

United Church of God, *an International Association*
Council of Elders Meeting Report
Dec. 7, 2009—Cincinnati, Ohio

Chairman Roy Holladay called the meeting to order at 9:30 a.m. (instead of 9 a.m.) by calling on Bill Eddington for prayer. All of the members of the Council, several of their wives and a number of guests were present.

Introduction and Approval of Minutes and Agenda

Roy Holladay reviewed the upcoming agenda and quoted Matthew 28:18-20 and Mark 16:15-16. He stated that these are the foundations off which the Church works. Then the minutes from previous meetings, August to the present, were all approved.

Chairman Holladay asked if the Council approved of the proposed agenda, which had been prepared according to the established procedure by which Council members individually rank the importance of potential agenda items, with those ranked most important given highest priority. Doug Horchak moved and Jim Franks seconded to have four items added to the agenda: 1) discussion regarding alleged Bylaws violations in Council business; 2) discussion of alternate forum; 3) HR assessment of the president; and 4) questions/concerns requested from regional pastors. Bill Eddington mentioned that these items are on the agenda, but are among those in reserve to be addressed if there is time at the end of these meetings (11 items were in reserve for potential inclusion on the agenda if time permitted). Doug Horchak pointed out that an earlier e-mail from the chairman stated that the Council would not get to these issues. Roy Holladay mentioned that with regard to “questions/concerns requested from regional pastors,” it has not been established how this will be addressed—whether by the chairman directly, or the chairman in concert with other members of the Council or by the full Council.

Aaron Dean stated that he has received many documents only recently, including the questions from the regional pastors, and he has not had time to thoroughly review the issues. Robert Berendt said that many hours have been dedicated to some of these issues, so it is not considered unimportant by the Council. After this discussion, the Council, balloted, with two (Jim Franks and Doug Horchak) for and 10 against, and the motion was not approved.

Bill Eddington then moved and Robert Berendt seconded, to have the item regarding the assessment of the president added to the agenda. The Council, by 10 for and two (Scott Ashley and Roy Holladay) against, approved the motion.

President’s Report

President Kilough presented reports from the various areas of the home office.

Media

Branding: The branding essence workshop was held on Nov. 18. The entire process should be complete by the February Council meeting.

Employees: Rudy Rangel III, hired in August, is the latest hire. This has freed Clint Porter to help Clay Thornton with the overload Clay has been carrying. Now Clay and Clint, with Rudy's help at times, will be able to do the high-level editing needed for the *Beyond Today* TV program.

The media employee needs depend on the media mix plan that will be adopted. A possible TV scriptwriter has been interviewed to serve as a writer, editor and blogger. Some have proposed hiring a search engine optimization (SEO) expert to ensure that TV programs are compatible with our search optimization efforts. Although reasonable, it should be part of a broader Internet plan. It would be shortsighted to spend many dollars in television without integrating the program into an Internet strategy.

Good News Circulation: Upon completion of the new annual renewal cycle, U.S. *Good News* circulation (the November/December issue) stood at 268,000. For the past two issues, the numbers for the first renewal are about 9 percent, or, out of 60,674 renewals, only about 6,400 subscribers asked to continue their subscriptions to *The Good News*. A total of 30,000 subscribers were added through the card deck program and the Web, with a net change of over 24,000. Over the next few issues, it will be determined if a change in the timing of renewals is needed. Currently renewals are initiated with a subscriber's fourth issue, but we may need to send them more issues before beginning renewal efforts. Also, we may have to ask whether we are failing to meet readers' needs or whether they are using the Web.

World News and Prophecy: It is very difficult to determine the renewal response since new subscribers have not been tracked with each issue. This will begin in 2010. The subscription list dropped by 25 percent from the first renewal with the September issue. (Only those subscribers who had not renewed their *Good News* subscription or had no *Good News* subscription were included in the renewal efforts.) The November print run was 60,000, down from a high of 70,000.

Booklet Editing: Revision of the larger booklets into the digest size is a continuing project, plus some of the more substantive booklets have needed updating as they are reprinted. Among them were *What Is Your Destiny?* and *Fundamental Beliefs of the United Church of God*. Both required extensive editing. The latter was particularly sensitive as explanations had to be magnified without changing the meaning. The original booklet was written years ago by a large team of writers and in places the text was repetitious and sometimes awkward.

Bible Reading Program: The Bible Reading Program (BRP) remains on hold, as Tom Robinson is very busy with the revision of current booklets and editing a new booklet on Europe and the Church. He is scheduled to get back to the BRP next fall. A consideration should be given to change these priorities as the BRP could become a major element of a new Bible search program for the Web. Many questions from brethren are received about when this popular program will be renewed.

