ROLLING HILLS COVENANT CHURCH
Annual Congregational Business Meeting
Minutes
Sunday – May 6, 2012

Documents Attached to Official Filed Minutes:

1. Meeting Agenda – May 6, 2012
2. Membership Update – May 6, 2012
3. PROPOSED Ministry Plan/Budget for Fiscal Year 2012/2013
4. Job Description for Associate Preaching Pastor

Present: 154

WORSHIP MUSIC – Matthew Kennedy and Cliff Young

Matthew opened the meeting in prayer. Then he and Cliff led the assembly in worship, singing *Come Thou Fount*, *Unfailing Love*, and *If I Have Not Love*.

PRAYER AND DEVOTIONAL – Byron MacDonald, Senior Pastor

Byron stepped forward to say we are here to discern God's will. We know He is present with us and He will build His church. Byron said that 15 (fifteen) years ago we were concluding our Harvest Campaign. We presented a plan we thought was the will of God to maximize our Main Campus, but things have changed several times since then. Our goal was to build a large Worship Center to seat over 2,000 (two thousand) people and to turn our Worship Center into a large multi-purpose room. Looking back over these years we may wonder if we really knew the will of God.

Byron directed everyone to 2 Corinthians 1:15 where Paul is outlining his travel plans to those in Corinth. He wanted to see them on his way to and from Macedonia then proceed to Judea. Then Paul, being led by the Holy Spirit saw God change his plans. Some may have questioned his integrity but he never wavered in his devotion to Christ. He wanted to take the Gospel where it had never been. That call and purpose never changed, but the destination often did.

In Acts 15 we see that Paul's plans were changed in a variety of ways, including differences of opinion between like-minded brothers about the best way to proceed. There was a disagreement between Paul and Barnabas that caused them to separate. Barnabas wanted John called Mark to accompany them on their journey. Paul didn't want to take him along because of his earlier actions. The result was that instead of a single team going out in ministry, the ministry was doubled as they went their separate ways.

In Acts 16:6-9 we see a series of destination changes from Phrygia and Galatia to Mysia, Bithynia, and Troas, before Paul was directed to Macedonia by a vision. Doors kept closing, but Paul saw it as part of God's will. However, He also opens doors. Paul ministered for several days in Philippi, a leading city of Macedonia, and his ministry was bearing fruit. However, that ultimately resulted in beatings and imprisonment. He was asked to leave the city. He moved on to Berea where he saw great fruitfulness and great opposition. He ministered for a time in Athens before finally arriving in Corinth. He was way off of his itinerary, but despite all he faced, he was never out of the will of God.

Byron sees similarities in Paul's journey and our expansion efforts. Many changes have occurred along the way, but we've tried to never be out of the will of God. We have tried to do whatever He asked us to do. Now we need to discern the will of God for the future of RHCC.

Byron closed this time of devotion in prayer and asked for His leading as we move forward.

MEETING RESPONSIBILITIES – Daniel Charlin

Dan introduced those helping with the meeting. Keith Harrington was appointed Parliamentarian. Cliff Young, Bob Drew, Bryan Mylar, and Guy Renard and agreed to serve as Tellers.

MEETING AGENDA – Daniel Charlin

The meeting agenda was presented and there was a call for items of new business.

The amended agenda was considered **adopted** by unanimous consent.

MINUTES OF JANUARY AND SPECIAL BUSINESS MEETINGS – Daniel Charlin

The minutes from the January 29, 2012 Quarterly Congregational Business Meeting and the March 19, 2012 Special Business Meeting were **accepted** by acclamation as submitted.

MEMBERSHIP – Susan Johnson, Director of Ministry Services

Susan presented the changes to the RHCC membership roster as shown on the Membership Update dated May 6, 2012. First she read the list of proposed members, asking them to stand and be recognized.

Susan Johnson made a **motion** to accept those named into membership. Andy Noch **seconded** the motion.

