

# University Christian Church

Tuesday, January 26, 2016, 6:30 p.m.

Walker Fellowship Hall

Monty Phillips, Chair

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## Assembly Meeting Minutes

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### UNAPPROVED

A regular meeting of the members of the Assembly of University Christian Church was called to order at 6:42 p.m. by Monty Phillips and the opening prayer given by Jeanne Duke. A quorum was reached at 7:06 p.m.

**Approval of Minutes** – A motion to approve the October 27, 2015 minutes was made by Walter Echols and seconded by Phyllis Allen. The minutes were approved.

**Finance Report** – Michelle Ingram began by looking at the end of 2015 before moving to the budget for 2016.

### **Consolidated Balance Sheet – December 2015 (Finance Pg. 6)**

Comparative cash balances are summarized as follows:

	12/31/2015	12/31/2014	11/30/2015	12/31/2014 (Audited)
Operating	\$764,000	\$441,000	\$745,000	\$441,000
Restricted	702,000	778,000	528,000	778,000
Capital	513,000	419,000	413,000	419,000
Endowment	256,000	74,000	7,000	74,000
Consolidated	\$2,235,000	\$1,712,000	\$1,693,000	\$1,712,000

As of December 2015 operating cash balance is positive and still up comparatively to December 2014 by \$323K. UCC Equity is also positive at \$587K which is higher than last year by \$290K.

This is not a Final 2015 Balance Sheet. There are still pending changes to Assets in both Capital and Endowment and there will be some 2015 expenses and adjusting audit entries still to post. Nothing is final until the audit is complete in March.

### **Unified Budget Report – December 2015 (Finance Pg. 7-8)**

#### **Income – notable items:**

- Pledges, Contributions & Offering (PCO Income) ended the year ahead of budget by \$115K. This is ahead of December 2014 by \$46K.
- Red Envelope end of year gifts YTD \$55K!
- As predicted, mineral income ended the year short of budget by \$49K.
- Embry Trust income and the Red Envelope Offering totals were ahead of budget and contributed to offset the shortfall of mineral income.
- YTD unrestricted income before WDS is positive to budget \$119K.
- 2015 Endowment income predictions were within \$1,100 YTD.
- YTD total income ended the year within (\$4,200) on a \$3.8m budget.

#### **Expenses – notable items:**

- Personnel budget ended the year with a positive variance of \$45K. Numerous vacancies and transitions throughout the year contributed to being under budget.
- Administration General reflects a \$34K positive variance at year end. Legal Fees, Senior Minister Continuing Ed, Staff training, Professional fees, & Search expense are the largest variances. These are accounts that require the budget they have but are sometimes difficult to predict actuals year to year.
- Building & Grounds came in just over budget for the year at \$5,200. Considering unscheduled repairs were over budget for the year by \$24K, the end of year department variance looks positive.
- New Program Opportunities \$100K budget did not get utilized this year. This contributes to the positive overall variance we have.
- The ministry staff are very good stewards of their resources. All ministry areas came in under budget for the year with the exception of Pastoral Care and this was due to Funeral expenses which are also difficult to predict year to year.
- End of year 10% allocation to Outreach \$45K.
- Net overall income is \$272K positive variance to budget!

### **Capital Budget Report – December 2015 (Finance Pg. 9)**

#### **Notable income since October:**

- Capital Endowment earnings \$206K
- \$5K tithe from Youth parking funds
- \$75K transfer from Operating

#### **Notable purchases since October:**

- Water pump
- Fence removal & replacement
- iPads for WDS & JL
- TV, fridge, dryer
- Playground renovation

- Paint Iron fence
- Water fountains
- Refurbish RITl
- Donor wall cross casting
- Bike rack
- Hymnals
- Technology supplies

**Balance available for projects \$489K**

**Restricted Reserves Report – December 2015 (Finance Pg. 10-11)**

Notable activity in 4<sup>th</sup> QTR:

- New gifts:
  - Chancel Choir (\$5K)
  - Thanksgiving Baskets (\$7K)
  - Children's Closet (\$26K)
  - Gifts of Hope (\$19K)
  - Christmas Angels (\$23K)
- Pre-paid 2016 Pledges (\$142K)
- Johnson Organ Endowment reserve transfer for organ additions in 2015 (\$8K)

**Total Fund 2 Restricted Reserves: \$681K**

**Budget Amendments Approved Nov - Dec 2015 (Finance Pg. 12-13)**

**Unified Operating Budget (Fund 1)**

- \$2,800 Requiem soloist – Chancel Choir General Fund (donor)
- \$500 new shelving – Chancel Choir General Fund
- \$11K All Saints Orchestra – Senior Minister Advised Fund (donor)
- \$1,191 Elder/Deacon lunch – Senior Minister Advised Fund
- \$3,600 Xmas Cantata – Chancel Choir Fund (donor)
- \$444 B&G Thanksgiving dinners – Senior Minister Advised Fund

