

**May 22, 2018 | 6:30pm • Walker Hall**

 ***Ken Hubbell, Chair Presiding***

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**Assembly Meeting**

A regular meeting of the Assembly of University Christian Church was called to order at 6:37 p.m. by the Chair, Ken Hubbell. A quorum was present, and Andrew Darr gave the opening prayer.

**Approval of January 30th Minutes** – Chad Cline made a motion to approve the minutes. Alan Winter seconded the motion, and all approved.

**Service Awards** – The following service awards were presented to staff members:

* Mary Farmer – 10 years
* Mimi Rogers – 10 years
* Peggy Ivy – 20 years
* Louis Larry – 20 years

**Endowment Report** – Kristi Hoban, Endowment Chair, gave the following report:

**Assembly Written Report Summary**

**May 22, 2018**

**Endowment Report**

**Endowment** – **1st QTR Endowment Reports –** Marketperformance during 1st QTR was down (0.78%) bringing the current Endowment value to $14,782,856 (down from $14,900,261 last QTR).  We distributed $140,452 earned income for Ministry spending, invested $144,867 in new gifts this quarter. As for expenses, we paid $1,000 for quarterly fees for Fundriver. Currently there are no funds noted below our threshold of 85%. 2nd QTR distribution for 2018 spending at the new rate of 4.5% is estimated to be $142,400.

**2017 Annual Activity:**

Total distributions for ministry spending: $526,292

Total gifts made to Endowment: $93,605

Long term investments increased $1.3 million

**We dedicated and blessed the following new Legacy Society members –**

**June 2017 - May 2018**

|  |
| --- |
| Diane Robinson Cooper |
| McCoy Family Endowment |
| Donald Durward Reynolds |
| Richard Edward and Grace Butler Adams |
| Sandra and Ronald Kennedy |
| Rich and Anne Darr |
| Paul & Judy Clinkscales |
| Pat Edwards Record |
| Dan and Carol Smith |
| Walter & Patricia Echols |
| Rev. Charles P. and Carolyn Y. Dowell Music Endowment Fund |
| Jack & Jackie Shrode Endowment |
| Charles J. & Sarah M. Fraley |
| Kenneth Don & Betty Boles |
| Jimmy & Lanelle Phipps |

**New Endowment Funds – June 2017 – May 2018**

* Sandra & Ronald Kennedy Endowment Fund – General Endowment
* Jack & Jackie Shrode Endowment Fund - Chancel Choir
* Walter & Pat Echols Endowment Fund - Children’s Closet
* Rev. Charles P. and Carolyn Y. Dowell Music Endowment Fund – Music
* Charles J. & Sarah M. Fraley Endowment Fund – General Endowment
* Bert and Marjorie Nunnallee Endowment – General Endowment

Kristi stated the objective of the Legacy Society since the kickoff dinner has been to share information about the Legacy Society. Informational gatherings have been held in homes during the fall and a luncheon was held on April 15. Name plates on the Legacy Wall are unveiled 2 times per year on All Saints Sunday and Pentecost Sunday.

**Finance Report** – Mike Morton, Finance Chair, gave the following report:

**Financial Reports – 2017 Year-end Wrap-up**

**Annual Audit of 2017 Financials –**

The annual audit of UCC’s financial statements was again conducted by Rylander, Clay & Opitz, LLP. The onsite work was completed ahead of schedule this year on March 23.

Auditing partner, Donna Mayes, presented the 2017 Audited Financial Statements to the Board of Stewards at their recent May meeting.The Independent Auditor’s Report expressed an unmodified audit opinion and included the following:

“In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the Church as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.”

**There were no deficiencies or disagreements with Management noted**, with the following comments:

* Board & management oversight policies;
* Proactive approach to internal control & accounting processes;
* No internal control deficiencies were identified.

This is the 8th consecutive year that UCC has received an unmodified opinion with no management letter!

Thank you to the Audit Committee who served this year:

Mike Morton, Brian Gibson, Mark Alland and Bill Pardue

**Audit Report highlights:**

Income:

* Pledges, offerings & contributions: $140,000 increase
* Investment gains: $1,806,000 ($600K increase over 2016)
* Involuntary Conversion: $920,000 (new roof)

Expenses:

* Major Capital Projects: $1,040,000 roof; $218,000 sanctuary lighting
* Program costs: $2,125,000 (increase of $67K)
* Outreach Spending: $618,000 (increase of $122K)

(Increases in Children’s Closet, mission trips, etc.)

Net Increase in Long-Term Investments: $1,363,000

**Overall Increase in Net Assets: $2,276,000**

If you would like to review a detailed report, please contact Michelle Ingram at michelle@uccftw.com .

