1961 by the Episcopal Church Women, provided \$10,000 of the funds for the SSC. The balance came mostly from individual gifts.

In January of each year, a feature article will appear in *The Episcopal Voice* profiling one of our students along with an appeal for gifts. In addition, individual solicitations will be sent to all former donors and to all congregations. New gifts are always welcome. They can be made out to Student Scholarship Committee and sent to the Diocese of Olympia, PO Box 12126, Seattle, WA 98102.

Members of Student Scholarship Committee are: Maureen Lyons, Convener; Rev. Cris Amburgey; Rev. Anna Maria Korathu; Rev. Dennis Taylor; Darrell Powell; Rev. Jerry Shigaki; Barbara Brower; Phoebe Gilbert; Carl Knirk.

For more information, contact *Carl Knirk*, Bishop's Deputy for Planned Giving/Stewardship, at Diocesan House, 206-325-4200, ext. 315.

Report from the Joint Board to the 95th Annual Diocesan Convention (05/F/22)

The process to choose a new bishop has started with the formation of a Joint Board. The members of the Joint Board include *the Rev. Steve Garratt* (chair) and *Evie Beard* from the Standing Committee, and *Sally Young* and *the Rev. Kim Forman* from Diocesan Council.

The task of the Joint Board is to recruit and organize a search committee and a transition committee that will draw their members from the regional ministries of our diocese. Other members at large will be recruited to fill out the committees. In addition, the board will have a range of responsibilities including developing a budget for the search process, and organizing separate retreats for the search and transition committees, the clergy, and the bishop and his staff.

Tentatively, the election of the new bishop will take place in early 2007 and the consecration will follow some time after Easter of that year. The Joint Board will work closely with the search and transition committees and will be responsible for monitoring the overall process.

We invite your prayers for our bishop and his staff, the search and transition committees, the joint board, and our diocese as we embark on this journey of discernment."

Episcopal Relief & Development

Our Basic Mission: Episcopal Relief and Development (ERD) works with Anglican and Episcopal partners in the U.S. and throughout the world (1) to provide tangible emergency assistance in times of disaster and crisis, (2) to help rebuild devastated communities once the immediate crisis is over, and, (3) to offer long-term development solutions to help people achieve and maintain safer, healthier, and more productive lives.

2005 Disaster Response Highlights: 2005 has seen a dramatic and historical increase in the level of contributions for ERD's disaster relief efforts, reflecting the tremendous compassionate response of individuals and congregations to the impact of (1) the Indian Ocean tsunami on December 26, 2004, (2) hurricanes Katrina, Rita and Wilma earlier this fall, and (3) most recently, the earthquake in the Kashmir region of Pakistan and India. Contributions for tsunami relief alone through June, 2005, were roughly \$12 million, surpassing ERD's total donations for all causes in any previous year. Similarly, donations to ERD for hurricane relief in the wake of Katrina and Rita totaled almost \$10 million by just the first week of October.

Examples of other ERD disaster response efforts so far during 2005 include assistance related to devastating floods in Guyana, Colombia, Venezuela, Costa Rica, Honduras, China, India and El Salvador; drought and famine in Burundi, Niger, Ghana, Zambia, Zimbabwe and Sudan; tornadoes in Southern Georgia, Mississippi and Wisconsin; powerful earthquakes in Indonesia and Iran; and emergency assistance for funeral expenses and counseling services for families effected by the shooting tragedy in Red Lake, Minnesota in March.

Long-term Development Efforts: During 2005, ERD continued to address the United Nation's Millennium Development Goals (see below) by focusing on ERD's four basic program areas:

Food security programs are designed to ensure that families have the means and access to secure and healthy food sources.

Primary health care programs emphasize treatment and care for the sick; education and training of communities and local health care workers on preventable illnesses and proper sanitation practices; developing safe and secure supplies of drinking water; and immunization and other forms of prevention of communicable diseases.

HIV/AIDS care programs provide education, care for people suffering from the disease, and support for children left without adult caregivers by the death of both parents and other closely-related family members.

Disaster relief and rebuilding activities focus on both the immediate response to disasters as well as help to Episcopal, Anglican or ecumenical partners in providing direct and long-term assistance to rebuild viable communities devastated by natural or man-made crises.

More information about specific activities in each of these program areas is available at ERD's website, www.erd.org.

Millennium Development Goals: The Millennium Development Goals (MDGs) – affirmed by 191 member states of the United Nations (including the United States) – commit to cutting extreme global poverty in half by 2015. The goals call on resource-rich nations to give an amount equal to 0.7% of their Gross National Product to eliminate poverty and create sustainable development in the developing world. ERD supports the MDGs and the resolution relating to the goals before this year's diocesan convention, and has prepared a comprehensive set of informational materials for education and reflection on the goals at the congregational and individual level.

ERD and the Diocese of Olympia: Our Diocese continues to be a major supporter of ERD. For 2004, 566 donors contributed a total of \$158,270, the second highest in Province 8, and among the top 20 contributing dioceses nationally. As of September 22 of this year, total giving to ERD from individuals, parishes and the Diocese as a whole is an impressive \$471,144. Driven in part by the tremendous responses to the tsunami and the recent Gulf hurricanes, total contributions to ERD from across the Diocese may meet or exceed a half million dollars by year's end.

Congregations and individuals continue to support and participate in the work of ERD in other ways as well. For the period from July 1, 2004, to June 30, 2005, St. Paul's, Bellingham, was the number one purchaser of Bishop's Blend coffee throughout the entire Episcopal Church, USA. St. Mark's Cathedral was number 16 nationally. But, combining its purchases with the sales through the Cathedral Gift Shop would edge out St. Paul's for the top spot. The Church of the Resurrection, Bellevue, rounds out the top 20 Bishop's Blend customers, and St. John the Baptist in West Seattle was number 25 nationally. The sale of this premium line of Certified Fair Trade, organic and shade-grown coffees from Nicaragua, Mexico and Indonesia, produced by Pura Vida Coffee of Seattle, continues to support ERD's programs worldwide while providing parishes and individuals with high quality coffee. Bishop's Blend can also be used in fundraising programs in support of a parish's own outreach activities. For more information, go to www.er-d.org.

The Rev. Whitney DeVine and the Rev. Josephine Beecher, along with ERD's West Coast Operations Director, Brian Sellers-Petersen, led a group of eight youths from the parishes of St. Thomas, Medina; Resurrection, Bellevue; St. Clare, Snoqualmie; and St. Mark's Cathedral on a one-week ERD mission trip to El Salvador in early summer. ERD is partnering with the Diocese of El Salvador in building four communities in response to two devastating earthquakes.

The most significant organizational change within Episcopal Relief and Development in 2005 was the retirement of ERD's first president, Sandra Swan, and the appointment of Dr. Robert Radtke as her successor. Dr. Radtke made his first visit to the Diocese in mid-summer, shortly after taking office. Kurt DelBene, past senior warden of St. Mark's Cathedral, continues to serve on the ERD board of directors, and Brian Sellers-Petersen, St. Mark's Cathedral, is the diocese's resident ERD professional staff member, West Coast Operations Director, responsible for all of Province 8 and Taiwan. In April, Bishop Warner commissioned David Baylor, former senior warden of St. Stephen's, Seattle, as the new ERD coordinator for the Diocese.

For more information, or to get involved: Go to the ERD website, www.er-d.org, or contact Brian Sellers-Petersen, West Coast Operations Director, at 206-390-0750 or bpetersen@er-d.org, or David Baylor, ERD Coordinator, Diocese of Olympia, at 206-523-5662, dbaylor.erd@comcast.net.

Section 4

Leadership Lists

Congregations of the Diocese of Olympia

Parishes

Aberdeen, St. Andrew (1890)
Auburn, St. Matthew (1896)
Bainbridge Island, St. Barnabas (1944)
Bellevue, Church of the Resurrection (1957)
Bellevue, St. Margaret (1957)
Bellingham, St. Paul (1883)
Bremerton, St. Paul (1901)
Burien, St. Elizabeth (1941)
Chehalis, St. Timothy (1883/2000) formerly St. John,
Centralia and Church of the Epiphany, Chehalis
Eastsound/Orcas Island, Emmanuel Parish (1885)
Edmonds, St. Alban (1952)
Everett, Trinity Church (1892)
Federal Way, Church of the Good Shepherd (1961)
Freeland, St. Augustine in-the-Woods (1949)
Friday Harbor, St. David (1950/1999)
Gig Harbor, St. John (1916)
Issaquah, St. Michael & All Angels (1950)
Kenmore, Church of the Redeemer (1947)
Kent, St. James (1890)
Kirkland, St. John (1922)
Lakewood, St. Mary (1949)
Longview, St. Stephen (1923)
Marysville, St. Philip (1958/1998)
Medina, St. Thomas (1943)
Mercer Island, Emmanuel Church (1909)
Mount Vernon, St. Paul (1891)
Oak Harbor, St. Stephen (1952)
Olympia, St. John (1853)
Port Angeles, St. Andrew (1891)
Port Townsend, St. Paul (1860)
Poulsbo, St. Charles (1963)
Puyallup, Christ Church (1882)
Redmond, Church of the Holy Cross (1909)
Renton, St. Luke (1892)
Seattle, Christ Church (1903)
Seattle, Church of the Ascension (1938)
Seattle, Epiphany Parish of Seattle (1908)
Seattle, St. Andrew (1906)
Seattle, St. Clement (1890)
Seattle, St. George (1954)
Seattle, St. John the Baptist Church (1892)
Seattle, St. Luke (1891)
Seattle, St. Mark Cathedral (1889)
Seattle, St. Paul (1892)
Seattle, St. Peter (1908)
Seattle, St. Stephen (1920)
Seattle, Trinity Church (1865)
Sequim, St. Luke (1893)
Shelton, St. David of Wales (1890)
Shoreline, St. Dunstan (1949) formerly Seattle
Shonomish, St. John (1889)

Tacoma, Christ Church (1889)
Tacoma, St. Andrew (1890)
Tacoma, St. Luke (1879)
Tacoma, St. Matthew (1951)
Vancouver, Church of the Good Shepherd (1966/2005)
Vancouver, St. Luke (1836)
Vashon Island, Church of the Holy Spirit (1912)

Missions

Allyn, St. Hugh of Lincoln (1969)
Anacortes, Christ Church (1890)
Bainbridge Island, Grace Church
Battle Ground, Church of the Holy Spirit (1996)
Bellevue, All Saints (1996)
Bellevue, Church of the Holy Apostles (1990) formerly Seattle
Blaine, Christ Church (1889)
Camano Island, St. Aidan (1959)
Castle Rock, St. Matthew (1961)
Cathlamet, St. James (1851)
Darrington, Church of the Transfiguration (1955)
Edmonds, St. Hilda-St. Patrick (1963)
Elma, St. Luke (1895)
Enumclaw, St. Catherine (1940's)
Kent (Des Moines), St. Columba (1957)
Kingston, Faith Church (1997)
Lacey, St. Benedict (1980)
Lakewood, St. Joseph-St. John (1969)
Lopez Island, Grace Church (1954)
Maple Valley, St. George (1967)
Mill Creek, St. Francis (1980)
Monroe, Church of Our Saviour (1910)
Montesano, St. Mark (1909)
Olympia, St. Christopher (1959)
Port Orchard, St. Bede (1963)
Sammamish, Church of Good Samaritan (1990)
Seattle, All Saints (1903)
Seaview, St. Peter (1896)
Sedro-Woolley, St. James (1890)
Shoreline, St. David Emmanuel Church (1958)
Silverdale, St. Antony of Egypt (1985)
Snoqualmie, St. Clare (1982)
South Bend, St. John (1890)
Tacoma, All Saints (1890)
Tacoma, Holy Family of Jesus Church (1980)
Tahuya, St. Nicholas (1968)
Vancouver, All Saints (1977)
Washougal, St. Anne (1951)
Westport, St. Christopher (1959)

Parochial Missions/Developing Congregations

Forks, St. Swithin (1964)
Hoodsport, St. Germain (1976)
Port Gamble, St. Paul (1931)
Rockport, St. Martin-St. Francis (1952)

Diocesan Canonically Resident Clergy – November 2005 (05/A/17)

The Right Reverend Vincent W. Warner
 The Right Reverend Bavi Edna "Nedi" Rivera, Bishop Suffragan
 The Right Reverend Robert H. Cochrane, retired
 The Right Reverend Sanford Z.K. Hampton, retired

001	Forbes, William	059	Clark, D. Corbet	117	Bell, John R.
002	Forbes Jr., Charles A.	060	Snodgrass, Marilyn S.	118	Davis, M. Fletcher
003	Adams, Richard C.	061	McDaniel, G. Judith	119	Creighton, Susan
004	Garlichs, Richard W.	062	Gibbs, John W.	120	Stanton, Barclay R.
005	Leche, Edward D.	063	Davis, West R.	121	Phinney, James
006	Schaeffer, John G.	064	Metzler, John A.	122	DeVine, Whitney Jones
007	Huston, John A.	065	Sterling, Edward A.	123	Mackay III, Donald
008	Hunter, Charles W.	066	Gehrig, Stephen J.	124	Miller, A. Scott
009	Ellis, Marshall J.	067	Erskine, John A.	125	Ridge III, Charles D.
010	Winn, J. Barrie	068	Zimmerman, Curtis	126	Woods, James E.
011	Elkins, Donald L.	069	Lambert, John P.	127	Southwell, Robert E.
012	Jordan, Alan	070	Knowles, Walter R.	128	Hauge, Morris
013	Bristol, Wallace E.	071	Lindsey, Barrett K.	129	Hanna, Gerald B.
014	Maddux, Donald J.	072	Garratt, Stephen R.	130	Carmichael, M. Jean
015	Snyder, Kenneth M.	073	Stewart, Ralph R.	131	Thompson, John K.
016	Van Etten, Albert K.	074	Butt, J. Reginald	132	Pollock, Douglas S.
017	Luethe, Robin L.	075	Rankin, Edward H.	133	Porter, Gerald W.
018	Carpenter, George W.	076	Walker, John F.	134	Van Zanten, Peter E.
019	Nakayama, Timothy	077	Johns III, Norman S.	135	Alkins, David S.
020	Seaman, Henry F.	078	Sell-Lee, William	136	Steedman-Sanborn, Marda
021	Radcliffe, Ernest	079	Biever, Robert	137	Paolozzi, Joann
022	Storm, David A.	080	Fowler Jr., Stanley G.	138	Lueckert, Diana M.
023	Carney, Joseph P.	081	Bethea, Robert L.	139	Dietel, Robert G.
024	Johnson Jr., William C.	082	Halbrook, Thomas R.	140	Moore, Stephen E.
025	Tomter, Patrick A.	083	Bogel, Marianne	141	Smith, Kevin C.
026	Skanse, Oliver B.	084	Smith, Don L.	142	Williams, Robert L.
027	Gorsuch, John P.	085	Ferguson, John F.	143	Treleash, Murray L.
028	Bigford, Jack N.	086	Lane, John C.	144	Martin, Irene
029	Pearson, J. Norris	087	Mikel, Joseph F.	145	Dierick, Frances L.
030	Smith, Homer H.	088	Pyrne, Carla V.	146	Gunderson, Gretchen A.
031	Tench, Jack M.	089	Besheer, Kimbrough A.	147	Kindle, Charles R.
032	Stewart, Daniel R.	090	Snow, Peter D.	148	Wright, Scot R.
033	Burnett, William M.	091	Ludden, Carol P.	149	Dills, R. Scott
034	Bond, L. Wayne	092	Hall, Allan C.	150	Francis, Mary Jane
035	McLauchlan, H. Fred	093	Sonnesyn, Roger	151	O'Shea, Susan
036	Christie, Robert L.	094	French, Richard C.	152	Cleveland, Jennifer B.
037	Scovell, Dean H.	095	Berge, William Clarke	153	Gould, Mary D.
038	Peterson Jr., Phillip	096	Gardner, Randal B.	154	Lukens, Ann Pierson
039	Dunning, David	097	Taylor, Patricia L.	155	Murray, Vincent D.
040	Schreiner, Charles F.	098	McCulloch, Kent T.	156	Close Erskine, Christine E.
041	Ethelston, Geoffrey F.	099	Williams Jr., Hollis R.	157	Scott, Richard H.
042	Ross, H. Stewart	100	Nemes, John D.	158	Bigelow, Thomas S.
043	Wolfe, V. Eugene	101	Dement, Thomas E.	159	Clark, Duncan
044	Sherman, Guy C.	102	Nichols, Robert	160	Devik, Rudolf
045	Fast, Todd H.	103	Viggers, Jack	161	Hayman, Robert F.
046	Rhodes, Robert W.	104	Ford, R. Lawrence	162	Ensor, A. Jeanne
047	Blundell, James	105	Waring, William D.	163	McCaw, Mary Ann
048	Barrow, Gordon Hurst	106	Carskadden, Ralph	164	Carr, Michael G.
049	Parker, Allan C.	107	Lewis, Margaret K.	165	Brelsford, Diane
050	Rogers, Henry S.	108	Keller, Patterson	166	Lonergan, W. Gerald
051	Brown, Melvin R.	109	Rietmann, Paul D.	167	Minifie, Thomas
052	Looney, Richard J.	110	Richards, Fitzroy I.	168	Harper, William
053	Reddell, Ronald K.	111	Reynolds, Alan D.	169	Lord-Wilkinson, Randal D.
054	Collins, Paul M.	112	Hickey-Tiernan, Joseph	170	Shehane, Mary K.
055	Wilson, George S.	113	Astleford, Elise	171	Kolbet, Paul R.
056	Wappler, Harry	114	Steig, Terrance	172	Campbell, Anne
057	Grabinski, Kenneth	115	Jessett, Frederick E.	173	Bartels, Judith T.
058	Wilton, G.W.	116	Moore, Robin A.	174	Bayles, Richard

175	Wyatt, Michael	224	Grewell, Genevieve M.	273	Tyree-Cuevas, Susan
176	Brown, Lawrence Edward	225	McConnell, Joyce	274	Boyle, George Anne
177	Hammond, Blaine R.	226	Novak, Margaret A.	275	Deng Deng, William
178	Mullins, Judith P.	227	Shigaki, Jerry M.	276	Mulvey, Dorian
179	Ruder, John Williams	228	Westpfahl, Carol E.	277	Hosea, Beverly
180	Craighead, J. Thomas	229	Wong, Philip	278	James, David
181	West, Craig A.	230	Green, Richard	279	Johnston, Zula
182	Anthony, Joan M.	231	Patton, Kathleen	280	Baker, Patricia
183	Robertson, Patricia Rome	232	Wesen, Vicki	281	Grout, Earl L.
184	Strimer, Peter	233	Perry, Lawrence S.	282	Marshall, David
185	DeVeau, Peter J.	234	Taber-Hamilton, Nigel	283	Sedwick, Katherine
186	Arnold-Boyd, Annette	235	Lee, Jeffrey D.	284	Taber-Hamilton, Rachel
187	Best, Stephen	236	Harlacher, Carol	285	Weller, Edith
188	Korathu, Anna Maria	237	Roddam, John W.R.	286	Ackermann, John
189	Lee, Samuel	238	Longwood, David P.	287	Morrissey, Michael
190	Moorehead, Constance	239	Heller, Jan C.	288	Stockburger, Andrea McMillin
191	Peters, Gregory	240	Jackson, E. Michael	289	Sells, Jeffrey
192	Simonsen, Douglas	241	Amburgey, Cristina G.	290	Sells, Patricia
193	Miller, Mark	242	Espeseth, Cynthia A.	291	Mack, Allan E.
194	Dunn, Robert E.	243	Taylor, N. Dennis	292	Borders, LeRoy
195	Kinney, Kathleen	244	Schmaling, Pamela	293	Santman, Linda
196	MacKay, Wray	245	Eichner, James	294	Cochran, Elizabeth Jane
197	Pratt, Jennifer	246	Armer, Susan C.	295	Streiff, Suzanne
198	Johnson, Linda M.	247	Barber, Grethe	296	Bloch, Elizabeth
199	Miller, Judith J.	248	Wills, Clark E.	297	Maynard, Jane F.
200	Walker, Randolph D.	249	Allen, John M.	298	Kalunian, J. Peter
201	Conklin, Daniel G.	250	Buhrer, Richard	299	Moore, Bridget
202	Trytten, Patricia S.	251	Dean, Susan Chanda	300	Garman, Gerald R.
203	Cole, Dennis C.	252	Moon, Mary Louise	301	Sheldon, Raymond S.
204	Forman, Bernard (Kim)	253	Morris, Cecelia Gilman	302	Stroup, Susan L.
205	Prestegard, JoAnn	254	Poirier, Esther Holley	303	Ballinger, Kathryn E.
206	Wolford, Rachael	255	Rozendaal, Jay Calvin	304	Allen, Mary L.
207	Helgeson, Gail M.	256	Barton, Anne W.	305	Reid, M. Sue
208	Williams, Robert H.	257	Maier, Andrea R.	306	Atcheson, Charles B.
209	Hicks, Ann	258	Demura, Christine A.	307	Skelton, Melissa
210	Endicott, Rachel Faith	259	Tiederman, Nancy Coppas	308	Carlson, Sara
211	Fageol, Suzanne A.	260	Allen, Kevin Bond	309	Gates, Alan
212	Brill, Steven G.	261	McQueen, Dale L.	310	Lewis, Philip
213	Avery, Joyce M.	262	Glenn, Katherine Merrell	311	MacKenzie, Mary
214	McMeeKin, Dorothy N.	263	Younge, Richard	312	Scott, Rebecca
215	Irving, Anthony T.	264	Steele, Chris C.	313	Smith, Jacqueline
216	Kimball, Melodie I.	265	Campbell, Janet	314	Smith, Travis
217	Spina, Frank A.	266	Seeger, Elisabeth A.	315	Smith, Robin
218	Rhoads, Robert L.	267	Beecher, Josephine C.	316	Kreft, Armand
219	Taylor, Robert V.	268	Haase, Sylvia Anne	317	Moore, David
220	Price, David L.	269	Logan, Christie Larson	318	Heathcock, Deborah
221	Murphy, J. Patrick	270	Neal, James Frederick		
222	Brandenburg, Marilyn	271	Brentnall, Burden		
223	Gott, Jayne	272	Goode, Colin		

