

CRAF – Board of Directors Conference Call Minutes – 9:05PM – 11:00PM (EST) - 9/28/04

Participants

Scott Luna
Jackson Norton
Adam Underwood
Dick Burts
John Perry
John Carey
Matt Fowler
Alan Sanders
John Suggs
Beth Olson
George Shriver
Bill Culbreth
Dan Pierce

Beginning 9:05

Jackson Norton: This conference call will be joined by Hall Hill at 9:45, so we have a lot to cover in 40 minutes. I wanted to call this meeting so that the Board of Directors has a chance to discuss what has happened and what is going on at camp. The previous call we had last week was for anyone who wanted to listen in, and I wanted to give the alumni the opportunity to get together as a board and talk about what has transpired recently and also to give Hal a chance to speak to us as well. I don't have any other agenda besides that, but I wanted to leave it there and open up the floor to discussion.

George Shriver: I am still concerned with breach of leadership... that Hal didn't consult the one man who knows more about camp than anyone else. And I don't know if Hal should even be asked...but I am just wondering if there is any hidden agenda outside of the economic interest, for changing the nature of camp. There are so many caution flags over this happening with no consultation with Ron. Does anyone have any hints about that?

Alan Sanders: I spoke with Hal over the phone yesterday and he assures me that he doesn't want to do anything other than see camp continue and his goal is to make it grow. His long term goal is that he would like to expand camps and start other camps, once we get significant consistent waiting lists. He said there are no other plans for the physical grounds of camp. A lot of us think camp is holy ground...so if he does have a hidden agenda, then he is a bold faced liar, and I don't think people who know him would characterize him that way. He said the responsibility with the personnel change lies solely on his shoulders, that he made the decision and he is not going to pass the blame up or down.

George Shriver: Well what is his master plan if he plans to expand this....what is his master plan of recruitment?

Alan Sanders: I can't answer that.

Beth Olson: My main concern with this...I can remember when I first started coming to camp as a nurse, I can remember a time when there was concern about camp because there was so little enrollment, and it is amazing how much Daniel did for camp enrollment. Does Hall know that?

Alan Sanders: If Hal didn't know that, I think he knows it now.

Beth Olson: I don't think Hal is truly aware of how Daniel has changed that camp in the past 6-7 years

John Carey: I think it is shocking that Ron wasn't consulted, because he could have filled Hal in on how vital Daniel is to camp.

Jackson Norton: If LifeWay has the intentions of increasing enrollment in camp, and even founding another camp, based on the same principles of Ridgecrest, it would have appeared that Daniel would have been a logical choice to run a future camp. It seems that this decision is a little bit short sighted. The long term plan and the short term actions don't seem to line up.

Alan Sanders: I don't think there is anyone on the phone who agrees with what has been done, but having to run several small businesses by myself, I do know that personnel issues can be difficult, and we probably don't know all the details behind the decision, and maybe not even appropriate for us to know them...I would at least like to give them the benefit of the doubt, and I think we have an opportunity to completely derail things further than they are with a mass rebellion, but by the same token, I think we have the opportunity to start where we are with the cards we have been dealt and move forward.

Matt Fowler: Now over two weeks, as a Board, we need to show some support...I'm disappointed in what has happened but we need to show support.

Dan Pierce: The one problem I have with the whole thing, is what does this whole decision making process have to say about the future of camp. In terms of the money we have raised and the trust people have put in us regarding how that money will be spent, can we trust that we are going to spend that money and that camp will still be camp in the future. That ought to give us pause, and make us look for answers regarding the future of camp.

Bill Culbreth: I have been very involved in fundraising, and now I feel like I have no credibility whatsoever and a great deal of distrust for the future:

Jackson Norton: At the moment I agree with both parties so far. I agree that Hal, according to the people that know him tend to agree that he is an honorable man and that we should give him the benefit of the doubt...the other issue is that while I don't have any reason to distrust Hal, I have plenty of reason to distrust the people above him. We need to find out exactly what Lifeway's intentions and what their long term intentions are. Hal may have the best intentions in the world, but LifeWay may change their mind on a whim.