Web Development: Without major investment, current efforts include in-house search engine optimization (managed by Aaron Booth), new content such as frequently asked questions and blogs (Mike Bennett and Aaron Booth) and expanded visibility of local

congregations' site content (Tom Disher). Close to 40 new online *Bible Study Guide* lessons are completed and will be ready to launch soon. There are research and development projects in process to evaluate potential initiatives, including a project to create a new *Vertical Thought* template (coordinated by Howard Davis and approved by Dave Treybig, using young "techies" in the Church and ABC students). Another project is a small, short-term contract with an outside search engine optimization firm, recommended by David Gosse. He and his team are creating new landing pages to support selected keyword search promotions, and we should see measurable results within 60 to 90 days. If successful and cost-effective, some of the search engine marketing (SEM) budget would be reallocated to it.

The only significant budget in Web development is SEM in the form of keyword and banner ads being placed on Google, Yahoo and Bing (coordinated by Peter Eddington), with a present annual budget of about \$350,000. The cost per response from these ads continues to drop.

Print Ads: A card deck advertising campaign is currently underway, distributing about 8 million cards and expected to generate about 45,000 literature requests. Traditionally these packets have performed well for us, averaging between \$3 and \$6 per response. The cards advertise a single booklet; and to test interest, the offer changes frequently.

Additionally, brethren and congregations are participating in the *GN* subscription brochure program. In 2009, members have distributed 14,000 trifold brochures, with a subscriber response normally in the 2.5 percent range at about \$1.50 cost per response.

Television: Currently 144 brethren in 31 states are volunteering as *Beyond Today* cable-access television sponsors. The program can be seen on 164 U.S. cable-access channels airing 271 times a week. During December, the 128th program will be recorded.

Approximately 38,000 listener and viewer responses have been recorded since *Beyond Today* audio and video programs began airing in December 2005. The average weekly viewer response has remained basically unchanged since August 2008:

Date	Average Weekly Response
11/03/09	193
08/03/09	195
05/20/09	205
02/04/09	192
11/25/08	194
08/01/08	194
06/25/08	189

The media mix plan by the Media Committee proposes spending about \$500,000 for TV broadcasting. In order to get the best results from this investment, our best possible program needs to air. Meetings are currently being held to discuss set design, format, personalities, support staff and commercial placement opportunities. Commercial broadcasting will require closed captioning, which we do not currently provide. A cable superstation appears to be more expensive than the budget allowance, so we should explore smaller networks or dominant stations in selected markets.

Is it rational to jump into commercial television, when we have only experienced cable access in the United States? It appears that our impact on commercial TV in Canada is still very small and expensive. The suggestion is to take an interim step into a few regional markets to see what the response is—especially good if we could buy time that is covered by Nielsen ratings.

Other Projects: In September and October, the Media staff conducted an ABC module for two weeks, titled “Serving the Church Through Media.” It was enthusiastically received by the students. We believe, and the ABC faculty concurs, that this should be an annual module, with additional workshops conducted after hours for those with special interest in serving the Church through media.

Budget Allocation: Media and Communications Services sees no benefit in moving funds into the media budget without a long-term media mix strategy in place. As an example, television programming for the current fiscal year can be accomplished within the present budget.

Literature Responses: It has been a very good year for online literature requests (conversions) so far this calendar year. The projections for 2009 show a 38 percent increase over 2008. These booklet and magazine requests come from our online advertising campaigns at Yahoo, Google and MSN (Bing). Results come from keyword searches and content placement advertising.

Online Advertising Impressions: The number of impressions for 2007 was over 2 billion, for 2008 was over 3.5 billion and for 2009 is projected to be 2.5 billion.

Roy Holladay asked if there is a way to track how donors and coworkers come onto the list. Peter Eddington stated that a report will be produced at the end of the year for the Council to review in February.

With regard to subscription renewals, Scott Ashley pointed out that the sources of subscribers have been narrowed, because of budget constraints, to mainly the Internet. He stated that these are more likely to not renew than subscribers from other sources.

Ministerial Services

We currently are focusing on training ministers, as nine pastors will turn 70 this year alone, tripling the number of U.S. pastors over the age of 70. There were two pastors in the hospital last month. With the aging of the ministry, it is only a matter of time before we face a serious shortage because of health issues.

We have sent employment applications to four men this fiscal year and budgeted for three new hires. Brian Shaw has been hired and will work with Media until the “branding” project is completed, then he will begin serving full-time in the ministry working with Bob Fahey in Chicago. He will attend the pastoral training classes that begin in January. Plans are to hire two more from the three applications currently on record.

