

United Church of God, *an International Association*
Council of Elders Meeting Report
December 9 and 11, 2005 – Cincinnati, OH

Friday, December 9

Following a day-and-a-half of Council committee meetings, Robert Dick opened the final Council of Elders session for the calendar year today at 1 p.m. Due to a snowstorm the previous night, the Council met at the Holiday Inn Eastgate instead of at the home office. As he opened the meeting, Mr. Dick reminded the Council of its responsibility to provide proper leadership and organizational direction for the Church. He quoted writer Peter Drucker, who stated that the difference between management and leadership is that “management is doing things right, leadership is doing the right things.” Mr. Dick pointed out that the Council’s challenge is to determine what the right things are and to make them the highest priority.

The Council approved the official minutes for meetings on August 25, 26, 28 and 29, 2005, as well as teleconferences held on September 23 and October 3, 2005.

Mr. Dick then introduced Clyde Kilough, Church president, to begin his quarterly comprehensive operations report to the Council. The Friday afternoon meeting focused on a financial update generated by treasurer Tom Kirkpatrick and on plans for ministerial and member education produced by Jim Franks, newly appointed manager of Ministerial Services. The comprehensive operations report concluded Sunday with reports from Peter Eddington (Media and Communications Services) and church attorney Larry Darden.

Comprehensive Operations Report

Dr. Kirkpatrick provided the Council with a detailed budget report, showing income and spending to date for the current fiscal year.

Commenting on the Church’s current financial status, Mr. Kilough summarized that our fiscal philosophy remains the same – to maintain stability based on modest growth, conservative budgeting and conservative spending while sustaining cash reserves. He pointed out that it is necessary to plan to function within the growth rate of 2-4 percent, which we have experienced for the last few years.

More specifically, Mr. Kilough stated that the income so far in December has been strong, helping to offset shortfalls earlier in the year. Three unanticipated areas of expense have had an impact on the budget – several more ministerial transfers than had been initially planned, increases in international shipping expenses and an unexpected increase in the mileage reimbursement rate for the U.S. ministry.

Dr. Kirkpatrick reported that the four fall Holy Day offerings were almost exactly what had been budgeted. He commented that the Church’s annual financial growth rate has consistently been approximately 3 percent. The budget for the current fiscal year was based on an anticipated growth of 2.25 percent.

Dr. Kirkpatrick also reported that members were very responsive to requests for donations to a Good Works Program fund established to assist members affected by hurricanes

Katrina and Rita. Those needs have been met and, as contributors were asked to agree to, the surplus will be used for other Good Works Program projects.

After the financial update, Mr. Kilough turned his attention to the efforts of Ministerial Services. He commented that this week the operation manager responsibility officially transferred to Mr. Franks from Richard Pinelli, who held the position for some 10 years.

The balance of the Friday afternoon meeting focused on the coordination and development of the Church's education programs – including youth camps, young adult challenger camps, Ambassador Bible Center and ministerial leadership development.

Mr. Kilough commented on the development of challenger camps focused on the 18- to 30-year-old segment of the Church. Many of these young adults have gone through the Church's teen camp program. The next step is to offer them opportunities that will emphasize personal development while teaching biblical principles of leadership in a mentoring environment. Mr. Kilough emphasized that one of the purposes of the challenger camps is to keep Church leadership "in touch" with that age group – so the young adults can stay involved in the Church and prepare them for opportunities of service in the Church.

These challenger camps will help offset a growing "problem" with the Church's teen camping program: there are more qualified applicants to serve on the camp staff than positions available. That campers transition into staff positions as they grow older is an indication of the success of our teen camps, but it is disappointing to those young adults who aren't able to be on the staff.

Speaking of the Ambassador Bible Center (ABC), Mr. Kilough stated that the seventh year of classes will begin on January 8, 2006. This incoming class is on pace to be the largest yet – 56 students have been accepted so far and a few more applications are still in the pipeline. So far, six international students have been accepted along with students from 15 U.S. states. In accordance with ABC's mission to pass the truth of God on to the next generation, the vast majority of the incoming students are 17 to 29 years of age (85 percent).