Annual Transaction total - \$67,116

<b>YTD Net impact to Budget – 8,330</b>
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**Capital Budget (Fund 3)**

- \$3K Playground Renovations – WDS Fundraising Reserve

Annual Transaction total - \$73,222

<b>YTD Net impact to Budget - \$43,080</b>
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### Delegation of Amendment Authority

#### Operating:

Approval permitted by	Budget Impact	Transaction limits	Annual Limits
Finance Committee	Net effect of \$0 - Reserve fund expenses	<del>3050</del> ,000	125,000
	Net cost to General Operating Fund	10,000	20,000
Board of Stewards	Net effect of \$0 - Reserve fund expenses	<del>50100</del> ,000	250,000
	Net cost to General Operating Fund	50,000	100,000

#### Capital

Approval permitted by	Budget Impact	Transaction limits	Annual Limits
Finance Committee	Capital or Reserve fund expenses	<del>\$3050</del> ,000	\$ 125,000
Board of Stewards	UCC Bylaws 7.6(d)[4]: BOS may approve capital expenditures during a fiscal year up to an aggregate of 5% of total approved operating budget, or \$191,275 in 2015		\$ 180,770

**ACTION:** Approve the revised Delegation of Amendment Authority. This approval allows the Finance Committee and Board of Stewards to make changes to the approved budget throughout the year within these limits.

**MOTION:** The Board of Stewards brings forward a recommendation to the Assembly to approve the delegation of amendment authority as revised above. Carolyn Critz seconded the motion and the motion was approved.

### 2016 Capital Budget – (Finance Pg. 14-15)

Listed below are unfinished carry-over Capital projects from 2015:

- Exterior Chapel doors
- Gallery lighting
- Update north baptistry
- Sanctuary video controls
- Choir performance folders
- Numerous media/technology

Please see the detail report in your packet for a complete list of new projects that are included in the proposed 2016 Capital Budget. B&G, Finance and the Board of Stewards approved the 2016 Capital Budget as presented. Final numbers are still pending for the parlor/library refurbishment. Currently the estimate for that project is \$125K. When a final proposal is

received, an amendment request will be presented to the Board for approval. Total project expenses \$162K. Net cash balance available for projects is \$620K.

**ACTION:** Approve the 2016 Capital Budget.

**MOTION:** The Board of Stewards brings forward a recommendation to the Assembly to approve the 2016 Capital Budget as presented. Pam Atchison seconded the motion and the motion was approved.

**Stewardship Report: (Finance Pg. 16)**

Final campaign results:

	2016 – FINAL	2015 – FINAL	Difference
# of Pledges	567	616	(49)
Total Dollar (with 7% shrink)	\$1,934,726	\$2,062,615	(\$127,889)
# of New Pledges	44	61	(17) - \$3,010
# of Increased Pledges	208	219	(11) - (\$9,707)
Overall Increase	\$107,985	\$151,932	(\$43,947)

We received 25 pledges from our new members and 208 of existing members increased their pledges! Note: These results compare today to one year ago. Additional pledges came in for 2015 later in January. Pledging units settled around 624.

We opted to approach Stewardship in a different way this year. We shortened the campaign focus to two weeks in October. We held no calling campaign. We sent additional pledge follow up during November. As you can see our pledging numbers continued to decline despite our different approach.

In 2016 we have estimated a 3 year average of pledge income (Finance Pg. 17) for \$2,115,789. We fell short meeting that budget goal by \$181K in this campaign. There are 96 pledging families from 2015 that we haven't heard from for 2016. We have already seen continued contributions in January for some of those members and some we've heard from that the drop in oil prices have impacted their household income and therefore unable to make a pledge commitment at this time. We will continue to monitor giving during the 1<sup>st</sup> QTR of 2016 and will plan to make mid-year adjustments if deemed necessary.

I would like to thank John Andrus and his team of volunteers once again for their leadership with this campaign effort. I'd also like to thank Scott Baker who designed a great Stewardship logo again this year to use on our printed materials. The campaign is really a collaboration of many and I am forever grateful for all of the help I receive year after year! Thank you!