Lay Delegates & Alternates as of November 2, 2005 (05/A/15)

Be-Attitudes Region

Edmonds, St. Alban

Del	Councell, Thomas Steve
Del	Mannery, Denise
Del	Wells, Gregory
Del	Young, Maryellen
Alt	Councell, Marilyn
Alt	Graves, Allan

Kenmore, Redeemer

Del	Bentley, Donald
Del	Close, Eleanor
Del	Darrow, Lee

Del	Laughlin, Deborah
Del	McGlinn, Bill
Del	Oles, Karl
Alt	Hawley, Carter
Alt	McLean, Ken

Seattle, Christ Church

Del	Dodsley, Eric
Del	Ewald, Ellen
Del	McNair, Jan
Del	Prohaska, Frank
Alt	Ferris, Ruth

Alt	Stonebraker, Michael
-----	----------------------

Seattle, St. Andrew

Del	Adams-Lee, Katherine
Del	Kirschner, Bradley
Del	McEwen, Katherine
Del	Pitts, Dennis
Del	Schwartz, Ron
Del	Terrill, Debbie
Alt	Barnes, Sally

Seattle, St. George

Del	Gray, Dennis
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Del Gray, Susan
 Alt Burkner, John
 Alt Senour, Marilyn
Seattle, St. Luke
 Del Zi, Anne
 Del Sutherland, Gene
 Alt Sutherland, Judi
 Alt Zimmerman, Ward
Seattle, St. Stephen
 Del Habegger, Peggy
 Del Jesse, Mildred
 Del McIntosh, Nancy
 Del Montgomery, William

Del Robertson, George
 Del Rynd, John
 Del Wendling, Ronald
 Del Yantis, Dorothy
 Alt Andrews, Kai
 Alt Blair, Cristine
 Alt Bruce, Andrew
 Alt Canady, Teresa
 Alt Franz, Darlene
 Alt Goodyear, Nancy
 Alt Snyder, Peter
 Alt Webb, Eugene
Shoreline, St. David Emmanuel

Del Perry, James
 Del Perry, Jean
 Alt Hudson, Richard
 Alt Leck, Joan
Shoreline, St. Dunstan
 Del Chapman, Robert
 Del Pacher, Charles
 Del Pacher, Mary
 Del Ray, Carmen
 Alt Friend, Robert
 Alt Servais, Michael

Columbia Region

Battle Ground, Holy Spirit
 Del Gallino, Deborah
 Del Sale, Beth
 Alt Knox, Catherine
 Alt Matthews, Lee
Castle Rock, St. Matthew
 Del King, Julie
 Del King, Kerry
Cathlamet, St. James
 Del Brennan, Gerry
Chehalis, St. Timothy
 Del Hogan, Carol Sue
 Del Hogan, Patrick
 Alt Graham, Janet
 Alt Johnson, David
Longview, St. Stephen
 Del Ellis, Gail
 Del Hughey, David
 Del Piper, Perry

Del Swecker, Barbara
 Del Thomas, John
 Del Thomas, Linda
 Alt Edmiston, Becky
 Alt Edmiston, John
 Alt Halliday, Jim
 Alt Halliday, Marlys
 Alt Lecker, Carol
 Alt Lecker, Rick
Vancouver, All Saints
 Del Bogart, Florence
 Del Manning, Al
 Del Manning, Diane
 Alt Phernetton, Dan
 Alt Stephens, Patricia
Vancouver, Good Shepherd
 Del Ellis, Earl
 Del Henry, Tina
 Del Hundley, Della
 Del Hundley, Mark

Del Miller, Charles
 Del Miller, Doreen
 Del Tompkins, Elaine
 Del Tompkins, James
 Alt Green, James
 Alt Green, Sandi
 Alt Okereke, Sammy
 Alt St Claire, Sandra
Vancouver, St. Luke
 Del Frederick, Jonathan
 Del Frederick, Louise
 Del Hassler, Ann
 Del Virgil, Linda
 Alt Denny, Nancy
Washougal, St. Anne
 Del Boggs, David
 Del Boggs, Ethel
 Alt Tooley, Ron
 Alt Tooley, Fay

Eastside Episcopal Churches

Bellevue, All Saints
 Del Faubel, Bernard
 Del Hertlein, Christine
 Alt Treusch, Eileen
 Alt Williamson, Robert
Bellevue, Holy Apostles
 Del Maraby, Lynda
 Del Truong, Chuck
 Alt Cheung, Lee-Ting
 Alt Wong, Matilda
Bellevue, Resurrection
 Del Lewis, Sandra
 Del Reed, Edward
 Del Snow, Lilyan
 Del Teays, Betsy
 Alt Doll, Ed
Bellevue, St. Margaret
 Del Champoux, Bob
 Del Couch, Steven
 Del Ellis, Kate
 Del Grass, Charlie
 Del Jensen, Jeanne-Anne
 Del Jones, Ralph
 Del Storey, Daryl
 Del Totten, Jeanie
 Alt Anderson, Constance
 Alt Foisie, Stephen (Drew)
 Alt Grass, Karen
 Alt Magill, Drew
Issaquah, St. Michael & All Angels

Del Anderson, Jason
 Del Jackson, Nancy
 Del Klein, Joel
 Del Taylor, Marilyn
 Alt Donahou, Anita
 Alt Follansbee, Bruce
 Alt Randall, Pat
 Alt Thompson, Jeff
Kirkland, St. John
 Del Adams, Ruth
 Del Baker, Gwen
 Del McGrath, Geoffrey
 Del Husband, James
 Del Payne, Earl
 Del Reed, Ronald
 Del Sjostrom, Karen
 Del Steele, Thomas
 Del Younge, Karen
Medina, St. Thomas
 Del Ahroon, Roger
 Del Albertson, Elisabeth
 Del Craig, Brian
 Del Dunn, Betty
 Del Lenard, Kirt
 Del Lenard, Wendhy
 Del Magee, Rose
 Del Regalia, Patricia
 Del Russell, Dwight
 Del Sato, Andrea
 Del Westbrook, Barbara

Del Westbrook, Henry
 Alt Rogers, Anne
 Alt Rogers, Claude
Mercer Island, Emmanuel
 Del Affleck, Allan
 Del Affleck, Anne
 Del Ketcham, Terry
 Del Kraft, Mary
 Del Maloof, Emmett
 Del Maloof, Sandy
 Del McReynolds, Nancy
 Del McReynolds, Neil
 Alt Bartholomew, Kathryn
 Alt Duer-Clarke, Marilee
 Alt Harvey, Karen
 Alt Jared, Jan
 Alt Jared, Mike
 Alt Ledbetter, Glenn
 Alt Lee, Bruce
Redmond, Holy Cross
 Del Commo, Rick
 Del Holeman, Cynthia
 Del Holeman, Herb
 Alt Bang, John
Sammamish, Good Samaritan
 Del Farrell, Don
 Del Farrell, Sally
 Del Hindle, Jim
 Del Strohl, Cathy
 Alt Harper Leonard, Cynthia

Alt O'Neil, Joe
Snoqualmie, St. Clare

Del Byrnes, Nancy
Del Van Dine, Kenneth

Evergreen Region

Auburn, St. Matthew

Del Baxter, Gordon
Del Baxter, Nadine
Del Clark, Becky
Del Johnson, Zane
Alt Brustad, Val
Alt Keith, Laura

Burien, St. Elizabeth

Del Barnes, Ed
Del Hoerd, Jeannette
Del Jacques, Neal
Del Wolfe, Joan
Alt Alexander, June
Alt Axccl, Harry

Enumclaw, St. Catherine

Del McIntyre, Marion
Del Stratton, Douglas
Alt Fish, Kimberly
Alt Orr, Doreen

Federal Way, Good Shepherd

Del Blesener, Dale
Del Nyberg, Linda
Del Ogden, John
Del Van Blaricom, Vicki
Alt Blesener, Jeannette
Alt Weis, Kurt
Alt White, Barry
Alt White, Karen

Kent, St. Columba

Del Humes-Fear, Jacquelyn
Del Meerscheidt, Albert
Alt Everson, Carol
Alt Mcfayden, Doug

Kent, St. James

Del Coburn, Michelle
Del Danioth, Debra
Del Ford, Donald
Del Gauthier, Donald
Del Helmer, Philip
Del Helmer, Tisha
Del Higgins, Marie

Del Scholl, Kathryn
Del Tellari, Stephen
Alt Burgess, Stan
Alt Coleman, Carol
Alt Crawford, Maureen
Alt Foisie, Charles
Alt Gathman, Robert
Alt Helmer, Karen
Alt Paisley, David
Alt Paisley, Susan

Maple Valley, St. George

Del Beardslee, Linda
Del Cole, Chloe
Alt Sched, Siegfried
Alt Schede, Margarete

Renton, St. Luke

Del Weber-Johnson, Erin
Del Weber-Johnson, Jered
Alt Highland, Patti
Alt McLean, Daniels

Holy C Region

Seattle, All Saints

Del Cox, Becky
Del Juach, David
Alt Cox, Chuch
Alt Young, Sally

Seattle, Ascension

Del Batchelder, Carol
Del Gallagher, John
Del Johnson, Dace
Del Peterson, William
Alt Hay, Josephine
Alt Jahnke, James
Alt Leonard, Connie
Alt Schinske, Robert

Seattle, Epiphany Parish

Del Clake, Patty
Del Lock, Gabriel
Del Love, Brooke
Del Love, Ed
Del Wathey, Amy
Del Wathey, Todd
Alt Day, Stephen
Alt Ryhter, Barbara

Seattle, St. Clement

Del Helgeson, Eric
Del Moya, Bonnie
Del Moya, Edward

Del Younge, Edith
Alt Comstock, Ken
Alt Fittsizer, Sally

Seattle, St. John the Baptist

Del Drevecky, Harold
Del Drevecky, Luella
Del Peterson, David
Del Peterson, Jan
Del Plank, Kristin
Alt Blake, Ann
Alt Rehm, Nell
Alt Rehm, Richardson

Seattle, St. Mark Cathedral

Del Bell, Elisabeth
Del Gorden, Trey
Del Kernaghan, Mark
Del Knirk, Susan
Del McHale, Stephen
Del Mullen, Pete
Del Niven, Dan
Del Nurmia, Juhani
Del Palisin, Helen
Del Robinson, Carla
Del Tait, Susan
Del Williams, Celeste
Alt Bates, Polly
Alt Beasley, Hisako
Alt Dickinson, Mary

Alt Gosline, W
Alt Green, James
Alt Haynes, George
Alt Hodsdon, Richard
Alt Hoerster, Carol
Alt Johns, Paul
Alt Kincaid, Tamara
Alt Minugh, Gary
Alt Niven, Kris

Seattle, St. Paul

Del Sequeira, Debra
Del Taylor, Mark

Seattle, St. Peter

Del Abrams, Lana
Del Okamoto, Katsumi
Alt Mason, Raz
Alt Shoji, Jay

Seattle, Trinity Church

Del Baim, Keri jo
Del Burt, Margaret
Del Hannah, Paul
Del McNabb, Carl
Alt Bennett, George
Alt Cavallon, Kenneth
Alt Hartshorn, Bonnie

Mt. Baker Region

Anacortes, Christ Church

Del Myers, Bill
Del Ramerman, Diane
Alt Kapka, Alice
Alt Ramerman, Dale

Bellingham, St. Paul

Del Attebery, William
Del Attebery, Christine

Del Beckwith, Jim
Del Clark, Joanne
Del Cook, Laurel
Del Findley, Julia
Del Keast, Richard
Del McMeel, Debbie
Del McMeel, Ed
Del Storrs, Charlie

Del Thorndike, Elva
Del Thorndike, Robert
Alt Craven, Chris
Alt Dalvit, Rik

Blaine, Christ Church

Del Bradley, Carl
Del Hendricks-Hockey, Evelynne
Alt Bradley, Elizabeth

Alt Gilliland, John
Eastsound/Orcas Island, Emmanuel
 Del Blinn, Gil
 Del Blinn, Karen
 Alt Murdock, Leslie
 Alt Murdock, Tom
Friday Harbor, St. David
 Del Wright, Janet
 Del Wright, Richard

Lopez Island, Grace Church
 Del Oles, Ilse
 Del Oles, Stuart
 Alt Bee, Annette
 Alt Savage, David
Mt. Vernon, St. Paul
 Del Ingraham, Skip
 Del Sanborn, Herbert
 Del Thomas, Liz

Del White, Carol
Oak Harbor, St. Stephen
 Del Taylor, Robert
Sedro Woolley, St. James
 Del Barrett, Rilla
 Del Somers, Kimberly
 Alt Smith, James

Peninsula Region

Allyn, St. Hugh of Lincoln

Del Liebergesell, Virginia
 Del Moore, Richard
 Alt Baungard, Perry
 Alt Elmore, Garby

Bainbridge Island, Grace

Del Blaney, Ruth
 Del Matthews, Eric
 Del Pollack, Ken
 Del Zamzow, Heidi
 Alt Fisher, Willa
 Alt King, Bowen
 Alt Waldo, John

Bainbridge Island, St. Barnabas

Del Carlin, Jerry
 Del Cederwall, Eric
 Del Ellis, Barbara
 Del Oatis, Lloyd
 Del Quitslund, Sabine
 Del Sulonen, Sally

Bremerton, St. Paul

Del Ahrens, Sue
 Del Battin, John
 Del Battin, Myra
 Del Morris, Henry
 Alt Carey, Arvelle
 Alt Horn, Richard
 Alt Vanlue, Donald

Gig Harbor, St. John

Del Blake, Philip
 Del Helsdon, Jeffrey
 Del Inglis, Robin
 Del Kinzel, Donna
 Del Kinzel, John
 Del Pollock, Carol
 Alt Osborn, George
 Alt Osborn, Liz

Kingston, Faith Church

Del Aurand, Constance
 Del Aurand, James

Pt. Angeles, St. Andrew

Del Dunlap, Bob
 Del Dunlap, Carol
 Del Hansen, Paul
 Del Keeting-Hansen, Deborah
 Alt Agee, Karen
 Alt Bockman, Ken
 Alt McCoy, David
 Alt Szalocky, Melinda

Pt. Orchard, St. Bede

Del Carter, Helen
 Del Carter, Marvin
 Alt Fraser, R James

Pt. Townsend, St. Paul

Del Coltharp, Mark Alan
 Del Davies, Mary
 Alt Nolan, Linda

Sequim, St. Luke

Del Neal, Linda
 Del Neal, Richard
 Del Olmer, Richard
 Del Staples, Mary Agnes
 Alt Butler, Muriel
 Alt Clary, Susan
 Alt Cramer, John
 Alt Newberg, Donald

Silverdale, St. Anthony of Egypt

Del Mash, Marin
 Del Mash, Rodney
 Alt Fitkin, Gene
 Alt Jensen, Susan

Tahuya, St. Nicholas

Del Luttenbacher, Keith
 Del Oldham, Greg
 Alt Cook, Laurie
 Alt Pepin, Phyllis

Vashon Island, Holy Spirit

Del Butler, Lydia
 Del Clow, Richard
 Del Lake, Barbara
 Del Squire, Harold
 Alt Butler, Deborah
 Alt Clarke, Douglas
 Alt Crawford, David
 Alt Frederick, Connie

Rainier Region

Lakewood, St. Joseph-St. John

Del Garcia, Candace
 Del Garcia, George
 Alt Howarth, Melissa
 Alt Howarth, Moe

Lakewood, St. Mary

Del Brown, Samuel
 Del Clancy, John
 Del Hamrick, Kenneth
 Del Morrison, Jan
 Del Powell, Darrell
 Del Rostedt, Sylvia
 Del Munoz, Tony

Puyallup, Christ Church

Del Barrett, Leonard
 Del Godwin, Helen
 Del Gray, Erick
 Del Hedlund, Gwena
 Del Tanner, Rick

Del Wolfe, Nancy
 Alt Demick, James
 Alt Lewis, Suzanne

Tacoma, All Saints

Del Mazzuca, Carol
 Del Mazzuca, Ed
 Alt Barnett, Michael
 Alt Gordon, Marybeth

Tacoma, Christ Church

Del Kubovec, Mary Kay
 Del Moore, Patricia
 Alt Langton, Fred
 Alt Stowers, Richard

Tacoma, Holy Family of Jesus

Del Kantawong, Phetsamai
 Del Yun, Samanda

Tacoma, St. Andrew

Del Brice, Bill
 Del Gaub, Steven

Del Gray, Alice
 Del Skinner, Reberta
 Alt Glenn, Wayne

Tacoma, St. Luke Memorial

Del Miller, Cindy
 Del Pope, Betty Ann
 Del Pope, John
 Del Sampson, William
 Alt Hicks, Nancy
 Alt Williams, Jeff

Tacoma, St. Matthew

Del Elofson, Richard,
 Del Kennedy, Leanne
 Del Sloan, Ginny
 Del Sloan, Jim
 Alt Ladley, Art
 Alt Ladley, Pam

Sno-Isle Region

Camano Island, St. Aidan

Del Lewis, Laura
Del Poage, Douglas
Alt Bassett, Jim
Alt Poage, Jane

Edmonds, St. Hilda-St. Patrick

Del Stapleton, Don
Del Stapleton, Rosemary
Alt Ripley, Sandy
Alt Smith, Joan

Everett, Trinity Church

Del Griffin, Angela
Del Griffin, Bill
Del Hutchison, Dorothy
Del Hutchison, Morris
Del Kaftanski, Susan
Del Perisho, Steve
Alt Bond, Marie

Alt Hutt, Grace
Alt Pearson, John
Alt Perisho, Kim
Alt Wheeler, Gerald

Freeland, St. Augustine in the Woods

Del Hall, Richard
Del Johnson, Joan
Del Roach, Gail
Del Sneed, Robert
Alt Hall, Arnelle
Alt Rooke-Burdon, Malcolm

Marysville, St. Philip

Del Mahlum, Don
Del Mahlum, Shirley
Alt Wilson, Lawrence
Alt Wilson, Patricia

Mill Creek, St. Francis

Del Haslett, Louis

Del Jernegan, Joan
Alt Haslett, Lynn
Alt O'Donoghue, Kevin

Monroe, Our Saviour

Del Hosley, Burr
Del Poston, Laura
Alt Ganger, Devin
Alt Ganger, Stephanie

Snohomish, St. John

Del Gray, John
Del Knight, Robert
Del Skidmore, Jan
Del Wesley, Sally
Alt Gray, Laurie
Alt Gregory, Norman
Alt Grove, Jackie
Alt Morgan, Harvey