Over the last several years some 3,000 members and visitors have participated in ABC mini-samplers in local church areas. While they will continue to be offered, in the future these sessions will be referred to as "Continuing Education Seminars" – providing focused and targeted biblical instruction and information for members.

Building on comments on the efforts of ABC, Mr. Kilough began to emphasize the importance of manpower development and education. He commented that there is urgent need for development of manpower and leadership in the Church in domestic and international areas. He stated that it is necessary to concentrate more on our capacity to provide for those God is calling. Mr. Kilough pointed out that Jesus Christ said we are to pray for laborers – that He was moved with compassion because the people were like sheep without a shepherd. But laborers have to be mentored, educated and trained. Education and manpower development dovetail and are part of our short- and long-term planning.

He stressed to the Council that the administration will be focusing on the importance of assessing the success of the Church's education and manpower development programs and will ask, "What can we do better?" It is vital, he emphasized, to use our current manpower resources effectively as well as to accelerate the development of those who have the heart and desire to serve.

Mr. Kilough quoted several paragraphs from Herbert Armstrong's autobiography emphasizing the need for a trained and professional ministry. Against that backdrop, Mr. Kilough asked Mr. Franks to provide the background for new education and training efforts. In turn, Mr. Franks introduced David Register and Mr. Pinelli who provided the Council with overviews of the developing plans.

In his comments, Mr. Franks gave a historical review of the ongoing emphasis United has placed on the importance of educating its members and ministry. Early in 1996 the Council established a committee to focus on education. From the outset, it was clear this would be of major importance since, as a church, virtually everything we do comes under the heading of "education." The committee divided the task into four basic education modules: general, focused, youth and ministerial.

They recommended that there be one person appointed for implementing the Church's education efforts, but the Council chose not to create such a position at that time. Instead, the responsibility for these four modules was given to the president, who then asked the Ministerial Services operation manager to organize and oversee these programs. Mr. Pinelli assigned each of the four members of the Ministerial Services team to be responsible for one module. As each of these programs was developed, the amount of information became almost overwhelming. After a few years, it was clear that there was duplication of effort and a lack of coordination between the various efforts. There was clearly a need for someone to coordinate and manage the Church's educational efforts.

Mr. Register, an experienced church pastor and regional pastor most recently serving in Southern California, was asked to move to Cincinnati to take on the responsibility. Mr. Franks introduced Mr. Register and asked him to update the Council on preliminary plans.

Mr. Register expressed that after just three weeks on his new job, he has learned that there is much to be done. The five education modules (including ABC) have generated a great deal of material. So much, in fact, that it can seem overwhelming to members and pastors alike.

Mr. Register focused on the need to evaluate the success of our efforts. He gave Council members two pages excerpted from a United Way manual, which emphasized the importance of measuring and evaluating the outcomes or results of an organization's activities and outputs. In other words, what we need to determine is the result of the Church's current efforts to teach and educate the members and elders. He cited New Testament passages that indicate the importance of making and caring for disciples – with emphasis on intense and thorough instruction. He stated that the best measurements of our success in educating our members are their solid foundation of doctrinal understanding and their ability to explain to others what they have been taught.

Mr. Register plans a conference with the coordinators of each of the education modules to discuss general concepts and goals as well as the development of a mechanism for measuring the effectiveness of their efforts.

Mr. Franks then commented on the new responsibility Mr. Pinelli will be undertaking – ministerial development and leadership training. To emphasize the need the Church faces in the immediate future, Mr. Franks pointed out that at its high point, United employed 125 full-time ministers in the United States. Currently there are 89 employed ministers in the U.S. field. He stated that to maintain our current ministerial commitment, the Church will need to hire an

average of three or four new ministers every year – and more than that if there is additional Church growth. Mr. Franks recalled Mr. Armstrong’s comments on the necessity of a well-trained, professional ministry.