**2016 Operating Budget - (Finance Pg. 18-19)**

**Notable changes from 2015 Budget –  
Income:**

- **PCO Income** – Increase of \$68K based on a 3-year average of actuals
- **Season Football Parking** – Increase of \$4K based on actuals – spaces filled!
- **Mineral Income** – Decrease of \$26K based on decline of oil prices
- **TCU Lease Income** – Increase of \$8K per annual Lease agreement
- **WDS** – Decrease of \$27K based on 2015-2016 School Year Budget
- **Endowment Income** – Increase of \$11K based on 12 QTR market value average (Note: Estimates based on 4.5% distribution rate approved for 2016)
- **Restricted Income** – Decreased based on no Handbell or C&A trips in 2016

**Expense:**

- **Personnel Expense**
  - Legacy benefit costs
  - Healthcare increase of 15%
  - New Custodian position
  - Reorganization of Rev. Lewis's position:
    - Promotion Michelle Ingram – Director of Operations
    - Promotion Pam Santangelo – Accounting Manager
    - Promotion Cyndy Bodden – Facilities Manager
    - New PT Bookkeeper
    - Pastoral responsibilities spread among clergy

Net increase \$20K due to legacy benefit costs and a 15% healthcare increase
- **B&G** – Decrease \$7K based on a reduction in building Insurance premiums
- **Music and C&A** – Decrease based on no Handbell or C&A trips in 2016
- **Pastoral Care** – Increase of \$6K for Funerals
- **Youth** – Decrease \$10K based on no ski trip
- **Outreach** – 10% adjustment based on unrestricted income totals \$21K
- **All ministry areas** – general clean up and realignment of all dept. line items

Departmental budget detail is provided on remaining pages for your review. **(Finance Pg. 20-27)**

**ACTION:** Approve the 2016 Operating Budget.

**MOTION:** The Board of Stewards brings forward a recommendation to the Assembly to approve the 2016 Operating Budget as presented. The motion was seconded by Martha Lunday and the motion was approved.

**Discussion of Proposed Bylaw Revisions** – Robert Putman was chair of a subcommittee to study the bylaws and make recommendations. Lori Gallagher, Coni Hennesdorf, Sandi Kennedy, Troy Tuomey and Jean Duke (as a non-voting advisor) and Thelia Chaffin (staff) were the committee members. Their assignment was to ensure that the bylaws accurately and adequately described UCC's actual governance structure and to revise the bylaws to create a comprehensive, consistent and coherent document to govern UCC's organization and operations. Robert made it clear that they were not reorganizing UCC's governance structure totally and they are not trying to "fix" all of UCC's past "areas of opportunity for improvement" through bylaws revisions and they are not proposing the last documentation revisions that will be necessary in the future.

#### The History of our current bylaws:

2002 – current organizational structure adopted  
October 19, 2004 - Revisions adopted by Assembly  
May 2007 – CLG Bylaws Review Subcommittee formed  
May 27, 2008 - Revisions adopted by Assembly  
January 26, 2010 - Assembly approves revisions related to continuing elders  
June 2010 – CLG Bylaws Review Subcommittee formed  
May 24, 2011 – Revisions adopted by Assembly  
May 27, 2014 – Assembly approves revisions related to Student Delegates to the Assembly

The CLG formed the subcommittee in June, 2015 and an initial meeting and baseline review of the current bylaws was done. In December, 2015 a progress report was given to the CLG for approval. Proposed revisions were submitted to the Board of Stewards for approval at the meeting on January 19, 2016 and the first reading of the proposed revisions was done at this meeting of the Assembly. If approved, the second reading and final approval of the proposed revisions would be at the May, 2016 Assembly meeting. The committee reviewed the existing bylaws, then requested suggestions from members, staff and external sources. They compiled and organized the written suggestions.

#### Focus Areas

- Communications Administrative Committee Eliminated 1.3, 8.1, 8.10
  - Dissolution where needed
  - Reassignment of responsibilities
- Size of the Assembly Reduce size (1.3, 3.8(e), 5.1, 10.2, 10.5(b) Reduce number of Deacons to 30
- Lay Leadership -
  - Clarify leadership selection issues
  - Clarifications of qualifications
  - Meeting requirements

The goal of the committee was to efficiently and effectively re-align communication responsibilities, downsize the Assembly and improve lay leadership selection to reduce burdens of service.

1. Propose eliminating the Communications Administrative Committee and reassign function to align with current practices.
2. Reduce the size of the Assembly in response to CLG recruitment challenges and Assembly quorum issues by reducing the number of deacons to 30. Attendance should be tracked by group to explore additional changes. A chart describing the suggested downsizing by year.

Leadership Group	2015/16	2016/17	2017/18	2018/19	2019/20
Board of Stewards	15	15	15	15	15
Assembly Elders	24	24	24	24	24
Deacons	60	60 (-20+20)	45 (-20+5)	30 (-20+5)	30 (-10+10)
Ministry Division Leaders	12	12	12	12	12
Student Delegates	4	2 (-2 Chi Rho/CYF)	2	2	2
TOTAL	115	113	98	83	83
Quorum	58	57	49	42	42

3. Clarify leadership selection issues regarding criteria and eligibility, particularly with regard to financial contributions being a criteria for selection and the conflict of interest in Section 8.3.
4. Reduce minimum committee size and encourage e-meetings to ease the burden of service.