Willapa Region

Aberdeen, St. Andrew

Del Beck, Linda
Del Beck, Robert
Del Minor, JoAnn
Del Preble, Robert
Alt Minor, Dave
Alt Sutherby, Robin

Lacey, St. Benedict

Del Kindle, David
Del LaBelle, Carol
Del LaBelle, James
Del Provencal, Judy
Alt Bradford, Liz
Alt Liska, Collum
Alt Liska, Martha
Alt Zych, Robert

Montesano, St. Mark

Del Campbell, Boneta

Del Williams, Anne

Olympia, St. Christopher

Del Bradford, Delano
Del Bradford, Linda
Del Whitehouse, Bruce
Del Whitehouse, Virginia
Alt Geer, Amanda
Alt Vincent, Sierra

Olympia, St. John

Del Akin, Michael
Del Laws, Jean
Del Laws, Keith
Del Linville, Addison
Del McKinney, Kathleen
Del Schroeder, Kathryn
Del Twelves, John
Del Van Hook, William
Alt James, Audrey
Alt Unbehaun, Andrew

Seaview, St. Peter

Del Adams, Ruth
Del Suvak, Judy
Alt Hall, Al
Alt Hall, Rosie

Shelton, St. David of Wales

Del Conklin, Shelby
Del Haskins, Betti
Del Haskins, Douglas
Del Jones, Pam

South Bend, St. John

Del Mathis Marie

Westport, St. Christopher

Del Chapin, Suzanne
Del Dickson, Julie

Officers of the Convention

The Right Reverend Vincent W. Warner, Bishop
The Reverend John G. Schaeffer, Secretary
Mr. Denison Bacon, Treasurer
Mr. Donald H. Mullins, Esq., Chancellor
Mr. Duncan Bayne, Esq., Vice Chancellor
Br. Carle Griffin, OCP, Historiographer
Mrs. Diane T. Wells, Archivist and Records Manager

Standing Committee

Mr. Jim Church (2005)
The Rev. Patricia Rome Robertson (2005)
The Rev. Marilyn Brandenburg (2006)
Ms. Dorothy Gibson (2006)
Ms. Evelyn Beard (2007)
The Rev. Cris Amburgey (2007)
The Rev. Steve Garratt (2008)
Ms. Nancy Jacobs (2008)

Board of Directors

The Rt. Rev. Vincent W. Warner, president
Mr. Bill Bain, vice president, Emmanuel, Mercer Island
Mr. Denison Bacon, treasurer
Directors appointed by Bishop Warner, confirmed by Diocesan Convention
Mr. Ed Benshoof, Emmanuel, Eastsound/Orcas

Mr. Steve Faust, interim treasurer, Epiphany, Seattle
The Rev. John G. Schaeffer, secretary
Mr. Donald H. Mullins, chancellor

The Rev. Richard Scott, St. Antony's, Silverdale

The Rev. Tom Dement, St. Dunstan's, Shoreline
Mr. William Goodenough, Ascension, Seattle
Mr. Ron Harris-White, St. Clement's, Seattle

Ms. Kathryn Truong, Holy Apostles', Bellevue
The Rev. Dorian Mulvey, Ascension, Seattle

Bishop's Office Staff

Archives—Diane Wells, archivist
Bishop Diocesan—The Rt. Rev. Vincent W. Warner, bishop; Barbara Brower, administrative assistant
Bishop Suffragan—The Rt. Rev. Bavi Edna "Nedi" Rivera; Barbara Brower & Carla Robinson, administrative assistants
Canon to the Ordinary—Betsy Greenman, canon to the ordinary; Barbara Brower & Carla Robinson, administrative assistants
Communications—The Rev. Peter Strimer, Missioner for Communications Ministry; Julie Tarter, publications coordinator; David Manes, information systems coordinator; Norah West, communications specialist
Congregation Development – The Rev. Joan Anthony, canon for congregation development
Diocesan School of Ministry & Theology— Sue Tait, administrator; Shannon Jergenson, project manager
Ethnic Ministries—The Rev. Jerry Shigaki, ethnic missioner; Carla Robinson, administrative assistant
Evangelism – Carl Knirk, director; Sharon Pethers, administrative assistant
Faith Formation—Kathy Hamilton, missioner for youth & young adults; Shannon Jergenson, project manager
Governance—Dede Moore, convention & governance coordinator
Maintenance—Mark Swanson, custodian
Planned Giving/Stewardship -- Carl Knirk, bishop's deputy for planned giving/stewardship; Sharon Pethers, administrative assistant
Print Shop—Richard (Ky) Chen, printer
Reception—Norah West & Carrie Rohlik, receptionist
Resource Center—Sue Tait, librarian
Treasurer/Accounting—Denny Bacon, treasurer; Steve Faust, interim-treasurer; Chris Smith-Clark, comptroller; Paster Soong, accountant; Carrie Rohlik, finance assistant/ insurance administrator

Diocesan Council

Elected by Convention

The Rev. Dorian McGlannan (2005, resigned March 2005)
The Rev. Connie Moorehead (2006)

The Rev. Jeff Sells (2007)
The Rev. Richard Younge (2005, appointed to fill unexpired term)

Elected by Regional Ministries

Ms. Pat Churchley (Peninsula, 2006)
Mr. Charlie Hubbard (Eastside, 2006)
Mr. Andy Leech (Mt. Baker, 2006)
Mr. Cleveland Riley (Sno-Isle, 2006)

Position Open (Holy C, 2007)
Mr. Jim Campbell (Willapa, 2007)
The Rev. Ed Sterling (Rainier, 2007)
Mr. Tom Boyns (Be-Attitudes, 2005)

Mr. Phil Helmer (Evergreen, 2005)
Dr. Joan Oliver (Columbia, 2005)

Appointed by Program Commissions

Ms. Laura Faley (Evangelism, 2007)
Ms. Chris Christensen (Church in the World, 2006)

The Rev. Anna Maria Korathu (Ethnic Ministries, 2007)
Ms. Carolyn Forbes (Congregations, 2007)

The Rev. Kim Forman (Stewardship, 2007)
Ms. Sally Young (Faith Development, 2005)

Other voting members

The Rt. Rev. Vincent W. Warner
The Rt. Rev. Nedi Rivera

Other non-voting members

Mr. Larry Meyer, St. Mark's Cathedral
Mr. Denny Bacon
Canon Betsy Greenman
Mr. Carl Knirk
Ms. Dede Moore
Mr. Donald H. Mullins
The Rev. Jerry Shigaki
Ms. Christine Smith-Clark
Mr. Steve Faust
The Rev. Peter Strimer

Section 5

2004 Audit & Statistics

Beail, Raines & Gillespie, Certified Public Accountants, Delta Dental Building, 9706 Fourth Avenue NE, #305, Seattle, WA 98115-2162, (206) 527-3000
INDEPENDENT AUDITOR'S REPORT
Diocese of Olympia, Inc., 1551 Tenth Avenue East, Seattle, Washington 98102

We have audited the statements of financial position--Episcopal Church basis of the Diocese of Olympia, Inc., at December 31, 2004 and 2003, and the related statements of activities and cash flows--Episcopal Church basis for the years then ended. These financial statements are the responsibility of diocesan management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as established by the AICPA's Auditing Standards Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the policy of the Diocese of Olympia, Inc. is to prepare its financial statements on a basis that is in accordance with principles that constitute the generally accepted principles authorized by the General Convention of the Episcopal Church. These principles were last revised January 1, 2000 (see Note 2). Accordingly, the accompanying financial statements are not intended to present the financial position and the results of operations in conformity with generally accepted accounting principles.

As explained in Note 2 to the financial statements, the diocese does not keep track of the basis of Trust investment assets so it can separate realized and unrealized gains and losses or disclose unrealized appreciation. It was impractical to determine the basis for these required financial statement elements.

In our opinion, except for the lack of certain basis information, the financial statements referred to above present fairly, in all material respects, the balance sheet of Diocese of Olympia, Inc. at December 31, 2004 and 2003, and the statements of activities and cash flows for the years then ended, in accordance with principles authorized by the General Convention of the Episcopal Church.

Beail, Raines & Gillespie, PLLC
Seattle, Washington, May 23, 2005

Diocese of Olympia, Inc. Statements of Financial Position--Episcopal Church Basis December 31, 2004 and 2003

	12/31/2004	12/31/2003
ASSETS		
Cash & Cash Equivalents	\$ 233,010	\$ 1,355,716
Investments	42,376,824	38,252,002
Notes, Loans & Real Estate		
Contracts Receivable	735,273	473,846
Related party receivables	173,273	173,272
Interest & DIF income/principal receivable	296,849	351,265
Campaign gifts--deferred	49,686	49,686
Irrevocable split-interest gifts	34,552	33,156
Equipment (less accumulated depreciation)	-	-
Property	<u>22,202,476</u>	<u>21,927,970</u>
TOTAL ASSETS	<u>\$ 66,101,943</u>	<u>\$ 62,616,913</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Bank overdraft	\$ 503,469	\$ -
Accounts payable	-	17,386
DIF and other payables	362,974	333,100
Shareholders' Equity in Diocesan		
Investment Fund	21,072,608	20,213,133
Liability for Trust Accounts	753,576	86,122

Loans Payable--Banks/Other	889,219	657,695
Total Liabilities	<u>23,581,846</u>	<u>21,307,436</u>
NET ASSETS:		
Unrestricted net assets	20,005,732	19,738,299
Temporarily restricted net assets	1,313,706	1,198,984
Permanently restricted net assets	<u>21,200,659</u>	<u>20,372,194</u>
Total Net assets	<u>42,520,097</u>	<u>41,309,477</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 66,101,943</u>	<u>\$ 62,616,913</u>

Diocese of Olympia, Inc.
Statement of Activities--Episcopal Church Basis
For the Year Ended December 31, 2004

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Contributions	\$ 284	\$ 127,869	\$ 12,601	\$ 140,754
Interest Income	-	-	79,336	79,336
DIF investment income	-	-	1,453,367	1,453,367
Other investment income	41,589	86,828	86,098	214,515
Realized & unrealized net gain (loss) on investments	161,894	2,875	1,708,768	1,873,537
Net assets released from restrictions				
Satisfaction of program restrictions	<u>201,177</u>	<u>(147,228)</u>	<u>(53,949)</u>	-
Total Support & Revenue	<u>404,944</u>	<u>70,344</u>	<u>3,286,221</u>	<u>3,761,509</u>
EXPENSES AND DISBURSEMENTS:				
Corporate/Canonically required	-	-	3,250	3,250
Ministry	343,777	-	15	343,792
Trustee obligations	-	-	46,359	46,359
Total Expenses & Disbursements	<u>343,777</u>	-	<u>49,624</u>	<u>393,401</u>
Excess (deficiency) of support & revenue over expenses & disbursements	61,167	70,344	3,236,597	3,368,108
Amounts allocated to DIF shareholders congregations and institutions	-	-	(836,641)	(836,641)
DIF dividends paid	-	-	(1,407,008)	(1,407,008)
(Increase) Decrease in loans	(179,360)	-	-	(179,360)
Purchases & new construction	361,488	-	-	361,488
Transfers (to) from other funds	<u>24,138</u>	<u>44,378</u>	<u>(164,483)</u>	<u>(95,967)</u>
Change in net assets	267,433	114,722	828,465	1,210,620
Net Assets at 12/31/2003	<u>19,738,299</u>	<u>1,198,984</u>	<u>20,372,194</u>	<u>41,309,477</u>
Net Assets at 12/31/2004	<u>\$ 20,005,732</u>	<u>\$ 1,313,706</u>	<u>\$ 21,200,659</u>	<u>\$ 42,520,097</u>

Diocese of Olympia, Inc.
Statement of Activities--Episcopal Church Basis
For the Year Ended December 31, 2003

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Contributions	\$ -	\$ 113,437	\$ 321,181	\$ 434,618
Interest Income	-	-	72,012	72,012
DIF investment income	-	-	1,411,610	1,411,610
Other investment income	34,456	85,204	72,982	192,642
Realized & unrealized net gain (loss) on investments	396,119	6,688	4,294,752	4,697,559
Net assets released from restrictions				
Satisfaction of program restrictions	<u>329,161</u>	<u>(261,324)</u>	<u>(67,837)</u>	-
Total Support & Revenue	<u>759,736</u>	<u>(55,995)</u>	<u>6,104,700</u>	<u>6,808,441</u>

EXPENSES AND DISBURSEMENTS:				
Corporate/Canonically required	-	-	3,200	3,200
Ministry	252,813	-	41	252,854
Trustee obligations	-	-	44,783	44,783
Management & general	-	-	-	-
Total Expenses & Disbursements	<u>252,813</u>	-	<u>48,024</u>	<u>300,837</u>
Excess (deficiency) of support & revenue over expenses & disbursements	506,923	(55,995)	6,056,676	6,507,604
Amounts allocated to DIF shareholders congregations and institutions	-	-	(1,943,116)	(1,943,116)
DIF dividends paid	-	-	(1,366,827)	(1,366,827)
(Increase) Decrease in loans	(881,685)	-	(186,459)	(1,068,144)
Purchases & new construction	2,468,034	-	-	2,468,034
Transfers (to) from other funds	<u>66,254</u>	<u>(171)</u>	<u>(389,061)</u>	<u>(322,978)</u>
Change in net assets	2,159,526	(56,166)	2,171,213	4,274,573
Net Assets at 12/31/2002	<u>17,578,773</u>	<u>1,255,150</u>	<u>18,200,981</u>	<u>37,034,904</u>
Net Assets at 12/31/2003	<u>\$ 19,738,299</u>	<u>\$ 1,198,984</u>	<u>\$ 20,372,194</u>	<u>\$ 41,309,477</u>

Diocese of Olympia, Inc.
Statements of Cash Flows--Episcopal Church Basis
For the Years Ended December 31, 2004 & 2003

	12/31/2004	12/31/2003
Cash flows from operating activities		
Excess of support and revenue over expenses and disbursements	\$ 2,531,466	\$ 4,274,573
Adjustments to reconcile excess of support and revenue to net cash provided by operating activities		
Depreciation	-	251
Realized and unrealized (gain) loss on investments	(1,038,290)	(2,567,984)
(Increase) decrease in notes & loans receivable	(28,549)	(50,533)
(Increase) decrease in related party receivable	-	98,730
(Increase) decrease DIF suspense items	(1,582,014)	(35,022)
(Increase) decrease in split-interest gifts	-	3,514
Increase (decrease) in payables	(17,386)	(88,032)
Increase (decrease) in other liabilities	<u>573,106</u>	<u>(312,653)</u>
Net cash (used) by operating activities	<u>438,333</u>	<u>1,322,844</u>
Cash flows from investing activities		
Purchase of securities/new loans	(7,754,203)	(7,959,248)
Sales of securities/loan payments/new property	7,231,047	8,831,827
DIF shareholder unit purchases	3,326,435	1,677,931
DIF shareholder unit redemptions	(3,460,779)	(1,157,444)
Purchase of real estate	-	<u>(1,909,597)</u>
Net cash provided (used) by investing activities	<u>(657,500)</u>	<u>(516,531)</u>
Cash flows from financing activities		
DIF dividends paid	(1,407,008)	(1,366,827)
Loans from (paid to) banks/others	-	<u>(150,506)</u>
Net cash provided by financing activities	<u>(1,407,008)</u>	<u>(1,517,333)</u>
Net (decrease) in cash and cash equivalents	(1,626,175)	(711,020)
Cash and cash equivalents at beginning of year	<u>1,355,716</u>	<u>2,066,736</u>
Cash and cash equivalents at end of year (Cash \$233,010 less 503,469 overdraft)	<u>\$ (270,459)</u>	<u>\$ 1,355,716</u>

Notes to Financial Statements
December 31, 2004

Note 1--Organization and Operations:

The "Diocese of Olympia" is a diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America. The Diocese includes all Episcopal churches and institutions in western Washington and is composed of two separate legal entities, the Diocese of Olympia, Inc. and the Diocese of Olympia (an unincorporated entity--see Note 3). These financial statements are for the Diocese of Olympia, Inc. and do not include the related unincorporated entity (Note 3). The Diocese of Olympia, Inc. is composed of the James F. Hodges Diocesan Investment Fund, the Trust Fund and the Building Loan, Mission Development and Real Estate Funds. Each of these funds has issued a separate audited financial statement. The Diocese of Olympia, Inc.'s main source of support is gifts, loan interest and investment and endowment income. The Diocese has adopted a policy of investing excess cash of Building, Mission Development, and Trust Funds through Bank of America. The James F. Hodges Diocesan Investment Fund uses Pacific Horizon Treasury Fund for cash management purposes. These investments are a concentration of credit risk in U.S. Government securities. The Building Loan Fund was established in 1949 to make loans to churches to assist in financing new building projects and to make loans for small building repair and improvement projects. The interest rate charged by the fund is set annually. Loans are periodically exempted from interest by Board action. The Property Fund accounts for the value of the land and buildings held by the Diocese. The value of mission property is shown as a diocesan asset until the mission becomes a parish. The book value of non-mission property is approximately \$3.6 million. The Mission Development Fund (MDF) was set up to purchase properties in areas where growth would necessitate establishment of a new mission. Loans made by the MDF are generally exempt from interest even after congregations have been organized. The Trust Fund holds the endowment funds of the Diocese of Olympia and other institutions of the Diocese for which the Diocese has been named trustee. The funds held are invested primarily in the James F. Hodges Diocesan Investment Fund. The James F. Hodges Diocesan Investment Fund (DIF) was organized in 1951 as a "mutual fund" for the endowments of the Diocese, parishes and related institutions. The fund balances the need for current income and growth in asset value to offset inflation by investing in a mixture of stocks and bonds. The securities are held in trust with BNY Western Trust Company. Realized gains for 2004 were \$2,019,507 with \$(145,970) decline in net unrealized appreciation.

Note 2--Summary of Significant Accounting Policies:

These financial statements have been prepared in accordance with principles authorized by the General Convention of the Episcopal Church in the "Manual of Business Methods in Church Affairs," January 1, 2000 revision. The basic financial statements for Episcopal accounting purposes consist of the statement of financial position, statement of activities and statement of cash flows. FASB 117, "Financial Statement for Not-For-Profit Organizations," was adopted by the Episcopal Church in the latest revision (2000) of the accounting manual. The system of funds previously used has been revised to conform to the net asset model. The principles follow generally accepted accounting principles except as explained below. The January 1, 1995 revised accounting principles of the Episcopal Church require capitalizing of real estate, furniture, fixtures and equipment at cost and state that depreciation is optional. Previously, all fixtures and equipment were expensed. The Diocese has elected to prospectively capitalize furniture and fixtures and depreciate them. Most equipment is purchased by the related Operating Fund (Note 3). No equipment purchased by missions is capitalized. The Diocese has elected not to depreciate real property on the basis that no additional useful information will be gained. Loans receivable and notes receivable are carried at the amount due as of December 31, 2004. Interest receivable has been accrued to December 31, 2004. The Board of Directors has adopted a policy of annual changes in the interest rate charged to diocesan institutions. The rate will be set at the One-Year Treasury Constant Maturities Index from the second week in November rounded up to the nearest eighth of a point plus three percent. For 2004 the rates were set at 4.5% for parishes and 3.0% for missions. In addition, a 2% per year cap on interest rate increases is in place. At the Board's discretion, interest is not charged on construction loans until five years after construction is completed. The Diocese does not attempt to value donated services. Investments are stated at fair market value. Cash held by the DIF is treated as an investment. The Trust accounts of the diocese do not separately track realized and unrealized gains so they may be presented separately in the statement of activities and cash flows. This omission makes it impossible to present all disclosures required by FASB 124. The Diocese is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code. Transfers do not add to zero because of transfers to the Diocese of Olympia Operating Fund (Note 3). The Operating Fund receives and reports most of the income earned by the Trust's restricted net assets. The preparation of financial statements in conformity with Episcopal accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Estimates were extensively used to reconstruct property costs.

Note 3--Operating Fund

The Operating Fund of the Diocese of Olympia is a separate unincorporated entity. The Hodges Investment Fund pays a \$5,000 fee to the Operating Fund to maintain its books and records, but the remaining funds record keeping is done at no charge. Part of the cost of this audit report is also paid by the Operating Fund. Transfers do not balance because of transfers to this related entity. There are no employees of the Diocese of Olympia, Inc. and hence no pension expenses.

