

**United Church of God, *an International Association***  
**Council of Elders Meeting Report**  
**June 22, 2009–Teleconference**

Chairman Robert Dick convened today's teleconference to discuss the two items that were presented in the official call and notice: Discussion of the proposed one-time bonus in lieu of the cost of living adjustment, and discussion of proposed questions and how to proceed in inquiry about concerns over an alternate electronic forum.

**Cost of Living Adjustment Proposal**

Treasurer Jason Lovelady updated the Council with the latest financial information for this current fiscal year, which ends June 30, 2009. He noted that the income should end the year between a 1 and 2 percent increase over last fiscal year, and that the total income should level out at \$23,800,000.

Mr. Lovelady said that we had originally budgeted for an income of \$24,500,000, and that even though the income is below that figure, we have done a good job of controlling expenses. He said that we should end this fiscal year "in the black."

During the December 2008 Council meetings, Mr. Lovelady had suggested that because of the lower than expected income levels at that time, the budgeted cost of living adjustment (COLA), which had been approved in May 2008 and scheduled to take effect in January 2009, should be postponed. In the February Council meetings, he proposed that a bonus could be given to the employees in lieu of a COLA if the income levels increased during the remaining months of the fiscal year.

Mr. Lovelady also noted that it has been three and a half years since the last COLA was given, in January 2006. He further stated that it would not be wise to entertain a discussion of a COLA until at least the end of June 2010, with an implementation to begin in January 2011. In this scenario, it will then be at least five years before employees would have received a cost of living adjustment.

Therefore, Mr. Lovelady asked the Council to consider providing a bonus in lieu of the COLA to help the employees. He reiterated that the bonus would still be within the approved budget for salaries, and that this bonus was not based on cutting back any other programs. He also said this decision would still allow for a surplus to be placed in reserves, which would allow for a strong financial beginning to the next fiscal year.

After further discussion, the Council, by unanimous consent without resolution, approved the proposal to provide employees with a one-time year-end bonus, in lieu of the COLA.

## **Informational Inquiry Discussion**

Mr. Dick gave a brief summary from the last teleconference: that Mr. Kilough would compile and send the Council the various questions and comments that had arisen over this agenda item.

Mr. Kilough noted that though he sent the questions to the Council earlier that afternoon, he didn't have time to categorize them. He also stated that what is going to be most important is how the Council will handle this situation, and that there are core issues on both sides of this matter that have to be answered.

A number on the Council asked for more time to review the material. Richard Thompson pointed out that, considering the volume of the questions and comments, it would be helpful to have the information categorized. He suggested another teleconference be scheduled, prior to any further discussion on this subject, to give the Council more time to read and analyze the questions.

Both Mr. Dick and Mr. Kilough also mentioned that even though a flood of questions have come in, there was a very short time from the posting of the June 11 teleconference report to this meeting, and that there was a bit of consternation among some in the GCE that they didn't have enough time to send in their questions.

The Council, after further discussion, planned to have another teleconference set for July 21, 2009, which would give Mr. Kilough time to categorize the questions and for the Council to digest the material that has been provided. It was also agreed that the elders have now until June 30, 2009, to submit any further questions to Mr. Kilough.

Mr. Dick concluded the meeting by wishing all safe trips on the various vacations Council members are planning to take during the next month.

John Foster  
*Council Reporter*

-end-

© 2009 United Church of God, *an International Association*