Robert emphasized that they discussed but were not ready to deal with committee policies and procedure, staff/employee documentation; whether UCC needs a BOS Treasurer; and the importance of integration of the Weekday School, Children's Closet and the Boar's Head Yule Log Festival operating under our non-profit status but not mentioned in the bylaws.

Monty mentioned that staff/employee documentation has been addressed in the new personnel handbook approved this month. Of importance is the percentage of revenue spent on staff. We are down to less than 37 FTE's which makes it harder to get work done with less staff. Six years ago we had approximately 45 FTE's. We have stayed with a flat budget again this year. The Board is having a strategic planning retreat in February. They will consider what can be done to help staff do what they need to do and ways to afford the staff that we need. Stewardship, staff, budget are the three major topics to be considered.

The second reading of the proposed revisions to the bylaws will occur with a 30-day notice to take place prior to the assembly meeting in May 2016.

**Senior Minister Report** – Rev. Thomas recognized Mason Wagner who arrived in time to provide a quorum tonight. Rev. Thomas reported that we finished Christmas and Boar's Head (though attendance was less at some of the offerings due to football game conflicts).

Reel Religion coming up this weekend in cooperation with TCU and Broadway Baptist. Over last three years we have experienced an increased level of participation.

Minister's Week is in the middle of February (2/15-2/17). As members of the congregation, you may register and attend any of the activities.

Ellen Lewis' retirement - We have sought to recover Ellen's areas of responsibilities with the promotions discussed earlier. We are down a clergy colleague. Ellen will be missed. At some point, the Church will have to talk about increasing the bottom line of clergy staff. To continue the kind of ministry this



congregation is used to having, you will need more qualified clergy staff supported by administrative staff. The staff is working well together, acknowledging each other's strengths and supporting each other's shortcomings. The staff is in a good place right now.

Wednesday Rev. Thomas informed the Chair and BOS that he would be concluding his ministry in May.

We have accomplished some really important things (reestablish itself in a healthy way and made plans to move toward a sustainable future). I feel that have not been able to capture the congregation's imagination and move forward. The Stewardship Campaigns show this to be true. The trend has to be turned.

I am going, believing in my heart that I've done a good job and in my heart knowing it was the best I could do. Someone needs to capture the imagination of those not here in this room and inspire them to great things. We also need to understand the importance of this ministry to the denomination. You are a beacon to the denomination; to the Fort Worth community.

On behalf of my staff, I'm not the only one tired, working 6-7 days a week regularly. We have done our part to balance the church's budget and we cannot do any more.

My plan is that I will be taking two small congregations in central Missouri part time with the possibly of doing some congregational consulting. I am also going to write (Spiral Dynamics). [Binary thinking is a result of not understanding or appreciating each other's core values. People do not listen to hear but listen to respond. Spiral Dynamics help to identify those core values and how to work together to move forward.]

Judy Stempel says thank you. Applause. The next individual will be able to fly higher and faster and have a good shot at achieving great things.

In response to a question regarding his health, Rev. Thomas responded that it's okay. Emotionally and psychologically it has been hard, especially with regard to stewardship. The lack of response from folks who have responded in the past who have not responded this year make it disconcerting.

You have other staff that will be here after I'm gone who have paid for the reduced FTEs with their health and well-being.

Sandi Kennedy praised Rev. Thomas for his June sermon. This was my gift to the community. If the sermon was not presented when and how it was, it may have come up later and ripped the congregation apart. Do not revisit that. Build from where you are on that.

Will successor face the same challenges/workload? That will depend upon the congregation. The church needs to have a "velvet crisis" – something to awaken the congregation to the state of affairs. My leaving will be that. You will have to be gentle with each other and support each other. The situation has to change.

You need a minister to capture the imagination of the congregation and harness it. You don't need to do more things but do a few things exceptionally well. You need to look into another worship service to happen on Sunday but not at the expense of well-done, high church.

You are in a much better place than you have been for quite some time. I'm just sorry that I will not be the one to do it with you. Let's celebrate what you've done, look to the staff that remains and how you will support them, how to overcome budget deficits. You can't dream and do new things with a flat budget (or a deficit budget).

Monty Phillips stated that we have involved the region who is assisting with a road map of where we need to be and what we need to do. We intend to get an intentional interim for a period. I'm delighted that we can make this as good as we can make this. It will not be a tragedy. We can give Rev. Thomas and his family a good send-off.

**Adjournment and Closing Prayer** – There being no further business, the meeting was adjourned at 8:24 p.m. following a prayer by Monty Phillips.

Respectfully submitted,

Sean Strange  
Board Secretary

Thelia Chaffin  
Administrative Assistant to the Senior Minister