

# **2021 EFCA Report Book**

Prepared for EFCA Business Session

June 23, 2021

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### Welcome

Thank you for your interest in the ministries of the EFCA and the gospel impact our movement is having around the world. We are so grateful for your partnership, support and prayers.

I look back with fond memories of our time together in June of 2019 at Compass Church in Naperville, Illinois for EFCA One. There was a clear sense of unity around our shared mission and Statement of Faith. Many participants commented on how good it was to be together with their EFCA family. Yet none of us could have anticipated the challenges we would face in the months ahead.

During 2020 and into 2021, many in our churches, communities and workplaces have known difficulty in ways not experienced before. We know this all too well: from COVID-19 to racial injustice to political polarization to economic hardship and more. I've spoken to many church leaders, pastors and missionaries who are weary from the unrelenting waves of challenges. Let me pause and say, EFCA pastors and leaders, thank you for your commitment to the bride of Christ and for your heart to see more people come to know the Savior.

Yet, hope remains. We move forward in the marathon of ministry because of the finished work of Jesus Christ who, in His life, death and resurrection, provides the way for true restoration, true satisfaction and true life (John 10:10). God is working in amazing ways through EFCA churches, districts, and ministries here in the United States and through our ReachGlobal staff around the world. We want to tell you all about it – so please take time read the reports provided in this document. Our prayer is that you will be encouraged by this information and join us in thankful celebration of the Lord's work through the EFCA.

We cannot wait to be together virtually on June 23 to celebrate our mighty God and hear the stories of how EFCA churches are impacting their communities for Christ. I sincerely hope you'll join us.

Serving our Savior together,

Kevin Kompelien EFCA President

#### **EFCA Board of Directors**

Welcome to the 2021 EFCA One conference--our first ever virtual version and, if we're being honest, hopefully our last. But aren't we grateful that we have options available that allow us to be together!

This conference provides a timely opportunity to celebrate all God has done in and through our movement since the last EFCA One conference, but especially during the long months of the pandemic. God was not surprised by the challenges we faced, nor was He silent, and we saw Him move powerfully as our people stepped forward boldly to share their faith, love their neighbors, give generously and worship deeply, both here in the United States as well as everywhere our missionaries and missions partners serve. All glory to His Name!

The Board of Directors has been particularly grateful for the leadership of President Kevin Kompelien not only during this season but his entire six years in this role. It is our privilege to unanimously submit his name for affirmation for a second term. We also bring, from the EFCA Nominating Committee, a slate of godly leaders which constitutes our ballot for the 2021 EFCA Business Session. Please pray over these names and all those who will serve.

We are so excited to connect with you all on June 23 and please know that we never stop thanking God for you!

Jenni Key Chair EFCA Board of Directors

# **President's Report**

But because of his great love for us, God, who is rich in mercy, made us alive with Christ even when we were dead in transgressions—it is by grace you have been saved.

Ephesians 2:4-5

Over the past several months, I have found myself thinking often about the profound truth of this scripture from the pen of the Apostle Paul. In the first verse of this chapter, he makes it clear that we are not simply "sick" in our transgressions and sins, but rather we are "dead" and unable to save ourselves. The truth is, only God can make dead people live!

In our work for the Lord, it is easy to focus attention on "what" we do in ministry and "how" we do it. Strategic planning and intentional ministry focus are extremely important. Yet, I'm afraid if we are not careful, we can take our eyes off "why" we do what we do and become proficient in the mechanics of ministry while missing the heart of God in the process.

The verses above give us powerful insights into "why" we do what we do. What we do and how we do it flow out of the compassionate heart of God for lost people in a broken world to bring them into a right relationship with Himself. Apart from the compassionate heart of God, we have no hope and no message to share with the lost and broken world around us.

The EFCA exists to glorify God by multiplying transformational churches among all people. The ministries led out of the EFCA national office partner with our districts to serve EFCA churches in the fulfillment of our shared mission, and with our ReachGlobal staff around the world as they live out our mission by investing in disciplemakers to establish the church where the gospel is not known.

As we work together toward the accomplishment of our shared mission, it is important that the ministries led out of the national office have a clear understanding of the "why", the "what" and the "how" of serving the EFCA.

Our "why" is rooted in the compassionate heart of God for lost people in a broken world to reconcile them to a right relationship with Himself.

Our "what" focuses on investing in disciples and disciplemakers and extending gospel ministries so that existing churches are strengthened, and revitalized, and new churches are planted where they don't exist.

We impact and influence the EFCA movement toward the accomplishment of our mission through the development of EFCA pathways that effectively:

**Serve:** We come alongside churches in partnership with districts as they seek to live out the EFCA Statement of Faith and fulfill our shared mission.

**Convene:** We bring together the appropriate people to consider ministry issues in order to encourage and equip leaders to better live out our Statement of Faith and fulfill our shared mission.

**Resource:** We develop and curate trusted ministry resources with distinctly EFCA values that reflect our Statement of Faith, mission, and ethos.

**Guard:** We champion and celebrate the biblical/theological values, mission, and ethos of the EFCA.

These four strategies (the "how") determine the pathways that help us lead toward the concept of one EFCA and the fulfillment of the EFCA's mission to the glory of God.

The past two years have been unlike any time I have ever experienced in four decades of ministry. Significant leadership transitions along with the COVID-19 pandemic, issues of racial justice, and political polarization have presented both significant challenges and opportunities to faithfully live out the gospel. No matter what is going on in the world, we are committed to strengthen and revitalize EFCA churches. We want to help every congregation—regardless of size, location or demographic breakdown—become a transformational influence for Christ in their local community. This is why the EFCA national and district offices exist.

The ministries led out of the national office are structured to bring stability and a greater sense of one EFCA across the movement. We pray that the EFCA would be a movement where local, regional, national, and international ministries work together toward common ministry objectives with shared values and trusting relationships. We are committed to developing leaders whose hearts are captured by the mission of God. We believe passionately in the multiplication of ministries and churches through a variety of people with a variety of gifts to reach the unengaged, the unreached, the unnoticed, and the uninterested.

We've often said within the EFCA movement that we're "better together" and we are working to make that even more of a reality. We want local churches to know that they don't have to go it alone. The national office, in partnership with districts, exists to serve. Through the offering of timely support and resources, pastors and leaders can take advantage of the interdependent relationships across the EFCA.

Whether it is pastor and leader affinity groups, training opportunities, or practical helps for church staff, we're committed to empowering the local church to carry out Jesus' Great Commission to "go and make disciples of all nations." We're here to support the local church as together we work toward our mission of multiplying transformational churches among all people.

As unexpected a year as 2020 was, it was a year of time spent reflecting, planning, connecting, and resourcing. These intentional efforts in 2020 have provided a solid foundation upon which we are continuing to build in 2021.

While 2019 was characterized by leadership transitions, an improved financial position in national office ministries, and a new commitment to practical and timely resources, the impact of the pandemic in 2020 caused a shift of purposeful reflection for ministry to be more about the long haul and the value of holding true to our mission. What emerged in the early months of 2020 was 1) the clear need to shepherd well our EFCA shepherds, 2) the necessity of calling the movement to unity, and 3) the importance of reminding churches and leaders why we do what we do ... the heart of God for the lost and broken.

During 2020, there were major uncertainties and multiple variables impacting all ministry areas—Operations, ReachNational, and ReachGlobal. Specifically:

- Ministry activities and participation at all levels was disrupted.
- We saw the impact of the pandemic on the wellbeing of EFCA pastors and staff, district superintendents, and missionaries and staff.
- There was concern about financial giving implications.

In March 2020, the EFCA national office navigated travel and workplace restrictions by implementing a crisis management plan that had most office staff working from home and ReachGlobal missionaries sheltering in place. We moved quickly to help district superintendents and churches plan for ministry in a virtual world.

While travel restrictions and social distancing protocols hindered ministry as usual, the extended time of limited travel and canceled ministry activities created space for creative and strategic planning to happen. Church Multiplication, All People and ReachStudents teams intentionally embraced a new normal and developed multi-year ministry plans and new avenues for evangelism and discipleship training and church planting.

This past year, the EFCA movement (churches, districts, missionaries) was more physically distant than ever before. The noticeable impact on the wellbeing of EFCA pastors and churches called for the intentional connection in pastoring and guiding the movement through unprecedented times of uncertainty and crisis.

The last time the EFCA movement gathered in-person before the pandemic impacted travel and gatherings was the 2020 Theology Conference held at Trinity International University in February. 410 people attended the conference with 33% being first time attenders. I presented a paper at a preconference session titled "Women and Leadership in the EFCA" which you can read online. I have been privileged to work with a task force discussing both training and opportunities for women in ministry in the EFCA. As a result of their work, a cohort-based

leadership training for women called *Prepared* will be launched later this year.

For the remainder of 2020, there was a shift from gathering to connecting. Our "gathering" looked different but new platforms and methods made possible essential times of connection with pastors and leaders. We became adept at convening in virtual ways as large and small groups, teams, boards, and even movement wide live streaming events.

At the start of 2020, EFCA district superintendents were in the early stages of a more consistent rhythm of interaction. Through monthly engagement this group of key EFCA leaders invested in relationship building, resource sharing and time together in prayer. With resources from the national office and information from key ministry areas, superintendents were empowered to be the frontline of support to local churches and congregations. These meaningful connections helped superintendents help churches and pastors in all EFCA districts.

During the many trials, hardships and pain of the last year, I and other EFCA leaders had the opportunity to share God's sovereignty and the fruits of God's comfort with those across the movement. In June, we extended a call for pastors and churches to join the EFCA in prayer as we began to navigate new realities for life and ministry.

The United in Prayer event on June 10 was a time of prayerfully lifting the EFCA, churches, communities and leaders before the Lord. More than 1,000 unique devices concurrently viewed the streamed event. With members of the EFCA Board of Directors participating in leading prayers, the EFCA sought God's heart and prayed for critical opportunities for ministry in the days ahead.

Much of 2020 was time spent navigating cancellations and learning to do things differently. All ministry areas asked the question of how to help resource the local church during a year of rapid and constant change. We launched a COVID Response resource web page providing pastors and leaders with timely updates and information. In early 2021, the EFCA Communications Team released a new "What is the EFCA?" video along with a redesigned home page, EFCA Helps, EFCA Events and EFCA Jobs on our website. I encourage you to check it all out at <a href="https://www.efca.org">www.efca.org</a>.

Ministries led out of the EFCA national office seized the opportunity and effectively pivoted their efforts. We offered valuable resources and timely solutions that equipped churches to continue to share the hope of Christ with their congregation and communities during an unprecedented year.

During 2019 and 2020, we experienced significant leadership transitions in the EFCA. I served as the interim leader for ReachNational for the majority of 2019 before Eddie Cole moved into the role of Executive Vice President of National Ministries in November. Eddie served in that role

through 2020 leading the ReachNational Directional Team. As 2020 progressed, it was clear the Lord was calling Eddie and Jessica Cole back to local church ministry with a focus on planting a church. We began a search for the next Executive Vice President of National Ministries in early 2021 with a goal of completing this search prior to EFCA One in June 2021.

I appreciate the opportunity to work in partnership with district superintendents to serve EFCA churches and plants (1,319 churches and 136 church plants). It has been encouraging to see them deepen relationships and encourage each other as they lead. Since I began serving as EFCA President, there have been significant leadership transitions in our districts. From June 2015 to the present, new district superintendents were selected in 11 of the 17 EFCA districts. The following districts have worked through district superintendent transition processes since EFCA One 2019:

- EFCA West: Steve Highfill to Tim Jacobs
- Eastern District Association: Eddie Cole to Cedrick Brown and Tony Balsamo
- Allegheny District: Jeff Powell to Kerry Doyal
- Central District: Cal Swan to Mike Shields
- Northern Plains District: Daryl Thompson to Brian Wright
- Midwest District: Noah Palmer to Colby Kinser
- Hawaii District: Bruce Campbell to Matt Dirks
- Rocky Mountain District: Greg Fell to Barry Vegter (in the transition process)

At EFCA One in 2019, I challenged the EFCA to increase the number of pastors and ministry staff in local churches with EFCA credentials. To grow the number of EFCA senior pastors that would be credentialed, the Board of Ministerial Standing implemented two new ministry licenses (Ministry License 3-year Renewable – Expedited for those in EFCA Sr/Lead pastor positions 10+ years and Ministry License 5-year Non-Renewable for those in EFCA Sr/Lead pastor less than 10 years). We look forward to continued development of these offerings and a growing number of people entering the credentialing process. I appreciate Greg Strand's excellent leadership of theology and credentialling for the EFCA.

The Lord continues to provide the financial resources needed for the ministries of the EFCA national office and ReachGlobal. Through the faithful support of churches and individuals, and the careful financial stewardship of our staff, we maintained a healthy financial picture for the national office during 2020. In addition, financial support for ReachGlobal staff has remained strong throughout the pandemic.