Then Susan read the list of members who have requested removal and the name changes of an existing member who has requested removal.

Susan Johnson amended her **motion** to remove those named from our membership roster and to adjust our membership total accordingly. Andy Noch **seconded** the amended motion. When put to a vote the amended motion **passed** unanimously.

She advised those in attendance of the new membership total of 1,769 (one thousand seven hundred sixty nine) for an increase of ten (10) from our prior membership total.

In closing, Susan prayed for the new members and that RHCC would be a blessing to them. She also asked them to see her after the meeting so she can give them a "welcome gift" from our church.

NOMINATION OF CHURCH LEADERS – Mike Cochrane, Chair of the Nominating Committee

Mike came forward to remind us that the voting for church leadership starts on Tuesday. He said there were a couple of changes and that he would note them as he read the slate of nominees. Local Outreach will need two (2) committee members, not one (1) as previously indicated. Will Nicklas and Christopher Knox have been withdrawn from the nominations.

The final slate of candidates appears below:

Vice Chairman:
Craig Knickerbocker

Treasurer:
Debra Caldin

Financial Secretary:
Ken Johnson

Secretary:
Rosie Chia

Elder Council:
Mike Cochrane
Greg Edlund
Tom Miller
Dan Sullivan
Dave Wendorff
Terry Wheeler

Adult Commission:
Venice Chou
Lisa Nakkim

Children's Ministry Commission:
Benkai Bouey
Guy Renard

Discipleship Commission:
Hoon Dokko

Equipping Commission:
Pam Seide
Scott Sevy

Global Outreach Commission:
Bea Garcia
Curtis Shin

Local Outreach Commission:
Ana Bomback
Richard Tamble

Personnel Commission:
Bill Ruth
Lily Tsau

Stewardship Commission:
Garth Edwards
Don MacKenzie

Student Ministry Commission:
Dawn Knickerbocker

Dan explained the voting process that will start May 8 and continue until 4 p.m. on May 22. Voting is limited to members only and there are no absentee ballots, although we will accept mailed in ballots

2011-2012 CURRENT BUDGET

CURRENT FINANCIAL STATUS (TREASURER'S REPORT) – Debra Caldin, Treasurer

Debra came forward to give the Treasurer's Report. She reminded everyone that the funds for the Children's Campaign are over and above regular giving.

Dan called for questions but none were forthcoming.

Table A

• Current financial status – 04/30/12			
YTD	**Revenue**	**Expenditures**	**Difference**
Budgeted	$6,312,000	$6,261,000	($51,000)
Actual	$5,997,000	$5,939,000	($58,000)
Difference	($315,000)	($322,000)	

Table B

• **Current financial status – 04/30/12**

Total Harvest/Building Fund is
$199,942

Table C

• **Attendance statistics – 04/30/12**

	2008	**2009**	**2010**	**2011**	**2012**
YTD	2,191	2,152	2,171	2,325	2,418
Average %	-3.1%	-1.8%	0.9%	7.1%	1.0%

PROJECTED INCOME – Carey O'Bryan, Elder to Stewardship Commission

Carey came to the front to give his report and indicated that $210,895 (two hundred ten thousand eight hundred ninety five dollars) has been transferred into the General Fund from some trust accounts for use during our 2012-13 fiscal year. He said the difficult economy is reflected in our giving and our budget.

Carey called for questions but none were posed.

Dan thanked everyone who has served in the financial sector of our church.

Table D

• **Projected income**

	2011-12	**2012-13**
Congregational Giving	$6,800,000	$6,700,000
Trust Account Transfers		$210,895
Total General Fund	$6,800,000	$6,910,895

2012-2013 MINISTRY VISION AND SUPPORTING BUDGET – Byron MacDonald, Senior Pastor and Tom Miller, Elder to Finance and Property Commission

To start this agenda item the Tellers were asked to pass out copies of the proposed budget.