Alan Sanders: I would take issue with the fact that we have no credibility. There are going to be people who no longer want to participate, who still love camp very much, and our cause is still very credible.

Beth Olson: I hear what you're saying, but in all honesty, I can't imagine anyone who loved camp more than Daniel. We all want some answers...more than just saying we are going to move on. Daniel's exact words to me is that he has "lost the love of his life." People don't realize what all he does for the camp.

Scott Luna: When we deliver this chapel to camp...

Beth Olson: To Lifeway....

Scott Luna:we as a board need to understand camp from a business perspective, where is camp going and how do they expect to get there by firing Daniel and grow at the same time.

John Suggs: From a business perspective, if you are shifting the salaries and benefits of Hal, that far outweighs Daniel's compensation, and something may have had to change to make up that difference immediately. If this is a true profit center, then we need to make sure they toe the line on it. If it is budgetary, we need details from them. How many RA camps are at full capacity all summer long...?

Scott Luna: Not many...

Beth Olson: But before Daniel came, we weren't anywhere close to full

George Shriver: I'm not in rebellious mode, but I am interested in asking rational questions, and I wonder if this is simply one part of a larger picture of changes, and if it is, what is the larger goal? Quite frankly, I thought camp was doing fine. I am saying that this is a hint of restructuring and I wonder if there is restructuring elsewhere. Is this simply one part of this larger picture, and if so, what is the true goal. If they had an idea of expansion, then it is logical to ask, why would you get rid of Daniel who has been instrumental in camp's expansion.

John Perry: I think the best case we can make for Daniel...is that getting rid of him is going against all of Lifeway's stated goals.

Beth Olson: It totally goes against it, and they can say what they want, that there was nothing personal, but honestly...I don't believe that. Daniel is very outspoken and he is honest as can be and I am not sure that went over well. Maybe Hal didn't like that.

Unknown: In our board meeting in February, Daniel brought up that we don't get much assistance from Lifeway, it is possible that that was in some way held against him...

Dan Pierce: Having been around the Sunday School Board and Lifeway for a long time, I would guess that this didn't have anything to do with Daniel personally...my sense of it is that they saw a number on a sheet that they thought could be cut. It's big business, and increasingly the bottom line

rules that...it wasn't even Daniel's name, it was just a number on a sheet. I expressed my strong feelings to Hal on this...but I don't know what we can say to Hal about it other than to get him to explain. I would like to change the subject briefly, but since this does look like a done deal...can we talk about putting out a call for a love offering for Daniel.

Alan: I have a list of questions I think we should ask: Was it a personal issue regarding Daniel....what is the long term plan and how does camp fit into that.....

Unknown: Maybe we should start out with the question of, can you talk through the process of how this decision was made...

Alan Sanders: I plan on asking him if there is a chance to get Daniel back....

Beth Olson: Definitely.

Adam Underwood: If we can get back to what Dan Pierce was saying for a moment...I know there isn't any precedent for this... and perhaps there shouldn't be, but I do think these are unique circumstances...is it within the realm of possibility to give a gift of recognition to Daniel directly from the Alumni Association?

Jackson Norton: Well there could be some sort of tax implications....I need to find some answers out, it is a little outside of what we have defined scope wise...I will do the research from a tax standpoint and send out an email in the next day or so...

Bill Culbreth: I need to go, but before I hang up, I would like to remind everyone that we all love camp and I don't appreciate my loyalty to camp being questioned simply because I want to raise questions....*hang up*

Dick Burts: I think we should ask Hal how he plans to work camp from Nashville, and if he think that is a good set up between he and Ron. Does he truly think he can be effective from arm's length...Is there any expression of Hal's feelings on the chapel as a whole?