Note 4--Interfund Loans

Real estate owned by the Diocese is reflected at historical cost as explained in Note 2. The loans from the Mission Development Fund and Building Loan Fund have been eliminated and net assets reduced. Loans eliminated can be summarized as follows:

	<u>12/31/04</u>	<u>12/31/03</u>
Building Loan Fund	\$ 3,347,717	\$ 3,450,467
Mission Development Fund	1,275,787	1,277,406
Total	<u>\$ 4,623,504</u>	<u>\$ 4,727,873</u>

The loans eliminated at December 31, 2004 include approximately \$1,900,000 in nonperforming mission loans. There are nonperforming loans to parishes of \$287,000 that are included in the statement of financial position.

Note 5--Loans Receivable

The loans below have been eliminated in consolidation.

Loan to	Comment/Payment/Maturity	Interest Rate	Amount
Hodges Fund	Diocesan house roof loan, \$4,480.50/quarter form Hodges Income paid to Philips Fund	5%	75,400
Cathlamet	No maturity date set	0%	150,000

St. Columba's, Des Moines	Land at St. Columba's, no maturity date set	0%	318,847
Hodges Fund	Repaid \$10,000/quarter, Paid to Philips Fund	0%	108,750
Battle Ground	First five years interest free, 15-year amortization at BLF mission rate Due 2017	0%	69,000
Good Shepherd, Vancouver	Zero interest until BLF loan repaid	0%	49,383
St. Hilda/St. Patrick	Interest free until 2007, then 15 year amortization at BLF Mission rate	0%	<u>475,000</u>
			<u>\$ 1,246,380</u>

The notes, loans and contracts receivable on the balance sheet are BLF/MDF loans not eliminated (Note 4) in consolidation. These are loans to parishes.

Note 6--Capital Campaign

The deferred capital campaign gift represents the present value of a \$100,000 second-to-die life insurance policy. There was no increase in value in 2004 as the premium was paid by a policy loan.

Note 7--Loans from Banks/Others

The Diocese of Olympia, Inc. has a loan with the Bank of the Pacific to fund the construction of the Cathlamet St. James' Family Center. This note was dated January 15, 1997 with an original amount of \$500,000 maturing January 15, 2017. It bears interest at 7.3% and calls for monthly payments of \$3,715. The balance at December 31, 2004 was \$349,425. The Diocese of Olympia, Inc. has a loan with US Bank for the purchase of the Orchards property. The original note was dated September 15, 2001 with an amount of \$375,000 and has been renewed annually. The loan is secured by a CD placed with the bank. At December 31, 2003 interest rate was 3.09% with interest-only payments due. The balance at December 31, 2004 was \$38,794. This loan is budgeted for in the Operating Fund. Battle Ground has bonded indebtedness outstanding at December 31, 2004, totaling \$201,000, bearing interest of 6.25%, 6.725% and 6.5% dependent on maturity. Grace Bainbridge Island has Bond Loans outstanding at December 31, 2004, totaling \$300,000, bearing various interest rates from 3.75% to 5.75%. The schedule of debt maturity is as follows:

Bank of the Pacific	US Bank	Battle Ground/Holy Spirit	Bainbridge Grace	Total
\$ 30,924	\$ 38,794	\$ 15,000	\$ 15,000	\$ 99,718
31,656	-	15,000	25,000	71,656
33,651	-	15,000	30,000	78,651
34,486	-	15,000	15,000	64,486
35,980	-	15,000	10,000	60,980
<u>182,728</u>	-	<u>126,000</u>	<u>205,000</u>	<u>513,728</u>
<u>\$ 349,425</u>	<u>\$ 38,794</u>	<u>\$ 201,000</u>	<u>\$ 300,000</u>	<u>\$ 889,219</u>

Note 8--Seattle Habitat for Humanity

The Diocese sold, on June 28, 2000, property valued at \$224,600 to Seattle Habitat for Humanity for \$37,151. As part of the agreement, Habitat constructed two houses and leased them back to the Diocese at nominal rent for its ministry. Only the cash portion of this transaction was reflected in the financial statements, as the value of the property to be received cannot be determined. One house is used by the diocesan refugee program and the other by St. John's, West Seattle.

Note 9--Related Party Transactions

The Diocese of Olympia, Inc., has loaned the current bishop funds to purchase a principal residence. The current loan is dated January 10, 2003. The loan with interest only payments of \$333/mo at 3% for the first five years is subordinate to the primary mortgage on the residence. The loan balance was \$173,273 at December 31, 2004.

Note 10--Contingent Liabilities

No liabilities that related to the mission congregations of the Diocese are reflected. The Diocese could be held to be a responsible party until a mission becomes a parish. Property insurance on structures includes earthquake insurance only if the individual congregations have purchased it.

Note 11--Bond Agency

The Diocese is the Registrar/Paying Agent for bonds issued by two parishes and two missions. The Diocese has obtained an Acknowledgement of Exemption from registration from the Washington State Department of Financial Institutions on these bonds.

Note 12--Securities and Investments

Securities and investments are stated at fair value. The majority of Trust investments are in the diocesan managed James F. Hodges Diocesan Investment Fund. Fund activity for 2004 is as follows:

Fair Market Value December 31, 2003	\$ 21,343,032
Reinvestment of dividends	123,340
Purchases	160,326
Redemptions	<u>(345,440)</u>
Total	21,281,258
Less Fair Market Value December 31, 2004	<u>22,318,153</u>
Increase in Market Value 2004	<u>\$ 1,036,895</u>

The Diocesan Investment Fund is a mutual type fund, open exclusively to the Diocese and its institutions. The fund has balanced growth and income as its investment objective. At December 31, 2004, the fund was approximately 30% cash and U.S. government bonds and 70% stocks listed on major exchanges. The Diocese records irrevocable split-interest agreements that are held by banks or other outside parties. The Diocese is an income-only beneficiary of one agreement. The Diocese records the fair market value of each portfolio as its estimate of the present value of the future cash flows to be received.

Note 13--Excess Appreciation

On May 16, 1996, the Board of Directors of the Diocese adopted a policy to address the use of appreciation or capital gains when the governing trust instrument is silent. 95% of any appreciation in the James F. Hodges Diocesan Investment Fund in excess of the U.S. City Average Urban Consumers Price Index may be withdrawn. This determination will be made annually as of December 31st. The start date for determining value was set at December 31, 1985 or fund setup date if later. This date may be pushed back by the beneficiary, but the burden of proof to establish any pre-1985 excess appreciation will fall on the beneficiary.

	FMV Investment James F. Hodges Diocesan Investment Fund 12/31/04	Excess Appreciation as defined above
Investments held for congregations by Trust Fund	\$ 3,040,408	\$ 1,359,142
Diocesan Trust Funds	<u>15,728,022</u>	<u>6,738,290</u>
	<u>\$ 18,768,430</u>	<u>\$ 8,097,432</u>

Independent Auditor's Report, Diocesan Council, Diocese of Olympia—Operating Fund, Seattle, WA 98102

We have audited the accompanying statement of financial position—Episcopal Church Basis of the **Diocese of Olympia – Operating Fund** (a non-profit organization) at December 31, 2004 and 2003, and the related statements of activities, cash flows and revenues and expenses compared to budget – Episcopal Church basis, for the years then ended. These financial statements are the responsibility of the diocesan management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described in Note 2, the Diocese of Olympia – Operating Fund prepares its financial statements in accordance with principles authorized by the General Convention of the Episcopal Church. Accordingly, the financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Diocese of Olympia – Operating Fund at December 31, 2004 and 2003, and the results of operations for the years then ended in accordance with principles authorized by the General Convention of the Episcopal Church.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The 2004 and 2003 operating fund budgets are presented for purposes of additional analysis and marked "unaudited" as we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 12, 2005, on our consideration of the Diocese of Olympia's internal control structure and a report dated August 12, 2005, on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Diocese of Olympia – Operating Fund, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards presented for purposes of additional analysis is required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects to the basic financial statements taken as a whole.

Beail, Raines & Gillespie, PLLC
Seattle, Washington, August 12, 2005

**Diocese of Olympia—Operating Fund
Statement of Financial Position—Episcopal Church Basis
December 31, 2004 and 2003**

	12/31/2004	12/31/2003
ASSETS		
Current Assets		
Cash – Checking & Saving	\$ 1,086,683	\$ 706,055
Cash – Money Market	<u>405,974</u>	<u>404,903</u>
Total Cash	1,492,657	1,110,958
Diocesan Investment Fund Receivable	129,452	108,461
Other Receivables	291,027	312,006
Prepaid Expense	<u>11,388</u>	<u>36,622</u>
Total Current Assets	1,924,524	1,568,047
Fixed Assets		
Equipment	346,293	346,293

Less accumulated depreciation	(298,814)	(283,785)
Total Fixed Assets	47,479	62,508
TOTAL ASSETS	<u>\$ 1,972,003</u>	<u>\$ 1,630,555</u>
LIABILITIES		
Accounts Payable	\$ 162,858	\$ 160,739
Accrued Payroll Expenses	72,668	72,884
Camp Huston/St. Andrew's House Deposits	38,759	33,566
Grants Payable	98,524	2,239
Post Retirement Payable	505,000	505,000
IDA Payable	200,053	121,289
Other Payables	<u>294,197</u>	<u>79,796</u>
Total Liabilities	<u>1,372,059</u>	<u>975,513</u>
NET ASSETS		
Unrestricted	300,865	247,360
Temporarily Restricted	299,079	407,682
Permanently Restricted	-	-
Total Net Assets	<u>599,944</u>	<u>655,042</u>
LIABILITIES & NET ASSETS	<u>\$ 1,972,003</u>	<u>\$ 1,630,555</u>

**Diocese of Olympia—Operating Fund
Statement of Activities—Episcopal Church Basis
For the Year Ended December 31, 2004**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE				
Contributions	\$ 247,769	\$ -	\$ -	\$ 247,769
Assessments	3,066,501	-	-	3,066,501
Investments	239,051	251,578	-	490,629
Interest Income	9,744	-	-	9,744
Fees and Tuition	782,126	-	-	782,126
Grants	207,112	893,014	-	1,100,126
Fundraising	-	5,443	-	5,443
Miscellaneous and Transfers	70,285	-	-	70,285
Net assets released from restrictions				
Satisfaction of program restrictions	<u>1,258,638</u>	<u>(1,258,638)</u>	-	-
Total Revenue	<u>5,881,226</u>	<u>(108,603)</u>	-	<u>5,772,623</u>
EXPENSES				
Ministry	3,065,796	-	-	3,065,796
Trustee Obligations	1,654,845	-	-	1,654,845
Corporate/Canonical Required	764,083	-	-	764,083
Management and General	<u>342,997</u>	-	-	<u>342,997</u>
Total Expenditures	<u>5,827,721</u>	-	-	<u>5,827,721</u>
Excess (Deficit) of Revenue Over Expenditures	53,505	(108,603)	-	(55,098)
Net Assets January 1, 2004	<u>247,360</u>	<u>407,682</u>	-	<u>655,042</u>
Net Assets December 31, 2004	<u>\$ 300,865</u>	<u>\$ 299,079</u>	<u>\$ -</u>	<u>\$ 599,944</u>

**Diocese of Olympia—Operating Fund
Statement of Activities—Episcopal Church Basis
For the Year Ended December 31, 2003**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE				
Contributions	\$ 147,767	\$ 11,364	\$ -	\$ 159,131
Assessments	3,084,198	-	-	3,084,198
Investments	362,293	193,932	-	556,225
Interest Income	9,244	-	-	9,244
Fees and Tuition	799,654	-	-	799,654
Grants	36,440	1,141,469	-	1,177,909
Fundraising	11,263	-	-	11,263

Miscellaneous and Transfers	50,455	25,590	-	76,045
Net assets released from restrictions				
Satisfaction of program restrictions	<u>1,315,931</u>	<u>(1,315,931)</u>	-	-
Total Revenue	<u>5,817,245</u>	<u>56,424</u>	-	<u>5,873,669</u>
EXPENSES				
Ministry	3,095,142	-	-	3,095,142
Trustee Obligations	1,690,037	-	-	1,690,037
Corporate/Canonical Required	768,042	-	-	768,042
Management and General	<u>364,807</u>	-	-	<u>364,807</u>
Total Expenditures	<u>5,918,028</u>	-	-	<u>5,918,028</u>
Excess (Deficit) of Revenue Over Expenditures	(100,783)	56,424	-	(44,359)
Net Assets January 1, 2003	348,143	351,258	-	699,401
Net Assets December 31, 2003	<u>\$ 247,360</u>	<u>\$ 407,682</u>	<u>\$ -</u>	<u>\$ 655,042</u>

Diocese of Olympia—Operating Fund
Statement of Revenue and Expenditures Compared to Budget—Episcopal Church Basis
For the Year Ended December 31, 2004

	2004 Unaudited Budget	2004 Actual	Total Budget Over/(Under) Variance
REVENUE			
Assessments	\$ 3,204,877	\$ 3,066,501	\$ (138,376)
Investments (Unrestricted)	74,538	238,329	163,791
Investments (Restricted)	492,973	248,084	(244,889)
Bank Interest	40,500	9,744	(30,756)
Fees and Tuition	722,469	711,333	(11,136)
Miscellaneous and Transfers	<u>27,000</u>	<u>158,849</u>	<u>131,849</u>
Total Revenue	<u>4,562,357</u>	<u>4,432,840</u>	<u>(129,517)</u>
EXPENDITURES			
Office of the Bishop	354,835	355,285	450
Assistant Bishop	141,410	113,720	(27,690)
Communications	342,969	336,148	(6,821)
Governing Bodies	104,817	96,365	(8,452)
Diocesan House	291,891	259,002	(32,889)
Archives	47,503	47,459	(44)
St. Mark's Cathedral	102,500	102,500	-
St. Andrew's House	160,000	173,819	13,819
Huston Center	556,269	520,931	(35,338)
St. Bernard's Chapel	1,230	1,527	297
Evangelism	64,665	67,150	2,485
Evangelism Training	31,011	31,038	27
Ethnic Ministries	159,443	158,740	(703)
Congregation/Ministry Development	188,782	198,712	9,930
Ministry Development	3,905	3,981	76
Faith Development Program	152,400	135,082	(17,318)
Resource Center	105,541	98,938	(6,603)
Medicare Supplement	53,111	43,975	(9,136)
Stewardship & Development	151,009	151,330	321
Treasurer's Office	317,854	295,483	(22,371)
National Church Apportionment	547,258	547,258	-
General Convention Dep. Expense	5,833	5,833	-
Province VIII	23,328	23,328	-
Ecumenical & Interfaith	22,000	21,492	(508)
Multi-Cultural Concerns	80,292	80,146	(146)
Missioners	84,262	75,371	(8,891)
Commission on Developing Congregations	<u>468,239</u>	<u>412,907</u>	<u>(55,332)</u>
	<u>4,562,357</u>	<u>4,357,520</u>	<u>204,837</u>
Excess of Revenue over Expenditures	<u>\$ -</u>	<u>\$ 75,320</u>	<u>\$ 75,320</u>

Diocese of Olympia—Operating Fund
Statement of Revenue and Expenditures Compared to Budget—Episcopal Church Basis
For the Year Ended December 31, 2003

	2003 Unaudited Budget	2003 Actual	Total Budget Over/(Under) Variance
REVENUE			
Assessments	\$ 3,416,101	\$ 3,084,198	\$ (331,903)
Investments (Unrestricted)	82,820	91,278	8,458
Investments (Restricted)	516,883	449,559	(67,324)
Bank Interest	45,000	9,160	(35,840)
Fees and Tuition	565,100	715,043	149,943
Miscellaneous and Transfers	<u>38,000</u>	<u>30,551</u>	<u>(7,449)</u>
Total Revenue	<u>4,663,904</u>	<u>4,379,789</u>	<u>(284,115)</u>
EXPENDITURES			
Office of the Bishop	362,194	391,327	29,133
Assistant Bishop	181,800	79,455	(102,345)
Communications	367,830	322,065	(45,765)
Governing Bodies	129,918	109,263	(20,655)
Diocesan House	290,795	228,229	(62,566)
Archives	55,243	55,072	(171)
St. Mark's Cathedral	102,500	102,500	-
St. Andrew's House	124,000	126,601	2,601
Huston Center	406,690	592,976	186,286
St. Bernard's Chapel	1,367	1,516	149
Evangelism	57,000	57,000	-
Evangelism Training	33,550	33,550	-
Ethnic Ministries	154,417	166,130	11,713
Congregation/Ministry Development	202,058	186,997	(15,061)
Ministry Development	4,005	(6,596)	(10,601)
Faith Development Program	153,733	141,840	(11,893)
Resource Center	121,351	107,471	(13,880)
Medicare Supplement	138,188	73,081	(65,107)
Stewardship & Development	165,304	163,093	(2,211)
Treasurer's Office	309,842	309,840	(2)
National Church Apportionment	553,802	553,802	-
General Convention Dep. Expense	11,333	11,333	-
Province VIII	10,000	10,000	-
Lambeth Conference	1,000	1,000	-
Ecumenical & Interfaith	22,400	22,206	(194)
Multi-Cultural Concerns	87,188	77,732	(9,456)
Missioners	88,180	74,514	(13,666)
Commission on Developing Congregations	<u>528,216</u>	<u>376,427</u>	<u>(151,789)</u>
	<u>4,663,904</u>	<u>4,368,424</u>	<u>295,480</u>
Excess of Revenue over Expenditures	<u>\$ -</u>	<u>\$ 11,365</u>	<u>\$ 11,365</u>

Diocese of Olympia—Operating Fund
Statements of Cash Flows—Episcopal Church Basis
For the Years Ended December 31, 2004 and 2003

	12/31/04	12/31/03
Cash flows from operating activities		
Change in net assets	\$ (55,098)	\$ (44,359)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	15,029	24,945
(Increase) decrease in assets:		
DIF receivable	(20,991)	(4,584)
Other receivables	20,979	(32,885)
Prepaid expenses	25,234	(27,580)

Increase (decrease) in liabilities:		
Accounts payable	2,119	16,955
Deposits	5,193	2,773
Grants payable	96,285	(236)
Payroll liabilities	(216)	9,913
Post retirement payable	-	-
IDA Payable	78,764	45,857
Other payables	<u>214,401</u>	<u>(41,099)</u>
Net cash provided (used) by operating activities	<u>381,699</u>	<u>(50,300)</u>
Cash flows from investing activities		
Assets disposed	-	-
Net cash provided (used) by investing activities	-	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Net increase in cash and cash equivalents	381,699	(50,300)
Cash and cash equivalents at beginning of year	<u>1,110,958</u>	<u>1,161,258</u>
Cash and cash equivalents at end of year	<u>\$ 1,492,657</u>	<u>\$ 1,110,958</u>

Notes to Financial Statements December 31, 2004

Note 1—General

The Diocese of Olympia is a diocese of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States of America. The amount paid in support of the National Church was \$547,258 in 2004. The Diocese includes all Episcopal churches in western Washington. An outline of the breadth of diocesan involvement in the community can be gleaned by reviewing the category titles in the attached budget. The Diocese's main source of support is assessments levied on its congregations. The assessments are a function of the congregation's revenue in the second prior year. The congregation revenues are related to the size and vitality of the congregation and the state of the economy generally in the region. Several congregations are not paying their assessments currently for various reasons. The rate of assessment shortfall more than doubled in 2003 over the historic rate and continued to remain high in 2004. The Diocese also runs a large refugee resettlement, assistance and work-training program, which are primarily funded by federal grants. The Diocese regularly has cash in excess of federally insured limits with its bank. This and the assessments discussed above represent concentrations of credit risk.

Note 2—Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with principles authorized by the General Convention of the Episcopal Church in the January 1, 2000 revision of the Manual of Business Methods in Church Affairs. The basic financial statements for Episcopal accounting purposes consist of the balance sheet, statement of revenue and expenditures and the statement of changes in net assets. A statement comparing budget to actual is required for budgeted funds. The Episcopal Church adopted FASB 117 January 1, 2002. Consequently, net assets are shown as unrestricted, temporarily restricted or permanently restricted. Except as explained below, Episcopal Church accounting principles follow generally accepted accounting principles. Included in unrestricted net assets are \$296,681 in board designated amounts. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if restrictions are met in the reporting period in which the income and gains are recognized. The Operating Fund receives and reports most of the income earned by the Trust's (Note 4) permanently restricted net assets. The principles direct the use of the modified accrual basis of accounting. Property and equipment purchased after January 1, 1995 are capitalized at cost. Depreciation is optional under Episcopal Church accounting principles and the Diocese has elected to depreciate only its equipment and not its real property. Starting in 2001 the Diocese capitalized only equipment costing in excess of \$5,000. Equipment is depreciated on the straight-line basis over its estimated useful life.