Pastoral Training: Designed as a six-week program, the pastoral training program began in January of 2007. The process of inviting men to the fourth class, which will begin in January, has begun. We anticipate there will be three or four internationals and the rest will be from the U.S. ministry. To save funds, a two-session course, rather than a three-session, is being considered this year.

Manpower: Update for the U.S. field ministry:

- Several men have experienced health difficulties during this quarter. Due to HIPAA regulations, we cannot report on them.
- Mike Hanisko has now moved to Janesville, Wisconsin, as pastor of the Beloit and Wisconsin Dells, Wisconsin, congregations as well as regional pastor. Tom Clark moved to Minneapolis, Duluth and Little Falls, Minnesota, replacing Mike Hanisko. Ed Dowd moved to Wichita, Kansas, to pastor Wichita, Salina and Liberal, Kansas, as a first-time pastor. Fred Nance moved to Little Rock, Arkansas, and is assisting Steve Moody and Roger West. Bill Johnson moved to East Texas to work with Ken Treybig.
- We need pastors for the following congregations: 1) Austin, Texas; 2) Waco, Texas; 3) Ruston, Louisiana; and 4) Jacksonville, Florida.
- Vernon Hargrove retired on July 1, 2009, and five men are requesting retirement (either formally or informally) in the next two years.

Education Programs Report

Education Programs Task Force is preparing the Attendee Survey for Dec. 10, 2009, to Jan. 12, 2010.

Ambassador Bible Center

- 40 students, ranging in age from 18 to 50, are enrolled in the class of 2010.
- Five students are accepted so far for the 2010 fall semester, and applications continue to come in. We anticipate a class of 40 or more for the class of 2011.

Continuing Education Programs

- Conducted five ABC Continuing Education Seminars in 2009.
- Conducted seven *WNP* Seminars in 2009.
- Currently planning to conduct both ABC and *World News and Prophecy* Continuing Education Seminars during the winter and spring, budget permitting.

Winter Family Weekends

- Planning to conduct education seminars at two family weekends during December
 - Louisville: over 2,000 attendees with 24 seminars and three days of ABC Continuing Education Seminars.
 - Portland, Oregon: over 400 attendees with Teen Bible Studies and two days of ABC Continuing Education Seminars.

Marriage Seminars

- Ken and Kathy Giese trained as presenters for Intimate Life Marriage Seminars.
- Three pastoral couples (Giese, Myers, Schreiber) attended a weekend marriage seminar as a preview to a marriage seminar model for our program.
- Marriage seminar material being prepared by Marriage Seminar Task Force.

- Marriage seminars to be introduced and presented following training.

Travel Education

- We conducted our spring education tour of Israel during the Passover and Days of Unleavened Bread. Ralph Levy and David Johnson accompanied 50 participants with 16 hours of instruction presented during the tour by elders.
- We have posted video from the Israel tour on the member Web site.
- Plans have been finalized for a 14-day spring education tour of Turkey with ABC instructors Melvin Rhodes and Dave Register leading the tour.
- We are planning a special education tour to Israel for elders around Pentecost led by ABC instructor David Johnson. Currently we have 43 participants.

Youth Corps

- Project planning for camps in Kenya (2009), Ghana, Nigeria, Zambia (member education) and the Philippines in 2010, with plans to accept two to three Youth Corps volunteers for each camp.
- Jordan Project: currently there are five volunteers serving at the Amman Baccalaureate School, Al Hussein School for the Mentally Handicapped and the Human Security Foundation for the 10-month program. They will be returning to the United States in July 2010.
- Completed development of a manual and training CD for all program participants.

Camps

- New overall camp coordinator named in December 2008—Ken Treybig.
- New camp director named for Camp Carter—Andy Burnett.
- Developing the next Camp Magazine.
- Producing camp video to be played in all congregations.
- Developing a preteen camp manual.
- Seeking ACA accreditation for our preteen camp program.

Challenger II Program

- Accepted 15 applicants for CII program in Tucson, Arizona, in December 2009.
- Planning for CII program in Wind Rivers, Wyoming, in July 2010.

Focused Education

- *Breaking Free*: Online e-magazine for focused education launched in July 2007.
 - Over 35,000 page views.
 - Averaging 14.96 minutes viewing site.
 - First time visitors—6,098 (18 months).
 - Most popular articles—losing weight and sexual addictions.
- Focused Education Task Force plans to meet in early 2010.
- Focused Education Seminars conducted in Milwaukee and Seattle in 2009.
- Two Focused Education Seminars planned for 2010, as budget permits.