However, there continues to be a significant number of EFCA churches not contributing to the ministry of the national office. During 2020, 488 of the 1,319 EFCA churches did not give any support to the EFCA Partnership Fund, which means that 36.9% of churches are not partnering financially with us in support of national ministries and the services provided by the national office. Of our 1,319 churches:

- 316 churches supported the EFCA Partnership Fund only
- 515 churches supported EFCA Partnership Fund and ReachGlobal
- 153 churches supported ReachGlobal but not the EFCA Partnership
- 335 churches did not support either the EFCA Partnership Fund or ReachGlobal
- 31 churches supported ReachGlobal but did not support a missionary or missionaries

Over the past two years, the number of EFCA congregations has remained constant at 1,613. This number includes EFCA churches and church plants along with multisite and second language congregations. The EFCA has 274 multicultural churches. 21% of churches and 31% of church plants are multicultural. We define multicultural as at least 20% of a second ethnicity. I look forward to greater progress in growing the number and diversity of EFCA congregations as we come out of the pandemic and the strategic plans of both the All People Initiative and ReachNetwork are implemented across the country. We can make a difference in addressing the multiple challenges in our culture as we raise up and equip a generation of disciplemaking leaders and intentionally plant genuinely transformational multicultural churches in broken communities across America.

The Lord continues to work among us in important ways. I am encouraged to see:

- the health and expanding impact of the ministry of ReachGlobal staff serving around the world.
- the growing number of new missionary candidates applying to serve with ReachGlobal.
- the strategic planning and collaborative work of the ministries of ReachNational. We are poised to see significant ministry growth nationally in the years ahead.
- the operations staff in the national office serving churches, districts, and missionaries with excellence.

I am deeply appreciative to Carole Lehn, Rae Phillips, and Brian Duggan who serve with me on the Office of the President Team, as well as the EFCA Board of Directors who encourage and support me in my role.

It seems hard to believe that six years have passed since I was elected to serve as EFCA President. Serving the EFCA in this role is one of the great honors of my life. Over these years, we have walked through some significant challenges, but the grace, strength, and provisions of the Lord have sustained and grown us as an association of interdependent gospel centered churches.

May the Lord be glorified as we continue to faithfully hold forth the gospel of grace in the midst of a world that desperately needs to know the love of Jesus Christ.

Kevin Kompelien EFCA President

# **Board of Ministerial Standing**

The Board of Ministerial Standing (BOMS) oversees the credentialing of candidates for either the Ministry License or one of the Certificates (Certificate of Christian Ministry or Certificate of Ordination). BOMS also oversees the placing of credentials in trust for personal or disciplinary reasons.

These responsibilities are both joyful and, at times, painful. The men who serve on this board continue to serve with both a pastoral and a theological temperament. While guarding the theology of EFCA they also seek to restore those who wander. Even when a situation calls for placement of the credential in trust for disciplinary reasons there is a compassion toward the person whose sin has brought them to this season of life. Every discussion regarding discipline is a blend of truth and grace. EFCA is well-served by the men who volunteer their time for this board.

EFCA continues to offer recovery churches, when available, to those who are weary from ministry, have been hurt by a church, or have failed in some aspect of their ministry in their current church. Contact EFCA for more information.

Over the past few years, the Board of Ministerial Standing has worked on a proposal to retain the integrity of the credentialing process while removing barriers to men and women who seek a license or a certificate. Acknowledgement of ministry experience as part of the process has led to creating an expedited process for some who are currently serving in an EFCA church. For those interested in this option, contact your local District Board of Ministerial Standing or District Office.

It has been a privilege to serve as chair of this important board and to serve alongside the godly men who comprise the board. I have served the terms allowed by our constitution and am honored to pass the role to a man who will be chosen by the conference to serve as the next chair.

Respectfully submitted,

Paul Schliep Chair Board of Ministerial Standing

# EFCA Credentials Jan. - Dec. 2019

#### 5 YR. ML

Erik Arvidson

David Benjamin

**Timothy Bubar** 

David Burkett

Raymond Chang

Tae Cho

Shawn Clarke

Jason Cleary

Samuel Creagar

Jason Crocker

Galen Dang

Samuel DeLoye

Isaiah DeMoss

Erin DeShazo

Kristine Driscoll

Karl Dyrli

Michael Escen

Darwin Estrada

Mark Farran

Sean Fitzgerald

Richard Gamble

Brian Gault

Charles Goulart

Andrew Gutberlet

Dawn Heckert

Matthew Holmes

Angela Hooie

S. Jeffrey Horch

John Hylton

**Bradley Johnson** 

Zachary Kellner

Benjamin King

Kirsten King

Jared Kingsley

Darin Kirkman

Nicolas Loveberry

Joseph Lyda

Geoffrey Mann

A. Jordan Marcellino

**Todd Mikelson** 

Corey Miller

Jeremy Miller

Stephen Mills

Clay Myatt

J. Wesley Oren

Caleb Pipes

Jeremy Pray

David Preston

Brandon Rickard

Rodney Rindahl

Scott Ritterbush

**Daniel Scherer** 

Kent Schlect

Andrew Severinsen

Scott Shaw

Mallory Sims

Vijaykumar Solanki

Spencer Sommerlot

Steven Stahl

Scott Sterner

John Stromberg

Yu Sun

Patrick Testerman

Joshua D. Thomas

**Timothy Tullis** 

Jeffery Urwiller

Coley Waataja

Hao Wang

Ryan Warner

Jonathan Whitmore

Michael Wozniak

Richard Wulf

# **Ordinations**

David Addink

Scott Barber

John Bazal

John Biegel

Daniel Burleson

Mitchell Cruit

Bruce Droogsma

Barton Eskind

David Fink

Adam Fix

Steven Frykholm

William Gorman

Ethan Hedberg

William Jones

Daniel Kasev

Brent Kompelien

Gordon MacPhail

Stephen Mak

A. Jordan Marcellino

Ronald Martin

Stephen Moore

Joshua Parsons

Jonathan Poindexter

Michael Roop

Andrew Marcellino

# Transfer of Ordination to EFCA

**Todd Arnett** 

Christopher Bogan

Clyde Cooper

Nathan Harris

Bin Tang

Barry Vegter

Brian Walker

# Transfer of Ordination from EFCA

**Douglas Baker** 

Christopher Bruynzell

Michael Howard

**David Manley** 

David Martin

**Eric Sandberg** 

Matthew Stanghelle

Richard Schwartz

#### CCM

Mark Allen

#### Credential

# Restored/Returned

Bruce Bentley
Scott Craddock
John Davis
David Gish
Jason Harms
Kevin Saegert
Michael Shields

#### **Credential Revoked**

None

# In Trust for Discipline

Douglas Coult Louis Diaz Brian Erickson Timothy Martin Bryan McWhite Gregory Spencer

# In Trust for Personal Reasons

Bryan Allen Unable to uphold add. req.
David Angle Unable to uphold add. req.

Bryan Blair Not in ministry Elizabeth Cole Not in ministry

David Daniels Unable to uphold add. req.

Scott Edgar Not in EFCA ministry

C. Ryan Fields Not in ministry
Ray Glenn Not in ministry

Aaron Goldstein Not in EFCA ministry

Phillip Hall Not in ministry

Patrick Hanson Not in EFCA ministry

Jason Harms Not in ministry
Gregory Huffer Not in ministry

Nathan Irwin Unable to uphold add. req.

Jeffrey Jenkins Cannot affirm SOF Zachary Lambert Cannot affirm SOF Jeffrey Leatherman Not in ministry
Dorington Little Not in ministry
Glen Lozier Not in ministry

Lawrence Marvel Not in EFCA ministry
Peter Morgante Not in EFCA ministry

Jason Rahn Unable to uphold add. req.

Paul Rathke Not in ministry

Daniel Reid Not in EFCA ministry

Brock Sailer Not in ministry

Corey Sateren Unable to uphold add. req.

Daniel Scherer Not in ministry Brad Toyama Not in ministry

Jeremy Vander

Galien Not in EFCA ministry

# **Credentials Dropped**

Francisco Alvarenga Expired - not in ministry

Stephen Bledsoe Expired
Timothy Bourquin Not in EFCA

Seth Brickley Not in EFCA - asked to drop James Buehler Not in EFCA - asked to drop

Brian Conyers Expired

Expired - not in EFCA

Marshall Dunbar ministry Ronald Glynn Expired

Nicolas Hendricks Expired - not in ministry

Bryan Hult Expired
Thomas Johnston Expired

Marcelo Lamas Not in EFCA - asked to drop Geoffrey Rondeau Not in EFCA - asked to drop

Rubens Silva Expired
James Thomas Expired

Christopher

Warszawski Unable to uphold add. req.

# EFCA Credentials Jan. - Dec. 2020

# 5 YR. ML

Josiah Barrett

Benjamin Barthelemy

**Austin Branson** 

Steven Brant

Jill Bruno

Brian Chan

Jeramy Chapman

Gabriel deGarmeaux

Austin Delgado

Matthew Demoret

Casey Dwyer

Charles Ellenburg

**Rodney Elliott** 

Mathew Encinosa

**Hector Franco** 

Shane Freese

Gabriel Godina

M. Ryan Harding

Christopher Helding

Erick Hermanson

Donn Hill

Jordan Hinrichsen

Nathan Hobert

Benjamin Honeyford

Eric Jones

Paul Karus

Nathan Kelp

Mark Kernan

Kenneth Krestan

Raymond Kuntz

John Kupitz

John Lasken

**Gregg Laskow** 

Daniel Longmore

Darin Lund

Shelby Maddox

Kevin Mason

Lucas McGarity

Timothy Monahan

Nathan Musgrave

Rachel Nelson

Tony Nord

Brandon Nygaard

Glenn Olson

James Parker

David Qaoud

Cleveland Ragsdale, II

Patrick Ray

Caleb Redfield

William Richardson

G. Scott Richerson

Laura Rife

Matthew Sowada

Scott Stober

**Brandon Thiel** 

Jeffrey Travis

José Urias

Ross Wahlert

Leigh Warmbrand

William Watson

Lydia Wildes

**Dominick Wong** 

L. Charles Wright

# **Ministry License Expedited**

Ryan Low

# **Ordinations**

Timothy Cho

Shawn Clarke

Francisco Cotto

Michael Deckman

Sean Fitzgerald

Eric Fornelli

Howard Grobstein

Andrew Gutberlet

Matthew Jenkins

Darin Kirkman

Paul Klassen

Jordan Monson

David Park

Ryan Pott

Benjamin Sincock

# Benjamin Vrbicek

# Transfer of Ordination to EFCA

Dennis Colton J. Aaron Martin Jonathan Payne Joseph Stecz

# Transfer of Ordination from EFCA

Stephen Albi
Paul Brandes
Brian Cole
Richard Durrance
Casey Hurst
Dorington Little
Jason Phipps
Brian Rowe

# **CCM**

None

# Credential Restored/Returned

David Baum
Paul Burr
John Eaccarino
Darrin Kessler
Thomas Latterell

# **Credential Revoked**

None

# In Trust for Discipline

David Fasold Patrick Hanson John Larson Jared Hendricks Joshua Shevel

# In Trust for Personal Reasons

David Addink Not in ministry

James Baker Not in ministry

Jericho Bertholet Personal issues to address

Scott Connelly Not in ministry

Joel Cripe Not in EFCA ministry
Benjamin DeBusk Not in EFCA ministry

Samuel Faust Not in ministry Lawrence Grine Not in ministry

David Holt Not in EFCA ministry

Matthew Kim
Ted Kitzmiller
Robert Korntved
Daniel Leman
Efren Nambo
Not in ministry

Donald Payne Not in EFCA ministry

Edward Phillips Not in ministry William Wright Not in ministry

# **Credentials Dropped**

Jason Beals Not in EFCA ministry
Robert Brunansky No longer EFCA
Benjamin Campbell Not in ministry

Scott Cernek Expired
Alan Donald Expired

Eric Fadel Not in ministry

Richard Hennett Expired

Beverly Holm Not in EFCA ministry

Ryan Jaeger Expired

Jason Knoble Not in ministry

Curtis Kroker Expired
Paul LeFeber Expired

Karen (Winkelman) Liddell Not in EFCA ministry

Mark Martin Expired

Lawrence Marvel Not in EFCA ministry

Mark Miller Expired

Matthew Ouellette No longer EFCA

Corey Pacillo Expired

Matthew Rennel Not in ministry

Joel Sandager Expired

Richard Schwartz Expired
Russell Soppe Not in ministry
Michelle Wicks Not in ministry
Robert Wolpert No longer EFCA

### ReachGlobal

ReachGlobal serves the EFCA as the international expression of our local churches' fulfillment of the Great Commission and the Great Commandment. The last two years for ReachGlobal have been marked with continued efforts to increase collaboration across ReachGlobal in partnership with EFCA churches and the nationals with whom we work.