**Financial Reports as of April 30, 2018**

**Consolidated Balance Sheet –** As of April 2018 operating cash balance is positive at $1,032,000 and up comparatively to April 2017 by $173K. UCC Equity is positive at $846K which is up $195K from last year.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 4/30/2018 | 4/30/2017 | 12/31/2017(Audited) |
| Operating | $1,032,000 | $859,000 | $789,000 |
| Restricted | $681,000 | $682,000 | 995,000 |
| Capital | $277,000 | $695,000 | 322,000 |
| Endowment | $5,000 | $27,000 | 34,000 |
| Consolidated | $1,995,000 | $2,263,000 | $2,140,000 |

**Unified Budget Report -** Pledges, Contributions & Offering (PCO Income) is behind budget YTD by ($54K) but ahead of April 2017 YTD by $87K. This is an improvement relative to budget of $24K over March’s position and was aided by several factors – giving statements sent at the end of March; five Sundays in April; and an increase of over 80% in Easter giving.

Easter in-person attendance exceeded 1700 and an additional 683 worshipped via Livestream.

Weekday School continues to reflect a positive variance to budget, as does total income. Expenses also reflect an overall positive variance to budget.

Net overall operating income is $136K thru April 2018, which represents a $53K positive variance to budget YTD.

**Outreach** –

Outreach Committee met to make final allocations from 2018 available funds. The following additional allocations were made:

|  |  |
| --- | --- |
| Division of Overseas Ministries | $ 20,000  |
| Habitat for Humanity local build | $ 10,000  |
| Center for Transforming Lives | $ 10,000  |
| Northside Inter Community  |  $ 10,000  |
| Bethany Fellows | $ 10,000  |
| Day Resource Center | $ 10,000  |
| Bethany Fellows for Jamie Plunkett | $   2,500  |
| Puerto Rico relief (WOC) | $ 25,000  |
| Cypress Creek Christian Church donation | $ 20,000  |
| Donation to Iglesia Cristiana Betania | $   3,000  |

**Total: $120,500**

**Total YTD Mission & Outreach Funds Distributed: $262,822.**

**Restricted Reserve Report –**

Highlights:

Chancel Choir donations: $23K

Boar’s Head festival income: $31K

Boar’s Head festival expense: $33K

Student camp transfers: $12K

WDS Spring Party: $80K

WDS Spring Party cost: $34K

Outreach spending: $74K

Children’s Closet spending: $20K

Prepaid pledges: $282K

**Capital Budget Report –**

Jan - April Activity:

Income:

* Fillingim Trust Income: $ 2,464
* Endowment Income: $48,952

Expenditures:

* Kitchen Project: $71,421
* RTU Replacement: $20,779
* College Lounge: $ 399
* Computers/IT: $ 1,885
* Masonry repair: $ 4,997

**Capital Fund balance remaining for projects is $251K**.

**Budget** **Amendments Jan – April 2018**

**Fund 1 Operating –**

|  |  |  |  |
| --- | --- | --- | --- |
| 3/31/2018 | Boar’s Head amendment  | Restrictions Satisfied - Boar's head |  $ 16,088  |
| 3/31/2018 | Music stand lights  | Restrictions Satisfied – Music Gen. |  $ 1,000  |

**YTD Budget Amendment total is $17,088.**

**Because these items were funded from Restricted Reserves, there is no net impact to the Operating Budget.**

**Update on Adaptive Staff Process** – Jeanne Duke stated that two years ago, during the process of selecting an interim minister, we began looking for a new way to evaluate our ministers. We consulted with Rev. Murtha, who is an interim minister that trains churches on the adaptive staff process, and she has been guiding our church on how to use this process with our ministry staff. Each minister has a team with whom they meet regularly throughout the year for goal setting and feedback. The process is designed to give a large amount of positive feedback in order to override any negative feedback. The process also allows ministers, along with their teams, to set goals and priorities and to be able to say no to new ideas without all the pressure for this being put solely on each minister. Jeanne announced we are in the process of putting together a committee to help with the adaptive staff process and that we are forming teams for Jamie Plunkett and Renee Hoke. Those teams will begin meeting in the fall.

**Approval of Board of Stewards Members and Officers** – Tony Allred, CLG chair, read the slate of the new Board of Stewards members for the 2018-2019 program year, each of whom would serve a 3-year term.

* Greg Farr
* Gay McKeever
* Alice Phillips
* Jim Smith
* Jerre Tracy

Tony then read the slate of Board of Stewards Officers for the 2018-2019 program year:

* Cathy Taylor, Chair
* Lindsay Klatzkin, Vice Chair
* Art Busbey, Secretary

Jeanne Duke made a motion to approve the Board of Stewards members and officers. Brian Gibson seconded the motion, and all approved.