Teen Bible Study Guides

- Currently we have 54 Teen Bible Study Guides available online. Top five most-visited guides include the topics of Modesty (27,834), Dating (22,238), Does God Exist? (21,007), Tattoos (16,712), and Bible Study (15,295).

Preteen Youth Instruction

- Youth Education Task Force (YETF) developed expanded Festival Youth Workbooks for Feast '09.
- YETF currently reviewing and rewriting Sabbath youth instruction program.

Scott Ashley asked who is preparing the conflict resolution materials. Jim Franks stated that it is Doug Horchak. Mr. Horchak said that David Register had a great deal of input as well.

Administration

Clyde Kilough reported that ministerial and home office employee satisfaction surveys were performed and another survey will be going out soon to determine how to increase satisfaction of the Church employees.

Roy Holladay asked if there have been any recommendations with regard to ABC. Jim Franks stated that each class is being individually reviewed. He mentioned that there is a task force teleconference this coming Sunday. David Johnson commented that all ABC alumni were contacted to obtain their response with regard to each class.

Space Needs

President Kilough said that information was gathered from all operation managers about who needs a private office, who would like a private office and who doesn't need a private office. The operation managers were also asked how many employees are needed in their areas. Another consideration is which employees need to be placed in close proximity to each other. He commented that any option taken will be with an eye to expansion—and any moves in the short term need to take long-term needs into account. Mark Bredemeier, the architect for the home office building, has been contacted, Mr. Kilough said.

Mr. Kilough mentioned that three phases are being planned:

- Phase one, short-term needs—to move the media center downstairs in the back area of the warehouse and turn the current media center into extra office space. Rearrangements for the warehouse would have to be considered as well, but we are not ready to make suggestions with regard to budgetary needs. As well, it is not known how many extra employees are needed and how much room is required for expansion into television.
- Phase two, mid-term needs—remodel the upstairs area.
- Phase three, long-term needs—eventually expanding the building. Some things are not critical, but we would like to make the education area more effective—such as the idea of an auditorium, requiring the expansion of the warehouse.

President Kilough commented that all phases would be based on a need, not a time frame, with phase one hopefully being done in the next fiscal year.

With regard to these proposed phases, Mr. Kilough reported that in November, a large installation of office cubicle modules was donated to the Church along with a phone

system compatible with our current system. This is a tremendous blessing toward furnishings for the proposed phases.

Committee Reports

Ethics: Victor Kubik reported that the formation of a sexual misconduct policy is being worked on jointly with Ministerial Services and the Ethics Committee.

Doctrine: Robert Berendt reported that unfinished items from the previous Doctrine Committee are study papers on 1) early man, 2) the nature of man and 3) Matthew 18, for which further review was recommended.

Media: Darris McNeely reported that the committee is working with the administration to develop a media mix and has conducted six meetings since the August Council meetings.

Strategic Planning and Finance: Aaron Dean reported that the committee is working on the cash reserve policy and how to bring the reserves into alignment when those reserves fall below the level and when excess reserves can be used. It is also reviewing the Strategic Plan. With regard to the auditors, we are considering whether the committee or the whole Council should meet with the independent auditor.

Roles and Rules: Bill Eddington reported that the committee is working on the outside speaking guidelines, a revised document for the assessment of the president, a revised process for the amendment schedule, finalizing the document to assess the Council, Expelled Elder Appeal Process recommendations, certain Bylaws considerations and possibly reviewing all the governing documents of the Church.

Treasurer's Report

Jason Lovelady stated that, through Dec. 4, 2009, total income is down 1.52 percent in comparison to the previous year. Category one (general contributions) is down 2.40 percent in comparison to the previous year. He reported that through the month of November we are approximately \$140,000 **below** budget, considering the decrease in income as well as decrease in expenses. Overall, income is 98.1 percent of budget through the month of November.

With regard to expense, he reported that the projected overage for insurance premiums and claims for the fiscal year is \$400,000. Both the *Bible Study Course* and *World News and Prophecy* are over budget. He said that the *Bible Course* is a timing issue and will most likely be in line with the budget by the end of the fiscal year. As for *World News and Prophecy*, he said that the renewals have not impacted circulation as quickly as expected, but should even out to some degree later in the fiscal year as well.

In the Ministerial Services budget, Mr. Lovelady reported that relocations are down expensewise; but as more take place this year, that should even out. Also, with regard to Festival expense, Festival assistance given this year was higher than in previous years.

Under Council expense, he said that the Media Committee was formed after the current fiscal year budget was established and a budget will have to be set for that committee for the next fiscal year.