The ReachGlobal Directional Team sets direction and determines strategies for the international mission of the EFCA. The team is led by Brian Duggen, Executive Vice President of International Ministries, under the leadership of EFCA President Kevin Kompelien. The members during 2019-2020:

Daryl Anderson, Executive Director of IMA Operations, retired at the end of 2020 Todd Hiltibran, ReachGlobal International Leader – Europe Carole Lehn, EFCA Executive Vice President of Operations

James Petersen, Executive Director of IMA Personnel

Amy Richey, ReachGlobal Ministry Leader - Global Equipping

ReachGlobal ministers in five broad geographical regions. Each region engages in multiplying disciplemakers and transformational churches contextualized to specific cultures and people groups. Our global ministries include Crisis Response, GlobalFingerprints, and Global Equipping. These operate across the global regions, bringing their specific ministry expertise toward accomplishing the EFCA Mission. Over the last two years, ReachGlobal has seen continued increase of collaboration between each geographical region and global ministry. As the COVID-19 crisis expanded, the leaders of each region and global ministry along with the ReachGlobal Project Manager collaborated to care for our missionaries well and pursue new avenues of making disciples and strengthening and planting churches. Restrictions in each country resulted in new opportunities to reach neighbours and creatively extend the local churches' impact in their communities.

In 2019, a refreshed emphasis was placed on mobilization and recruitment led by Mike Davis, Director of Mobilization. This team has developed online (<a href="https://go.efca.org/reachglobal-resources">https://go.efca.org/reachglobal-resources</a>) and printed resources that reach a broad audience across EFCA churches. Over 300 EFCA churches have a ReachGlobal Point Person that receives regular updates from ReachGlobal to represent opportunities in their churches. Another mobilization initiative addresses the concerns of student debt that can be an impediment to becoming a missionary. A special fund is now available to help those joining ReachGlobal with student debt.

GlobalFingerprints continues to expand to new countries and locations as a means of demonstrating the love of the gospel and to provide access for disciplemaking and church planting. By caring for children, parents are also exposed to the gospel, disciples are developed, and new churches are planted. EFCA churches, groups, and individuals have an opportunity to participate in this through GlobalFingerprints while opening new inroads for the gospel.

EFCA Crisis Response serves both within the USA and internationally. In 2019-2020 Crisis Response has engaged churches to respond in seven domestic locations where crisis has opened a door to reach communities for Christ. Each location is tightly connected with local churches that recognize the opportunities that crisis brings. Many EFCA churches sent teams over the last two years to places such as Houston, coastal North Carolina and Texas, Michigan, and California. These teams become disciplemaking in action both for the participants and those who are served.

In 2020, the Covid-19 pandemic impacted our ministries and missionaries in widely divergent ways. Travel and borders were shut down across the globe and ministries were re-evaluated and adjusted. Along with a higher emphasis on health and safety, God opened doors for our staff to reach out in practical ways to demonstrate the gospel in action. Through it all, we rejoice at the unmerited blessings that God bestowed on our ReachGlobal family and partners.

- Few infections and no mortalities among our missionaries from COVID-19.
- Strong financial giving during a global economic crisis.
- Over 70 adults raising support to join us in the field.
- New church plants in our regions.
- Over 500 new sponsorships in GlobalFingerprints impacting church planting efforts in Africa, Latin America, and Asia.
- Significant student growth in our international partners' online education and training including Trinity Video Seminary and ProMETA.

ReachGlobal has 563 missionaries living in 43 countries with active partnerships in over 40 other countries. They are directly involved in strengthening and revitalizing over 3,400 churches. They are working in over 1,500 church plants, about 400 of which were new in 2020. And they are involved in over 550 gospel ministries which share the good news of Christ and connect new believers with God's family.

ReachGlobal by the numbers	2019	2020
Staff	560	563
Countries with ReachGlobal residential staff	44	43
Disciplemakers invested in	14,690	5,095
People groups served	648	610

Gospel ministries	823	554
Church plants	536	1,582
Churches strengthened/revitalized	4,695	3,409
Partnerships	2,145	1,265
Crisis Response events	8	10
EFCA Churches assisted by Crisis Response	29	174
EFCA Churches sending teams with Crisis	83	31
Response		
GlobalFingerprints children sponsored	3,869	4,102

For the past two years, over 400 EFCA churches collaborated with ReachGlobal by sending teams, participating in trainings, providing retreats, platforming ministries through podcasts and conferences, and in many more ways. We are grateful for the generous support both in finances and time that churches give toward this important work.

As the mission arm of the EFCA, we want to serve churches well and provide the best opportunity for sending workers to the harvest. Join us in praying to the Lord of the harvest for more laborers to bring the good news to those who have not heard, to disciple people who will disciple others, and to see new churches multiplied internationally.

Brian Duggan

Executive Vice President, International Ministries

#### ReachNational

The past two years have seen significant change and transition in the ministry of ReachNational. I served as the interim leader for ReachNational for the majority of 2019 before Eddie Cole moved into the role of Executive Vice President of National Ministries in November of that year. Eddie served in that role through 2020 and led the ReachNational Directional Team through the end of 2020. As 2020 progressed it was clear the Lord was calling Eddie and Jessica back into local church ministry with a focus on planting a church. I appreciate Eddie's leadership during these months as he led national ministries in the midst of the pandemic bringing clarity of focus and guiding the ministries forward in strategic planning and collaboration. We began a search for the next Executive Vice President of National Ministries in early 2021 with a goal of completing the search prior to EFCA One in June.

I have once again been serving as the interim leader of the ReachNational Directional Team in 2021. (The ReachNational Directional Team includes Alex Mandes and April Warfield from the All People Initiative, Andrew Hoffman and Scott Sterner from ReachNetwork, Justin Wevers from ReachStudents, Greg Strand from Theology and Credentialing, Laurie Seay from event planning, Nate Thompson from EFCA Communications, Tim Jacobs from EFCA West District, and Lisa O'Leary from ReachNational.)

ReachNational ministries focus on three primary areas: All People, Church Planting, and Student Ministries. The following reports are submitted by the leaders of each ministry area:

#### All People Initiative

Alejandro Mandes

After two years of nurturing, the Women's Task Force came of age during the last half of 2019 and was handed off to Eddie Cole and Kevin Kompelien. The summer of 2019 saw the remake of the next iteration of GATEWAY that required a retooling from paper-based to digital medium that has in retrospect seeded future growth that in 2021 has yielded tremendous impact. The Muslim ministry was integrated into the All People Initiative that further helped give impact to reaching the nations within the United States. One of the most significant statistics was that Immigrant Hope worked with our districts to facilitate 50 religious worker visas, resulting in many immigrant pastors serving in EFCA congregations and future church plants.

2019 ended with two significant conferences. One was the Multiethnic Conference in Dallas, Texas, where the EFCA received recognition for launching the movement 12 years earlier. We had over 100 leaders of the EFCA represented. We offered two workshops that were well attended and one front stage speaker. The second event was the Spanish BootCamp in San Antonio. It was the largest attended Spanish BootCamp we have ever organized. Finally, in 2019

there were three ethnic immigrant churches planted with the help of the Bill Hamel Memorial Fund.

2020 was a terrible year for divisiveness relative to racial and justice issues that impacted the whole country. All People ministry is a high-touch ministry, and while we could not gather our leaders in person, we had many conference calls and one-on-one calls to keep communication lines going. There were 57 different zoom meetings with 1,064 leaders impacted. It was also the year that April Warfield was hired, a tangible statement to our ethnic leaders and especially our African American leaders that we wanted to provide real help. Even though we were amid the pandemic, our metric numbers were surprisingly good, even if the percentage of multicultural churches overall dipped. During the pandemic, Barry Hannant published a book on Bi-Vocational Ministry called *The Pulpit and the Hammer*, which will eventually be incorporated into a GATEWAY curriculum for bi-vocational ministry.

2021 began with a very dreary cloud over much of the ministry, but several ministries had a significant impact. GATEWAY started putting up significant numbers because of its new format. Immigrant Hope also was providing its training using Zoom digital training. Ben Johnson had started a new affinity group that was beginning to mature and develop good leadership. Two of the largest Hispanic churches were being planted, with one having two services and 48,000 hits on its digital platform. Finally, Alex Mandes finished his book published by NavPress/Tyndale called *Embracing the New Samaria: Open Our Eyes to Our Multiethnic Future*. This book will be the basis for the Samaritan Gospel Initiative that will focus on much of the All People Initiative in the next five years.

#### ReachNetwork

Andrew Hoffman

In 2019 there were 126 church plants in progress (36 ethnic plants) and 23 new church plants, (4 new ethnic plants). In 2020 there were 136 church plants in progress (42 ethnic plants) and 20 new church plants (7 new ethnic plants). The ReachNetwork team is encouraged to see 1) the growth in the number of plants, 2) the growth in ethnic plants and 3) the number of plants started in 2020 despite the pandemic. We praise God for continuing to fulfill his promise to build his church, even amidst challenging circumstances.

During 2019 and 2020, EFCA District leaders collaborated to develop a unified church planting vision and strategy. This work culminated in the development of a five-year strategic plan that was approved in December 2020 by the Office of the President. The collaborative work of the districts, the All People leadership, and the congregations of the EFCA was also given the name "ReachNetwork" as part of the strategic plan.

The ReachNetwork strategic plan details the development of numerous key systems aimed at

supporting districts and churches in the work of planting. These include a revamped assessment process, all new Planter Training curriculum, a coaching development program and the formation of Recruitment, Care, Establishment and Funding systems. To date, 17 planter candidates from six districts have been through the new assessment process with additional planters also being assessed via the previous process. Eight planters are ready to go forward while nine more in various stages of preparation. Thirty-five Planter Trainers have been certified in English and 11 in Spanish, across 12 districts. Eleven coaches have been trained across six districts.

ReachNetwork prayer and communications have expanded with the development of "Church Multiplication Sunday," of which there have been two. A monthly email newsletter has been created to celebrate what God is doing through the EFCA's church multiplication efforts and a new website is nearing release which will further improve our ability to connect with potential planters and cast the ReachNetwork vision throughout the EFCA and beyond.

The ReachNetwork Team has been expanding rapidly and now consists of representatives from 16 of the 17 EFCA districts as well as representatives from the All People Initiative. Andrew Hoffman serves as Executive Director, Scott Sterner as Director of Operations, Ricardo Palmerin as Director of Cosecha, Lisa O'Leary as Executive Coordinator, Brett Gleason as Director of Assessments, Dan Moose as Director of Training, Nate Hobart as Director of Coaching, Glen Stevens as Director of Church Development, and Ronnie Martin as Director of Planter Care. Julie Speth serves as Assessment and Coaching Manager and Sharon Trucker serves as Training Manager. We praise God for the team he has assembled to accomplish the goal of multiplying transformational churches among all people.

#### ReachStudents

Justin Wevers

Over the past two years of ministry, we have focused on four different categories: connecting, resourcing, events, and mission trips. Although COVID made us take a pause on some events, we were still able to move forward with ministry and prioritize connecting youth leaders with the EFCA and each other. As we work together to multiply transformational churches among all people, we continue to see the fruit of investing in the next generation of the church. In the past two years we've seen young people come to faith, leaders trained and launched, and young people recruited to join in this kingdom effort.

We elevate connection because relationships drive everything we do. Relationships build the bridge that discipleship walks across. The key people in our ministry – the ReachStudents Council - are equipped and encouraged to connect with their perspective districts. This means bi-annual meetings with the team to vision cast and connect, and monthly zoom calls. In the spring of 2021, we are bringing on the new Student Ministries Director of the New England

District: Jeff Jones. It's a win for our team to increase our reach into the New England district through Jeff, and we are continually working towards having a council member representing each district. The ReachStudents council had 189 youth leaders attend their network meetings in 2019 and 190 attend network meetings in 2020 which is an example of the relational footprint they bring to the team. Despite the pandemic, leaders were not deterred from finding ways to engage with each other relationally. We truly are better together, and our leaders feel it. In 2020, we also focused on encouraging youth during the pandemic with phone calls, handwritten letters of encouragement, and zoom calls.

The resources we have provided over the past two years are the *Hear the Word* podcast (and its Spanish translation, *Escucha la Palabra*) the ReachStudents training series, "One Blood" virtual book club that occurred over nine consecutive Mondays, and many articles written namely: "5 Ways to Disciple your Quaranteenager" (which was also published on The Gospel Coalition), "Taking the Pulse of Student Ministry, and a "Reentry Checklist for Student Leaders." We send regular ReachStudents newsletters to our youth leaders to keep them in the loop and send encouragement. A new endeavor in 2020 - the ReachStudents Training Series - brought together dozens of youth leaders from across the country for webinars with experts across multiple fields.