Mr. Franks pointed out that we have talked for several years about the need to develop new ministers. Questions remain that must be answered. How do we identify those who are being called into the ministry? How do we train them? Who is qualified to train and experienced in training ministers? Mr. Pinelli has that experience and has been asked to establish a ministerial development program. Mr. Franks asked Mr. Pinelli to provide an overview of the situation and his initial plans.

Mr. Pinelli started by reviewing the results of a leadership survey he recently sent to the pastors and the positive results of some of the efforts that have already begun.

To this point, 71 men (most with their wives) have participated in the annual Leadership Workshop (a five-day seminar held over the Labor Day weekend). Nine of those who attended the workshops have been hired into the full-time ministry. Six have been ordained, and others probably will be in the near future. In addition, several ABC graduates have been identified as strong leaders in their local congregations. The survey also identified several other local members whom pastors felt could be ordained as elders and others who might be hired into the ministry in the next three to five years.

Mr. Pinelli read excerpts from a paper he recently distributed to the full-time ministry titled, “Training Future Pastoral Leadership.” The paper emphasizes the need for leadership training to begin with children and teens and to continue for young adult members of the Church. He pointed out the importance of establishing a mentoring relationship with our teens and young adults to help prepare them for leadership in the Church.

Mr. Pinelli commented that a number of our congregations have an average attendance of 25 or fewer and that many of the pastors indicate there is a lack of potential leadership within those congregations. He emphasized the importance of providing pastors with more training in mentoring and in identifying potential future leaders. Plans are in the works for a two-day conference to train pastors in mentoring skills and to help them become more skilled at discerning potential leaders in their congregations.

At the conclusion of the meeting, Mr. Kilough thanked the men for their reports and emphasized the value and importance of the focus on these educational programs.

Mr. Dick adjourned the Friday meeting at 4 p.m.

Sunday, December 11

The Sunday meeting was called to order at 9 a.m. by Council chairman Robert Dick. Mr. Dick reported that Council member Victor Kubik would not be able to attend the meeting today due to illness. Mr. Dick then introduced Clyde Kilough for the continuation of the media portion of the comprehensive operations report.

Referring to Peter Eddington’s report to the Council, Mr. Kilough identified three important media trends. First, he cited the impact of the Church’s Web sites. In recent months the two primary Web sites (www.ucg.org and www.gnmagazine.org) averaged a combined total of more than 430,000 visits. Second, Mr. Kilough noted the encouraging trend of an increase in

both donors and coworkers, which have increased by 16 and 12 percent respectively in the past 12 months. And third, Mr. Kilough pointed out that increased shipping expenses have led to cutbacks in some areas of the budget.

Mr. Eddington stated that economies have been accomplished to cover the unanticipated shipping expenses. He also explained that reductions in advertising efforts have resulted in the *Good News* print run leveling off at about 390,000 with the January-February 2006 edition (compared to a run of 453,000 at the end of 2005) and Web site visits dropping to about 370,000 per month (from 430,000).

Mr. Kilough informed the Council that in January 2006 he will conduct a meeting with key personnel for the purpose of assessing and better coordinating media efforts. Those involved in the meeting will include the managing editors of the Church's larger publications, home office media staff, *Beyond Today* hosts and Council members Mr. Dick and Mr. Kubik.

Mr. Eddington also reported that the first eight *Beyond Today* television programs have been taped. The first of the new programs to be aired, titled "Christmas: Mirth or Myth," has already been mailed to the 103 public-access stations that will air the program. The Council toured the media center and then previewed excerpts of three of the initial programs. After viewing portions of the programs, Council comments were generally favorable and positive, remarking on the technical quality and professional appearance of the graphics and set. Mr. Kilough emphasized that the program production is a learning process, and there will be some changes and improvements as we become more experienced.