**Update from Board of Stewards** – Ken Hubbell announced the goals for the 2018 – 2019 program year had been sent to all Assembly members after the February leadership retreat. The consensus of the leadership at our February 17, 2018 retreat was to continue to emphasize and build on the goals established by UCC’s leadership in 2016 and 2017:

1) Hospitality: To nurture a sense of community by practicing extravagant hospitality, and by creating a welcoming and inviting campus.

2) Stewardship: To expand our scope of stewardship by developing and implementing a year-round strategy for giving.

3) Communications: To work on improved communications, both inter-community and intra-church.

Ken stated the nametag campaign is going well, and it is great to see everyone wearing their nametags around the church.

He announced there was a wonderful discussion at the leadership retreat about moving to a year-round model for stewardship instead of just focusing on it for a couple months a year. The Board feels strongly that we should move forward with this model and is proposing we establish a 5th Administrative Committee which will be call the Stewardship Committee.

The Kitchen Committee has been working diligently for a year, and the kitchen remodel is going great. We hope to have an operational kitchen by the end of June, and we should be able to start celebrating meals together by the end of the summer.

Finally, Ken stated we have also established a Risk Management Committee, chaired by Steve Mosher. The committee has met and should have a report prepared within a couple months.

**1st Reading of Proposed Bylaw Changes** – Tony Allred, CLG Chair, walked through the proposed bylaw changes. (See packet) Ken Hubbell announced the Board of Stewards has already formed an advisory committee for the new stewardship year-round model.

Ken Hubbell presented certificates of appreciation to outgoing members of the Board of Stewards and Administrative Committees and thanked them for all of their hard work and service to the church.

**Approval of Congregational Meeting Date (May 27)** – Chad Cline made a motion to approve the date of the Congregational meeting. Tony Allred seconded the motion, and all approved.

**Approval of Ministry Division Leaders** – Brian Gibson made a motion to approve the Ministry Division Leaders as presented in the packet with the following changes:

Church in the Arts – Chair is Lisa Wann

Music – Chair is Bill Shelton

Pastoral Care – Minister is Cyndy Twedell

Marty Mills seconded the motion, and all approved.

**Senior Minister’s Report** – Russ Peterman announced he continues to be invigorated and inspired by the faithfulness, generosity and compassion of this congregation. He stated he already feels at home here and can’t wait for his family to be here to experience it all as well.

He also continues to be impressed by the ways in which this congregation strives for excellence in all aspects of its ministry. It is done with passion and a professionalism that he has never experienced before.

There continues to be a good energy and excitement in the congregation. Numbers don’t always reflect the health and vitality of a congregation, but they are a metric we use. Our numbers continue to look good!

* We have had 36 new members in 2018. We had 22 in all of 2017. We are on target to reach 80 new members for the year.
* Giving continues to be strong. We have just added 15 new names to the Legacy Society wall on Sunday.
* Worship attendance averages: 2018 – 645, 2017 – 450, 2016 – 654
* Live stream worship – 350-500 each Sunday

Russ stated there have been nothing but positive comments about the recent change to the order of worship. He thanked Shannon Moore and the worship life committee for all their work on preparing for and making the changes. He stated he is proud of the congregation on the way we approached this changed and feels it is a sign of good things to come.

Renee Hoke will begin her ministry with us on June 10th. She and Russ talk each week and are reading a book together entitled Leading from the Second Chair. He is excited to work with her and thinks she is going to be a wonderful fit.

He stated the staff continues to inspire him. Cyndy Twedell, Shannon Moore, and Jessica Vacketta are all living into their new roles with a sense of renewed energy. Most of the ministers will have new titles as we are doing away with the “Associate” title:

Cyndy: Minister of Nurture

JV: Minister of Connections

Shannon: Minister of Faith Formation

Kera: Minister of Children and Families

Jamie: Minister of Youth and Families

Todd: (didn’t change) Minister of Music

He loves working with this ministry team and is going to miss working with Tyler Heston, Josh Jackson and Ellen Lewis. Russ thanked Michelle Ingram for all her work in picking up a lot of the responsibilities of Ellen Lewis until Renee Hoke arrives. He is very thankful for the hard work and dedication of the whole staff, including those recognized tonight.

Russ announced he will be away on vacation from June 4-18 to move his family to Fort Worth. He thanked the Assembly for their role they play in making this church such a special place to experience community and the love of God.

Russ then thanked Ken Hubbell for all his support and service as Board Chair and presented him with a certificate of appreciation. Ken Hubbell stated it has been a pleasure to serve alongside a wonderful staff and congregation this year.

Newly ordained Rev. Jamie Plunkett thanked everyone for their support and closed the meeting in prayer. The meeting was adjourned at 8:40 p.m.

Respectfully Submitted,

Mary Nell Andrus

Board Secretary