We got creative in the summer of 2020 to host a virtual Challenge conference. It was a one-night, free virtual conference and our attendance exceeded that of previous in-person Challenge conferences due to its accessibility. Approximately 7,000 students and leaders tuned in to hear about the rest that we can only find in Jesus. In fall of 2019, we hosted our annual Renewal conference focused on renewing and sustaining youth workers as they reconnect with God, one another, their calling, and their identity.

Our desire is to encourage long-term, healthy student ministries by ministering to the youth workers. The days leading up to Renewal (formerly called Rebound), we host Momentum, an invitation-only roundtable gathering to sharpen and network EFCA student ministry pastors leading middle school or high school ministries consistently engaging 100 or more students. The Momentum Group Facebook page is a unique source of connection, especially during the pandemic as we discuss unique challenges such as, "how to celebrate graduating seniors", "how to train volunteers to be coaches", and "sharpening strategy sessions." There is already a lot of excitement for our upcoming gathering in November 2021.

APEX used their time wisely in 2020 - despite cancelled trips - by connecting with their site partnerships, writing (from scratch) a new 3-week devotional and training guide for our college experience, redesigning their website, and homed in on their role and job descriptions. This coming summer there are five domestic trips happening for youth groups in: Kansas City, Washington D.C., Miami, Minneapolis, and South Jersey. Already nearly 400 students are registered to participate in the mission field this year.

God has been faithful through the many challenges of the past two years. We are grateful to see a broadening of our partnerships and connections to youth leaders, an expanding of our reach through virtual trainings and cohorts, and a renewal of our vision to see young people know the Lord.

Kevin Kompelien EFCA President

#### **OPERATIONS**

The mission of Operations is to provide EFCA pathways to multiply transformational churches among all people. We support the national office, staff, missionaries, donors, churches, and districts by providing exceptional service in the areas of Accounting, Human Resources, Communications, Information Technology, Donor Services, Events, Administration, and IMA Personnel. We serve, resource, and create opportunities for our constituents to convene.

The Accounting team ensures that financial results are reported accurately, staff and vendors are paid in a timely manner, and missionaries have access to funds needed for ministry. The EFCA's auditors, BKD, issued a clean opinion for the financial statements for 2019 and 2020, which can be found in the financial section of these reports. EFCA remains a member in good standing with the ECFA (Evangelical Council for Financial Accountability), providing assurance that the EFCA's finances are stewarded according to strict and appropriate standards.

Risk assessment and mitigation continues to be a high priority with a team meeting regularly to evaluate and review financial, legal, operational, and reputational risks and develop appropriate mitigation strategies. EFCA operations and foundation investments are managed by a Board-appointed Investment Committee which contracts with Syntrinsic Investment Counsel for strategic and day-to-day investment transactions. Both the Investment Committee and the investment management firm operate according to a Board-approved Investment Policy.

The Human Resources and Office Services teams care for our staff and facilities to enable our staff to work effectively and comfortably. We helped hire 29 new and replacement national office staff and 18 new and replacement Clause B District staff in 2019 and 2020 and coordinated benefits to meet medical and other family needs. The Administrative Services team assists churches and districts with federal tax-exempt status, state incorporation, and compliance matters and helps them find resources for various tax and other business-related issues. We keep track of EFCA assets globally and provide insurance to mitigate risk.

Through partnerships with ministries, missionaries, districts, churches and more, EFCA Communications tells the story of God's work in and through the EFCA movement. As the stewards of the brand and voice of the EFCA, this team helps express our mission and values in tangible form. From videos and graphic design to blog articles and social media, this team connects and resources constituents from every part of the denomination.

The Information Technology team empowers our staff of approximately 800 globally to enhance their ministry activities and stay connected to the support systems in place at the EFCA through the effective use of technology.

We are thankful for the 27,850 individual and organizational donors that gave to ministries of the EFCA in 2019 and 2020. We also received support from 1,052 Evangelical Free Churches. The Donor Services team frequently assists individuals and churches with the process of receiving stock transfers, land, and other unusual gifts.

The Events team supports the EFCA through event leadership and consulting, including the movement-wide annual Theology Conference, 2019 EFCA One Conference and 2020 Challenge Livestream event. In 2019, we executed 9 affinity gatherings. In 2020, these gatherings were held virtually, with all groups experiencing increased participation. We also executed ReachGlobal Division Conferences in Asia and Europe in 2019.

The IMA Personnel team offers recruitment, onboarding, training, member care, financial operations, transitions, medical, and crisis services to help our missionaries serve effectively in the United States and around the world.

In spite of limitations due to COVID-19, we trained and deployed 71 new missionaries for service and created organizational tools to promote and measure personal wellbeing and ministry effectiveness.

Carole Lehn
Executive Vice President of Operations

### Ministry Advancement and the EFCA Foundation

During this EFCA One reporting period our Ministry Advancement team worked in concert with the Office of the President, the Communications team, and numerous ministry divisions in providing marketing synergy to our EFCA Partnership (formerly FairShare) Fund, our annual giving fund (called EFCA Fund which is our National Ministries and Global Vision Partners), the EFCA Foundation, and our Key Strategic Initiatives.

God continues to bless the EFCA through the generosity of individual donors, churches, donor advised funds, and foundations. Since our June 2019, we have realized estate settlements, residual distributions, and grants in excess of \$5,000,000 that came through bequests, gift annuities, charitable trusts, and donor advised funds. To ensure best practices for the long-term sustainability and financial strength of our Charitable Gift annuity program, we have completed an internal audit which resulted in strengthening of our cash reserves.

In addition to supporting the efforts of the national office, financial support received was designated for ministries such as Crisis Response, GlobalFingerprints, ReachGlobal project support, and on-boarding new ReachGlobal partners to the mission field. Additionally, EFCA churches, Trinity International University, Trinity Evangelical Divinity School, and several EFCA camps and ministries across the U.S. and around the globe have been supported through the EFCA Foundation efforts.

It is also exciting to note that nearly \$500,000 has been raised from individual donors for new church plants as a part of a partnership between individual donors, districts, churches, and church planters. In late 2020 we launched our Key Strategic Initiatives which include support of theology, student ministries, convening of our pastors, EFCA Gateway, church multiplication and an initiative to strengthen local churches called *EFCA Helps*.

During the reporting period, the EFCA Partnership Fund saw contributions from local churches of \$2,756,257 and \$2,739,756 in 2019 and 2020 respectively, contributing approximately 25% of funding for the ministries of the national office. The EFCA Partnership Fund is the commitment of our churches to support the denomination by providing 1% of their revenue to the EFCA national office and a corresponding 2% contribution to their local district. We are grateful to the Lord for the consistent and intentional contributions of 63% of our churches. We are also grateful for the financial support of our EFCA Partnership Churches, and request those churches not currently supporting our districts and national office would do so beginning in the upcoming fiscal year.

It is with thanksgiving to God on high that we praise him for his faithfulness to the EFCA and the work he has allowed our team to accomplish.

Respectfully submitted, Garth Warren, Lanny Harris, Rene Moen, Laura Ajibero

# **Trinity International University**

Report to follow.

# **Trinity Western University**

On July 1, 2019, we welcomed Dr. Mark Husbands as our fifth president. In his first two years he has led with a gospel-focused vision and passion for improvement and adaptation.

We saw our fourth and fifth consecutive years of enrollment growth in 2019 and 2020; and although we could not celebrate in person, on May 1, 2021, we once again had our largest graduating class—with 775 graduates.

As COVID-19 emerged, we formed a COVID-19 response team who ensured that our students, staff, and faculty were informed and safe. After a successful initial transition to online learning at the end of the 2020 spring semester, we prepared and launched TWU Access which allowed students to engage with their courses and community experiences regardless of location.

With the anticipated downturn in the economy and potential drop in enrollment, we took measures to protect the financial viability of the University. Throughout the summer of 2020, faculty and staff worked tirelessly to contact, encourage, and support students in their decision to attend Trinity Western. As a result, rather than struggle with an anticipated financial shortfall, we have been able to generate a positive cash flow. God's blessing and provision is reflected in each of the following:

- Highly dedicated staff and faculty
- Innovative and effective efforts at recruitment and retention
- Prudent financial management
- Good stewardship on the part of all faculty and staff
- Wise, talented public health leadership at the University with effective protocols
- Engaged and positive student leadership
- Remarkable generosity on the part of dedicated and faithful donors

TWU Spartans had much to celebrate in 2020 despite volleyball, rugby, and hockey seasons being cut short due to COVID-19. Last year also marked the return of men's and women's rugby and the addition of women's hockey to Spartan Athletics. We also launched a new Spiritual Mentorship program, which has served as a catalyst for some 300 student-athletes being mentored and discipled by coaches and alums.

Construction of the Robert G. Kuhn Building is nearing completion. This new building project will enhance two of our most important professional degree programs, including Business and Leadership.

To meet the challenge of international and even local travel, we developed an innovative preview-weekend format called TWU Live, which allowed prospective students to "visit" the campus using virtual reality headsets to learn about classes, financial aid, and student life.

We are pleased to announce we have an official vision statement as a university:

Every graduate is equipped
To think truthfully, act justly, and live faithfully,
For the good of the world and the glory of God.

As an organization we are excited to rally around this vision statement and work together to be a truly Christ-centered and student-focused university.

We are grateful for our Evangelical Free Church family. Your ongoing support has helped us build a bright future on a solid foundation of fulfilling the Great Commission through Christian post-secondary education.

Dr. Mark Husbands President

# **Allegheny District**

What an honor to serve our gospel-driven churches. In an era filled with deepening divisions, the world needs God's people to be salt, light, and witnesses. In light of that, in 2020, we focused on the unifying attitudes found in Eph 4:1-6, reminding us that "Since we are His, let's live like it!"

**To help us thrive** in a milieu of multiplying distractions, our 2021 district theme is **"We proclaim Him!"** taken from Col 1:28. We want to purposefully proclaim Christ, "warning everyone and teaching everyone with all wisdom, so that we may present everyone mature in Christ." This reinforces **our shared vision** for the Allegheny District, to be **"A.L.L in:"** 

- A Aligned in and on His mission
- **L** Loving churches, pastors
- **L** Leading to health and multiplication

In March of 2020, our district said, "Thank You!" to Jeff and Kim Powell as superintendent, retiring after 17 years of faithful and effective ministry. We praise God for them.

In April 2020, we welcomed Kerry and Robin Doyal as our fifth superintendent. By God's grace in the midst of all the COVID-19 limitations, they have visited almost half of our 34 churches. They are enjoying getting to know our pastors, their wives, families, district churches, leaders, and our varied ministry settings. Kerry has also provided training to churches in "Being Disciples, that Make Disciples, who Make Disciples!" Kerry and Robin have conducted in-person, half day pastors and wives' gatherings and look forward to hosting a weekend retreat for them this fall.

**Church Planting**: Ronnie Martin leads our church planting. He is engaged with ReachNetwork as they rebuild tools, networks, and the impetus for church planting. In the spirit of Acts 16:9, "come help us" as we seek to make more disciples who will make more disciples. Contact him about starting a new work (urban, rural, suburban, industrial areas...).

**Regional Pastor Groups** have stayed in fellowship via Zoom and some in-person gatherings. We are also having monthly discussions of P. Tripp's timely book *Lead*.

**Our Constitution and Credentialing Board** continues to serve us well, assisting several pursuing ordination or license. We are grateful for their skill and dedication, and the leadership of Matt Mitchell. Army Captain Bart Eskind was ordained, and Corey Miller was licensed.

Sandy Creek Bible Church, in Sandy Creek, NY finished their paperwork and officially became an EFC (Pastor Doug Marshall).

Living Hope EFC, in Butler, PA has withdrawn for the EFCA.

Living Stone Community Church in Washington, PA dissolved as a church. Thankfully, many of the members joined Waterdam EFC.

We welcomed Luke Kelley as the new Senior Pastor at Christ Community EFC, Ashland, OH, as well as Kevin Labby, the new Lead Pastor at First EFC in McKeesport, PA.

Grateful to serve Servants,

Kerry S. Doyal Superintendent, Allegheny District

### **EFCA Central District**

"So teach us to number our days that we may get a heart of wisdom." Psalm 90:12

If we're honest, the longer we live, the less we know. We learn over time that we need God to help us to understand the brevity of our days and that all is in His eternal hands. We have been encouraged that we can rely on His sovereign will and purpose as the world around us seemed to spiral out of control and the need for gospel clarity has intensified.

In the past few years, we have been stretched, humbled, dependent, prayerful, focused, and at times just plain weary. However, we have seen our God do amazing things in and through our churches for His glory and our good.

In this role for just over a year, I am indebted to our recently retired leader, Dr. Cal Swan, our District Board and the rest of the EFCA Central team for a legacy of church multiplication, gospel clarity, robust biblical theology, and deep relationships in our region.