Byron reminded us that our mission is to share Jesus Christ with others, not just in our community but also to the ends of the earth. Locally, we live in a wonderful location for fulfilling His commission to make disciples. He said the South Bay area is among the most diverse in the whole world and it is a real thrill to see the diversity that is represented in our church each weekend. We are diverse in people groups, economics, age, and ethnicity. God has a special calling for us. We've seen His love for us and for others. There is great benefit in our Small Groups as we come together and share. Each of us has gifts and should use them in His service.

Adding to our Sunday morning worship service schedule has been successful. Having three (3) services in our Worship Center each Sunday has been a goal for many years, and we've recently been able to see that become a reality. Some worship styles have changed and we've adapted to those changes. Everyone was affected. Many of our staff, particularly in Technical Ministries, and volunteers, like our choir and orchestra, have stepped up to the challenge and done a wonderful job!

Byron praised Garrick Hanger and Shawn Hurley's ministry in Canvas and Matthew Kennedy as worship leader. He went on to say The Gathering with Cliff Young has a great feel. Life On the Hill is growing and reaching people that need a multi-cultural service. Their Easter service was well attended with 170 (one hundred seventy) people. Our High School ministry is dynamic and demanding. In light of that Shawn's job co-leading Canvas and serving as High School Pastor has become untenable. We will bring him into Adult Ministries and give Canvas more of his time and talents.

In our community we've helped with Doors of Hope for the homeless women in our area. Through those efforts they hear the Word of God and know that He loves them. Wheels of Hope, that is both a local and global outreach effort, will be sending out 140 (one hundred forty) bikes this month. Still, our passion is the church and we've continued our goal of planting a church a year. Matthew Lee has started a church in Little Tokyo in downtown Los Angeles.

Locally, we have made strides but we are in a lag at home. Those who are new to our church don't feel financially responsible yet. It generally takes about two (2) years before it feels like home and family to newcomers and they start participating financially. There will be a stewardship focus to our teaching this fall, not just about money but also about time and talents.

There isn't the same drive to reach out to the nations that there was after World War II. However, now God is raising up national leaders. We want to resource our missionaries, recognizing how God is working.

We are excited about the changes that our expansion project has brought. The Welcome Center is almost complete. It will be dedicated the first weekend in June. It will be a place for fellowship. We hope that after services people will linger and get to know each other and that it will even out our traffic issues by eliminating the mass exit we currently experience. It will be open during the week, as well.

Byron was deeply moved when attending the Children's Pageant of Our Lord. The Worship Center was filled to capacity twice. If those families decide to return here for worship we need room for the children.

All of these issues are represented in the proposed budget we will be voting on tonight.

Tom came to clarify some items in the budget. He called everyone's attention to pages 1 and 2. Page 1 has personnel costs imbedded into the ministries and page 2 has the personnel costs set aside. He explained Trust Account Transfers. Part comes from a $100,000 (one hundred thousand dollar) gift we received last year, $55,000 (fifty five thousand dollars) comes from idle in-and-out accounts, and $55,000 (fifty five thousand dollars) is an allotment from Life On the Hill giving. In total the amount is $210,000 (two hundred ten thousand dollars).

He called for questions.

Mel Nygren said he recognizes how hard everyone worked on the budget. He is concerned about our missions' budget and our policy of going 'deeper with fewer.' He takes that to mean we want to give more funding to fewer people but wonders if that is actually happening. Line number 85131 is titled "New Commitments" ("NC") and has an allocation of $75,575 (seventy five thousand five hundred seventy five dollars) and Mel wondered that is for young people preparing to go into the field. He believes new commitments should be designated to specific individuals affiliated with RHCC and not just set aside until someone claims the funding. It also appears that a salary in question appears in our outreach budget. As far as the National Sending Agencies segment is concerned Mel thinks there should still be line items to indicate exactly how the monies are allocated. His final concern is that

the budget is still high considering the economic times and the budget difficulties we've faced the last few years. He's wondering if we are realistic setting such a high goal for ourselves.