2010 GCE Planning

Peter Eddington, chairman of the GCE Meeting Planning Task Force, reviewed last year's exit surveys. Four areas that summarize the key comments from those who responded were: 1) very heavy on information, light on inspiration; 2) requests for local area congregations to attend the Sabbath services during the annual meeting; 3) subsidize elders to attend the conference; 4) consider having a teleconference instead of an actual meeting.

Roy Holladay asked if there were any comments with regard to the breakout sessions as opposed to the general sessions. Peter Eddington responded that he did not recall any comments with regard to that issue.

Peter Eddington recommended that Liz Cannon, Daniel Berendt and Jorge de Campos be added to the GCE Meeting Planning Task Force. By consent without a resolution, the Council approved Daniel Berendt, Elizabeth Cannon and Jorge de Campos be added as members of that task force.

Peter Eddington, on behalf of the task force, presented three possible themes for the upcoming 2010 annual meeting of the General Conference of Elders. They are:

1. Endeavoring to Keep the Unity of the Spirit—the task force recommends this theme.
2. Go Into All the World.
3. Wisdom: Key to a Successful Ministry.

Victor Kubik stated that all three are good, but he likes “go into all the world.” Jim Franks stated that the first theme, although very important, would not lead to a great deal of inspiration as expressed in the document. Both Doug Horchak and Robin Webber concurred.

Scott Ashley mentioned that a number of elders have requested discussions on servant leadership—that it was talked about a few years ago then seemingly just dropped.

Roy Holladay commented that he preferred theme number two as well. Peter Eddington pointed out that one idea under theme number two is to have an international expo during the conference. Bill Eddington expressed a great deal of enthusiasm about that possibility. Bob Berendt added that along with this, the idea Scott Ashley mentioned about servant leadership would go hand-in-hand with the theme. Melvin Rhodes said that some areas have a difficult time getting someone to be able to attend from their areas—such as Ghana, Nigeria and Kenya.

Darris McNeely mentioned that he favors theme number two and elements of theme number one could be added in as well. Jason Lovelady said that, with ideas towards cutting expenses, he is concerned that this might be spending more than has usually been spent on the GCE meetings.

Victor Kubik then moved and Melvin Rhodes seconded to have the theme of the 2010 annual meeting of the General Conference of Elders be “Go Into All the World,” and the Council of Elders unanimously approved the motion.

Peter Eddington then put forth three ideas from the task force for holding future annual meetings of the General Conference of Elders. They are:

1. Keep it the way it is at approximately an \$80,000-per-year budget.
2. Keep it the way it is (as above) for two years, and provide a graded subsidy in the third year toward hotel and travel to enable more to attend. The projection is that this would require \$290,000—with U.S. elders generally being required to pay the first \$500 of their travel, hotel and food expenses.
3. Have a limited conference for two years, requiring about \$40,000 for those two years, with limited international travel/hotel/per diem allowed, and then fully subsidize attendance the third year requiring approximately \$490,000. This third year would run a bit longer than the current two-day meetings.

Obviously this does not happen in 2010, Peter Eddington mentioned, but possibly it could begin with the 2011 year. Jim Franks stated that there are always requests from the international areas for ministerial conferences and this could help fulfill that request.

The treasurer pointed out that there is no provision in accounting to set aside funds not used from previous years to pay for expense items in the future. Mr. Lovelady then stated that there is one possible way with regard to cash reserves in certain respects, but that will be discussed later on in these meetings. Aaron Dean said that there are ways to be creative to help cover travel expenses, such as getting free air miles on credit cards.

Victor Kubik commented that a big conference sounds great now, but three years out, when it comes down to that time, there will be discussions about how to better use those funds. Jason Lovelady said that another issue is how such a large expense would look to the membership. Roy Holladay suggested adding an extra \$20,000 a year to the GCE budget to help with the travel costs for an additional 20 to 30 elders who don't normally attend because of finances. He stated that those funds could be rotated among the elders from year to year. Bill Eddington suggested that a five-year cycle, as opposed to a three-year cycle, would be better to his thinking. He mentioned that he believes this would be more acceptable to the membership. Jason Lovelady commented that the option Roy Holladay put forth sounded the best of anything recommended so far.

Roy Holladay asked Peter Eddington to take these recommendations back to the task force for consideration. This will give the administration and Council extra time to consider the recommendations. Darris McNeely said that another thing to consider is whether this is mission-critical.

Following the conclusion of this discussion, the rest of the day's meeting was in executive session.

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Gerald Seelig
Council Reporter

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