Our focus is not new but renewed and clarified with a focus on "Glorifying God by multiplying transformational churches among all people."

## A few of the highlights from the past two years:

**EFCA Central Leadership Conference: (2020)** We were blessed by the faithful leadership of Dr. Cal Swan as he completed 20 years of ministry as EFCA Central Superintendent. The legacy that he has given of serving the churches with "integrity of heart and skillful hands" (Ps. 78:72) is a path I hope, by God's grace, to emulate.

Churches helping churches: In a myriad of ways, recent days were a season of questions and need for assistance with the changing landscape of a pandemic ministry. The need to collaborate in our churches, gave opportunity for gifts to be shared and the family of Christ to meet the needs of one another. "Bear one another's burdens" (Gal. 6:2) became real to so many, as churches were assisted with tech, financial, counseling and even clean-up post "derecho."

**Staying Connected**: Zoom will never take the place of face-to-face interaction. However, when Zoom was all we had, many rose to the occasion to stay connected during these trying months. Our weekly, and then monthly, zoom calls became a place for connection in separation.

**Travel to our EFCA Central Churches:** When the pandemic began, few churches were looking for the new superintendent to come and visit on a weekend. In fact, many churches were

closed for several weeks and even months. However, as fall came around and we understood how to navigate social distance measures, my schedule started filling up. In the past six months I have been in a different church preaching all but a few Sundays. Even the few open Sundays were spent in churches sharing updates. What a blessing to be with so many of our churches.

Hidden Acres: "Your righteousness, O God, reaches the high heavens. You who have done great things, O God, who is like you?" (Ps. 71:19). Executive Director, Steve Pinkley and his team have shown us what it looks like to boldly trust our great God during uncertain times. With wisdom, prayer, and safety measures in place, this amazing team held camp throughout the summer, fall, and winter. God used this team of men and women to serve His purpose in ways that brought our great God the glory he deserves. We also want to thank many individuals and churches who stepped up to help Hidden Acres during this unusual time. A bond has been built even deeper between Hidden Acres and the local churches in the EFCA Central.

Filling out the EFCA Central team: We have a talented and Christ honoring team. In addition to those already serving into 2020, Paul Bauman joined us on the Church Multiplication Team. Paul was a pastor at Trinity Church in Holdrege, NE and is a strong leader and communicator. We are thanking God for his addition. The days ahead are exciting as he joins Brad Wos, Multi-Cultural and Todd Brooks on our CMT and Larry Austin in Church Health. I'm blessed to serve alongside such godly and gifted men. We are poised to follow the Lord's leading to continue to be on the frontlines of church multiplication in the EFCA.

The year ahead poses new challenges as we all adjust to the "new normal" of COVID-19 and the effect it has already had on our pastors and lay leaders. May we pray fervently for the Lord to lead us as we face the fact that we can't ever go back to pre-COVID days in our communities and churches. The landscape for the local church has been transformed. Bold and courageous leaders are needed as we take steps to reach our communities with the gospel.

May we continue to renew and grow in our dependency on prayer: Prayer is difficult work; essential for gospel influence. It reminds us that we are seeking the glory of the One who called us. We seek to be dependent in prayer in all things to not presume on God, the plans of people.

Psalm 90:1-2 Lord, you have been our dwelling place in all generations. Before the mountains were brought forth, or ever you had formed the earth and the world, from everlasting to everlasting you are God.

It is a joy serving Jesus with you all,

Michael Shields
Superintendent, EFCA Central District

### **EFCA East**

In the past two years EFCA East (formerly Eastern District) has gone through a significant restructuring that has enabled us to meet the growing needs of our district in an exciting way. In 2019 Tony Balsamo and Cedrick Brown were given the shared role of District Superintendents. They, working with John Nesbit (Operations Director), make up the Executive Team of the Eastern District.

Together they navigated the district towards a greater alignment with the EFCA national office and became a Clause B District. With a strong philosophy of team ministry, they began to build a broad diverse team of specialists within the district to help meet many of the unique challenges that our district presents. The value of this team approach cannot be underestimated and has allowed us to minister more effectively to a very broad audience.

## Highlights:

**Pastoral Support Staff:** Using a gifted team of pastors that oversee clusters and provide care to pastors on a regular basis.

**Communications:** Our communications team has utilized their gifts to help us connect with our district leaders using a diverse platform of resources to meet the growing needs of the district. With the use of resources such as blogs, classes, website, webinars etc.

**All Nations Team:** This new team of diverse leaders focuses on raising awareness in the district and among our churches to have a greater multicultural awareness and cohesiveness.

**Church Vitality Team:** This ministry focuses on helping churches move in the direction of greater vitality and alignment with the Holy Spirit. This is done by providing coaching, resources, and team meetings.

**Credentialing:** Providing care counsel and resources for those pursuing credentialing.

**Next Gen Ministry:** 2021 conference had 100+ next gen leaders for a time of connecting, worship, and encouragement.

**Multiplication Team:** This team exists to provide coaching, networking, assessments, and connection with other multiplying churches to move the mission of the gospel and EFCA forward. We have had several church plants, campuses, and services added to our district in the past 24 months!

**Cross Launch:** This new church plant residency equips leaders to minister in multicultural settings by placing them in a multicultural church.

**Monthly Video Cluster:** Our DSs meet with a different 10-12 lead pastors each month on zoom for a time of connection, prayer, and encouragement.

**Prayer Conferences:** Using both virtual and in-person means, we have seized upon the opportunity to strategically pray together with the hopes of seeing a movement of prayer within our district.

**Pulpit Supply:** In a desire to help meet the needs of churches and provide our next gen with more preaching opportunities, we have developed a new pulpit supply network that helps connect the needs of the church with our up-and-coming preachers!

These are some of the projects we are currently engaged in. We recognize the Hand of God in all of this and the gifts of the Spirit flowing through the many, many people who make up the team within the Eastern District. To God Be the Glory!

Gratefully Submitted,

Tony Balsamo & Cedrick Brown Co-Superintendents, EFCA East

## **EFCA Southeast**

The EFCA Southeast seeks to establish an increasing number of disciplemaking churches of biblical integrity and spiritual vitality marked by the distinctives of the EFCA.

It is our pleasure to be part of a gospel-centered movement seeking to be a catalyst for multiplying disciples, leaders, and churches so that together we can see lives and communities transformed for God's glory.

What a privilege to partner with so many, committed to so much.

**Current Church Status**: We number nine southeastern states plus Puerto Rico and Haiti. We serve 102 congregations: 65 U.S. churches, 6 Haitian churches, 21 church plants, 2 second language congregations, and eight multi-site congregations. In addition, we currently serve another 8 church planting projects.

One-third of our pastors/church planters are bivocational. 50% of our church plants/projects are ethnic or multiethnic. 15% of our churches are ethnic or multiethnic.

We enjoy our growing diversity including nine Haitian pastors, six African American pastors, two African pastors, four Hispanic pastors, and three Asian pastors.

As more and more of our pastors reach retirement age, several of our churches are seeking to make healthy transitions allowing new and younger leadership to emerge.

90% of our ministries are located on the eastern half of the district, and half of our congregations are in Florida.

**Staff Team**: Xochitl Cachon, has served us well as our administrator, watching over the details of our expansive region. Bruce Redmond expertly directs our church planting and has been especially busy this past year. Hugo Concha, our Director de Ministerios Hispanos, has significantly enlarged our capacity to minister to the Spanish-speaking communities of the Southeast.

**Financial Times**: As our district movement continues to gain momentum, we do appreciate the sacrificial giving that so many have provided as we continue to hold our ground through the pandemic.

May the Lord continue to show His favor.

## **New Initiatives:**

- Normal Church Network a network for our pastors serving churches of under 250 attendees, highlighted by gathering once a year for three days to encourage and stimulate each another.
- Montgomery Moves Me tours hosted for EFCA leaders and congregations to the Legacy
   Museum and the Memorial for Peace & Justice in Montgomery.
- Shepherding the Shepherds assisted by our ReachGlobal colleagues, providing a 45-hour, three-day opportunity for reflection and soul care to pastors and their spouse.
- Venezuela Partnership ministry teaming with the president and pastors of the EvFree churches of Venezuela (ADIEL).
- Zoom Lunchroom a regular opportunity via Zoom to gather pastors and ministry leaders to connect and engage in conversations of interest and need.

It continues to be an absolute privilege to serve the Lord together with you. My esteem for our district's pastors and ministry leaders couldn't be higher. They have met the unprecedented challenges of the last year with unwavering faith, spiritual wisdom, and timely creativity. I couldn't be prouder to serve the Lord alongside of them.

May God continue to bless the EFCA for His glory and honor.

Sincerely,

Glen A. Schrieber Superintendent, EFCA Southeast

## **EFCA Texas-Oklahoma District**

Our vision is to have healthy churches that multiply at every level: believers, disciples, workers, leaders, disciplemakers (both local and global), and churches or campuses. We want every church to be a parent church, partner church, or participating church when it comes to church planting. We firmly believe that the single most effective evangelistic methodology under heaven is planting new churches which in turn plant other new churches.

Over the past two years, we have had 20 church plants in process. In 2019, three churches launched, and we adopted a church plant. Despite the difficulties of 2020, one established church launched a Spanish service, and as a district we approved five new church planters. This year, we have already seen three churches launch, plus an additional Spanish language second service. We are encouraged to have parent churches who are hiring residents to send and plant in the future. Also, several churches moved into new facilities, and others plan to do so this year.

Katie Arnold, our Director of Ministry Effectiveness, who helps our churches multiply disciples, leaders and churches, also leads our *Multiplying Together Initiative*, which is our multiplication network. These churches have committed to personally living a multiplying life and leading their churches to multiply disciples, leaders, and churches with the goal of planting a new church every three to five years. They have committed to giving 3% of their budgets to their own multiplication as well the EFCA Partnership Program. Katie also serves on the EFCA ReachNetwork team.

In the fall of 2020 and spring of 2021, ten pastors completed our Next Level Leadership Cohort. Pastor Drew Leaver and Pastor Bill Stewart facilitate this excellent leadership training for our district.

We are thrilled this year to see the addition of John Watson to our staff as Small Groups Specialist. Heath Haynes came on staff in 2020 as Regional Director of Houston to develop a culture of collaboration with growth and multiplication throughout our churches in the area. In 2019, Monica deGarmeaux joined our staff as the Director of Thrive, a ministry for Lead Pastors' Wives. We now have ten paid staff members and two volunteer staff members.

At our 2021 District Conference, the delegates voted to approve the 2019 EFCA Statement of Faith change which replaced the word "premillennial" with "glorious." The motion passed with a 95% approval vote. At our 2020 Annual District Leadership Conference, we voted to remove one church from our district: South Church in Fredericksburg, TX, which closed, and we voted to approve Stonewater Fellowship, a church plant in New Braunfels, TX, as an autonomous church.

As a district, our Board of Directors has been working through a succession plan and we expect

my successor to take the baton at our February 2022 Annual District Leadership Conference.

We Are Better Together, and we have a wonderful spirit in our district. I praise God for our board, staff, churches, pastors, church planters and their families who are sacrificially working together to help us multiply transformational churches among all people. The future looks bright, and I am convinced that the best days of EFCA Texas-Oklahoma are still ahead!

Warmly,

Dr. Bob Rowley Superintendent, EFCA Texas-Oklahoma

## **EFCA West**

It is a wonderful privilege to write my first report as District Superintendent of EFCA West. I was called to take the reins in December of 2019 following Steve Highfill's twenty-nine years of faithful service to our churches in this role. Standing on the shoulders of the giants who have come before me, I am the beneficiary of both a world-class staff of uniquely gifted men and women and a district that never ceases to amaze me with its size and endless potential. For that I am truly humbled and deeply grateful.

If you were on an elevator with one our EFCA West staff and asked them what exactly it is that we do, my hope is that by the time you got to the fifth floor you would hear this: EFCA West helps churches fulfill the Great Commission – specifically, we help them strengthen their leadership, help them plant new churches, and help them reach all people.

Our vision is to see, in the seven western states included in our district, what happened in Acts 16:5, "So the churches were strengthened in the faith, and they increased in number daily." We believe that by adding tremendous value to each and every one of our congregations we can create "raving fans" out of pastors and church leaders because they feel cared for, connected to, resourced, and inspired to be a part of our EFCA family.

When the COVID-19 crisis hit in March of 2020, our team immediately sprang into action and redirected all our efforts toward three priorities: *convene, resource, connect*. In June, our nation was rocked by the tragic death of George Floyd. We were once again faced with the question of how we can best add value to our churches.

