

United Church of God, *an International Association*
Council of Elders Meeting Report
Dec. 6 and 7, 2010—Cincinnati, Ohio

Second Morning Session

All 11 current Council of Elders members and Secretary Gerald Seelig were present. In addition Denny Luker, Peter Eddington and Victor Kubik of the administration and the Church's legal counsel Larry Darden were also present.

Council Chairman Melvin Rhodes called the meeting to order and introduced the day's agenda and the various men who gave the administrative operations and Council committee reports.

Ministerial Services Report by Operation Manager Victor Kubik

Mr. Kubik started his report with an update on his visit with the Canadian ministry at their national conference over the Sabbath and weekend in Toronto. He and his wife Beverly were happily received and the tone of the meetings there was very positive and upbeat.

He related his opportunity to meet and visit with a lady who was born in the same United Nations refugee camp in Germany that he was born in. She had located him through the Internet 10 years ago. He and Beverly were able to spend a little time with the lady and her husband while they were in Canada for the conference.

Ministerial Services as one of the Church's three areas of operation is changing its name to "Ministerial and Member Services." This reflects the fact that the department serves the Church membership directly through activities such as the Feast, camps and other programs.

Mr. Kubik pointed out that we have somewhat fewer full-time ministers now than we did when we started in 1995. We had about 90 full-time pastors then as compared with 87 now. He explained that we made a change in the regional pastor structure recently due to the fact it is not needful for the number of ministers we have in the field. The new ministerial team comprised of Victor Kubik, Gary Antion and Roy Holladay will serve as the new regional pastors. Gary Antion covers the West, Roy Holladay the East and Victor Kubik the Central part of the United States.

Plans call for assigning one more regional pastor to free Mr. Kubik to manage operations overall. Mr. Kubik reported that so far they are easily able to keep up the workload. When God blesses the Church with considerable growth, then a mid-level ministerial structure may be necessary.

The Winter Family Weekend and the Northwest Family Weekend are coming up in a few weeks. The Northwest Weekend in Portland, Oregon, has had up to 800 in attendance.

For Ministerial and Member Services the biggest challenge right now is the Church crisis.

Treasurer's Report by Aaron Dean

Mr. Dean reported that the Church is running at 93 percent of projected income at the moment. If that trend continues it would bring us close to \$1.5 million below the projected budget. He explained that the administration will have to develop a plan for economizing soon. He described the financial situation as “not dire,” but we must remember that ours is a work of faith.

- Next Mr. Dean expressed great appreciation for the Church's outgoing treasurer, Jason Lovelady, for his invaluable help during the transition of the treasurer's office.
- He then explained that due to some wording changes to the law for our insurance and retirement programs, the Council needed to approve wording changes for the Thrift Plan and the 403-B Plan. After some discussion and a legal assessment by the Church's attorney Larry Darden, the two proposals for wording changes were unanimously approved.
- Then Mr. Dean introduced the Church's financial reserves for discussion. He pointed out that the Council has never had a discussion of when to actually use the reserves.

He asked, when the income drops, do we use the cash reserves or start drastic cuts first? The issue is that the Church has a policy to maintain a certain percentage of its income in reserves.

Robin Webber commented that the cash reserves are not a sacred trust, and that it might be better to have a sliding scale of cutbacks to preserve the reserves as long as possible.

Mr. Dean pointed out that we cut our expenses heavily last year, and since the fat is gone, we will now be hitting muscle. Roy Holladay responded with his preference for cuts based on 5 percent, 10 percent, etc., reductions in income following a set priority system of what is vital vs. less vital. The general consensus was that the sooner the new budget process gets underway, the better.

- Mr. Dean then discussed retirement guidelines and the increasing need to ask for validation of income so we don't pay discretionary “need-based” retirement when a person doesn't need it.

- He also reported on the Texas property, that the market value is holding, but buyers are presently looking for a steal. While answering questions about the property, he explained that by leasing the grassland to a cattleman, the Church was able to benefit from a property tax reduction of 90 percent (about \$27,000) due to the agricultural exemption.

After Mr. Dean finished, home office employee Janet Treadway and two Church members Fred and Judy Fenner of the Cincinnati congregation arrived to present a large card expressing support and encouragement for the Council of Elders. Many hundreds of members around the world had asked to have their names placed on the card. After some pictures were taken, the Council broke for lunch.

Doctrine Committee Report by Mike Blackwell

Mr. Blackwell delivered the report that would have been given by committee chair Jim Franks who had resigned from the Council of Elders on Friday, Dec. 3. The items on the report were these:

- A proposed study paper from a member that argued that God requires every Christian to eat some unleavened bread on every day of the Days of Unleavened Bread: The Doctrine Committee rejected the paper because the idea it proposed is not and never has been the Church's doctrine.
- An update on a study paper on human nature: The paper has been declared deficient by the Doctrine Committee.
- An update on a Matthew 18, conflict-resolution study paper: Since the elder writing the paper is no longer credentialed, the project is halted. Mr. Blackwell pointed out that we already have a paper about the subject that does explain the meaning of the passage.
- An update on the request from a family in Chile about how to keep the Sabbath with their day-care school: Mr. Blackwell described their request as unusual in that they asked for direction on their situation. He then reviewed a preliminary statement of the case based on the information so far gathered.

The report concluded with the plan to gather more information for the Council to review for an executive session discussion (due to individuals' names needing to be used) later during the meetings.