Hal Joins Call at 9:44 PM

Jackson Norton: Hal, thanks for taking the time to join us this evening...the majority of the board members are on the phone. We have over the past few days been discussing the things that have happened at camp and we want to discuss that with you. We'd like to give you a voice in what is going on...as a little bit of a heads up here, we have had a lot of positive feedback regarding you in terms of your attendance this past summer and your presence at the boy's and girls' camp. I do appreciate you being willing to talk with the alumni in general as well as the summer staff and full time staff

Hal Hill: Well I am glad to be able to, and the first thing that I want to express is that I appreciate all that you guys are doing....first, is that with all the camps I have worked with over the years, I have never found any camp to have such a strong backing of their alumni...that is very special, very valuable, a very wonderful asset and I can only feel like this is one of the ways that God has truly

blessed this camp,...and two, there have been a lot of calls and a lot of emails, other than a couple that have been difficult, what I have to say is that the outpouring of concern, of grief and of requests for consideration...all of that only really points out to me the dedication and the concern and the love of the alumni for the camp. I'd be lying if I said it hasn't been difficult to respond to everyone...I am making an effort to respond to each person personally, either by phone or by email...it has been an effort and at the same time I feel like it is worthwhile...Your concern, very appropriately, and very candidly to put into words your feelings, that only points out the strengths of this group.

Another thing you need to know ..and I want to be forthright in saying, my only desire as far as the alumni is concerned is to work hand in hand with you...obviously I have the responsibility for these camps as a part of my job...as a majority of my job, so I have a specific responsibility that I need to execute, but the way I want to go about that is working very closely with you.

Jackson: Some of the things we would like to understand better include the process reflecting the decision to revise the staff and what was the process that started this..

Hal Hill: The decision to call me and place me into this position is a result of my boss, who has seen the value of the camps...he himself does not feel like that he personally has the direct expertise in camping, and yet he is an expert in the hospitality industry, and he felt like there was so much value to the camp, that it was important to raise the visibility of the camps, to bring them out from under the conference center management so that they would have a life and breath of their own. So he asked me to head up that effort, and in doing that, to grow the camp through their current mission to reach even more campers...and he at that point said, you need to stay at the camp and I need to hear from you what needs to be changed. I spent a good bit of time studying and talking to a number of folks...my estimation and analysis if you will is that camps are amazingly healthy, very well run and preface that by saying that I feel like I have good amount of expertise as far as programming is concerned. And I told him, I like what they are doing, they are teaching Christ to the kids, they are doing it through the role models of the staff...I went back and reported that I was surprised that I had nothing more to change regarding the general operation of the camp...now this was going on simultaneously with an analysis of the Conference Centers as a whole. There was a very in-depth study, of which I was not a part, of which there were not many people at my level or below that were a part of that/.it was a very detailed study with outside consultation and with internal auditing. The results of that study were closely scrutinized by our upline management.

There were some mandates within the results of that study that we needed to follow, and so we began putting those into place. One of those affected us in precisely this way. I was told that I had 3 full time positions that I could utilize to continue operation of the camp. Nothing has been withdrawn as far as depreciation of the camp, or the overall purpose of the camp...what was changed was the number of fulltime positions. It was not what I wanted or requested. I took it as a difficulty, yet it was all I was left to work with. So I established 3 positions that I thought would be workable...not ideal...ideal would be at least 5 full time positions, but with the three that I had, I had established the positions...although given the opportunity to hire outside, I felt it was prudent and worthwhile to utilize the existing staff to place them into those positions. Now, I hope you heard me say it was a difficult process, I want you to know that it was made prayerfully...it was an agonizing decision, obviously I have had multiple opportunities, I have had plenty of opportunities

to reconsider, to try and determine if I should have made a different decision, should I change this in some way, shape or form...I continue to believe that the decision is right,...not because I am wise, but I do feel with thought and prayer I made the right decision. So I communicated that to Daniel last Monday and with my regret and sadness shared with him how valuable he has been and that his legacy would continue to live on both in relationships and procedural things and that we greatly appreciate him and his contribution. And that with our blessing and our sadness for the grief it was causing him, that we wish him the best.

Jackson Norton: Hal, I appreciate you explaining the process to us, I know several of the board members have questions

Alan Sanders: I have made a list of questions over our last 45 minutes of discussion...we would like to hear it from the horses mouth, that there were no personal issues involved with this.

Hal Hill: What I would say is that, as I was making the decision, and I hope you will believe this, what I can say is that I was as diligent as I could be in not allowing personalities to affect me...capabilities? Yes....personalities? No. As far as I know, Daniel has always had positive performance reviews. Just like with anyone, there are things that you hear...about Ron, Chris, I am sure my boss hears things about me, so you can't ever totally divorce that from a decision making process, but as far as I am concerned, personality was not a part of it.