For EFCA West, that resulted in a tidal wave of innovative steps to help our churches meet these unprecedented challenges. Briefly, we were able to:

- 1) Conduct 16 "Wednesday Workshop" zoom meetings with over 1,000 in total attendance, providing up-to-date guidance for churches and leaders.
- 2) Respond to national racial unrest by starting a "Reach All People" cohort to help churches build bridges with diverse groups of people living among them.
- 3) Start 5+ additional "affinity" workshops including elder training, student ministry leadership, and children's ministry leadership.
- 4) Launch "The EFCA West Podcast" with 16 episodes and 700+ downloads for the purpose of connecting pastors to other pastors and EFCA resources. This included Credentialing, FCMM, CIF, Immigrant Hope, ReachGlobal, ReachNetwork, and TEDS.
- 5) Produce 30 "weekly updates" that included encouraging videos and vital information.

We were also able to expand our staff during this past year. Dean Mayeda, founding pastor of Nova Community Church, joined our team in June of 2020 as the part-time director of church

planting. He oversees the training, coaching, and resourcing of our church planters. Also, because of the explosion of opportunity in our "all people" area, we invited Steve Sammons to join our team as our Director of Hispanic Ministries.

## Our other staff include:

- Linda Bishop, Director of Women Leaders
- Xochitl Cachon, Administrative and Credentialing Services
- Bob Osborne, Director of Church Health
- Alex Rivero, Director of All People Ministries

The following is a series of numbers from both 2019 and 2020 that help tell the continuing story of EFCA West and how we are helping our churches fulfill the Great Commission:

- 227 congregations totaling 70,844 in approximate weekly attendance, of which:
  - 8 are Asian as second language
  - 2 are "Deaf" defined as second language
  - o 30 Hispanic Congregations, 18 defined as second language
  - o 48 are multi-cultural with 2 or more primary ethnicities
  - 1 is African American
  - the remainder are either undefined or English speaking, predominantly
     Caucasian
  - 4 new church plants plus \$76,500 in church plant funding
  - o 22 church plants for which funding and/or leadership assistance was provided
  - 8 new 5-vear ministerial licenses
  - 2 certificates of ordination
  - 1 expedited ministry license
  - 3 formally affiliated new churches
  - 10 closed or removed churches

Already we are excited about how God is using EFCA West to identify, assess, train, and support new church planters. We are also looking forward to innovative ways to bring both affordable and high-quality education to our Spanish-speaking pastors, many of whom are bi-vocational.

On behalf of our staff, I can say we are so grateful that God has given us this particular "lane" of ministry in which to run fast and hard. We look forward to the continuing journey of multiplying transformational churches among all people!

Blessings,

Tim Jacobs Superintendent, EFCA West

### Forest Lakes District

#### Our Missional Vision:

We exist to strengthen our member churches so that together we may multiply transformational churches among all peoples.

## Our Strategy:

- Connect: Create environments for relationships.
- Equip: Offer ministry resources and training.
- Multiply: Support the multiplication of disciples, leaders, and churches.



We desire to see a gospel-preaching congregation within 25 miles of every person in Wisconsin and the UP of Michigan. We also have a member congregation in Dubuque, IA, and partnership with a plant in Berlin, Germany.

## **Multiplication Mission:**

We support planters & churches in planting disciple-making, transformational, and multiplying congregations throughout the FLD.

## **Multiplication Values:**

• Gospel Centered: We embrace the gospel as the power of God to save and transform.

- Prayer Dependent: We are a Spirit-filled people who prayerfully depend on the Lord.
- Multiplication Driven: We are committed to multiply disciples, leaders, and churches.
- Diverse: We unite in Christ as an increasingly diverse people.
- Collaborative: We support one another as a community of leaders and churches.
- Innovative: We encourage a culture of innovation and creativity.

We thank the Lord for how He has brought together our team and look forward to how God will work through us to support the leaders and churches of our district toward greater disciplemaking fruitfulness and multiplication!

Scott Sterner, Church Multiplication Jon Payne,
District Superintendent

Rob Weise,
Student & Family Ministries
and District Events



Marcus Constantine, Credentialing Catalyst Jami Wilhelm, Connection & Events Manager Earl Seliskar, Finance Specialist

### **Great Lakes District**

The Great Lakes District (GLD) serves around 165 member churches, 17 multi-site campuses, as well as "churches within a church" (ethnic) for a total of over 200 "churches."

The definition of a member church is clear. The application is on our website.

As you look at all the details of the document, you will discover six essentials.

- Determination of membership.
- Selection or appointment of the principal governing board.
- Selection of the senior pastor or senior directional leader(s).
- Approval or alteration of constitution/bylaws.
- Approval of an annual church budget.
- Approval of any major purchase or dissolution.

Over the last 10 years, significant change is in thirteen percent of our churches.

- Seven largely small rural congregations closed: Grace CC in Huntington, IN; Mendota IL;
   Wildwood in Green Castle, IN; EFC of Hillsboro, OH; Faith Fellowship in Port Byron; and
   Pleasant Valley in Anderson, IN.
- Faith Community Church in Columbus, OH left to join a closer EFCA district.
- Fox Lake Community Church and Grace Community Church (Willow Style) in Indianapolis left to become independent. The Sanctuary followed Ronn Smith to High Point Church. The City Chapel in South Bend, IN joined with a Hispanic Association. Edgebrook EFC joined Park Community Church.
- Five churches closed to be replanted in the Great Lakes District: Peoria, IL; Ottawa, IL; Chicago, IL (The Brook); Rockford Hills, MI (Doxa); and Schiller Park.
- Five GLD churches became multi-sites: Itaska EFC; Wheaton EFC; New Song, River Valley in Newago, MI to Trinity Fellowship EFC in Big Falls, MI; and Neuvo La Vida to our Hispanic Congregation in Wheeling, IL.

When I came to the GLD in 2004, we were experiencing an urgent need for creative options as we saw Addison Bible Church join Harvest Bible Chapel, Lake Zurich EFC join Harvest Bible Chapel, New Lennox EFC join Harvest Bible Chapel, Jefferson Park EFC join New Life Church and Edgebrook EFC join Park Community. GLD churches stepped up! Brett Gleason's strong work with restarts and the many new multi-siting GLD churches stemmed this tide. Brett is becoming a restart specialist for dying churches. We believe our Regional and Area Superintendents bring

new health and loyalty to our GLD churches that leads to multiplying transformational churches among all people.

Since 2008 we added 24 new GLD member churches to the glory of God! You can read about our church multiplication on our <u>website</u>.

Rick Thompson Superintendent, Great Lakes District

### Hawaii District

Early this year we bid a fond (and socially distanced) farewell to Bruce and Margie Campbell, who served faithfully and sacrificially as our DS for two decades (along with Steve and Kori Knapp, who served as our Pastoral Care Director). We praise God for the growth and fruitfulness we've seen since the days when Bruce was the only EFCA pastor in the islands. We now have 10 EFCA churches in Hawaii, with two more plants in the pipeline and a number of churches interested in aligning with us.

Alton Uyema and I have taken up the reigns as co-superintendents, and we're stoked about where God is taking our expanding partnership of churches. As we step into this new role, we have two main goals for this season:

- 1) Determine how we can better support individual churches and pastors in their unique missions. We are creating avenues for pastors and church leaders to share ministry ideas and best-practices and help each other solve problems. We are facilitating pastor prayer partnerships for ongoing support and encouragement.
- 2) Determine the mission God is calling us to pursue together, that individual churches couldn't accomplish alone. We are looking for ways to expand God's kingdom in the islands together, and we're already seeing growing partnership in areas like church-planting and compassion ministries. The pandemic upended many plans, but we hope to re-establish our Kairos Project missions partnership in Southeast Asia.

Evangelical church attendance in Hawaii is only about 7 percent. We have much work to do, so we're grateful to be part of a Christ-centered, grace-fueled, mission-driven 'ohana like the EFCA.

Matt Dirks Co-Superintendent, Hawaii District

### Midwest District

COVID-19 will be forever remembered for the changes it demanded in 2020 in order to continue fruitful ministry by our Midwest District (MWD) churches. Most all adapted to live-streaming of the Sunday message and zooming their small groups. But the *best* thing the churches did was to continue what they were doing well in 2019 . . . loving and obeying God; loving their neighbor; making disciples; and serving with humility. Being creative with methods was essential. Adjusting to new approaches was required. But it was still (and will be) our commission to live out and communicate the gospel to a lost world.

A few highlights from the past couple of years would be: 1) our TRANSFORM conferences (annual conferences), with challenging speakers, training seminars, corporate worship, and just great fellowship with one another continue to be one of the most important and encouraging things we do. We were able to have both the 2019 and 2020 conferences in person. 2) In the fall of 2019, we had a Pastors/Wives retreat. By the caring heart of a generous donor, we were able to provide a meal, two nights housing, and registration for a total cost of \$15.00 per couple! 3) There has been an abundance of new senior pastors in the MWD, with a total of 16 joining us from our February 2019 annual conference through our February 2021 annual conference. 4) At this year's annual conference in February 2021, despite snow, frigid temperatures, and a power outage, we elected a new District Superintendent, Dr. Colby Kinser, Pastor of Grace Fellowship Church (EFC) in Overland Park, KS. He will do a fantastic job in leading the MWD in the years to come.

The MWD presently has 101 churches, 107 different congregations, and 2 church plants.

In 2019-20 two churches moved out of the EFCA: Firth EFC in Firth, NE, and Gothenburg EFC, in Gothenburg, NE.

Our TEAM 4:18 (from Proverbs 4:18) ministry continued to provide a unique realm of ministry for the MWD. This running affinity group consisted of runners primarily from the MWD Churches, seeking to better carry over the physical disciplines demanded to be a "runner," to our spiritual disciplines demanded to "walk [run] the path of righteousness" and to reflect the light of Jesus more brightly. This enjoyable ministry has "run its course" and will conclude with one last race in Wichita, KS, in May of 2021.

It has been an honor and a privilege to serve the MWD churches in Nebraska, Kansas, and the KC metro these past nine years.

Grateful for His Grace,

Noah Palmer Superintendent, Midwest District

## **New England District**

The New England District Association (NEDA) is the association of Evangelical Free Churches in the six New England states and the northeast triangle of New York state with sixty-five congregations. New England is one of the most un-churched regions of the country with eight out of the ten most "post-Christian" cities in America located in the Northeast. New England needs the presence of Jesus demonstrated and the gospel message proclaimed by Jesus' followers as they gather in worship and scatter on mission. It is our desire to see a gospel presence established in every community. We work toward this vision by developing disciplemaking leaders, growing transformational churches, and catalyzing church multiplication.

Our 2019 annual conference took place at Camp Spofford in Spofford, NH. The theme was "A Gospel Presence in Word and Deed" with David Gustafson (TEDS) being our keynote speaker. In 2020, our annual conference was again held at Camp Spofford. The theme was "Renew" with Jim and Suzi Kallam as our keynote speakers.

Over the past two years, there has been a lot of change within NEDA. Sixteen of the sixty-five churches in our district have gone through, or are going through, a pastoral transition process. Many of these churches had the blessing of being served by long-term pastors who are retiring. I am grateful for these faithful men and praise God for their fruitful ministries. I am also grateful for the pastors God has provided for the next season of ministry.

A significant focus of district ministry over the past year has been care and resourcing for pastors who have had to deal with so many challenging issues at once. Monthly Zoom roundtables were created to help pastors who are facing a flurry of challenges from COVID-19, racial injustice, political tension, LGBT+ issues, and just plain tiredness. I continue to pray that God will give NEDA pastors wisdom, strength, and grace as they shepherd their churches during a particularly tumultuous season.

In this past year, we were excited to see Life Church in Ayer, MA begin public services. We are saddened to report that five churches closed: Grace Community Church, Madison, CT; Mountainview EFC, Voorheesville, NY; Crossway Community Church, Saco, ME; Grace EFC Metrowest, Framingham, MA; and Covenant Life Church, Middletown, CT.

I continue to be grateful for the opportunity to serve Christ and his church as the New England District Superintendent.

Grace and peace,

Sam Huggard
Superintendent, New England District

### North Central District

If you abide in me, and my words abide in you, ask whatever you wish, and it will be done for you. By this my Father is glorified, that you bear much fruit and so prove to be my disciples. – John 15:7-8.

Brothers and Sisters in the EFCA,

As we all know, the last few years have been challenging. We have experienced, in measure, difficulties related to the coronavirus pandemic, racial tensions, relational conflict, political polarization, and civil unrest. Together with the psalmist, we have often prayed, "how long, O Lord?"

While much has changed in our culture over the last few years, our mission remains the same. The North Central District continues to exist to glorify God by multiplying transformational churches among all people in Minnesota and beyond. Believing we are better together, our district seeks to serve pastors, church leaders, and churches as they pursue this calling.

During the last two years, our district team has included Dave Linde (Resources, Placement & Credentialing), Dan Moose (Church Multiplication), Steve Austvold (Missions Mobilization), Kelley Johnson (Pastoral Care), Glenn Olson (Student Ministries), Pat Wester (Church Revitalization), Sharon Trucker (Administration), Mindy Warland (Finances and Administration), Jordan Hirsch (Administration), and Sonja Monsen (Finances). More than the programs we have or the resources we offer, we are convinced that it is the direct support, encouragement, and partnership of our district staff that makes the biggest difference for NCD churches.

