

**United Church of God, *an International Association***  
**Council of Elders Meeting Report**  
**February 23 and 25, 2007 – San Diego, CA**

**Friday, February 23**

Robert Dick called the Council to order at 9 a.m. All members were present. Mr. Dick reviewed the upcoming schedule, commenting that this is the meeting in which the Council will review and finalize the Operation Plan and budget to be presented to the General Conference of Elders for approval at the annual meeting in May.

Mr. Dick reviewed the positive income trend. He pointed out that from 1998 until two years ago the Church experienced an income growth rate in the 2 to 4 percent range. Over the past two years the income has tracked in the 7 percent range. He commented that United's original priority of providing pastors for every congregation created a certain amount of overhead expense. Over time the fixed expenses became a smaller portion of the whole, allowing us to move money into other areas such as public proclamation. The proposed budget is an example of this change, with a projected addition of \$1.6 million to the media budget.

In its first order of business the Council approved the minutes for meetings on December 8, 10, 11 and 12, 2006, and a teleconference on January 10, 2007.

Mr. Dick introduced Church president Clyde Kilough, who updated the Council on efforts at the home office since the last meetings.

**President's Report**

Mr. Kilough commented that overall, there is steady progress toward accomplishing goals set in the current Operation Plan. He expressed confidence that by the end of the fiscal year, goals will be met or exceeded in each area. He then gave the Council a more detailed report on the areas of Ministerial Services, Media and Communication Services and Finance and Administration.

**Ministerial Services**

On behalf of Jim Franks, Ministerial Services operation manager, Mr. Kilough reported that:

- A plan has been implemented to coordinate responses to questions that require a doctrinal response that come to the Church through Web sites and regular mail, which will assure that consistent answers are provided.
- A conference for U.S. and Canadian Feast of Tabernacles coordinators was held in Dallas in early February. Topics that were discussed included site planning, housing registration processes, transfer policies, special music, speaking schedules, seminars, youth activities and brochure development.

- In January the final two-day regional conferences were held for full-time U.S. pastors on the subject of identifying and training new leaders.
- The first two weeks of a six-week ministerial development program were completed in January. The purpose of the program is to assure that each man hired into the full-time ministry receives the optimal level of training. The first session was attended by the 11 elders hired in the United States in the last three years and four pastors from international areas. Mr. Kilough commented that this training program is valuable because it provides the opportunity for consistent and intensive training in a way the Church has never done before.
- In June, Mr. Kilough, Richard Pinelli and Lyle Welty will travel to Chile to provide a ministerial development seminar for all the elders in South America.
- The 2007 Ambassador Bible Center academic program started on January 7 with a class of 54. The class is described as excited and very responsive. Brandon Zollner has been selected as student body president. The administration continues to focus on character development, emphasizing to the students that ABC is of little value unless it changes the way they live. A new elective speech class and a class called Foundations of Faith have been added to the curriculum. The Foundations class tackles fundamental matters that are especially challenging for young adults today—such as whether God and Jesus exist and how we know the Bible is God’s inspired Word. The Foundations class is being recorded and will be made available to congregations on CD. This will complete the class recording project, making all core classes available to Church members.
- A new online magazine will soon be launched to replace *Anchor*. The as-yet-unnamed e-magazine will cover all areas of focused education.

### **Media and Communications Services**

Mr. Kilough then moved on to an overview of statistics provided by Peter Eddington, Media and Communications Services operation manager, that indicate growth and progress in our effort to preach the gospel.

The *Good News* print run for the March/April 2007 issue will be 435,000. Although the number of magazines printed each issue has not increased significantly, the goal has been to reduce the number of newsstand and waiting room issues and increase the number of actual subscribers. There are currently over 323,000 U.S. subscribers on file. It is anticipated that the U.S. subscriber circulation will rise to nearly 500,000 as a result of increased advertising this spring.

A new booklet titled *The New Covenant—Does It Abolish God’s Law?* will soon be available. At more than 150 pages, this will be our largest booklet and will be a core publication that explains the essential identifying doctrine of the Church.

*World News and Prophecy* circulation is nearing 45,000 and may reach 60,000 by the end of the current fiscal year (June 30).

In December 2006 over 200,000 *Good News* readers were sent a letter inviting them to subscribe to the *Bible Study Course*. To date more than 17,000 have responded—more than an 8 percent response rate, already exceeding the last *Bible Study Course* offer in December 2004, which netted a 7.8 percent response.

Mr. Kilough reported that *Vertical Thought* continues to be an effective tool for preaching the gospel to the younger generation. Originally intended to be for youth attending United, three fourths of the readers are now outside the Church. From approximately 5,000 visitors to the *Vertical Thought* Web site per month in January 2006, the number increased to approximately 17,000 per month in December. Also, over the past two months approximately 1,200 new people have subscribed to *Vertical News*—a monthly e-mail announcing new issues, introducing online articles and providing timely commentary. Most of this increase is due to advertising on Google and Yahoo. In conjunction with this advertising, *Vertical Thought* is also receiving a surge in magazine subscription requests.