	<u>12/31/04</u>	<u>12/31/03</u>
Equipment capitalized	\$ 346,293	\$ 346,293
Accumulated Depreciation	<u>(298,814)</u>	<u>(283,786)</u>
Equipment Net of Depreciation	\$ 47,479	\$ 62,507

It is the policy of the Diocese to pay five percent of accumulated sick leave up to \$500 to any employee leaving the employment of the Diocese, except those terminated for cause. At December 31, 2004 this liability was increased to \$66,822. A liability has been recorded for retiree post-employment benefits as explained in Note 6. The Diocese is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code by a 1943 group ruling by the Internal Revenue Service. The diocesan Student Memorial Fund is considered to be independent entity and is not included in these financial statements. Fund raising expenditures by the stewardship and planned giving office are budgeted under the caption "Stewardship & Development." Assessments receivable are not recorded for the year-end. Assessment revenue is recognized on cash basis, because the Diocesan Council regularly grants assessment relief for prior years. The Diocese practices encumbrance accounting for budget items that are non-recurring. If a budgeted amount for such a nonrecurring item is unspent at year-end, the budgeted balance will be moved to accounts payable or a suspense account if the Council approves. The Diocese has active refugee and employment programs supported predominantly by contracts with the state and federal governments. Most of the programs are on an achievement or reimbursable expense basis. Other receivables consist primarily of amounts billed but not yet collected on these contracts. The refugee/employment program expenditures were in excess of \$1.2 million and are not part of the Diocese's Operating Budget. The IDA payable is restricted cash for one of the Diocesan grant programs. The preparation of financial statements in conformity with Episcopal Church accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The investment income received from the James F. Hodges Diocesan Investment Fund is net of expenses, which are about 3% of gross investment income of the fund.

Note 3—Fund Groups

In prior years, the Diocese of Olympia has divided the Operating Fund into four fund groups: Unrestricted, Restricted, Designated and Grant. With the adoption of FASB 117 presentation as of January 1, 2002, these fund groups remain embedded in the accounting system and are still used to produce management reports.

Note 4—Related Organization

The Diocese of Olympia—Operating Fund contains the operating budget, restricted income, designated and grant funds of the Diocese of Olympia. The fund groupings known as Trust Funds, Building Loan and Real Estate Fund, Mission Development, and the James F. Hodges Diocesan Investment Fund (DIF) are reported separately. These funds are part of the Diocese of Olympia, Inc., a separate incorporated entity. The Endowment and Other Income reported on the Statement of Support and Revenue and Expenditures in part reflects income from assets held by the Trust Fund. The Real Estate Fund owns the diocesan properties that constitute the offices, camp and conference center included in the budget of the diocese. In 2004 the DIF paid the Operating Fund \$5,000 for accounting services. The Diocese of Olympia, Inc. is not allocated any of the common expenses incurred and paid from the operating budget. Transfers on the statement of support include amounts transferred to funds from the Diocese of Olympia, Inc.

Note 5—Trust Funds

The Diocese of Olympia Operating Fund is the beneficiary of several trust funds held by the related entity discussed in Note 4. Income from this source is captioned DIF income. The Diocese was a beneficiary of a trust held by Wells Fargo Bank. In 2001, the Sophia Henry Trust was transferred to the James F. Hodges Diocesan Investment Fund.

Note 6—Pensions/Post Retirement Benefits

The clergy are covered under a plan administered by the Church Pension Fund. All full and part time clergy employed by the Diocese must have 18 percent of their compensation, including housing allowance if applicable, paid to the Church Pension Fund. Lay employees are covered under IRC Section 403(b), Annuity Retirement Plan. Employees are eligible to participate after two consecutive 1,000-hour service years. Employees are 100% vested after five (5) years. The diocesan contribution is set at five (5) percent of prior year's salary plus up to an additional 4 percent match of voluntary employee contributions. Contributions were made as follows:

	<u>2004</u>	<u>2003</u>
Clergy	\$ 92,045	\$ 58,708
Lay employees	<u>99,491</u>	<u>77,412</u>
Total Pension Contributions	\$ 191,536	\$ 136,120

Neither plan guarantees any specific benefit, so no unfunded liabilities exist. Because it is a church, the Diocese is not subject to ERISA requirements. The prior policy of the Diocese was to pay for medigap health insurance coverage for retired clergy and lay employees and their spouses who are over the age of 65, who meet eligibility requirements of 5 years full time employment immediately prior to retirement at age 59 1/2 or over. All employees hired prior to January 1, 2001 are now covered under a fixed dollar per year limitation. Employees hired after January 1, 2001 have no promise of coverage. In 2004 this expense was \$43,975. In 2003 the Church Pension Fund began providing medigap health insurance for retired clergy. This will reduce the diocese's future obligations. The Diocese adopted SFAS No. 106 as of December 31, 1999. After the plan revisions discussed above and the Church Pension Fund's assumption of the retired clergy medigap insurance, the Diocese had a revised actuarial valuation prepared as of December 31, 2002 resulting in only a \$505,000 liability.

Note 7—Contingent Liabilities

No liabilities that relate to mission congregations of the Diocese are reflected. The Diocese could be held to be a responsible party until a mission becomes a parish. The Diocese of Olympia, Inc. (Note 4) is a guarantor/principal of various loans made to diocesan parishes and missions and its financial statements should be reviewed for remote contingencies. The Diocese is an agent for various health insurance companies in Washington and collects and remits premiums for institutions of the Diocese.

Independent Auditor's Report, Diocese of Olympia, Inc., Trust Accounts, Seattle, WA 98102

We have audited the accompanying statements of financial position—Episcopal Church basis for the Diocese of Olympia, Inc.—Trust Accounts at December 31, 2004 and 2003, and the related statements of activities and cash flows—Episcopal Church basis, for the years then ended. These financial statements are the responsibility of diocesan management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established by the AICPA's Auditing Standards Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, the financial statements are being presented in accordance with accounting principles authorized by the General Convention of the Episcopal Church which is a comprehensive basis of accounting other than GAAP and are only for the Trust Accounts referred to above and do not include the assets, liabilities and fund balances and the support, revenue, and expenses of the Diocese of Olympia, Inc. that are recorded in its Building Loan, Real Estate, and Mission Development Funds, and the James F. Hodges Diocesan Investment Fund. Accordingly, the accompanying financial statements are not intended to present the financial position of the Diocese of Olympia, Inc. as of December 31, 2004 and 2003, or its results of operations for the years then ended in conformity with generally accepted accounting principles.

As explained in Note 2 to the financial statements, the diocese does not keep track of the basis of investment assets so it can separate realized and unrealized gains and losses or disclose unrealized appreciation. It was impractical to determine the basis for these required financial statement elements.

In our opinion, except for the lack of certain basis information, the financial statements referred to above present fairly, in all material respects, the statement of financial position of the Diocese of Olympia, Inc.—Trust Accounts at December 31, 2004 and 2003 and the statements of activities, cash flows and net assets, for the years then ended, in accordance with the principles authorized by the General Convention of the Episcopal Church.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of liabilities and fund balances are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Beall, Raines & Gillespie, PLLC
Seattle, Washington, May 6, 2005

Diocese of Olympia, Inc.—Trust Accounts
Statements of Financial Position—Episcopal Church Basis
December 31, 2004 and 2003

	2004	2003
ASSETS		
CURRENT ASSETS		
Cash:		
Demand deposits	\$ -	\$ 146,403
Savings accounts	-	849,382
Total Cash	-	995,784
DIF principal/income receivable	1,900,431	318,417
Securities and investments	<u>22,318,153</u>	<u>21,343,032</u>
Total Current Assets	<u>24,218,584</u>	<u>22,657,234</u>
NON-CURRENT ASSETS:		
Related party loans receivable (Note 6)	1,419,652	1,454,429
Irrevocable split-interest gifts	34,552	33,156
Campaign gifts – deferred	49,686	49,686
Total Non-Current Assets	<u>1,503,890</u>	<u>1,537,271</u>
Total Assets	<u>\$ 25,722,474</u>	<u>\$ 24,194,505</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Payable to DIF/DIF accrued income	1,482	692,258
Bank overdrafts	503,469	-
Cash trusts for congregations	753,576	86,122
Securities & investments in trust for congregations and other institutions	<u>3,040,408</u>	<u>2,945,006</u>
Total Liabilities	<u>4,298,935</u>	<u>3,723,386</u>
NET ASSETS:		
Unrestricted net assets	4,347,260	4,261,956
Temporarily restricted net assets	1,313,706	1,198,984
Permanently restricted net assets	<u>15,762,573</u>	<u>15,010,179</u>
Total Net Assets	<u>21,423,539</u>	<u>20,471,119</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 25,722,474</u>	<u>\$ 24,194,505</u>

Diocese of Olympia, Inc.—Trust Accounts
Statement of Activities—Episcopal Church Basis
For the Year Ended December 31, 2004

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Contributions	\$ 284	\$ 127,869	\$ 12,601	\$ 140,754
Other Investment Income	41,589	86,828	86,098	214,514
Realized and unrealized net gain (loss) on investments	161,894	2,875	872,127	1,036,895
Net assets released from restrictions				
Satisfaction of program restrictions	<u>201,177</u>	<u>(147,228)</u>	<u>(53,949)</u>	-
Total Support and Revenue	<u>404,943</u>	<u>70,344</u>	<u>916,877</u>	<u>1,392,164</u>
EXPENSES AND DISBURSEMENTS:				
Corporate/Canonically required	-	-	-	-

Ministry	343,777	-	-	343,777
Trustee obligations	-	-	-	-
Total Expenses & Disbursements	<u>343,777</u>	-	-	<u>343,777</u>
Excess (deficiency) of support and revenue over expenses and disbursements	61,167	70,344	916,877	1,048,387
Net Assets at December 31, 2003	<u>4,261,956</u>	<u>1,198,984</u>	<u>15,010,179</u>	<u>20,471,119</u>
Funds available	4,323,122	1,269,328	15,927,056	21,519,506
Transfers (to) from other funds	<u>24,138</u>	<u>44,378</u>	<u>(164,483)</u>	<u>(95,967)</u>
Net Assets at December 31, 2004	<u>\$ 4,347,260</u>	<u>\$ 1,313,706</u>	<u>\$ 15,762,573</u>	<u>\$ 21,423,539</u>

**Diocese of Olympia, Inc.—Trust Accounts
Statement of Activities—Episcopal Church Basis
For the Year Ended December 31, 2003**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Contributions	\$ -	\$ 113,437	\$ 321,181	\$ 434,619
Other Investment Income	34,456	85,204	72,982	192,641
Realized and unrealized net gain (loss) on investments	396,119	6,688	2,165,177	2,567,984
Net assets released from restrictions				
Satisfaction of program restrictions	<u>329,161</u>	<u>(261,324)</u>	<u>(67,837)</u>	-
Total Support and Revenue	<u>759,736</u>	<u>(55,995)</u>	<u>2,491,503</u>	<u>3,195,244</u>
EXPENSES AND DISBURSEMENTS:				
Corporate/Canonically required	-	-	-	-
Ministry	252,813	-	-	252,813
Trustee obligations	-	-	-	-
Total Expenses & Disbursements	<u>252,813</u>	-	-	<u>252,813</u>
Excess (deficiency) of support and revenue over expenses and disbursements	506,923	(55,995)	2,491,503	2,942,431
Net Assets at December 31, 2002	<u>3,688,780</u>	<u>1,255,150</u>	<u>12,907,737</u>	<u>17,851,667</u>
Funds available	4,195,703	1,199,155	15,399,240	20,794,098
Transfers (to) from other funds	<u>66,253</u>	<u>(171)</u>	<u>(389,061)</u>	<u>(322,979)</u>
Net Assets at December 31, 2003	<u>\$ 4,261,956</u>	<u>\$ 1,198,984</u>	<u>\$ 15,010,179</u>	<u>\$ 20,471,119</u>

**Diocese of Olympia, Inc.—Trust Accounts
Statement of Cash Flows—Episcopal Church Basis
For the Year Ended December 31, 2004**

Cash flows from operating activities	
Excess of support and revenue over expenses and disbursements	\$ 1,048,387
Adjustments to reconcile excess of support and revenue to net cash provided by operating activities	
Decrease in DIF principal/income receivable	(1,582,014)
Net realized and unrealized losses on investments	(1,038,290)
Net decrease in cash trusts held for congregations	667,454
Transfers from other funds	<u>(95,967)</u>
Net cash (used) by operating activities	<u>(1,000,430)</u>
Cash flows from investing activities	
DIF principal/income in transit	(690,776)
Proceeds from sale of investments	345,440
Purchase of investments	(283,666)
Principal payments on loans	34,777
Decrease in investments held for congregations	<u>95,402</u>
Net cash provided (used) by investing activities	<u>(498,823)</u>
Cash flows from financing activities	
Net cash provided by financing activities	-
Net (decrease) in cash and cash equivalents	(1,499,253)
Cash and cash equivalents at beginning of year	995,784
Cash and cash equivalents at end of year	<u>\$ (503,469)</u>

Diocese of Olympia, Inc.—Trust Accounts
Statement of Cash Flows—Episcopal Church Basis
For the Year Ended December 31, 2003

Cash flows from operating activities	
Excess of support and revenue over expenses and disbursements	\$ 2,942,431
Adjustments to reconcile excess of support and revenue to net cash provided by operating activities	
Depreciation	251
Decrease in DIF principal/income receivable	(138,478)
Net realized and unrealized losses on investments	(2,567,984)
Net decrease in cash trusts held for congregations	69,009
Transfers from other funds	<u>(322,979)</u>
Net cash (used) by operating activities	<u>(17,750)</u>
Cash flows from investing activities	
DIF principal/income in transit	74,933
Proceeds from sale of investments	167,744
Purchase of investments	(748,109)
New loans made	(173,272)
Principal payments on loans	327,437
Decrease in investments held for congregations	<u>320,877</u>
Net cash provided (used) by investing activities	<u>(30,390)</u>
Cash flows from financing activities	
Net cash provided by financing activities	-
Net (decrease) in cash and cash equivalents	(48,140)
Cash and cash equivalents at beginning of year	<u>1,043,924</u>
Cash and cash equivalents at end of year	<u>\$ 995,784</u>

Diocese of Olympia, Inc.—Trust Accounts
Schedule of Liabilities to Congregations and Other Institutions
Schedule of Net Assets
December 31, 2004

Schedule of Liabilities	
Cash trusts for Congregations:	
Charles G. McDonald Scholarship Fund	\$ 6,104
Bond Trustee accounts	<u>747,473</u>
Total Cash Trusts for Congregations	<u>753,576</u>
Securities & investments in trust for congregations and other institutions:	
Annie Wright School	320,036
Bainbridge, St. Barnabas' – Hodges Endowment	784,223
Charles G. McDonald Scholarship Fund	15,922
Kent, St. James – Arney Memorial	49,411
Kent, St. James – Endowment	39,122
Lord Scholarship Fund	20,450
Seattle, St. Mark's – Hodges Endowment	1,114,980
Seaview, St. Peter's – Johnson Bequest	535,597
St. Paul's, Palm Desert, CA – Hodges Endowment	146,482
Tod Prichard, Allyn	<u>14,184</u>
Total Securities for Congregations and Institutions	<u>3,040,408</u>
TOTAL LIABILITIES TO CONGREGATIONS AND OTHER INSTITUTIONS	<u>\$ 3,793,984</u>

Schedule of Net Assets

Cash Trusts for Diocese:	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Campaign—unrestricted	\$ -	\$ 1,111,915	\$ -	\$ 1,111,915
Diocesan School of Theology	-	17,108	-	17,108
Episcopal Charities Appeal	-	51,839	-	51,839
Episcopal Residence Loan	173,272	-	-	173,272
Hodges Income Account	-	43,641	-	43,641
Huston Discretionary Account, Horn Trust	-	8,071	-	8,071

Planned Giving Gifts	-	10,370	-	10,370
Ruth & Jacques Hayes Memorial Trust	-	6,088	-	6,088
Salary/Sick Leave Contractual Obligation	2,657	-	-	2,657
Snoqualmie, St. Bernard's chapel	-	<u>2,134</u>	-	<u>2,134</u>
Total Cash Trusts for Diocese	<u>\$ 175,929</u>	<u>\$ 1,251,167</u>	<u>\$ -</u>	<u>\$ 1,427,095</u>
Securities and investments in trust for Diocese:				
Bishop Curtis Camp Scholarship	-	-	72,316	72,316
Bishop Suffragan Endowment	-	-	10,754	10,754
Canon Jessett Memorial	-	-	14,058	14,058
Centennial Project	1,531	-	-	1,531
Chinese Ministry Reserve	88,692	-	-	88,692
Christenson Bequest	-	-	278,479	278,479
Clapp Trust	-	-	1,040,328	1,040,328
Clergy Emergency Fund	-	-	433,943	433,943
College Work Endowment	-	-	324,057	324,057
David Devik Memorial	-	-	10,137	10,137
Dean Search Reserve	14,476	-	-	14,476
Diocesan Working Capital Trust Fund	-	-	410,331	410,331
Episcopal Charities Appeal	-	24,125	-	24,125
Episcopal House Fund	698,041	-	-	698,041
Episcopal Search Reserve	229,571	-	-	229,571
Episcopate Endowment Fund #1	-	-	4,579,264	4,579,264
Episcopate Endowment Fund #2	2,522,604	-	-	2,522,604
Grace L. Philips Memorial Fund	608,614	-	-	608,614
Hansen Fund	-	-	2,946	2,946
Hayes Trust (Held by Wells Fargo Bank)	-	-	34,552	34,552
Hodges Endowment for Diocese	-	-	2,125,097	2,125,097
Horn Memorial for Camp Huston	-	-	1,467,226	1,467,226
Human Need Endowment	-	-	222,645	222,645
James McConnell Scholarship Fund	-	-	16,821	16,821
Jean Young Memorial	-	11,708	-	11,708
Mission Ministry Endowment	-	-	843,333	843,333
Paul M. Wilson Trust	-	-	258,738	258,738
Paul M. Wilson Trust-Earnings	-	-	86,041	86,041
Pruden Fund	-	-	22,562	22,562
Refugee Program Reserves	-	26,706	-	26,706
S. Eston Collins Memorial Scholarship	-	-	8,920	8,920
Sophie Henry Trust	-	-	2,592,470	2,592,470
St. Bernard's Chapel Fund: Moffett	-	-	33,742	33,742
Thanksgiving & Memorial Fund	7,802	-	-	7,802
Theological Education Fund	-	-	873,813	873,813
Total Securities and Investments for Diocese	<u>4,171,331</u>	<u>62,539</u>	<u>15,762,573</u>	<u>19,996,444</u>
Total Net Assets	<u>\$ 4,347,260</u>	<u>\$ 1,313,706</u>	<u>\$ 15,762,573</u>	<u>\$ 21,423,539</u>

Diocese of Olympia, Inc.—Trust Accounts
Schedule of Liabilities to Congregations and Other Institutions
Schedule of Net Assets
December 31, 2003

Schedule of Liabilities

Cash trusts for Congregations:

Charles G. McDonald Scholarship Fund	\$ 5,551
Bond Trustee accounts	<u>80,571</u>
Total Cash Trusts for Congregations	<u>86,122</u>

Securities & investments in trust for congregations and other institutions:

Annie Wright School	305,156
Bainbridge, St. Barnabas' – Hodges Endowment	747,761
Charles G. McDonald Scholarship Fund	15,182
Kent, St. James – Arney Memorial	47,114
Kent, St. James – Endowment	37,303

Lord Scholarship Fund	18,869
Seattle, St. Mark's – Hodges Endowment	1,063,139
Seaview, St. Peter's – Johnson Bequest	556,455
St. Paul's, Palm Desert, CA – Hodges Endowment	139,672
Tod Prichard, Allyn	14,355
Total Securities for Congregations and Institutions	<u>2,945,006</u>
TOTAL LIABILITIES TO CONGREGATIONS AND OTHER INSTITUTIONS	<u>3,031,128</u>