Alan Sanders: As part of your stated mission, to grow camp...we think it will be difficult to look back retrospectively... to look back and see who is responsible for growing camp...but we agree as a group that Daniel has had as much, if not more to do with that than anyone else...and that also that a long term goal is to start other camps....so it is confusing to us that Daniel would be deleted, when out of all the people we have all known at camp over decades and decades...if I had property and I wanted to build a camp from the ground up....i wouldn't have to search the world over...because I could go to Daniel and know that he could do it from the ground up, and Daniel is a harder worker than anyone I know....

Also, is there any possible way that his position can be reinstated?

Adam Underwood: And to add to that, you stated that while personalities did not affect your decision, capabilities did. I think that comes as a surprise to the overwhelming body making up this phone call. Are you stating that Daniel's capabilities, or lack thereof contributed to the deletion of his position

Hal Hill: Adam, I'll answer your question first...the positions that I felt like were important included an overall leader, a manager if you will of the day to day operations of camp...another position I felt like was important was a program specialist who would focus on programs for both of the camps...and programming is my background....and then I knew that we needed an administrative person...if I could have built in another other position, I would have included a maintenance individual ...I built in as best I could what I thought was important...I felt that Ron, Chris and Connie best filled those positions. It's not that I rejected Daniel's capabilities, it was by value and by my own evaluation of the capabilities of all 4 people in question.

I have hashed out in my own mind, even after I deleted the position, and I have gone back upline to say look, here is the outpouring we are receiving as a result of this decision...is there anything different that we can do....and I am assured that we cannot have a 4th position right now...there are other things I have considered...there may continue to be things I will consider and try to utilize, but as far as a fulltime position to reinstate Daniel right now....that is not an option.

Alan Sanders: I guess it wouldn't do any good to ask them again.

Hal Hill: Well this is part of an overall plan that is being implemented over the next several years...and you will just have to take my word for this, but as best I can tell, that door is firmly closed. I thought I had a crack in it on Friday...first thing I did was call Ron, we talked and strategized...that door ended up firmly shut today.

Alan Sanders: Who has the power to make that decision

Hal Hill: Ted Warren is the CEO of our organization, he is the one that would have to approve a new position...he is not in the mood right now for us to approach him on this. At least in the short term. What I can say is that people are seeing the fact that the Conference Centers aren't making money...but they are ministering to more people, and one of them, Ridgecrest, is at least breaking even...but the camps, are making an eternal difference in people's lives, but also we are running in the black from a dollar standpoint...however, our population has been declining over the past few years...is that the reason this is happening? No...but it is something that needs to be turned around. From what I understand, we all believe that camp has the power to change people's lives and to affect them eternally in a positive way, that is our mission, that is our ministry. If we aren't earnestly trying to do that even more, then we are not fulfilling it as completely as we can...it is our task.

Beth Olson: I do have a question, the person who mentioned that is the CEO...do you think that he is truly aware of all that Daniel did at camp...i am not talking about what is on his job description...I am talking about ALL that Daniel does at that camp...

Hal Hill: I have not followed Daniel around many days for the whole day, so I haven't experienced personally all he does, I do feel that it was represented to me accurately this summer. So I do feel that I observed the value that he provides, and certainly in the past week and a half, gotten a pretty good earful of it. As far as Ted Warren, I can't say that he understands that or that we have tried to convey that to him...but part of the overall plan for the Conference Centers is that configuration if you will, of Ridgecrest Summer Camps. And he feels like he is going out on a limb even approving that.

Beth Olson: Well I just feel that next summer that people are going to be amazed at what doesn't get done...that we are going to have to call someone else in to do....

Alan Sanders: Those things are things we are going to have to pay people to do and seems to be a liability financially to Lifeway.

Jackson Norton: Hal, you have talked about a larger plan of Lifeway...can you talk a little bit about that plan and how that plan affects the camp outside of just this staffing issue.

John Carey: I am wondering and sorry to interject...I know that you had to do your best to be objective, but what was Ron's part in this decision making process...or lack thereof? Why was he hardly consulted? Was it something you were asked not to do?