Media personnel met January 24 and 25 at the home office to assess the media efforts of the Church in order to improve their effectiveness. There were 15 people in attendance, representing the managing editors of several of our larger publications, plus television and Web site personnel. Discussions highlighted the need for publications to be written from the heart, to be compelling and to emphasize the need to turn to repentance.

Recently *Beyond Today* presenters have been taping two- to three-minute program commentaries that are being placed on Web sites such as YouTube and recently on several UCG Web sites. There has been some discussion of working toward expanding that effort to a daily video commentary.

As of the end of January, 68 *Beyond Today* TV programs, commentaries and commercials are posted on the Google video Web site. In the first year these programs have been viewed over 40,600 times. The most popular program, “Is There Life After Death?” has generated over 4,000 views. There are also 62 programs, commercials and commentaries available online at Yahoo’s video portal where they have been viewed 10,800 times since August of 2006. The newest offering comes from YouTube where we have made available 60 clips that have been viewed 10,200 times in just the first two months.

*Beyond Today* is currently airing on 188 cable-access channels and broadcasting on 17 radio stations in the United States. Average response per program is 156 and continues to increase. The most popular program so far is “The Coming King of the South,” with 316 responses. Through January, a total of 52 programs had been recorded, generating 8,865 telephone and Web responses.

In April an advertisement for *The Good News* and *The Middle East in Bible Prophecy* will appear in *Reader’s Digest* (U.S. circulation, 10.5 million). In April and May an ad will also appear in *Parents* and *American Baby* (4.5 million readers) offering *The Good News* and *Marriage and Family: The Missing Dimension*.

In January 2007 the home office processed 72,290 pieces of incoming mail—a 95 percent increase over January of last year.

### **Finance and Administration**

Based on information provided by Church treasurer Tom Kirkpatrick, Mr. Kilough reported that income so far this fiscal year is 9.1 percent over last year. The income over the last 365 consecutive days shows a 10.1 percent increase. He noted that the increase in income has continued long enough so it is clearly not a “bump” or temporary increase, but a two-year trend—which is reflected in the proposed budget for 2007-2008.

### **Visit With Pinnacle Claims Management**

Prior to the Council meetings, Mr. Kilough and Dr. Kirkpatrick traveled to Irvine, California, to meet with representatives of Pinnacle Claims Management, which administers the Church’s employee group health insurance. Discussions included reviewing a recent audit we commissioned, interpreting trends in our organization that will help with long-term planning and establishing wellness programs and preventative care to assist employees.

Mr. Kilough described the relationship as positive. We are satisfied with their processing of claims, and they are also pleased with their relationship with us. They especially praised our insurance administrator, Chris Anderson, for his continual efforts to communicate and work closely with them.

In comparison to other group insurance programs they administer, Pinnacle representatives described United’s health plan as balanced and middle-of-the-road, with a very good package for retirees.

### **Planning Documents for 2007-2008**

Mr. Kilough introduced the discussion of the budget and Operation Plan for the upcoming fiscal year. He reminded the Council that the procedure is to discuss these documents early in this week’s meetings, giving members an opportunity to discuss and consider them carefully and then vote on their approval later in the week.

Mr. Kilough also commented that this year’s Strategic Plan was not changed from last year. The Council plans a process to extensively edit and modify the Strategic Plan, starting in the May meetings, so that a new plan will be completed in time to be used in the planning process next year.

The General Conference of Elders will receive a copy of the Strategic Plan, Operation Plan and budget with the call-and-notice packet for the 2007 Annual Meeting of the General Conference of Elders, which is scheduled to be mailed on March 14, 2007.

## **2007-2008 Budget**

In summarizing income trends and detailing the proposed budget for the next fiscal year, Dr. Kirkpatrick emphasized that all credit for the Church's financial circumstance goes to God for His blessing.

He pointed out that we are now just slightly less than two thirds of the way through the current fiscal year. Income continues to be strong, and expenses are under control.

Dr. Kirkpatrick reviewed some numbers that indicate the Church's income trend. The fiscal year 2005-2006 ended with a total increase in unrestricted income of 7.8 percent over the previous year. This was early evidence of a breakout from a well-defined narrow band of income growth. For the nine fiscal years ending June 30, 2006, the compound growth rate was 3.5 percent.

Further evidence is indicated by income over the last two years. For the last two consecutive 365-day periods ending Friday, February 16, 2007, the growth rate was 7.65 percent per year. For the 365-day period ending on that date, the growth rate is 9.2 percent. And for the current fiscal year through February 16, the growth rate is 10.9 percent.

Based on the income trend, the proposed budget for fiscal year 2007-2008 is \$25 million, compared to the original budget for the current fiscal year of \$21.3 million. The single biggest increase in the budget is the addition of \$1.6 million for public proclamation. The budget also includes increased international subsidies, mostly to compensate for the continuing weakness of the U.S. dollar, and for the hiring of as many as five ministerial trainees and an expansion of the ministerial development program. There is also a significant increase in funding to support the Youth Corps program.

## **2007-2008 Operation Plan**

Mr. Kilough reviewed the Operation Plan for Ministerial Services and Media and Communication Services, highlighting those areas that have been added or changed.