Steve Bunyard came forward to respond saying that our desire with 'deeper with fewer' is to give more funding to the missionaries we choose to support. The first step in the process is to free up some funds then we will be able to make upward adjustments. It appears that there is $61,000 (sixty one thousand dollars) that we can dedicate to 'going deeper.' It looks odd in the budget because it is parked in "NC" for future use. Presently, no one has been involved in training or come to us with the desire in their heart to enter the mission field. Many people approach us for support but they aren't 'home-grown young people' with one (1) possible exception. Mel reminded us there is a Mission Policy Handbook that says we should have a two (2) year ministry relationship with our missionaries before we start funding them. Steve said he's aware of that policy and we are adhering to it. The salary Mel was concerned about has been moved to the personnel budget (and does not appear in the Proposed Budget distributed tonight). To Mel's final question Tom responded that the things that we have control over (our expenses) and what God has control over drive our budget. We have put a freeze on certain expenses so we can adjust as our funds come in. We believe this is a responsible budget.

Mel said his intent is not to attack anyone but he is concerned about some of the budget numbers. He would like to have monies reinstated for our homegrown missionaries and mentioned several by name. He is not asking to increase the budget but would like to use the money available under the "NC" line item to strengthen these people. Dan responded by sharing his thoughts on this matter. He would love to have everyone at the past amounts but he also recognizes a lot of work went into these new figures. He believes Steve knows more about the needs than we do. However, Mel wondered if new commitments are more important than the existing ones.

Continuing the discussion Mel noted that our missions funding as a percent of budget has dropped the last three (3) budgets; from about 17.5% (seventeen point five percent) to 16.7% (sixteen point seven percent) to 15.7% fifteen point seven percent). He is concerned that Global Outreach keeps losing percentage of the budget and can't support the budget.

Tom Miller made the following **motion**: "I move, based on the unanimous recommendation of the Elder Council, that the Ministry Plan/Budget for 2012013 be adopted." Mike DiLustro **seconded** the motion. When put to a vote the motion to approve the budget **carried** by a vast majority.

MOTION OF CHANGE FOR PASTOR SHAWN HURLEY JOB RESPONSIBILITIES AND TITLE – Byron MacDonald, Senior Pastor

According to our By-Laws any significant change to a called pastor's position needs to be brought to the congregation. Last year a change was approved to have Shawn Hurley serve as High School Pastor and Associate Pastor of Preaching at Canvas. Now we would like to move him fully into the position of preaching and out of the Student Ministries position. The job responsibilities are outlined in the attached Job Description for Associate Preaching Pastor. This is proposed in recognition of how God has raised up Shawn in the Canvas ministry.

Byron MacDonald made a **motion** to change Shawn Hurley's title to Associate Preaching Pastor, to make him part of Adult Ministries, and to remove him from the area of Student Ministries. Vergil Best **seconded** the motion. The vote **passed** unanimously when put to a vote.

Dan took a moment to pray for Shawn in his new role.

UPDATE ON HIGH SCHOOL PASTOR SEARCH COMMITTEE – Terry Wheeler, Elder of Student Ministries

Terry said they are seeking God's guidance in finding a replacement for Shawn. A search committee was formed at the Special Congregational Business Meeting in March and they are hard at work already. They have about 50

(fifty) resumes they are reading through to narrow the field of acceptable candidates. He asked for prayer for the process.

MOTION TO CHANGE TITLE OF COMMISSION – Anthony Galante, Elder to Worship, Music and Creative Arts Commission

Anthony Galante made a **motion** to change the name of the Worship, Music and Creative Arts Commission to Worship Arts Commission. Phil Hodges **seconded** the motion.

There was a question about why the name was being changed and it is just to simplify. Currently, the letters are often transposed and the title is actually redundant.

At vote the motion **passed** unanimously.