Hal Hill: Cautiously....I spent a good amount of time talking to Ron, Daniel and Chris...more to Ron and Daniel....to get as good an understanding of the camps as I could...I have been an independent consultant...and there was a lot that I had already been able to pick up even before I was given the challenge of deleting a position. In fact, we talked about some staffing issues...what is it that we need, what skill set should we hire next. So as far as Ron and Daniel, that was input I had already been in process of receiving. Now when this challenge was presented to me, then I was counseled that it would be a difficult thing to take it to the existing staff. There were more questions that I asked at that point. This was already laid out during the summer. Mid July I would guess. My other concern was, and believe me, I would have loved to have had some other options...but anyway, at that point, it was very much apparent to me as far as my consciousness, I don't need to drop this on these guys right in the middle of the summer. So no, I did not include Ron, knowingly in the process of making that decision.

Scott Luna: We could spend the rest of this call talking about Daniel and our issues with that, but we do have some other questions also. What is Lifeway's vision and the long term outlook for camp...that affects us specifically as we are trying to raise money for this chapel....

Hal Hill: I love what I see at both camps. I was impressed with the leadership...I was impressed with the program, I love the long lasting effects that are evident in your lives...I want the camps to thrive...bottom line, that is my desire. I believe that the experience that hundreds of campers had this summer is so valuable that it should be available to others as well, and I believe it is in the camp's best interest to be able to minister to even more campers. I feel like it is also my desire to work hand in hand with anyone else who would share that desire. I want to work with the Alumni Board, and yet I see and know and love the value of the camp. The lifeblood of the camp is more than just people hired to do certain things. We are healthy in that we have from your own initiative, the Alumni Association, that is a tremendous asset and I would be foolish in not developing or pursuing a good relationship with you, hearing you on issues that I can consult you about. Those are the things that I want to do in pursuing the mission of our camp.

I want to see the opportunity for more kids to experience camp. I would love for us to improve the facilities of the two properties that we have so that they are adequately serving the campers that do come. As we get saturated, appropriately saturated, when our occupancy is at a level we feel is most effective, at that point, I want to create an opportunity for the kids on the waiting list to go to camp, whether that is opening a new camp, taking it out west, whatever that means. Our camps are the best kept secret, bar-none in the Southern Baptist Convention.

Alan Sanders: If I could interject, I have heard that many of us want to share camp with those who can't afford it...if camps goal is truly what we say it is and not financial, is it possible that camps would be better off under the North American Missions Board than under Lifeway.

Hal Hill: It is the NAMB's primary mission to start new churches, I don't know that they would feel like camps were a part of their mission. I don't think that they would specifically be interested in pursuing our type of ministry...what I can say is that yes, Lifeway is a business and there are those who want business more than ministry....i am not one of those.

Dan Pierce: One of my concerns that I think is reflected here...is that this issue of there being a bottom line here, is that this is property owned by Lifeway and that they can and will do what they want with camps...a concern we share is that we have raised X amount of dollars (hundreds of thousands) for the chapel on the Ridgecrest property. Our concern is that we have in effect lost credibility among our donors, at a crucial stage. Hal, would you respond to these concerns...why should we continue raising this money, when essentially with the stroke of a pen, the hardwork and commitments that many of us have given...and considerable amounts of our lives and money to, could be changed overnight at Lifeway's whim.

Hal Hill: I understand.... Here is what I know, that there is deep commitment to the ministry of camp...the value of the camps is recognized by those who know about the camps. I think that we need to recognize and accept some of the responsibility that there aren't enough people in Lifeway who have greater appreciation for the camps. I would bet less than 10%. It is probable that they don't even know where the camps are. Those who know value the camps...it is my job now to make sure the people know more about the camps and recognize even better what its needs are. I understand that the appearance is that a huge decision was made by a stroke of a pen....but it wasn't made out of disregard or undervaluing of the camp...the decision was made above me...and it was agonizing. I am committed to the camps and of course my job could be deleted tomorrow too, but I don't believe it will be, and as long as I am able, I will fight for the camps and pursue our missions as best I can.