Ministerial Services is looking to hire up to five men to serve in the full-time ministry. Support will continue for the hymnal project, ABC Continuing Education seminars and a women's education program. There will be added emphasis on programs for young adults (ages 19 to 30) such as the Youth Corps and Challenger II programs.

Media and Communications Services anticipates a *Good News* print run of approximately 750,000 by the end of fiscal year 2007-2008. New booklets are also in the works for the coming year. The plan includes goals for further development of *Vertical Thought* and *United News* and *World News and Prophecy* and the Bible Reading Program. Some of the money allocated to Media and Communications Services is not

specifically budgeted at this time. Rather than lock into a simple extension of present media programs, decisions will be finalized as Larry Salyer settles into his position as the newly appointed operation manager, effective in the summer of 2007.

### **Council of Elders Nomination Process**

Bill Eddington presented a proposal to modify the process of nominating elders to serve on the Council of Elders. Mr. Eddington pointed out that the current process results in such a volume of names that the process is unnecessarily difficult. He stated that many elders don't respond to the secretary's request to remove their name from the nomination list, even though they don't desire to be nominated.

Mr. Eddington suggested that, rather than asking for their name to be removed from the nomination list, elders should have an opportunity to indicate that they are willing to be nominated. This can be accomplished by a change to the documentation that goes out at the first stage of the nomination process.

He suggested that this matter be included as an item of business at the 2007 GCE and, if passed, could be introduced for the 2008 nomination process. The Council expressed an interest in this change to the process and requested that Mr. Eddington prepare a resolution for consideration later in this session of meetings.

### **2007 Feast of Tabernacles Video Update**

The sermon video this year will focus on Europe. The theme of the message will be based on the prophecy in Daniel 2:44 of Jesus establishing the eternal Kingdom of God. The message will survey what is presently occurring in Europe and what is prophesied to take place. It will also highlight the lives of Church members in Europe.

Peter Eddington is planning a trip to Europe in June to shoot video of the region and to interview brethren.

### **Local Congregation Web Site and Webcasting Guidelines**

Peter Eddington suggested edits to the Church's "Web Site Policy," which was originally written in March 1999. After Council discussion, Mr. Kilough introduced a resolution to accept the policy as edited, which was approved unanimously.

Mr. Eddington also suggested edits to the "Local Congregation Webcasting Guidelines," which were recently published in the *Ministerial Services Newsletter and Journal*. The Council discussed the need to clarify that the policy is church-wide (not U.S. only) and to include mention of sermons that are posted on Web sites, as well as those that are webcast. Mr. Eddington agreed to prepare an edited copy of the guidelines for the Council to review.

## **Sunday, February 25**

Mr. Dick opened today's meeting at 9 a.m. The agenda calls for discussion of the GCE Planning Task Force recommendations for the 2007 annual meeting, Council meeting dates through February 2008 and consideration of changing the subtitle of *The Good News* magazine.

### **GCE Planning Task Force Review**

Mr. Dick walked the Council through the proposed schedule for the business and fellowship activities for the upcoming annual meeting of the General Conference of Elders May 6. The Council also discussed the speakers for the Sabbath service on May 5 and reviewed the topics and presenters for the seminars to be presented on May 7.

The Q&A format for the president and operation managers will be revised, providing an opportunity for all elders to participate (even if they will not be attending the meetings). A description of the process will be communicated to the elders via e-mail and will also be included in the call-and-notice packet.

### **Council Meeting Dates**

The Council discussed and decided on dates for meetings through next February:

- May 8-10, 2007
- August 3-7, 2007
- December 11-13, 2007
- February 29-March 5, 2008

### ***Good News* Subtitle**

The subtitle for *The Good News* is "A Magazine of Understanding." At the recent managing editors conference there was discussion of changing the subtitle. Mr. Kilough pointed out the dilemma that, though the magazine is titled *Good News*, the witness and warning message of the gospel sometimes includes "bad news." A different subtitle can help clarify the seeming discrepancy.

The editors offered several suggestions for the Council to consider:

- *The Good News*—Hope Beyond Today's Troubled World.
- *The Good News*—Hope Beyond Today's World.
- *The Good News*—Beyond Today's Troubled World.
- *The Good News*—Beyond Today.
- *The Good News*—Hope Beyond Today.

The intent of each of these subtitles is to convey the idea that there is hope and good news beyond today's troubled world. Using the phrase *beyond today* ties the magazine to our television program.

In their discussion, the Council quickly narrowed down their choice to the first two subtitles on the list. Some felt that the first subtitle may be perceived as negative (because it includes the word *troubled*), but it conveys the fact that this is a troubled world and people are looking for hope. Others expressed that the second subtitle conveys a more positive message.

At the conclusion of the discussion the Council was evenly divided on the two proposed subtitles. Mr. Kilough tabled the discussion for now and asked Peter Eddington to make mock-ups of *Good News* covers with the two subtitles, to give the Council a visual review of the options.

The meeting adjourned shortly after noon. Monday's meeting will begin with a closed session.

Don Henson

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