EXPANSION REPORT – Craig Knickerbocker, Expansion Team

Craig reported on the work that has been accomplished during our 15 (fifteen) years of expansion. We bought the Community Center (that is used by our High School Ministry, the community, and Life On the Hill). On our Main Campus (MC) we expanded the 290s; reworked the Children's Ministry courtyard; built a new children's playground; added children's baths; added and remodeled baths throughout our campus; added digital screens and projectors in our sanctuary; expanded the stage in our Worship Center; and built a new library and a new Welcome Center. On our North Campus we remodeled several rooms; added a prayer garden; built the amphitheater; built a new conference room, bride's room, and narthex; redid the stucco; re-carpeted; built a ramp for handicapped access; and redid the parking lot. We bought the corner lot near our MC and Gardena church facility. We provided large donations, totaling about $1,000,000 (one million dollars) to several organizations (the Congo hospital, Bridges of Hope, Doors of Hope, Alpine, and SonShine Delta Camp) we've supported for many years. Additionally, we've spent about $500,000 (five hundred thousand dollars) toward the new building and parking lot changes.

Craig said our relationship with the city has never been better. Canvas is reaching the younger generation. He thanked everyone for their support and especially Vergil Best for his work through the years.

CHILDREN'S CAMPAIGN – Byron MacDonald, Senior Pastor

Dan said he asked to deliver this part of the presentation because he thinks there is a bit of a credibility issue and he'd like to address that tonight. Perhaps leadership could have been more open however, nothing was deliberately hidden. Things changed and those changes may not have been communicated well, or people may have missed the meetings where the changes were discussed.

Several things we pursued didn't happen including a tunnel under, and a bridge over, Palos Verdes Drive North. We considered buying the Edler building but decided against it. We thought of moving our baptistery but added sliding screens instead for a savings of about $70,000 (seventy thousand dollars). Another building came available that we thought was move-in ready but it actually required some extensive, and expensive, repair work. We wanted a larger Worship Center but that just didn't seem feasible. The City wouldn't allow us to expand so we have added additional services. We have about 100 (one hundred) new people who are attending services in our un-expanded Worship Center. Some are new to church and some are just new to us.

It takes two (2) years for new attendees to start giving, time and money, to a church. Life On the Hill took a while to get some giving coming in and we supported them. Now, they have excess and are contributing to RHCC. Our new service, The Gathering, seems to have a devoted following. Cliff Young is doing an amazing job of leading worship with an urban gospel style.

The number of children attending RHCC is growing. At one time Byron called our current expansion goal a "Children's Crusade." The new building will have children's rooms on the ground floor. There will be a large room that can be subdivided, when necessary. The plan has always called for office space on the second floor. This configuration will aid in our ministry planning having our staff clustered together instead of spread out over three (3) campuses.

When the congregation last met to vote on this project it looked like the construction cost would be $6,000,000 (six million dollars) and that we would not start construction until we had $2, 000,000 (two million dollars) both in cash and pledges and would assume a loan of $2,000,000 (two million dollars). Now the bids are coming in lower than anticipated. The Elders have debated how to handle this change. Some thought that the original ratios (a third in cash, a third in pledges, and a third as a mortgage) should still apply, but that didn't seem right. God gave us a $2,000,000 (two million dollar) gift with the lowered bids. We feel that we shouldn't assume debt for the project therefore our new goal is to raise $2,000,000 (two million dollars) in each, cash and pledges, and not borrow. We have $587,000 (five hundred eighty seven thousand dollars) and pledges of about $1,000,000 (one million dollars).

The question is still where do we go from here. Rumors are rampant. Our Children's Ministry (CM) is not going to be in a position of giving up any of their existing space. The Gardena facility is not being sold; it is not part of this decision. We consider them a church plant. They are struggling; the economy has hurt them more than most. We've tried to help them in many ways. A Covenant study, *Veritas*, is underway to examine their church. We will wait for the recommendation that should be forthcoming and even though we trust *Veritas* they won't have the final word.