Alan Sanders: It seems almost as if by Papal decree this kind of thing can happen, and I am more comfortable now with knowing where you stand, and would be willing to give you my 100% trust...but what are YOUR long term plans...If you were gone, and someone else had that decision, I don't know that I would feel the same way.

Hal Hill: In my last position, I thought that I would be there into retirement...that wasn't what the Lord had in store...3 years ago, that I would have been there for the rest of my life...what I can say, is that I feel very definitely, that God brought me to Lifeway, and it was for this specific purpose. As far as I know, this is where God wants me to be...growing these camps is what he wants me to do. I have had opportunities as recently as two weeks ago to pursue other avenues, I have chosen not to do that...part of that is because of my family, but mostly because I feel this is where God has called me. I can't guarantee I will be here for the next 20 years...but I would sure like to be. It wouldn't make sense for me to move into the mountains of North Carolina right now...it may be that in a year, we'll say, hey, Hal needs to move to NC, and if that is what we believe is the best thing, then that is what I will do.

Alan Sanders: How do you feel you will be able to manage camp from Nashville.

Hal Hill: Of course Ron has been camp's Director for years....and I am 100% comfortable with his capabilities....in the past few weeks I feel that Ron and I have come much closer...in the summers I will be at the camps, in the school year, a lot of my work will be on the phones, on the computer and traveling. That is why I have chosen not to make a move yet. In my mind I can't justify the expense it will take to do that.

Jackson Norton: In terms of Lifeway, is there a long term plan to work with the facilities that we currently have in Ridgecrest, NC...or is there a plan to possibly use that land for different purposes.

Hal Hill: Well I know there has been speculation that that is a great piece of property....but I believe and my boss believes, that there is nothing more valuable that we can use it for than camp...I am specifically talking about boy's camp. I like the girl's camp too of course. Would we consider moving the location to another site if someone gave us 1000 acres on a lake somewhere else...then yes we would consider that. I don't anticipate that...and if it did happen, then I think we would be at a point to extend...rather than change...our location. Jackson, I think you probably know that a lot of people have said, hey, a golf course would look beautiful on that property...I don't see anyway in the world that that could happen.

Dick Burts: Do we have an accounting system that will let us know what the income is and what the expenditures are? And if the bottom line is not favorable for camp, are there resources in Lifeway that will be available to the camp as needed:

Hal Hill: Money can flow both ways from Lifeway and camp. If we needed to know where every dollar was spent, we could find that out. This year, our revenue exceeded our expenses, and so that excess is slated to go back to Lifeway. An amount greater than that is coming back to us this year as fixed assets. That is money coming back from Lifeway specifically this year that we are going to use to work on the kitchens, buy a couple of trucks, and buy a couple of computers. The money does come and go...as needed. If we were to look to next year...and say for example that our expenses exceeded our revenue, Lifeway would call me into account but, Lifeway would not be of a mindset to end things.

John Suggs: It seems to me that you have to be creative to stand the time in business...it seems that people are outsourcing...subcontractors, less benefits...was that considered at all with Daniel...did you consider that Daniel's position could be taken on part time? A lot of times, people don't appreciate benefits that accompany full time benefits anyway. So have we considered that part time possibility?

Hal Hill: Ron and I know that there is a large amount of work to be done and that he nor I nor Chris, nor volunteers can accomplish all that needs to be done...we will be outsourcing to accomplish many tasks...some of that will be my call, some will be Ron's call...Ron knows that he has my full confidence as far as choosing who will accomplish the work that will be done. My preference would have been to have a full time person to do that...but we don't have that benefit. We'll do everything we can to make sure the work is taken care. I realize that I haven't specifically answered your question... My hope is that you understand what I'm saying.

Jackson Norton: I hate to cut this short, but we are out of time in about 3 minutes...Hal, I do appreciate you taking the time to meet with us and address our concerns. We have a deep and heartfelt love for camp and the lives that it affects... ours included. I think a lot of us will look forward to seeing you in the middle of October.

Hal Hill: I appreciate you guys and I truly regret the fact that this has caused many of us grief. Daniel has been a valuable employee and we will miss him. I do look forward to working with all of you closely.