In January 2006 pastors will be sent a CD of the first programs so that congregations will be able to view them – and hopefully will be encouraged to make an effort to have the programs aired on additional public-access stations in their areas. A new Web site (www.beyondtoday.tv) will be available soon to provide direct access to the programming.

Additional highlights from Mr. Eddington's report noted that:

- Beginning in January 2006, sermon videos will be produced on DVDs. Four sermons will be recorded on each dual-layer disk, which will represent a significant savings.
- The *World News and Prophecy* circulation has experienced a 27 percent increase in the last year.
- The circulation of *Vertical Thought* continues to grow rapidly, despite no advertising and only being mentioned occasionally in *The Good News*.
- This month two more Ambassador Bible Center classes (the Acts of the Apostles and the Epistles of Paul) will be sent to congregations on MP3 CDs.
- Since January of this year over 300 brethren and congregations have participated in the brochure display program, which is a very cost-effective means of reaching new people with the gospel message.
- Through the supermarket display program we have distributed 478,000 copies of five new subscription brochures on 4,550 "Good Neighbor" displays.
- Internet advertising on Yahoo and Google continues to provide an excellent and cost-effective way to introduce readers to our publications, adding new subscribers at a cost-per-response of \$1.75.
- Print promotions for *The Good News* are going into 4.88 million homes this fiscal year through several card-deck advertising efforts and the supermarket displays and co-op mailers. Cost per response is expected to be around \$4.28 for these projects. Much of the advertising is aimed at young families and first-time mothers using card decks and subscription brochures.

Mr. Kilough then invited feedback from the Council on the sermon video shown at the 2005 Feast of Tabernacles – the third in a series of Feast videos highlighting the Church and its members in international areas. Richard Thompson said that in Wildwood, New Jersey, the video was well received and that he appreciated the professional quality of the production. Tony Wasilkoff voiced his appreciation of the unifying effect of showing the same message at all Feast sites. Mr. Pinelli summarized that reports from the U.S. Feast sites were all favorable. Les McCullough commented that some members in South Africa did not feel the video adequately portrayed living conditions in their region.

In discussing the Feast video for 2006, it was suggested that more emphasis be placed on individual members' experiences and circumstances. It was also suggested that there be a sermonette-length video that would provide an update on the work of the Church and a sermon-length video focusing on a Feast theme. Several ideas for a theme were discussed. Mr. Eddington said he would provide an outline for the Council's consideration at the meetings in February 2006.

Mr. Kilough reviewed his plans to restructure the Operation Plan for the upcoming fiscal year. He emphasized the importance of assessing the results of our efforts more effectively, establishing accountability, prioritizing programs and determining goals and desired outcomes of our efforts. He intends to reduce the Operation Plan document, making it more concise and easier for the General Conference of Elders to review.

Larry Darden, the Church's legal counsel, reviewed the status of his recent activities. He summarized ongoing legal issues, including resolution of estates, contracts, camp forms, service marks and resolutions of discrimination cases involving Church members.

Shortly after the lunch break the Council went into closed session, to discuss details of the president's comprehensive report.

The Council discussed and by resolution unanimously approved job descriptions for the newly created positions of ministerial development coordinator and director of education programs (Mr. Kubik was not present due to illness).

The final order of business for the day was discussion of the need for a standard policy regarding the printing of articles in United Church of God publications written by non-UCG members. As an example of the situation, Mr. Kilough noted requests from seven nonmembers who have expressed their interest in contributing articles for publication in *Vertical Thought*.

Mr. Eddington pointed out that *The Good News* and *World News and Prophecy* both state that unsolicited articles are not reviewed or returned to those who submit them. Mr. Dick suggested that we shouldn't prohibit all such articles by policy, but that the decision to publish them would rest with the president. Mr. Kilough concluded that he will discuss the matter with the publication managing editors during the January meetings and will prepare a policy statement for the Council to review.

Mr. Dick concluded Sunday's meeting at 4:55 p.m.

Don Henson

-end-