Schedule of Net Assets

Cash Trusts for Diocese:	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Campaign—unrestricted	\$ -	\$ 1,111,915	\$ -	\$ 1,111,915
Diocesan School of Theology	-	17,108	-	17,108
Episcopal Charities Appeal	-	28,708	-	28,708
Episcopal Residence Loan	173,272	-	-	173,272
Hodges Income Account	-	(38,894)	-	(38,894)
Huston Discretionary Account, Horn Trust	-	5,083	-	5,083
Planned Giving Gifts	-	10,253	-	10,253
Ruth & Jacques Hayes Memorial Trust	-	9,064	-	9,064
Salary/Sick Leave Contractual Obligation	3,126	-	-	3,126
Snoqualmie, St. Bernard's chapel	-	2,134	-	2,134
St. Andrew's House Endowment Cash Trust	-	(759)	-	(759)
Total Cash Trusts for Diocese of Olympia	<u>\$ 176,398</u>	<u>\$ 1,144,611</u>	<u>\$ -</u>	<u>\$ 1,321,009</u>
Securities and investments in trust for Diocese:				
Bishop Curtis Camp Scholarship	-	-	68,954	68,954
Canon Jessett Memorial	-	-	13,404	13,404
Centennial Project	1,021	-	-	1,021
Chinese Ministry Reserve	120,337	-	-	120,337
Christenson Bequest	-	-	265,532	265,532
Clapp Trust	-	-	991,959	991,959
Clergy Emergency Fund	-	-	413,767	413,767
College Work Endowment	-	-	308,990	308,990
David Devik Memorial	-	-	9,666	9,666
Dean Search Reserve	10,891	-	-	10,891
Diocesan Working Capital Trust Fund	-	-	392,392	392,392
Episcopal Charities Appeal	-	22,195	-	22,195
Episcopal House Fund	691,568	-	-	691,568
Episcopal Search Reserve	236,022	-	-	236,022
Episcopate Endowment Fund #1	-	-	4,366,352	4,366,352
Episcopate Endowment Fund #2	2,428,563	-	-	2,428,563
Grace L. Phillips Memorial Fund	589,715	-	-	589,715
Hansen Fund	-	-	2,711	2,711
Hayes Trust (Held by Wells Fargo Bank)	-	-	33,156	33,156
Hodges Endowment for Diocese	-	-	2,026,291	2,026,291
Horn Memorial for Camp Huston	-	-	1,399,008	1,399,008
Human Need Endowment	-	-	212,015	212,015
James McConnell Scholarship Fund	-	-	15,474	15,474
Jean Young Memorial	-	7,793	-	7,793
Mission Ministry Endowment	-	-	803,362	803,362
Paul M. Wilson Trust	-	-	320,181	320,181
Pruden Fund	-	-	21,513	21,513
Refugee Program Reserves	-	24,385	-	24,385
S. Eston Collins Memorial Scholarship	-	-	8,160	8,160
Sophie Henry Trust	-	-	2,471,934	2,471,934
St. Bernard's Chapel Fund: Moffett	-	-	32,173	32,173
Thanksgiving & Memorial Fund	7,440	-	-	7,440
Theological Education Fund	-	-	833,185	833,185
Total Securities and Investments for Diocese	<u>4,085,558</u>	<u>54,373</u>	<u>15,010,179</u>	<u>19,150,110</u>
Total Net Assets	<u>\$ 4,261,956</u>	<u>\$ 1,198,984</u>	<u>\$ 15,010,179</u>	<u>\$ 20,471,119</u>

Notes to Financial Statements
December 31, 2004 and 2003

Note 1—General

The Diocese of Olympia includes all Episcopal congregations and other institutions in Western Washington. It is a diocese of the Protestant Episcopal Church in the United States. The Trust Accounts hold the endowment funds for the Diocese of Olympia, Inc. and other institutions of the Diocese for which the Diocese has been named trustee. The funds are predominantly invested in the James F. Hodges Diocesan Investment Fund (DIF). The Trust is also the conduit for expenses and capital transactions by the DIF. The Trust regularly invests cash in excess of day-to-day needs in U.S. Government backed securities through Bank of America. These investments represent a credit risk.

Note 2—Accounting

These financial statements have been prepared in accordance with principles authorized by the General Convention of the Episcopal Church in the "Manual of Business Methods in Church Affairs," January 1, 2000 revision. The basic financial statements for Episcopal accounting purposes consist of the statement of financial position, statement of activities and the statement of changes in net assets. A statement comparing budget to actual is required for budgeted funds (none in Trust Accounts). The principles follow generally accepted accounting principles except as explained below. The accounting principles of the Episcopal Church prior to January 1, 1995 required expensing of furniture, fixtures, and equipment. Depreciation is optional under Episcopal Church accounting principles. The equipment owned by the Trust is being depreciated straight-line over five years. The Episcopal Church adopted Financial Accounting Standards Board (FASB) statement 117 effective January 1, 2000. The diocese does not record donated services. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if restrictions are met in the reporting period in which the income and gains are recognized. The Operating Fund (Note 4) receives and reports most of the income earned by the Trust's permanently restricted net assets. Investments are stated at fair value, but the Diocese does not track basis in a manner that allows it to separate realized and unrealized gains and losses as so they may be presented separately in the statement of activities and cash flows or present all disclosures required by FASB 124. Transfers do not add to zero because of transfers to other fund groups (Note 3) and the related entity (Note 4).

Note 3—Component Organization

The preparation of financial statements in conformity with Episcopal Church accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The Diocese of Olympia, Inc.—Trust Accounts contains designated and restricted funds (as noted) of the Diocese of Olympia, Inc., and funds that have been given to the Diocese as a trustee for congregations. The fund groupings known as Building Loan, Real Estate, and Mission Development Funds, and the James F. Hodges Diocesan Investment Fund are reported separately. The Hodges Investment Fund uses the trust checking account to pay its quarterly dividends and handle redemptions and investments, but only the amounts attributable to trusts held by the Diocese are reflected in the financial statements. The Trust Accounts are not allocated any of the common expenses incurred and paid from the Diocese of Olympia—Operating Fund (an unincorporated related entity).

Note 4—Related Entity

The Diocese of Olympia (an unincorporated entity) contains the operating fund and special purpose funds of the Diocese. Employees of this related entity maintain the books and records of the Trust Accounts at no charge to this fund.

Note 5—Capital Campaign

The Diocese began a multi-year capital campaign in 1995. Members of the Diocese were asked to contribute funds to start new congregations, buy future church sites, renovate St. Andrew's House, build a new pool and bathhouse at Camp Huston, create an endowment for outreach activities, and fund campaign expenses. The campaign has been completed and all pledged but uncollected amounts were written off at December 31, 2000. The deferred capital campaign gift represents the present value of a \$100,000 second-to-die life insurance policy. It was not increased in value in 2004 as the premium was paid by policy loan.

Note 6—Related Party Transactions

The Diocese of Olympia, Inc. has loaned funds to the current bishop, parishes and missions within the Diocese and made interfund loans as well.

Loan to	Comment/Payment/Maturity	Interest Rate	Amount
Bishop	Secured by residence, \$333/mo, interest only for a mini of 5 years Subordinate to primary mortgage	3%	\$ 173,272
Hodges Fund	Diocesan house roof loan, \$4,480.50/quarter from Hodges Income paid to Philips Fund	5%	75,400
Cathlamet	No maturity date set	0%	150,000
St. Columba, Des Moines	Land at St. Columba's, no maturity date set	0%	318,847
Hodges Fund	Repaid \$10,000/quarter; paid to Philips Fund	0%	108,750
Battle Ground	First five years interest free; 15 year amortization at BLF mission rate; due 2017	0%	69,000
Good Shepherd, Vancouver	BLF mission variable rate	3.5%	49,383
St. Hilda/St. Patrick	Interest free until 2007, then 15 year amortization at BLF mission rate	0%	<u>475,000</u>
			<u>\$ 1,419,652</u>

Note 7—Securities and investments

Securities and investments are stated at fair value. The majority of Trust investments are in the diocesan managed James F. Hodges Diocesan Investment Fund. Fund activity for 2004 is as follows:

Fair Market Value December 31, 2003	\$ 21,343,032
Reinvestment of Dividends	123,340
Purchases	160,326

Redemptions	(345,440)
Total	21,281,258
Fair Market Value December 31, 2004	(22,318,153)
Increase in Market Value 2004	<u>\$ 1,036,895</u>

The Diocesan Investment Fund is a mutual type fund, open exclusively to the Diocese and its institutions. The fund has balanced growth and income as its investment objective. At December 31, 2004 the fund was approximately 30% cash and U.S. government bonds and 70% stocks listed on major exchanges. The Diocese has recorded an irrevocable split-interest agreement that is held by a bank. The Diocese is an income-only beneficiary of this trust. The Diocese records the fair market value of the portfolio as its estimate of the present value of the future cash flows to be received.

Note 8—Excess Appreciation

In 1996, the Diocese adopted a policy to address the use of appreciation of capital gains when the governing trust instrument is silent. 95% of any appreciation in the James F. Hodges Diocesan Investment Fund in excess of the U.S. City Average Urban Consumers Price Index may be withdrawn. This determination will be made annually as of December 31st. The start date for determining value was set as December 31, 1985 or fund setup date if later. This date may be pushed back by the beneficiary, but the burden of proof to establish any pre-1985 excess appreciation will fall on the beneficiary.

	FMV Investment James F. Hodges Diocesan Investment Fund 12/31/04	Excess Appreciation as defined above
Investments held for congregations	\$ 3,040,408	\$ 1,359,142
Permanently Restricted Diocesan Trust Funds	<u>15,728,022</u>	<u>6,738,290</u>
	<u>\$ 18,768,430</u>	<u>\$ 8,097,432</u>

Independent Auditor's Report, Diocese of Olympia, Inc., Building Loan Fund, Mission Development Fund and Real Estate Fund, Seattle, WA 98102

We have audited the accompanying statements of financial position—Episcopal Church basis of the Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund as of December 31, 2004, and 2003, and the related statements of activities—Episcopal Church basis, and statements of cash flows—Episcopal Church basis for the years then ended. These financial statements are the responsibility of the diocesan management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as established by the AICPA's Auditing Standards Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 4, the financial statements are being presented in accordance with principles authorized by the General Convention of the Episcopal Church which is a comprehensive basis of accounting other than generally accepted accounting principles and are only for the Building Loan Fund, Mission Development Fund and Real Estate Fund referred to above and do not include the assets, liabilities and fund balances and the support, revenue, and expenses of the Diocese of Olympia, Inc. that are recorded in its Trust Accounts, and the James F. Hodges Diocesan Investment Fund. Accordingly, the accompanying financial statements are not intended to present the financial position of the Diocese of Olympia, Inc. as of December 31, 2004, or its results of operations for the years then ended in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly in all material respects, the statement of financial position of Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund as of December 31, 2004, and 2003, and the statements of activities and statement of cash flows for the years then ended, in accordance with the principles authorized by the General Convention of the Episcopal Church.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of loans receivable is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Beail, Raines & Gillespie, PLLC, Seattle, Washington, May 23, 2005

**Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund
Statements of Financial Position—Episcopal Church Basis
December 31, 2004 and 2003**

	12/31/2004	12/31/2003	Increase (Decrease)
ASSETS:			
Cash			
Checking	\$ 23,341	\$ 96,919	\$ (73,578)
Cash management & savings	<u>209,669</u>	<u>263,013</u>	<u>(53,344)</u>
Total Cash	<u>233,010</u>	<u>359,932</u>	<u>(126,922)</u>
Receivables:			
Advances on sites for missions	-	-	-
Loans receivable	735,273	473,846	261,427

Interest receivable	61,397	32,848	28,549
Total Receivables	<u>796,670</u>	<u>506,694</u>	<u>289,976</u>
PROPERTY:			
Real Estate	22,202,476	21,927,970	274,506
Total Property	<u>22,202,476</u>	<u>21,927,970</u>	<u>274,506</u>
TOTAL ASSETS	<u>\$ 23,232,156</u>	<u>\$ 22,794,596</u>	<u>\$ 437,560</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Deposits by parishes and missions	\$ -	\$ 17,386	\$ (17,386)
Interfund loans	1,246,379	1,281,157	(34,778)
Loans—private parties	<u>889,219</u>	<u>657,695</u>	<u>231,524</u>
Total Liabilities	<u>2,135,598</u>	<u>1,956,238</u>	<u>179,360</u>
NET ASSETS:			
Unrestricted net assets	15,658,472	15,476,343	182,129
Temporarily restricted net assets	-	-	-
Permanently restricted net assets	<u>5,438,086</u>	<u>5,362,015</u>	<u>76,071</u>
Total net assets	<u>21,096,558</u>	<u>20,838,358</u>	<u>258,200</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 23,232,156</u>	<u>\$ 22,794,596</u>	<u>\$ 437,560</u>

Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund
Statement of Activities—Episcopal Church Basis
For the Year ended December 31, 2004

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Interest (building loans)	\$ -	\$ -	\$ 72,760	\$ 72,760
Interest (Bolling loans)	-	-	4,842	4,842
Bank Interest	-	-	<u>1,734</u>	<u>1,734</u>
Total Support & Revenue	-	-	<u>79,336</u>	<u>79,336</u>
EXPENSES & DISBURSEMENTS:				
Corporate/Canonically required	-	-	3,250	3,250
Ministry	-	-	<u>15</u>	<u>15</u>
Total Expenses & Disbursements	-	-	<u>3,265</u>	<u>3,265</u>
Excess (deficiency) of support and revenue over expenses & disbursements	-	-	76,071	76,071
Net Assets at December 31, 2003	<u>15,476,343</u>	-	<u>5,362,015</u>	<u>20,838,358</u>
Funds available	15,476,343	-	5,438,086	20,914,429
Missions that became parishes	-	-	-	-
Purchases and new construction	361,489	-	-	361,489
Payments on interfund/outside loans	<u>(179,360)</u>	-	-	<u>(179,360)</u>
Net Assets at December 31, 2004	15,658,472	-	5,438,086	21,096,558
Interfund Adjustments	-	-	-	-
Net Assets After Interfund Adjustments at December 31, 2004	<u>\$ 15,658,472</u>	<u>\$ -</u>	<u>\$ 5,438,086</u>	<u>\$ 21,096,558</u>

Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund
Statement of Activities—Episcopal Church Basis
For the Year ended December 31, 2003

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Interest (other loans)	\$ -	\$ -	\$ 135	\$ 135
Interest (building loans)	-	-	61,241	61,241
Interest (Bolling loans)	-	-	5,790	5,790
Bank Interest	-	-	<u>4,846</u>	<u>4,846</u>
Total Support & Revenue	-	-	<u>72,012</u>	<u>72,012</u>
EXPENSES & DISBURSEMENTS:				
Corporate/Canonically required	-	-	3,200	3,200
Ministry	-	-	<u>41</u>	<u>41</u>

Total Expenses & Disbursements	=	=	<u>3,241</u>	<u>3,241</u>
Excess (deficiency) of support and revenue over expenses & disbursements	-	-	68,771	68,771
Net Assets at December 31, 2002	<u>19,610,758</u>	=	<u>5,293,244</u>	<u>24,904,002</u>
Funds available	19,610,758	-	5,362,015	24,972,773
Missions that became parishes	-	-	-	-
Purchases and new construction	2,468,034	-	-	2,468,034
Transfers	=	=	=	=
Net Assets at December 31, 2003	<u>22,078,792</u>	=	<u>5,362,015</u>	<u>27,440,807</u>
Interfund Adjustments	<u>(6,602,449)</u>	=	=	<u>(6,602,449)</u>
Net Assets After Interfund Adjustments At December 31, 2003	<u>\$ 15,476,343</u>	<u>\$ -</u>	<u>\$ 5,362,015</u>	<u>\$ 20,838,358</u>

Diocese of Olympia, Inc.—Building Loan Fund, Mission Development Fund and Real Estate Fund
Statements of Cash Flows—Episcopal Church Basis
For the Years Ended December 31, 2004 and 2003

	12/31/2004	12/31/2003
Cash flows from operating activities:		
Excess of revenue over expenditures	\$ 76,071	\$ 68,771
Adjustments to reconcile change in net assets to net cash provided by operating activities		
(Increase) decrease in advances on sites for missions	1,619	1,635
(Increase) decrease in interest receivable	(28,549)	(25,993)
Increase (decrease) in mission deposits	<u>(17,386)</u>	<u>(70,646)</u>
Net cash provided by operating activities	<u>31,755</u>	<u>(26,233)</u>
Cash flows from investing activities:		
Note collections/construction receipts	478,038	1,804,191
Loans made/construction advances	(636,715)	(2,279,450)
Real estate purchased	-	-
Basis of real estate sold	-	-
Transfers to other funds	-	-
Net cash used by investing activities	<u>(158,677)</u>	<u>(475,259)</u>
Cash flows from financing activities:		
Interfund loans	-	-
Loans-private parties	-	<u>(150,506)</u>
Net cash provided by financing activities	-	<u>(150,506)</u>
Net decrease in cash and cash equivalents	(126,922)	(651,998)
Cash and cash equivalents at beginning of year	<u>359,932</u>	<u>1,011,930</u>
Cash and cash equivalents at end of year	<u>\$ 233,010</u>	<u>\$ 359,932</u>

Diocese of Olympia, Inc.—Building Loan Fund
Schedule of Loans Receivable
December 31, 2004 and 2003

	2004	2003	Increase (Decrease)
PARISHES AND MISSIONS:			
Allyn, St. Hugh's	\$ 100,350	\$ 126,368	\$ (26,018)
Auburn, St. Matthew's	155,515	155,515	-
Bainbridge Island, Grace	255,938	443,502	(187,564)
Bainbridge Island, Grace	79,273	-	79,273
Cathlamet, St. James'	18,061	23,433	(5,372)
Cathlamet, St. James'	36,940	36,610	330
DesMoines, St. Columba's (interest waiver)	896,033	906,084	(10,051)
Edmonds, St. Alban's	2,818	11,024	(8,206)
Issaquah, St. Michael	65,105	113,083	(47,978)
Kent, St. James	83,433	-	83,433
Lacey, St. Benedict's	105,636	124,020	(18,384)
Meadowdale, St. Hilda-St. Patrick (waiver)	442,529	442,529	-
Monroe, Our Saviour	19,538	22,174	(2,636)

Port Orchard, St. Bede	52,906	83,379	(30,473)
Redmond, Holy Cross	131,498	131,993	(495)
Redmond, Good Samaritan	570,352	570,352	-
Redmond, Good Samaritan	46,424	56,248	(9,824)
Seattle, St. Clement's	32,072	39,306	(7,234)
Seattle, St. Paul's	-	22,924	(22,924)
Seattle, St. John	198,831	-	198,831
Seattle, St. John Bridge Loan	50,000	-	50,000
Seattle, Church of Apostles	16,000	-	16,000
Seaview, St. Peter	24,290	-	24,290
Snoqualmie, St. Clare's	59,386	69,156	(9,770)
Snoqualmie, St. Clare's	4,845	7,484	(2,639)
Steilacoom, St Jos/St John	99,310	(17,386)	116,696
Steilacoom, St. Jos/St. John	33,773	-	33,773
Vancouver, All Saints'	294,330	310,102	(15,772)
Vancouver, Good Shepherd	135,026	146,313	(11,287)
Vancouver, Good Shepherd	62,459	65,375	(2,916)
Vancouver, Good Shepherd Montessori	-	1,847	(1,847)
Washougal, St. Anne's	10,318	15,491	(5,173)
Total loans receivable	<u>\$ 4,082,989</u>	<u>\$ 3,906,926</u>	<u>\$ 176,063</u>

Bold=Missions

Notes to Financial Statements December 31, 2004

Note 1—General

The Diocese of Olympia, Inc. is comprised of all Episcopal parishes, missions, and other institutions in western Washington. It is a diocese of the Protestant Episcopal Church in the United States. The Building Loan Fund (BLF) was established in 1949 to make loans to churches to assist in financing new building projects and to make loans for small building repair and improvement projects. Repayment terms vary and remaining maturities range from 1 to 18 years. Effective January 1, 1993, the Board of Directors adopted a policy of annual changes in the interest rate charged to diocesan institutions. The rate is set annually at the One-Year Treasury Constant Maturities Index rounded up to the eighth of a point plus three percent. For 2004, the rates were set at 4.5% for parishes and 3.0% for missions. In addition, a 2% cap on interest increases per year was adopted. Loans on interest waiver are shown at undiscounted value. Because of the anticipated need for funds in the future (see Note 7), the BLF adopted, on January 21, 1993, an interest rate incentive program to encourage faster principal repayment. In exchange for each year of loan term reduction the BLF will reduce the interest rate on the loan by 4/10 of 1%. In addition, there are other limitations imposed on this voluntary program. The Mission Development Fund (MDF) was set up to purchase properties in areas where growth would necessitate the establishment of a new congregation. Advances made by the MDF are generally exempt from interest and current principal repayment even after congregations have been organized. In February 1994, the Board of Directors authorized that the Bolling Trust Fund be designated for emergency repairs and other small projects totaling \$50,000 or less. These loans are to be repaid within seven years. The Real Estate Fund holds the land and buildings owned by the Diocese. It was combined with the BLF during 1998 and split again in 1999. See Note 4 for an explanation of how these assets are accounted for. The value of a mission congregation's property is shown as a diocesan asset until the mission becomes a parish. Generally, in Washington State, real property used for the church's exempt purposes is exempt from real estate taxes. The Fund invests excess cash through Bank of America using its cash management services. This investment is a concentration of credit risk in U.S. Government securities. The invested balance at December 31, 2004, was \$209,669.