Our NCD Strategic plan was updated in 2020 (<u>ncdefca.org/strategicplan</u>). We remain committed to keeping churches first as we pursue progress in our five key areas of opportunity. These are gospel and scripture, leadership pipeline, personal evangelism, all people, and church revitalization.

Flowing from our convictions, our district added three special events to our ministry calendar during these years. These include the NCD Lead Pastors Prayer Gathering (a new tradition that will help us begin each year with prayer), annual NCD Evangelism Cohorts (to help our pastors and church leaders grow in their practice of personal evangelism), and annual Moving toward Montgomery trips (to help NCD churches lean toward issues of race and ethnicity with the gospel).

Due to the challenges mentioned above, ministry numbers are difficult to gather and interpret. The numbers below come from our 2019 NCD infographic, which was designed to help our family of churches count and celebrate what God is doing in and through the North Central District (<a href="ncdefca.org/infographic">ncdefca.org/infographic</a>). We anticipate producing an updated infographic in 2022.

Moving forward, we plan to adjust our metrics in light of the "new normal" that will emerge in the days ahead.

- 167 congregations (142 established churches, 11 plants in process, 10 second language congregations, 4 multi-site campuses)
- 5,740 disciple-making leaders & 2,443 disciple-making groups
- 821 baptisms
- 34,951 average weekly attendance

Like these last few years, the season ahead promises to be challenging as well. But by God's grace, it can also be wonderful, joyful, and filled with fruit that lasts (John 15). May God grant these things to our EFCA family, to every congregation, and to each of us personally, as we walk with Him.

In Christ,

Brian Farone Superintendent, North Central District

### Northern Mountain District

The Northern Mountain District includes Eastern Washington, Northern Idaho, and most of Montana. It is nearly 800 miles from the western edge, at our Washington Cascade Range to our furthest eastern church in Forsyth, Montana. The NMD has, at present, 28 churches.

Since our last report, we added an associate member church, Lincoln Heights Community Church in Spokane, WA. Two churches departed because of the 2019 Statement of Faith — First EFC of Billings MT and Alberton EFC in Alberton, MT. Indeed, much energy has been expended working through the 2019 Statement of Faith with all our district churches, and at present our vote to adopt is still pending. This important decision will be made on May 7, 2021, when we vote at our Annual NMD Conference in Liberty Lake, WA.

COVID-19 has dominated much of our pastors' workload over the past 14 months. We cannot overstate the stress this has created for our congregations, with the senior pastors finding themselves to be lightning rods as policies were thought through, created, communicated, and revised. As a positive result, many of our churches learned new things about community life, technological options, and the grace of God.

A good working cluster of pastors has been working on strategies for church planting and pastoral internships. The men involved are mostly our "next-generation" pastors and bodes well for the future health and strength of the district.

In His Service,

Lee Kisman Superintendent, Northern Mountain District

### **Northern Plains District**

36 churches – 1 active church plant — 55 pastoral leaders – 3 Chaplains – 3 affiliate ministries – 6 missionaries – 4 NPD staff members – 4 states – ONE LORD!

**Mission:** The Northern Plains District exists to support our district churches in accomplishing their mission of making disciples of Jesus Christ so that together we might multiply healthy churches among all people. This calls us to focus on three key areas:

Healthy Churches: Because healthy churches are God's primary means for advancing His kingdom the Northern Plains District seeks to help churches be communities that love Christ and are fully committed to His Great Commission.

Partnership: Because we firmly believe that we are better together the Northern Plains District seeks to promote partnership between our district churches through both formal events and through the informal contacts that allow churches to support and encourage each other.

Multiplication: Because we are all called to share the good news of the gospel, the Northern Plains District is committed to multiplying churches and disciplemaking communities across our district. We also work with local churches as they seek to multiply leaders and ministries in their local communities.

**District Superintendent Transition:** Dr. Daryl Thompson retired in May of 2020 after serving for 12 years as the District Superintendent. In April of 2020 NPD conference voted to call Dr. Brian Wright to be the new District Superintendent. He officially began his ministry on July 1, 2020. As part of this transition the district closed its physical office in Bismarck, ND.

**Staff:** The NPD is served by three additional staff:

- Kathy Glass serves as the Executive Assistant and the NPD Financial Administrator.
- Steven Dunkel serves as our district Student Ministry Mobilizer.
- Steve Austvold serves as our Missions Mobilizer and works with our district reconciliation team.

**New Churches:** In 2019 Living Hope Church in Plentywood, MT joined to the Northern Plains District. In 2020 CrossRoads Community EFC began as a church plant in Casselton, ND.

Ministry Priorities: Current priorities for the district are to focus on credentialing, church multiplication and building relational connections. The district board is working to "get a

GRRPP" by bringing goals, roles, relationships, policies and procedures into a sharp focus for improved board and executive performance.

Dr. Brian P. Wright Superintendent, Northern Plains District

## **Pacific Northwest District**

The Pacific Northwest District is comprised of 41 churches. During this past year, dealing with the realities of COVID-19 has affected us all. Some of our pastors and churches are doing well; some have struggled with polarization around issues, primarily the handling of requirements to follow State and local standards. I have found that many of our pastors are feeling weary of these circumstances. For our pastors who are meeting in regional clusters, there has been good connection with other pastors, however through the medium of Zoom. We are looking forward to enjoying the relationships that we have built over the years.

Our 2020 District Conference featured Mike Perkinson, Praxis Network. He led us in a discussion about Living and Reproducing the Irreducible Core: Love God, Love others, and as you go, Make Disciples. In our 2021 Conference, Dr. Don Guthrie, TEDS, spoke with us about finding and sustaining resiliency in the work of ministry.

We continue the work of refining our vision for multiplying healthy disciple-making churches among all people in the Pacific Northwest. We are helping some of our churches to recalibrate their ministries around the priority of developing and releasing disciples. Our goal is that the people we serve understand, faith as a way of life, and feel competent in sharing the way of Jesus with others they know.

Our District Team serves the Pacific NW District well. Richard Parker handles our credentialing work. He uses *Gateway* as the means of working with individuals toward their EFCA credential. He has served folks outside of the PWND as well. Our District Board is made up of men who lead a region in the district. These men give sacrificially to serve the district while pastoring their own churches. Scott Lamb is our Church Multiplication Director. He serves with the EFCA Church Multiplication Team. His desire is to use the principles of multiplication in a way that will work effectively within the culture of the Pacific Northwest.

The Pacific Northwest is increasingly post-Christian. We are compelled by the Great Commission to continue to elevate church planting as a central priority of district ministry. We believe that planting churches in which disciple-making is the central feature is the most effective way to see the Kingdom of Christ grow. Though we are a district that plants churches, we are laying groundwork for the day when we can become a district of churches planting churches. We appreciate your prayer as we serve together with you amid a culture that is undergoing tremendous change.

Bruce Martin Superintendent, Pacific Northwest District

## **Rocky Mountain District**

As we continue to "multiply transformational churches among all people" we are excited about our ongoing opportunity to begin new church plants in the Rocky Mountain District.

In the past two years, we have birthed two Hispanic churches in Denver, CO and Aurora, CO, as well as an Anglo congregation in Pueblo, CO. We are in discussion with two additional Hispanic groups in Thornton and Longmont about becoming a church plant under the Rocky Mountain District. We also have a church planter in a residency program whom we believe will be ready to plant later in 2021.

Grace church in Longmont, CO closed their second campus, while Calvary in Boulder, CO started a new campus in Thornton, CO. Following the EFCA national office move to the 2019 statement of faith, three churches in our district left our association.

We hired a part-time Director of Church Planting and Development who is working with a few pastors that serve on our Church Planting Leadership Team. He will work with these men as they train, equip, and coach new church planters coming into our system. In partnership with the EFCA, we have had two from our Church Planting Leadership Team trained to lead church planting cohorts, each has completed one church planting cohort.

Two of our churches are also hosting the national Gateway ministry to assist in ethnic planting and outreach.

Our 10 Healthy Church Networks continue to meet monthly where our pastors can fellowship and get training on critical ministry issues is available. These continued during the COVID-19 pandemic, meeting virtually for the first few months of the pandemic. They are all back to meeting in-person.

Our 2020 annual conference met using virtual technology, linked together on three different campuses throughout the district. At our 2020 conference, the Rocky Mountain District affirmed and adopted the EFCA 2019 statement of faith.

We worked with one church that was below critical resources to do a restart. They moved back to church status at our April 2021 conference. We also moved a church plant at our 2021 conference to full church status.

The EFCA national office recommended Pastor Barry Vegter who came into the EFCA from the Reformed Church of America to be the District Superintendent Elect. He was affirmed at our

April 2021 conference and will become the District Superintendent in 2022 or 2023 after mentoring under me.

Dr. Gregory Fell Superintendent, Rocky Mountain District

### Western District

Our vision in the Western District remains consistent with that of the EFCA: to multiply transformational churches among all people. We seek to align ourselves more diligently with the heart of our singular Head, Jesus Christ, the Risen One, who said, as recorded in Matthew 16:18, "I will build up those whom I've called out."

This sense of one true church across history and the world in need of the story of a living Savior is our unifying reality. It directs us. It impassions us. It speaks to our reason for being. It is large enough for us to be the uniquely created, gifted, and equipped priests, ambassadors, saints, ministers of reconciliation, witnesses, and servants after the very pattern of Jesus. It simplifies and focuses our identity and function as local assemblies of believers in communities throughout Northern California, Northern Nevada, and the world.

## Pastoral Transitions:

- Crescent City, CA Russ Green retired, Gary Crandall (IPM) welcomed Rob Foster as new pastor.
- Hydesville, CA Michael Delamarian retired, Patrick Allen (IPM) serving now.
- Carson City, NV Fred Kingman departed, Chelsey Thompson and Steven Veatch now serving this group of missional community innovators.
- Rocklin, CA Ryan MacDiarmid transitioned into a marketplace mission career, welcomed Mark Beuving as new pastor.
- Orland, CA We welcomed Grant Kolkow as new pastor.
- Vina, CA in search of a new pastor.
- Ukiah, CA We welcomed Marttell Sanchez as new pastor.
- Chico, CA We welcomed Kenny Stone as new pastor.
- Susanville, CA Rick Conrad retired, welcomed Brian Robbins as new pastor.
- Kelseyville, CA Garry Zeek moved into new ministry, welcomed Paul Mollett as new pastor.

Drew Sodestrom, pastor of Vintage Grace, El Dorado Hills, CA, serves the district as our Church Multiplication Catalyst. Over the past two years, many have seen the efforts to start new works in several locations, and Drew started a Multiplication Cohort, facilitating three, 12-week groups to move a dozen potential planters into multiplying ministry. The complexity of these efforts has resulted in the following plant:

• Church Starts: New City Church, Oakland, CA, Gabe and Kari Garcia, planting family.

Now the Western District is turning its sites to the existing churches, inviting Senior Pastors interested in pursuing their own multiplying efforts to grow in their understanding of how to move an existing local church in that direction.

A Recovery Church ministry is being established under the direction of Pastor Bud Inman, Pine Grove, CA.

Gateway Theological training continues under the able service of Pastor Mike Ernst.

Credentialing services are offered by Pastor Patrick Allen.

Neal Brower Superintendent, Western District

## **EFCA Chaplains**

Becoming an EFCA Chaplain is challenging long before starting to serve as one. The EFCA credentialing process is responsible for validating our chaplains' readiness theologically, emotionally, and spiritually. EFCA Chaplains may minister in austere environments far from other EFCA chaplains, carrying the gospel of Jesus Christ to places where there is no local church. They need extensive preparation to serve in any situation regardless of circumstances.

Forty-six EFCA chaplains serve across military formations state-side, overseas, and on deployment to hostile fire zones. They do so with a well-deserved reputation for dedication, faithfulness to their calling, and a professionalism that stands out in the military's three Chaplain Corps. Additionally, the EFCA has endorsed sixteen chaplain candidates who hope to serve as military chaplains once they have completed the prerequisites required to serve.

On the civilian side, EFCA Chaplains serve in local communities in many varied settings. They are able to embody the gospel and share it with those placed in their care. One of the most challenging places to minister is in a hospice situation where the patient has only a short time left to live. With care and devotion, EFCA Chaplains bring comfort to their patients, family, and the staff through sharing the redeeming message of Christ.

The EFCA is having an impact world-wide through its institutional and military chaplain program which starts at the EFCA local church. Please continue to identify, prepare, and support our EFCA chaplains as they serve God for His glory!