We feel like we have followed the Holy Spirit. We don't want to wait another ten (10) years to complete our expansion, but we can wait a while longer. We hope that during the time of waiting the funds will come available. Until then our building project is suspended. If things change again we will bring it before the congregation and deal with whatever comes. Dan said he would be happy to talk to anyone who wants to express views or ask questions.

Karen Burns, who serves in CM along with her husband, came forward to say they have noticed that elementary children's attendance has dropped this year. It seems to have bottomed out now, but still it is down. Some classes are being combined. She believes that the new building will actually provide less classroom space than the square footage that is available to them now. Now, an upturn in attendance could be accommodated. She also said that people are not having trouble finding the classes for their children because the Welcome Rovers are helping parents new to our church. She sees parking as the problem.

Dan replied that CM will be keeping all of its space and will add additional footage. The changes in our services have accounted for a shift in attendance. According to the Financial Secretary Reports our children's attendance has gone from about 350 (three hundred fifty) to 500 (five hundred) children each week. Kids may have moved to other hours or classes but overall attendance is up. Also, what's true for a particular class may not be the case in others.

Karen wanted to make the point that Paul never had a church building. He took funds from affluent churches to poor churches. Christian persecution is on the rise and we need to be concerned about helping the persecuted church.

Dan thanked her for her comments and said that we should be able to do both things, help others and provide for our children.

Carol Bury said there is a persecuted group in this area that need us, and they are our children. She said she would like to offer herself to train our young people to go out and witness to the children in our area.

Dan responded that we have limited resources and we try to do our best with what we have. Some of our people are looking for opportunities to serve outside our church walls. He said if anyone has a heart for the type of ministry

Carol suggested they should try to get involved and let us know if there is anything we can do to help. Carol made it clear she isn't asking for monetary support. She wants to train our young people to be missionaries.

Jessie Austin wanted clarification that nothing else, apart from what Dan explained tonight, is going to be done without congregational approval.

Dan said we're not asking for a vote tonight because nothing different is planned. The congregation has approved the building and set the parameters for the beginning of construction, and we are abiding by those parameters.

NEW BUSINESS – Daniel Charlin

There were no items of New Business.

OPEN FORUM – Daniel Charlin

An open forum was provided for issues from the floor.

Guy Renard asked about the status of the search for a new Director of College Ministries. Lloyd Gilbert said the committee has looked at over 100 (one hundred) resumes.

Steve Bunyard came forward to encourage Mel Nygren. The entire Global Outreach (GO) Ministry has tremendous love and respect for him! GO would not be what it is without his efforts through the years. "Deeper with fewer" has been tough and part of it is financially driven. Steve said he, like Mel, would like to see their share of the budget go up. Some of the choices have been culturally driven. We are trying to focus on people groups who've never heard of Jesus. Each change is painful for Steve. They've diligently sought the Spirit's leading. He would like Mel to come to the GO Commission this month (May 8th) and speak to them, sharing what's on his heart. Some decisions have already been reversed and more could be.

Gary Holt asked if the Car Show might be reinstated. Dan responded it was a fun event but not a very effective outreach tool. We had a lot of traffic (no pun intended) but not much fruit.

Gene Chou asked about the parameters of our fiscal year. Dan replied it is June 1 to May 31.

Michael Saunders spoke to the need to have a day school available on our campus because of the attack on Christianity in public education.

Dan told the assembly that he knew the men involved in the fatal boating accident last week and asked for prayer that he would be an effective witness during this terrible time of opportunity.

PRAYER AND RECESS – Byron MacDonald, Senior Pastor

Byron thanked Dan for all his work.

Byron closed the meeting in prayer at 8:45 p.m.

NEXT MEETING

The next regularly scheduled Quarterly Congregational Business Meeting will be held at 6 p.m., Sunday, September 30, 2012 in the 290s.

Respectfully submitted,

Sandra Flowers
Secretary