Note 2—Component Organization:

The Diocese of Olympia, Inc. – Building Loan Fund, Mission Development, and Real Estate Funds contains the mission sites, building loans and real estate of the Diocese of Olympia, Inc. The other fund groupings known as Trust Fund and the James F. Hodges Diocesan Investment Fund (DIF) are reported separately.

Note 3—Related Entity:

The Diocese of Olympia (an unincorporated entity) contains the operating fund and special purpose funds of the Diocese. Employees of this related entity maintain the books and records of the Building Loan Fund, Mission Development and Real Estate Funds at no charge to this fund. The routine maintenance of Diocesan House, Huston Center and St. Andrew's House are part of the Operating Fund budget.

Note 4—Summary of Significant Accounting Policies:

These financial statements have been prepared in accordance with principles authorized by the General Convention of the Episcopal Church in the "Manual of Business Methods in Church Affairs," January 1, 2000, revision. The basic financial statements for Episcopal Church accounting purposes consists of the statement of financial position, statement of activities and the statement of changes in net assets. The principles follow generally accepted accounting principles except as explained below. Real estate is to be carried at historical cost or fair market value at date of donation. Because the January 1, 1995 revised accounting manual dropped the use of fair value accounting, the Diocese has reconstructed cost on its properties. Estimates were used in many cases, as precise records are not available. The Diocese carries real and personal property and liability insurance. The January 1, 1995, revised accounting principles of the Episcopal Church require capitalizing of furniture, fixtures and equipment and state that depreciation is optional. Previously, all fixtures and equipment were expensed. The Diocese has elected to prospectively capitalize furniture and fixtures that are purchased by the Diocese and to depreciate them. The capitalized furniture and fixtures are in the Operating Fund (Note 3). The Diocese does not capitalize any furniture or fixtures purchased by

mission congregations. The Diocese has elected not to depreciate real estate on the basis that no additional useful information will be gained. Property reflected on the balance sheet is categorized as follows:

	<u>12/31/2004</u>	<u>12/31/2003</u>
Land	\$ 2,609,396	\$ 2,609,396
Buildings/improvements	<u>19,593,080</u>	<u>19,318,574</u>
Total	<u>\$ 22,202,476</u>	<u>\$ 21,927,970</u>

Loans receivable and notes receivable are carried at the amount due as of December 31, 2004. Interest receivable has been accrued to December 31, 2004. At the Board's discretion, in some instances, interest is not charged on construction loans until five years after construction is completed. For purposes of the statement of cash flows, the Diocese considers all short-term debt securities purchased with maturity of three months or less to be cash equivalents. The Diocese uses the bad debt specific write-off method. The Diocese does not attempt to value donated services. The Diocese of Olympia, Inc. is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. When a mission becomes a parish, the value of its real estate and any related loans are removed from the Diocesan Real Estate Fund. No missions became parishes in 2004. The preparation of financial statements in conformity with Episcopal Church accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 5—Consolidation:

Real estate owned by the Diocese is reflected at historical cost as explained in Note 4. The loans from the Mission Development Fund and Building Loan Fund have been eliminated and net assets reduced. Loans eliminated can be summarized as follows:

	<u>12/31/04</u>	<u>12/31/03</u>
Building Loan Fund	\$ 3,347,717	\$ 3,450,467
Mission Development Fund	<u>1,275,787</u>	<u>1,277,406</u>
Total	<u>\$ 4,623,504</u>	<u>\$ 4,727,873</u>

Note 6—Construction of Buildings:

For missions of the Diocese, diocesan policy is that all construction payments are made by the Building Loan Fund (BLF) and then reimbursed by the congregation. These expenditures are not reflected in the financial statements except to the extent that amounts advanced have not been reimbursed, or cash held not expended.

Note 7—Commitments to Loan Funds:

At December 31, 2004, the Diocese of Olympia, Inc. Building Loan, and/or Mission Development Funds was committed to making loans to the following congregations:

	Total Commitment	Loan Balance 12/31/2004	Commitment Not Yet Drawn On
Grace Church, Bainbridge	442,000	335,211	106,789
Redmond, Good Samaritan	<u>575,000</u>	<u>570,300</u>	<u>4,700</u>
Total	<u>\$ 1,017,000</u>	<u>\$ 905,511</u>	<u>\$ 111,489</u>

Note 8—Other Loans - \$889,219:

The Diocese of Olympia, Inc. has a loan from Bank of the Pacific to fund the construction of the Cathlamet St. James Family Center. This note was dated January 15, 1997, with an original amount of \$500,000 maturing January 15, 2017. It bears interest at 4.25% and calls for monthly payments of \$3,715. The balance at December 31, 2004 was \$349,425. See Note 9. The Diocese of Olympia, Inc. has a loan with US Bank for the purchase of the Orchards property. The note was dated September 15, 2000, with an original amount of \$375,000. It bears interest at 3.09% and calls for monthly interest payments of \$3,902.72. The balance at December 31, 2004 was \$38,794. This loan is budgeted for in the Operating Fund. Battle Ground has three Bond Loans outstanding at December 31, 2004, totaling \$201,000, bearing interest at 6.25%, 6.375%, and 6.5%. Bainbridge has Bond Loans outstanding at December 31, 2004, totaling \$300,000, bearing various interest rates from 3.75% to 5.75%. The schedule of debt maturity is as follows:

Year Ended	Bank of the Pacific	US Bank	Battle Ground Holy Spirit	Bainbridge Grace	Total
12/31/2005	30,924	38,794	15,000	15,000	99,718
12/31/2006	31,656	-	15,000	25,000	71,656
12/31/2007	33,651	-	15,000	30,000	78,651
12/31/2008	34,486	-	15,000	15,000	64,486
12/31/2009	35,980	-	15,000	10,000	60,980
Thereafter	<u>182,728</u>	-	<u>126,000</u>	<u>205,000</u>	<u>513,728</u>
Total	<u>\$ 349,425</u>	<u>\$ 38,794</u>	<u>\$ 201,000</u>	<u>\$ 300,000</u>	<u>\$ 889,219</u>

Note 9—Contingent Liabilities:

No liabilities that relate to the mission congregations of the Diocese are reflected. The Diocese could be held to be a responsible party until a mission becomes a parish. The Diocese is currently receiving income from the Anne Anthony Charitable Trust which is being used to pay the Bank of Pacific loan for St. James' Family Center in Cathlamet. This trust terminated at the end of 2004. Property insurance on structures does not include earthquake insurance.

Note 10—Bond Agency:

The Diocese is the registrar/paying agent for bonds issued by two parishes and two missions. The Diocese has obtained an Acknowledgement of Exemption registration from the Washington State Department of Financial Institutions on these bonds.

We have audited the statements of assets and liabilities of the Diocese of Olympia, Inc. – The James F. Hodges Diocesan Investment Fund at December 31, 2004 and 2003, and the related statements of operations and changes in net assets for the years then ended. These financial statements are the responsibility of the diocesan management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established by the AICPA's Auditing Standards Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 3, the Diocese of Olympia, Inc. – The James F. Hodges Diocesan Investment Fund's policy is to prepare its financial statements on a basis that is in accordance with principles authorized by the General Convention of the Episcopal Church. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the statements of assets and liabilities of Diocese of Olympia, Inc. – the James F. Hodges Diocesan Investment Fund at December 31, 2004 and 2003, and the statement of operations and changes in net assets for the years then ended, in accordance with the principles authorized by the General Convention of the Episcopal Church.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Investments is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Beail, Raines & Gillespie, PLLC
Seattle, Washington, February 25, 2005

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Statements of Assets and Liabilities
December 31, 2004 and 2003

	2004	2003	Increase (Decrease)
ASSETS:			
Cash:			
Principal	\$ -	\$ -	\$ -
Cash for purchase in transit	<u>2,406,118</u>	<u>459,022</u>	<u>1,947,096</u>
Total Cash	<u>2,406,118</u>	<u>459,022</u>	<u>1,947,096</u>
Income receivable	<u>235,452</u>	<u>229,231</u>	<u>6,221</u>
Investments (at market value):			
Stocks	27,924,010	27,225,790	698,220
Bonds, notes and other	9,515,006	10,321,620	(806,614)
Cash equivalents	<u>2,531,690</u>	<u>704,592</u>	<u>1,827,098</u>
Total Investments	<u>39,970,706</u>	<u>38,252,002</u>	<u>1,718,704</u>
Total Assets	<u>42,612,276</u>	<u>38,940,255</u>	<u>3,672,021</u>
LIABILITIES:			
Share redemptions payable	<u>2,261,923</u>	<u>329,095</u>	<u>1,932,828</u>
Total Liabilities	<u>2,261,923</u>	<u>329,095</u>	<u>1,932,828</u>
NET ASSETS	<u>\$ 40,350,353</u>	<u>\$ 38,611,160</u>	<u>\$ 1,739,193</u>
Investment Income:			
Dividends and interest	\$ 1,450,835	\$ 1,411,610	\$ 39,225
Other Income	<u>2,532</u>	<u>-</u>	<u>2,532</u>
Total Investment Income	<u>1,453,367</u>	<u>1,411,610</u>	<u>41,757</u>
Expenses:			
Agency fee	29,384	27,006	2,378
Accounting fee	5,617	5,650	(33)
Audit	2,950	2,875	75
Board miscellaneous expense	1,160	1,460	(300)
Foreign taxes withheld	6,415	7,691	(1,276)
Interest Expenses on Redemption	542	-	542
Printing, postage	<u>290</u>	<u>101</u>	<u>189</u>
Total Expenses	<u>46,359</u>	<u>44,783</u>	<u>1,576</u>
Excess investment income over expenses	<u>1,407,008</u>	<u>1,366,827</u>	<u>40,181</u>
Realized Gain and Unrealized Appreciation on Investments:			
Net investment gains (loss) realized	2,019,507	542,537	1,476,970

Net change in unrealized appreciation on investments	<u>(145,970)</u>	<u>4,155,022</u>	<u>(4,300,992)</u>
Net Gain (Loss) on Investments	<u>1,873,537</u>	<u>4,697,559</u>	<u>(2,824,022)</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 3,280,545</u>	<u>\$ 6,064,386</u>	<u>\$ (2,783,840)</u>

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Statements of Changes in Net Assets – Episcopal Church Basis
December 31, 2004 and 2003

	2004	2003
Operations:		
Net investment income	\$ 1,407,008	\$ 1,366,827
Net realized gain (loss) on investments	2,019,507	542,537
Net change in unrealized appreciation on investments	<u>(145,970)</u>	<u>4,155,022</u>
Net increase in net assets resulting from operations	<u>3,280,545</u>	<u>6,064,386</u>
Dividends and Distributions Paid to Shareholders:		
Dividends from net investment income	<u>(1,407,008)</u>	<u>(1,366,827)</u>
Total dividends paid shareholders	<u>(1,407,008)</u>	<u>(1,366,827)</u>
Capital Share Transactions:		
Proceeds from shareholder purchases and dividends reinvested	3,326,435	1,677,931
Cost of shareholder redemptions	<u>(3,460,779)</u>	<u>(1,043,152)</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>(134,344)</u>	<u>634,779</u>
Total increase (decrease) in net assets	1,739,193	5,332,338
Net Assets:		
Net Assets – January 1	<u>38,611,160</u>	<u>33,278,822</u>
Net Assets – December 31	<u>\$ 40,350,353</u>	<u>\$ 38,611,160</u>

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Schedule of Investments
December 31, 2004

Schedule 1

	Number of Shares	Market Value
Stocks:		
Agilent Technologies Inc.	16,000	385,600
Avery Dennison Corp	10,000	599,700
BP Amoco PLC	14,400	840,960
BankAmerica Corporation	15,032	706,354
ChevronTexaco Corp	15,900	834,909
Cisco Systems Inc.	18,300	353,190
Citigroup	16,000	770,880
Conagra Foods Inc.	24,500	721,525
Costco Wholesale Corp New	17,000	822,970
Emerson Electric Company	9,100	637,910
Equity Office Properties	15,000	436,800
Exxon Mobil Corporation	13,222	677,760
Eli Lilly & Co Com	9,500	539,125
First Data Corp Com	17,500	744,450
General Dynamics Corp	3,700	387,020
General Electric Co	25,400	927,100
Honeywell Int'l Inc	18,000	637,380
Intel Corporation	25,000	584,750
International Business Machines	7,100	699,918
Johnson & Johnson	21,200	1,344,504
Johnson Controls Inc.	11,000	697,840
JPMorgan chase & Co	10,000	390,100
Kerr-Mcgee Corp Com	14,200	820,618

3M Co	7,500	615,525
Mack Cali Realty Corp	15,000	690,450
Medtronic Inc	10,000	496,700
Microsoft Corporation	22,000	587,620
Nationwide Health Properties Inc	30,000	712,500
Paccar, Inc.	16,000	1,287,680
Pfizer Inc	25,200	677,628
Plum Creek Timber Co Inc	14,700	565,068
Safeco Corporation	22,000	1,149,280
Staples Inc	36,500	1,230,415
Sysco Corp	18,500	706,145
Southern Company Common	20,000	670,400
Tsakos Energy Navigation Ltd	7,000	250,530
Union Pacific	5,850	393,413
United Technologies	7,300	754,455
Verizon Communications Inc	23,000	931,730
Wyeth	15,100	643,109
TOTAL STOCKS		<u>\$ 27,924,010</u>

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Schedule of Investments
December 31, 2004

	Rate of Interest	Maturity	Face Value	Schedule 2 Market Value
CASH EQUIVALENTS				
Nations Treasury Reserves Investor #242	Variable	n/a	\$ 2,907,542	\$ 2,907,542
Total Cash Equivalents				<u>\$ 2,907,542</u>
<u>BONDS, NOTES AND OTHER</u>				
U.S. Treasury Notes	7.500	02/15/05	350,000	352,324
U.S. Treasury Notes	6.500	08/15/05	800,000	819,472
U.S. Treasury Notes	5.625	02/15/06	500,000	515,469
U.S. Treasury Notes	7.000	07/15/06	400,000	424,092
U.S. Treasury Notes	6.625	05/15/07	400,000	431,516
U.S. Treasury Notes (Inflation Indexed)	3.875	01/15/09	1,000,000	2,211,903
U.S. Treasury Notes	10.000	05/15/10	750,000	769,922
U.S. Treasury Notes	14.000	11/15/11	600,000	718,688
U.S. Treasury Notes	10.375	11/15/12	950,000	1,132,657
U.S. Treasury Notes	12.000	08/15/13	1,250,000	1,611,038
U.S. Treasury Notes	2.000	01/15/14	500,000	527,928
Total Bonds, Notes and Other				<u>\$ 9,515,006</u>

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Schedule of Investments
December 31, 2003

	Number of Shares	Market Value	Schedule 1
Stocks:			
Agilent Technologies Inc.	16,000	467,840	
Avery Dennison Corp	5,000	280,100	
BP Amoco PLC	17,688	872,903	
BankAmerica Corporation	7,516	604,512	
Boeing	16,000	674,240	
ChevronTexaco Corp	7,200	622,008	
Cisco Systems Inc.	18,300	443,409	
Citigroup	16,000	776,640	
Conagra Foods Inc.	24,500	646,555	
Costco Wholesale Corp New	17,000	632,060	
Emerson Electric Company	9,100	589,225	
Equity Office Properties	15,000	429,750	

Exxon Mobil Corporation	13,222	542,102
Eli Lilly & Co Com	9,500	668,135
General Electric Co	25,400	786,892
General Mills Inc	9,000	407,700
Intel Corporation	25,000	801,250
International Business Machines	7,100	658,028
Illinois Tool Works Inc	7,300	612,543
Johnson & Johnson	16,600	857,556
Johnson Controls Inc.	5,500	638,660
3M Co	7,500	637,725
Mack Cali Realty Corp	15,000	624,300
Marsh McLennan	6,000	287,340
Medtronic Inc	10,000	486,100
Microsoft Corporation	22,000	602,140
Morgan Stanley Dean Witter & Co	8,000	462,960
Nationwide Health Properties Inc	30,000	586,500
Paccar, Inc.	14,000	1,191,680
Pfizer Inc	25,200	890,316
Plum Creek Timber Co Inc	14,700	447,615
Safeco Corporation	22,000	856,460
Staples Inc	36,500	996,450
Sysco Corp	18,500	688,755
Southern Company Common	20,000	605,000
Total Fina ELF ADR	8,000	740,080
Union Pacific	5,850	406,458
United Technologies	7,300	691,821
Verizon Communications Inc	23,000	806,840
Washington Mutual Inc Com	26,225	1,052,147
Weyerhaeuser co	8,000	512,000
Wyeth	15,100	640,995
TOTAL STOCKS		<u>\$ 27,225,790</u>

Diocese of Olympia, Inc.—The James F. Hodges Diocesan Investment Fund
Schedule of Investments
December 31, 2003

	Rate of		Face	Schedule 2
CASH EQUIVALENTS Interest	Maturity	Value	Value	Market
Nations Treasury Reserves Investor #242	Variable	n/a	\$ 1,020,646	<u>\$ 1,020,646</u>
Total Cash Equivalents				<u>\$ 1,020,646</u>
<u>BONDS, NOTES AND OTHER</u>				
U.S. Treasury Notes	5.875	02/15/04	500,000	502,969
U.S. Treasury Notes	7.250	08/15/04	400,000	415,125
U.S. Treasury Notes	7.500	02/15/05	350,000	374,172
U.S. Treasury Notes	6.500	08/15/05	800,000	863,000
U.S. Treasury Notes	5.625	02/15/06	500,000	538,906
U.S. Treasury Notes	7.000	07/15/06	400,000	448,000
U.S. Treasury Notes	6.625	05/15/07	400,000	452,750
U.S. Treasury Notes (Inflation Indexed)	3.875	01/15/09	1,000,000	2,171,659
U.S. Treasury Notes	9.125	05/15/09	600,000	617,625
U.S. Treasury Notes	10.000	05/15/10	750,000	834,844
U.S. Treasury Notes	14.000	11/15/11	600,000	793,313
U.S. Treasury Notes	10.375	11/15/12	700,000	893,156
U.S. Treasury Notes	12.000	08/15/13	1,025,000	<u>1,416,102</u>
Total Bonds, Notes and Other				<u>\$ 10,321,621</u>

Notes to Financial Statements
December 31, 2004 and 2003

Note 1—General:

The James F. Hodges Diocesan Investment Fund was organized in 1951 as a "mutual fund" for the endowments of the Diocese, its parishes, missions, and related institutions. The Fund's current name was adopted in 1987. The Fund balances the need for current income and growth in asset value to offset inflation by investing in a mixture of stocks and bonds. The securities are currently held in trust with BNY Western Trust Company (a subsidiary of the Bank of New York Company, Inc.). The Diocesan Investment Committee makes investment decisions. The funds are not FDIC insured.