Ethics Committee Report by Mario Seiglie

Mr. Seiglie explained that the major project underway was to write a Sexual Misconduct Policy for the ministry. He pointed out that the Church already has such a policy for the youth camps, which was approved on July 7, 2004, and is six pages long.

The present policy for the ministry got underway in August 2009. Larry Darden has given the committee a draft on the policy, which is 13 pages long. After some teleconferences, they will have the policy ready by the February Council meetings.

Bob Berendt asked if there was a general policy for church services, etc. Larry Darden explained that the camp policy applies to anywhere the youth are involved. Mr. Seiglie closed by making the point that the policy underway applies specifically to the ministry.

Roles and Rules Committee Report by Bill Eddington

Mr. Eddington had a long list of items for the Council to consider.

- He presented a proposed amendment to Bylaw 12.2.9 that had been submitted by John Elliott, pastor in Phoenix, Arizona. It states that no officer of the corporation and no member of the management team may serve concurrently on the Council of Elders.

Discussion ensued about the rationale and advisability of the proposed amendment. Mr. Eddington explained the justification presented for the proposed amendment is that there is a potential conflict of interest for officers and members of the management team sitting on the Council if they were reviewing their own proposals, performance, etc.

Mr. Darden said that he fails to see a legal conflict of interest because there is no conflict of interest if everybody knows what is going on. Mr. Dean agreed with the justification in the case of multiple numbers of officers and management team being on the Council, as there had been in the past. He added that although he might not vote for it as an elder, he thought it should go forward to the ballot so the General Conference of Elders could decide. Robin Webber agreed that the Church needs to look ahead, so let it go forward to allow the wisdom of the GCE to be applied to it.

Mr. Holladay thought that the president should be able to sit on the Council, but could see advantages both ways. Mr. Berendt commented that it's often hard to disagree with your president when voting on the Council. Denny Luker pointed out that when a similar proposal had been presented previously, a majority of elders had voted for its adoption, but not the two thirds required for it to pass. He noted that if officers and the management team were not eligible to sit on the Council, more opportunities would be created for others to serve.

Mr. Eddington asked for a show of hands to see if there were four or more Council members to support the proposed amendment being placed on the agenda for the 2011 General Conference. Six Council members raised their hands, clearing the proposed amendment to go forward to the 2011 annual meeting.

Mr. Eddington then stated that the Council, or individual Council members, could submit a statement of support or concern for the amendment if they so wished. The Council decided that it would not do so.

- Next Mr. Eddington sought discussion on an as yet nonexistent Council Employment Committee. The requirement for such a committee had recently been found in the wording of a UCGIA Human Resources Policy, but it had previously been overlooked.

He noted that the HR policy contained a potential conflict with an approved elder appeal policy and procedure and may require amendment. Larry Darden commented that the same conflict could apply to the member appeal process.

Mr. Eddington committed the Roles and Rules Committee to present recommendations regarding the Employment Committee to the Council in February and to work with Human Resources to resolve the conflict situation.

- Commenting on the project to review the governing documents of the Church, Mr. Eddington said there had been too many distractions to allow much progress to be made and the project was behind schedule. He said he would ask the Council to consider recommendations to form the review team needed for Stage 2 of the project during a later executive session.
- Another item on the Roles and Rules Committee report list was the need to approve revised documentation prepared for the annual assessments of the president, treasurer and secretary. The president and secretary are to be reviewed at the May 2011 Council meeting and the treasurer at the August meeting. The revised documentation was approved by the Council.
- Next a discussion took place on the need for a process by which GCE members could put forward proposals seeking the support of 25 percent of the GCE to place an item on the ballot for the annual meeting.

Mr. Eddington asked if the Council was prepared to remand this task to the Roles and Rules Committee. There were no objections, so the committee will consider the matter and present a report at the February Council meeting.

- Next he commented that the Roles and Rules Committee will have a report ready for the February meeting containing recommendations for changes to the schedule for amending the Fundamental Beliefs. He emphasized that *no* changes to the beliefs were involved, just the timing of the process. A similar project had resulted in changes to the regular amendment schedule being approved at the 2010 General Conference.
- Mr. Eddington then moderated a discussion about having a self-evaluation retreat to review the performance and effectiveness of the Council. Mr. Webber thought

Mr. Eddington stressed the need to have constructive retreats—as some of the past have not been the most positive. Mario Seiglie agreed that constructive retreats would be a good experience. Mr. Berendt said it was biblical, noting that Christ took the disciples fishing! He then mentioned a particularly good lake for northern pike in Canada.

Mr. Eddington asked the Council if they would like a list of “Essential Tasks of a Council of Elders.” They nodded in the affirmative. He said that the Roles and Rules Committee would put such a list on Council members’ desks before the February meeting.

- Finally, Mr. Eddington pointed to the need to replace Mr. Franks on the Doctrine and Roles and Rules Committees. New Council member Roy Holladay volunteered to serve on both committees and the Council agreed to that change. Mr. Eddington reminded the Doctrine Committee that they would also need to appoint a chairman in place of Mr. Franks.

Strategic Planning and Finance Committee Report by Robin Webber

The committee has no assignments at the moment. It is waiting for Treasurer Aaron Dean to get settled into his new job. The committee is planning to meet with Mr. Dean this week to get the planning process underway.

The remainder of the afternoon was executive session.

Tuesday, Dec. 7, the Council remained in executive session.

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Randy Stiver
Council Reporter

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