Note 2—Component Organization:

The Diocese of Olympia, Inc. – James F. Hodges Diocesan Investment Fund, contains the endowment funds of the Diocese of Olympia, Inc. and its missions, parishes and institutions. The fund groupings known as Trust Funds and the Building Loan, Mission Development and Real Estate fund are reported separately. The James F. Hodges Diocesan Investment Fund is charged \$5,000 for the common expenses paid by the Diocese of Olympia – Operating Fund (an unincorporated entity).

Note 3—Accounting:

The financial statements are prepared on a basis that is in accordance with accounting principles and reporting practices for Episcopal Church dioceses. These principles do not specify the method of accounting for this type of fund. The Fund follows the accounting principles of an open-ended diversified management company, except as explained below. Securities are valued at market value based on closing sales prices reported on recognized securities exchanges on the last business day of the year. As is customary in the mutual fund industry, securities transactions are accounted for on the date securities are purchased or sold. Realized gains and losses from securities transactions are reported on an identified cost basis. The fund distributes net cash investment income to shareholders quarterly, but net capital gains are reinvested. Shareholders may reinvest dividends, purchase or redeem shares on a quarterly basis only. No provision is made for income taxes as the Diocese and all related institutions are exempt from taxation.

Note 4—Securities Transactions:

Cost of purchases and proceeds from sales of investment securities (excluding short-term securities) were as follows for the years ended December 31, 2004 and 2003.

2003	<u>Cost of Purchases</u>		<u>Proceeds from Sales/Maturities</u>	
	U.S. <u>Government</u>	Non-U.S. <u>Government</u>	U.S. <u>Government</u>	Non-U.S. <u>Government</u>
	\$ 895,804	\$ 3,862,613	\$ 1,850,000	\$ 2,149,794
2004	<u>Cost of Purchases</u>		<u>Proceeds from Sales/Maturities</u>	
	U.S. <u>Government</u>	Non-U.S. <u>Government</u>	U.S. <u>Government</u>	Non-U.S. <u>Government</u>
	\$ 1,133,483	\$ 3,858,975	\$ 1,500,000	\$ 5,468,166

Unrealized appreciation on cash and securities held by the Bank of New York was as follows:

	<u>2004</u>	<u>2003</u>
Market Value, December 31	\$ 39,970,706	\$ 38,252,002
Cost, Stocks December 31	(18,640,951)	(18,119,714)
Cost, Bonds December 31	<u>(12,246,874)</u>	<u>(10,897,215)</u>
Net Unrealized Appreciation	<u>\$ 9,082,881</u>	<u>\$ 9,235,073</u>

Note 5—Shareholders:

The fund acts as an open-end mutual fund with current year activity as follows:

	<u>Number of Shares</u>	<u>Per Share Value</u>
Shares outstanding 1/1/2003	247,346.069	
Shares purchased and dividends reinvested	11,808.714	
Shares redeemed	<u>(7,361.659)</u>	
Shares outstanding 12/31/2003	251,793.124	\$ 153.345
Shares purchased and dividends reinvested	20,978.407	
Shares redeemed	<u>(21,871.069)</u>	
Shares outstanding 12/31/2004	<u>250,900.462</u>	\$ 160.822

Note 6—Investment Policy – Tobacco Stocks:

In accordance with investment policy recommended by the Executive Council of the Episcopal Church, the Diocesan Investment Fund has divested itself of all securities issued by companies that manufacture and distribute tobacco products.

Vital Statistics—Data Year 2004

Year in parentheses is last year of filing if a report was not filed in 2004

	Active Members	Communicants		Average Sunday Attendance	Sunday Eucharists	BAPTISMS		Confirmed or Rec'd
		in Good Standing	Others			16 yrs and Older	Under 16 years	
Aberdeen, St. Andrew	268	275	2	101	104	8	17	19
Allyn, St. Hugh of Lincoln	83	83	0	49	53	0	2	0
Anacortes, Christ Church	94	94	0	45	72	0	2	0
Auburn, St. Matthew	271	260	7	110	137	0	8	4
Bainbridge Island, Grace Church	510	510	0	180	95	0	8	0
Bainbridge Island, St. Barnabas	603	525	60	151	130	0	5	0
Battle Ground, Holy Spirit	96	85	0	47	48	0	1	0
Bellevue, All Saints	172	168	3	80	59	0	2	0
Bellevue, Holy Apostles	60	52	20	40	52	2	2	0
Bellevue, Resurrection	234	234	7	87	104	0	1	0
Bellevue, St. Margaret	775	753	61	357	196	2	21	2
Bellingham, St. Paul	1,431	1,431	0	350	139	3	13	16
Blaine, Christ Church	56	52	9	50	51	1	5	12
Bremerton, St. Paul	321	232	0	110	98	3	8	5
Burien, St. Elizabeth	205	142	12	90	79	0	0	0
Camano Island, St. Aidan	161	140	4	86	80	2	0	0
Castle Rock, St. Matthew (2003)	0	0	0	0	0	0	0	0
Cathlamet, St. James	60	44	6	24	49	0	0	1
Chehalis, St. Timothy	182	177	5	74	96	5	3	0
Eastsound/Orcas, Emmanuel	151	125	20	73	90	0	1	0
Edmonds, St. Alban	205	148	4	139	60	0	5	0
Edmonds, St. Hilda-St. Patrick	146	146	1	83	102	0	3	8
Elma, St. Luke	41	41	2	15	48	0	3	0
Enumclaw, St. Catherine	62	59	0	20	52	0	0	0
Everett, Trinity Church	515	417	73	202	152	1	22	14
Federal Way, Good Shepherd	273	233	0	131	103	1	7	0
Freeland, St. Augustine in-the-Woods	173	173	57	122	99	1	0	0
Friday Harbor, St. David	142	153	10	73	98	0	0	0
Gig Harbor, St. John	634	521	12	187	113	1	6	0
Issaquah, St. Michael & All Angels	364	285	2	125	104	1	4	0
Kenmore, Redeemer	661	355	20	126	99	0	0	0
Kent, St. Columba	146	146	3	65	101	0	5	0
Kent, St. James	878	675	32	268	108	2	12	4
Kingston, Faith Church	61	54	0	26	51	0	0	0
Kirkland, St. John	902	675	14	280	142	2	11	0
Lacey, St. Benedict	310	290	8	140	117	0	3	3
Lakewood, St. Joseph-St. John	110	107	2	50	88	0	3	4
Lakewood, St. Mary	657	0	0	0	0	0	0	0
Longview, St. Stephen	419	401	8	125	99	0	5	0
Lopez Island, Grace Church	167	167	0	73	55	1	0	0
Maple Valley, St. George	71	87	0	58	49	1	3	10
Marysville, St. Philip	186	186	0	51	52	3	4	0
Medina, St. Thomas	1,758	1,756	0	262	116	2	26	8
Mercer Island, Emmanuel	679	1,148	95	183	97	0	0	0
Mill Creek, St. Francis	167	162	33	73	119	0	5	5
Monroe, Our Saviour	59	54	5	39	55	0	0	2
Montesano, St. Mark	48	39	0	21	42	0	0	0
Mount Vernon, St. Paul	283	240	11	88	89	1	8	3
Oak Harbor, St. Stephen (2002)	0	0	0	0	0	0	0	0

	Active Members	Communicants in Good Standing	Others	Average Sunday Attendance	Sunday Eucharists	BAPTISMS		Confirmed or Rec'd
						16 yrs and Older	Under 16 years	
Olympia, St. Christopher	214	98	116	83	112	1	1	20
Olympia, St. John	804	781	55	356	160	2	8	19
Port Angeles, St. Andrew	468	284	21	103	169	0	7	0
Port Orchard, St. Bede	196	196	24	89	104	3	6	18
Port Townsend, St. Paul	243	0	0	0	0	0	0	0
Poulsbo, St. Charles (2003)	0	0	0	0	0	0	0	0
Puyallup, Christ Church	412	412	0	128	164	0	4	5
Redmond, Holy Cross	657	460	30	162	0	2	14	10
Renton, St. Luke	191	189	3	85	105	2	5	0
Sammamish, Good Samaritan	412	320	6	140	103	1	9	5
Seattle, All Saints	51	51	7	36	52	0	3	0
Seattle, Christ Church	381	267	15	120	123	1	0	6
Seattle, Ascension	329	317	12	129	105	0	4	3
Seattle, Epiphany Parish	664	664	30	156	101	7	18	13
Seattle, St. Andrew	643	520	0	224	150	16	3	0
Seattle, St. Clement	290	265	8	93	54	1	0	0
Seattle, St. George	100	78	6	53	38	2	4	0
Seattle, St. John the Baptist	410	410	11	157	135	1	8	0
Seattle, St. Luke	123	121	0	87	88	0	1	0
Seattle, St. Mark's Cathedral	2,304	1,375	889	1,406	225	3	32	30
Seattle, St. Paul	206	206	0	96	102	0	1	0
Seattle, St. Peter	222	0	0	55	52	1	2	0
Seattle, St. Stephen	954	820	22	247	106	5	14	6
Seattle, Trinity Church	350	350	100	132	103	1	2	4
Seaview, St. Peter	50	48	13	39	52	0	4	0
Sedro-Woolley, St. James (2003)	0	0	0	0	0	0	0	0
Sequim, St. Luke	298	298	0	159	0	1	2	0
Shelton, St. David of Wales	222	128	8	92	148	1	2	0
Shoreline, St. David Emmanuel	53	43	2	32	101	0	0	0
Shoreline, St. Dunstan	306	244	60	131	105	0	7	8
Silverdale, St. Antony of Egypt	196	164	8	114	119	0	1	0
Snohomish, St. John	303	233	24	105	102	3	4	4
Snoqualmie, St. Clare of Assisi	86	60	2	31	52	0	1	0
South Bend, St. John	46	46	0	14	50	1	1	0
Tacoma, All Saints	91	91	14	61	101	1	3	1
Tacoma, Christ Church	219	103	105	91	103	3	0	0
Tacoma, Holy Family of Jesus	12	12	65	43	49	0	0	0
Tacoma, St. Andrew	231	215	22	133	109	0	2	1
Tacoma, St. Luke	467	404	0	171	96	1	11	13
Tacoma, St. Matthew	361	356	26	80	100	2	3	0
Tahuya, St. Nicholas	19	0	0	18	27	0	0	0
Vancouver, All Saints	178	129	0	59	96	0	1	0
Vancouver, Good Shepherd	776	758	74	405	164	1	16	1
Vancouver, St. Luke	555	330	0	187	181	2	9	4
Vashon Island, Holy Spirit	357	295	18	99	128	0	3	0
Washougal, St. Anne	74	66	8	34	51	0	2	0
Westport, St. Christopher	19	19	3	8	36	0	0	0
Total	31,393	26,326	2,415	11,372	8,463	108	452	291

Financial Statistics—Data Year 2004

Year in parentheses is last year of filing if a report was not filed in 2004

	REVENUE			EXPENSE			
	Plate & Pledge	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach and Dev.	Total Expense
Aberdeen, St. Andrew	128,045	149,652	185,795	141,480	25,053	38,706	186,130
Allyn, St. Hugh of Lincoln	53,827	54,022	63,880	34,084	4,605	7,370	38,717
Anacortes, Christ Church	64,193	88,075	117,688	120,679	16,606	2,212	147,940
Auburn, St. Matthew	129,814	151,091	168,354	1,040	40	2,000	3,442
Bainbridge Island, Grace Church	291,795	301,069	430,528	292,685	24,385	23,847	292,685
Bainbridge Island, St. Barnabas	301,839	364,491	570,384	437,791	76,897	18,772	463,962
Battle Ground, Holy Spirit	43,506	57,414	57,717	77,581	16,230	710	77,884
Bellevue, All Saints	179,846	183,437	200,777	213,480	21,894	24,176	221,552
Bellevue, Holy Apostles	26,611	78,817	83,487	74,220	1,939	19,830	78,535
Bellevue, Resurrection	157,675	227,563	291,607	227,563	44,144	41,311	261,430
Bellevue, St. Margaret	785,820	806,963	1,152,319	996,940	4,805	136,398	1,129,967
Bellingham, St. Paul	524,666	558,812	648,412	544,631	106,249	56,377	596,198
Blaine, Christ Church	39,002	50,555	61,052	41,828	6,893	4,777	45,374
Bremerton, St. Paul	124,851	144,973	158,740	149,165	0	1,204	150,565
Burien, St. Elizabeth	127,430	147,358	169,439	147,358	32,410	0	150,357
Camano Island, St. Aidan	92,177	98,655	194,932	98,333	15,366	8,714	103,243
Castle Rock, St. Matthew (2003)	0	0	0	0	0	0	0
Cathlamet, St. James	16,273	27,251	27,464	29,188	3,215	7,240	31,299
Chehalis, St. Timothy	86,905	114,327	126,203	99,419	23,537	18,283	125,076
Eastsound/Orcas, Emmanuel	135,797	150,352	163,703	147,397	30,768	21,560	154,467
Edmonds, St. Alban	227,691	227,691	231,471	227,691	34,597	4,930	227,691
Edmonds, St. Hilda-St. Patrick	85,208	120,804	146,748	122,827	20,405	33,928	153,873
Elma, St. Luke	1,331	1,848	3,223	4,049	1,839	2,210	4,149
Enumclaw, St. Catherine	31,291	61,374	61,374	56,791	15,816	1,523	57,291
Everett, Trinity Church	312,471	345,865	420,560	345,047	58,028	59,220	407,457
Federal Way, Good Shepherd	261,394	295,458	368,252	303,031	50,931	19,861	332,223
Freeland, St. Augustine in-the-Woods	230,496	234,031	314,207	230,291	35,658	67,875	312,521
Friday Harbor, St. David	149,672	159,019	166,996	168,140	25,586	37,667	181,235
Gig Harbor, St. John	275,527	276,759	300,319	246,084	38,900	51,800	299,819
Issaquah, St. Michael & All Angels	155,160	156,113	208,112	165,572	29,106	32,373	197,945
Kenmore, Redeemer	174,235	187,857	192,221	192,192	34,751	10,303	198,036
Kent, St. Columba	123,518	178,298	189,628	185,593	31,037	1,719	187,664
Kent, St. James	373,990	397,506	512,516	432,484	71,402	170,991	636,954
Kingston, Faith Church	31,448	31,493	35,856	30,967	3,760	0	33,936
Kirkland, St. John	444,451	487,914	807,126	487,914	55,279	394,029	859,455
Lacey, St. Benedict	194,439	198,689	224,718	160,732	35,650	29,634	185,798
Lakewood, St. Joseph-St. John	64,895	79,796	184,331	91,848	16,161	103,962	192,751
Lakewood, St. Mary	0	0	0	0	0	0	0
Longview, St. Stephen	260,495	298,175	464,353	298,704	56,887	183,301	480,940
Lopez Island, Grace Church	115,730	118,044	161,760	124,248	15,681	43,358	165,432
Maple Valley, St. George	40,168	42,353	49,487	39,138	4,816	9,041	49,381
Marysville, St. Philip	55,330	107,330	107,330	101,119	12,000	11,411	107,530
Medina, St. Thomas	764,148	862,792	982,336	886,903	161,436	36,644	927,254
Mercer Island, Emmanuel	508,962	509,362	903,409	541,660	96,241	1,106,995	1,634,361
Mill Creek, St. Francis	95,012	110,012	110,012	147,622	21,044	4,362	147,622
Monroe, Our Saviour	52,113	72,688	75,696	92,325	9,309	8,194	97,853
Montesano, St. Mark	14,111	17,075	25,110	20,823	1,713	3,712	21,812
Mount Vernon, St. Paul	176,876	176,876	206,193	152,541	29,383	78,788	235,676

	REVENUE			EXPENSE			
	Plate & Pledge	Operating Revenue	Total Revenue	Operating Expense	To the Diocese	Outreach and Dev.	Total Expense
Oak Harbor, St. Stephen (2002)	0	0	0	0	0	0	0
Olympia, St. Christopher	112,638	114,138	114,138	120,981	17,170	34,436	146,067
Olympia, St. John	404,249	427,542	427,742	416,156	41,825	13,760	416,156
Port Angeles, St. Andrew	131,163	146,022	374,642	155,147	19,138	229,856	388,985
Port Orchard, St. Bede	104,494	126,030	243,598	128,797	810	59,027	242,730
Port Townsend, St. Paul	0	0	0	0	0	0	0
Poulsbo, St. Charles (2003)	0	0	0	0	0	0	0
Puyallup, Christ Church	227,529	237,668	270,182	218,412	22,386	54,117	269,256
Redmond, Holy Cross	285,839	285,839	351,305	303,306	12,171	46,474	349,780
Renton, St. Luke	118,704	125,152	125,252	188,574	27,094	2,897	199,083
Sammamish, Good Samaritan	182,845	216,910	221,535	229,630	36,762	117,696	347,426
Seattle, All Saints	31,966	67,722	70,524	58,386	892	32,599	88,836
Seattle, Christ Church	249,019	271,208	306,594	269,799	51,380	11,112	290,912
Seattle, Ascension	247,382	271,763	318,296	256,137	49,056	46,467	303,968
Seattle, Epiphany Parish	428,983	530,052	646,166	579,894	92,996	133,337	675,586
Seattle, St. Andrew	317,325	374,288	584,717	387,298	61,299	212,917	598,634
Seattle, St. Clement	146,894	155,243	180,815	105,649	25,893	11,459	106,861
Seattle, St. George	51,051	110,161	113,481	114,319	17,350	82	114,469
Seattle, St. John the Baptist	233,214	299,776	408,794	263,377	42,000	0	271,340
Seattle, St. Luke	222,655	243,388	287,829	242,717	0	47,997	287,158
Seattle, St. Mark's Cathedral	1,225,282	1,968,148	2,562,195	1,901,996	322,773	256,643	2,160,033
Seattle, St. Paul	256,570	266,949	306,146	294,492	52,297	50,280	343,770
Seattle, St. Peter	71,490	79,595	80,868	117,725	13,527	29,760	148,608
Seattle, St. Stephen	509,638	650,242	769,272	645,132	100,975	80,228	701,258
Seattle, Trinity Church	185,265	485,599	1,037,833	473,759	72,216	550,022	894,084
Seaview, St. Peter	28,708	99,173	100,911	107,411	17,313	2,610	109,149
Sedro-Woolley, St. James (2003)	0	0	0	0	0	0	0
Sequim, St. Luke	257,000	265,425	292,925	263,717	41,554	12,440	274,017
Shelton, St. David of Wales	152,104	171,488	224,773	193,120	27,003	17,965	211,380
Shoreline, St. David Emmanuel	57,296	74,427	78,927	74,427	16,160	4,500	78,927
Shoreline, St. Dunstan	237,262	261,501	301,433	255,995	45,850	39,419	304,561
Silverdale, St. Antony of Egypt	127,989	131,133	171,254	140,852	28,003	5,733	180,479
Snohomish, St. John	159,717	190,670	198,728	190,652	34,923	1,200	190,652
Snoqualmie, St. Clare of Assisi	46,126	62,988	63,043	68,172	1,200	124	68,227
South Bend, St. John	8,112	12,059	17,251	14,314	2,029	6,843	20,764
Tacoma, All Saints	73,539	88,498	89,799	85,808	14,254	0	87,109
Tacoma, Christ Church	172,150	294,472	304,572	309,187	44,772	28,150	309,187
Tacoma, Holy Family of Jesus	2,603	51,900	54,220	43,184	2,400	2,465	46,744
Tacoma, St. Andrew	186,611	190,801	224,766	190,112	36,872	21,137	200,940
Tacoma, St. Luke	219,432	247,749	247,749	247,140	43,486	21,135	261,721
Tacoma, St. Matthew	191,637	192,164	194,498	207,138	20,741	1,991	209,472
Tahuya, St. Nicholas	17,357	17,357	17,357	23,074	1,476	10,568	30,942
Vancouver, All Saints	100,509	138,231	146,428	137,668	20,655	15,772	156,285
Vancouver, Good Shepherd	655,437	656,571	804,458	647,393	100,667	78,716	804,458
Vancouver, St. Luke	163,841	205,154	353,077	229,182	39,542	14,784	364,433
Vashon Island, Holy Spirit	150,934	154,909	176,666	156,793	24,000	25,646	183,379
Washougal, St. Anne	72,887	83,836	84,290	74,805	15,036	685	75,259
Westport, St. Christopher	8,043	9,773	9,773	8,537	1,581	314	9,187
Total	17,363,723	20,563,813	26,284,647	20,871,562	3,081,979	5,274,681	26,117,754