Phillip Wright
Chaplain (Colonel) USA (Ret)
EFCA Chaplains

## Christian Investors Financial

God is still on the move! That's not only been our rallying cry at Christian Investors Financial (CIF) these past two years, but we have witnessed this reality time and time again. For more than 60 years, CIF has partnered with EFCA and like-minded churches through loans, investments, and capital campaigns. Even in the midst of a global pandemic, individuals and churches across the country are seeing new and exciting ways that God is expanding His Kingdom—and we are blessed to play an increasing role in that movement.

Our loan expertise and decades of experience set CIF apart from commercial lenders. If your church or ministry is considering buying, building, renovating, or expanding, we would love the opportunity to partner with you. We serve small and large congregations, and those in rural, suburban, and urban contexts. We focus on relationships, and our customizable approach will fit the needs of your unique situation. Our interest rates are very competitive and since we've been doing exclusively church loans for more than six decades, we are confident we can meet your needs.

Our loans are funded primarily by investments from individuals, churches, and other entities in interest bearing investment certificates. Our loans have helped churches increase space for Vacation Bible School, helped build recreation centers that serve communities, expanded sanctuary capacities to accommodate growing congregations, provided funds for deferred church maintenance projects and helped meet numerous other ministry purposes.

Many churches and ministries also need assistance in raising funds to grow and expand. Through our Campaigns & Consulting ministry, CIF provides capital campaign and consulting services that help churches get to that next level—whatever that may be.

CIF continues to be sustainably healthy. Our liquidity meets present needs, our loan portfolio is doing well, and capital/net worth remains strong. For 2019 and 2020, CIF's loan funding totaled \$45.5 million to 39 churches and ministries. As of December 31, 2020, total loans outstanding were \$156.1 million, and outstanding investment certificates totaled \$179.8 million. Net assets increased to \$45.7 million and total assets increased to \$225.9 million, which were both year-end records.

For 60 years, CIF has partnered with churches, ministries, and individuals to help them reach their God-given potential! We'd love to work with you—regardless of the project—to advance God's Kingdom and spread the love of Christ.

Expanding the Kingdom together,

Scott Achterling,
President & CEO, Christian Investors Financial

## **FCMM Benefits and Retirement**

This year is the 50<sup>th</sup> Anniversary of FCMM "Free Church Ministers and Missionaries" Benefits & Retirement. We are very grateful that, in 1971, leaders of the EFCA had the vision to establish a retirement plan that could provide a steady income for pastors and missionaries in retirement. From those early years, FCMM has grown to provide other benefits such as Long-Term Disability and Life Insurance (now called the Benefit Plan), and a Payroll Service. Today, church lay employees are eligible for benefits and retirement along with pastors and missionaries. FCMM currently provides retirement income to over 400 pastors and missionaries.

As President of FCMM, I want to thank the churches that are contributing to the Retirement Plan on behalf of your staff! This is a valuable benefit. Scripture calls us to honor those who serve well — especially those whose work is preaching and teaching (I Timothy 5:17-18). One of the ways we can show our love to those who serve our churches is by providing for them in their current ministry and for their future retirement.

To the churches that are providing disability income protection to your staff through the Benefit Plan, thank you for your care for these individuals and families! This benefit has been a great blessing to those who have had to use it. It provides income for those who need it, and it gives the church flexibility of resources to continue staffing ministry during a disability.

FCMM exists to enable pastors, churches, staff members, and missionaries to serve Christ throughout their lives by assisting employing ministry organizations in providing retirement and other benefits. This is our mission at FCMM. FCMM is the separately incorporated benefits board serving EFCA churches and ministry personnel. We are a 403(b)(9) church retirement plan that provides a simpler, less expensive and more flexible solution than 401(k) or insurance-based plans. Investment options include FCMM managed funds, American, Vanguard, Biblically Responsible (Timothy and Guidestone) Funds and Christian Investors Financial (CIF).

In 2019, we introduced a \$1000 matching grant for new enrollees in the retirement plan. This grant was made possible through the National Association of Evangelicals and a Lilly Endowment along with funds from FCMM. As of December 31, 2020, we had 72 pastors apply for the grant and 30 pastors have completed a 6-session course on Financial Health and received their match.

FCMM investment returns for 2019 and 2020 were: The Lifetime Fund (Option C) returned 3.5% and 4.5%, the Equity Portfolio (Option D) returned 25.66% and 13.10%, the Bond Portfolio (Option E) returned 6.16% and 5.90%. Detailed returns are available on the FCMM website.

If your church is not enrolled with FCMM, we invite you to contact us to learn more about the benefits we offer.

Prepare Today, Ready Tomorrow,

Rev. Ric Stanghelle FCMM President

## **Evangelical Free Church of Canada**

Greetings brothers and sisters in the EFCA! Deb and I are missing being with you in person. In these challenging times, I am nevertheless excited to see what God is doing in our movement.

COVID-19 has accelerated cultural changes that were already underway. Canadian culture is increasingly secular. In 2007, 23% of Canadians reported that they had "no religion." By 2013, that number had risen to 36%. Now it is closer to 50%. Many Canadians have no clue what an evangelical Christian is – if they do claim to know, they assume we are angry, right-wing folks who are homophobic and anti-abortion, but don't care at all about the poor, racial injustice, environmental stewardship – or any other of the moral issues that *they* care about. Sharing the gospel now is very different from twenty years ago when Judeo-Christian assumptions regarding life and morality were shared by most Canadians. Yet I believe that this is the best time to be the church of Jesus Christ! Jesus launched His new kingdom from the margins (from Galilee) with a motley crew of marginalized disciples. I believe our God wants to move in power to transform lives, and that His perfect strength will burst through our "weaknesses." The early church didn't enjoy government or cultural privilege and their loving communities were still able to share the Good News in power. We are called to do the same.

We in the EFCC desire to be a gospel-sharing and disciple-multiplying people – both nationally and internationally. We have developed a *Lay Leader Training* initiative to help our lay leaders understand the gospel, our culture, and the Free Church so that they can better live out their faith in these challenging times. Terry Kaufman, our new Leadership Catalyst, heads up this initiative. He is also working with our District Superintendents on providing a coaching and mentoring network for our pastors. We have provided a "*Ministry Moving Forward*" resource to our churches as they pray through what ministry will look like post-pandemic. At our annual Leadership Day (held online), we wrestled with how further to help our churches and missionaries carry out ministry "off the map."

We have been in uncharted territory this past year (probably for much longer than we know), yet our churches and missionaries have done well pivoting in ministry. They are reexamining what they do and why they do it, and they have embraced new ways of making disciples. It has been tiring. We have sought to increase our care and resourcing for pastors and missionaries during this time. In many ways, the reach of ministry has expanded, not contracted, during COVID.

God is doing some great things through the EFCCM. We have 80 missionaries in over 20 countries. Dave Penner, the recently retired EFCCM Director, is now leading our *Global Outreach Evangelism Strategy* (GOES). This initiative has encouraged the Free Churches in Philippines and Rwanda. Canadian teams have worked with indigenous churches in sharing the

gospel and setting up disciple-making processes. Churches have been planted out of these initiatives, and Canadian team members have been far more courageous in sharing the gospel to their neighbors upon their return home. Rich Peachey, the EFCCM Coordinator of Member Care and Development, is making sure every missionary has a coach. A number of our missionaries have responded by stepping up to serve as a coach. Ike Agawin, EFCCM Manager of Personnel and Projects, is working to make sure our missionaries are better trained and that our projects are successful and compliant with government regulations.

EFCC Theology Conference, held completely online May 13 and 14, featured Dr. Michael Wittmer. Dr. Wittmer helped us comprehend God's Good Creation, the Fall, and the Redemption of All Things – both theologically and pastorally.

We are in the middle of building a new Home Office on the campus of Trinity Western University. Our 2,700 square-foot facility in the Fosmark Centre was overflowing with staff sitting at desks in the hallway, and even sharing desks! Our new 5,400 square-foot space is an addition to Fosmark Centre. This ensures that we remain on TWU campus and are able to support the mission work our churches and missionaries carry out in Canada and across the globe for years to come!

Trinity Western University and ACTS seminaries continue to flourish – even during the pandemic! I am the chair of the board for ACTS and am on the Board of Governors for TWU. President Mark Husbands is making great progress in supplementing the mission of TWU with a new vision that ensures the university remains evangelical and becomes a truly global university.

I so appreciate Kevin Kompelien, Greg Strand, and other EFCA leaders who are gracious partners with us in gospel mission! I pray God's blessing on the EFCA as you join Jesus in His redemptive work. We are grateful to be able to carry out our Lord's work with you in the spirit of the Free Church motto –

In essentials, unity; in non-essentials, charity; in all things – Jesus Christ!

Serving with you,

Bill Taylor

Evangelical Free Church of Canada, Executive Director

# **Evangelical Free Church of America**

Independent Auditor's Report and Consolidated Financial Statements December 31, 2020 and 2019

# **Evangelical Free Church of America**

**December 31, 2020 and 2019** 

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#### **Independent Auditor's Report**

Board of Directors Evangelical Free Church of America Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of Evangelical Free Church of America and its consolidated affiliate, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



#### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Evangelical Free Church of America and its consolidated affiliate as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Fort Wayne, Indiana April 15, 2021

BKD, LLP

# **Evangelical Free Church of America**Consolidated Statements of Financial Position

## **December 31, 2020 and 2019**

	2020	2019
Assets		
Cash and cash equivalents	\$ 19,540,530	\$ 11,670,140
Investments	14,837,094	14,020,186
Accounts and notes receivable, net	2,281,374	1,471,340
Other assets	672,935	259,003
Property and equipment, net	3,704,338	4,121,017
Assets held for long-term investment	12,622,638	12,951,618
Beneficial interest in remainder trusts	1,175,622	1,044,072
Total assets	\$ 54,834,531	\$ 45,537,376
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 1,623,146	\$ 2,015,077
Deferred revenue	2,712,490	71,426
Amounts held for others	239,621	351,293
Nonqualified pension liability	58,280	57,352
Liabilities under split-interest agreements	7,163,160	7,972,713
Total liabilities	11,796,697	10,467,861
Net Assets		
Without donor restrictions	17,771,217	13,176,720
With donor restrictions	25,266,617	21,892,795
Total net assets	43,037,834	35,069,515
Total liabilities and net assets	\$ 54,834,531	\$ 45,537,376

### Consolidated Statements of Activities Years Ended December 31, 2020 and 2019

	2020					
	With	ith Donor				
Revenue, Gains (Losses) and Other	Res	strictions	K	estrictions		Total
Support						
Contributions and bequests	\$	7,625,125	\$	34,102,137	\$	41,727,262
Contribution from district acquisition	Ą	971,797	Φ	392,634	Ф	1,364,431
Ministry program services and sales		948,578		392,034		948,578
Dividend and interest income				93,705		948,578 475,590
		381,885				the second secon
Net realized and unrealized investment gains		1,268,347		349,170		1,617,517
Change in value of annuities and trusts		153,763		295,948		449,711
Gain on sale of property and equipment		183,940		(21.050.772)		183,940
Net assets released from restrictions		31,859,772		(31,859,772)		-
Total revenue, gains and other support	-	43,393,207		3,373,822		46,767,029
Expenses						
Pro gram expens es						
Reach Global missions ministry		19,192,198		-		19,192,198
ReachGlobal Crisis Response ministry		1,919,383		-		1,919,383
GlobalFingerprints ministry		1,869,951		-		1,869,951
EFCA Foundation		1,344,027		-		1,344,027
Clause B districts		1,196,494		-		1,196,494
National Office		5,896,985		_		5,896,985
Immigrant Hope		35,306		_		35,306
Total program expenses		31,454,344				31,454,344
Supporting activities						
Management and general		4,579,285		_		4,579,285
Fundraising		2,765,081		_		2,765,081
Total supporting expenses		7,344,366		_		7,344,366
Total expenses		38,798,710				38,798,710
Change in Net Assets		4,594,497		3,373,822		7,968,319
Net Assets, Beginning of Year		13,176,720		21,892,795		35,069,515
Net Assets, End of Year	\$	17,771,217	\$	25,266,617	\$	43,037,834

187:4	ih aut Danas	14	2019						
Without Donor With Donor Restrictions Restrictions Tot									
	estrictions	K	estrictions		Total				
\$	6,253,794	\$	34,879,788	\$	41,133,582				
	1,454,354		-		1,454,354				
	609,800		70,649		680,449				
	2,324,218		588,063		2,912,281				
	(626,016)		(320,269)		(946,285)				
	444,942		(520,205)		444,942				
	34,737,487		(34,737,487)						
	45,198,579		480,744		45,679,323				
	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·						
	22,565,262		-		22,565,262				
	2,322,082		-		2,322,082				
	1,808,849		-		1,808,849				
	1,616,088		-		1,616,088				
	1,092,201		-		1,092,201				
	6,702,395		-		6,702,395				
	61,487		-		61,487				
	36,168,364				36,168,364				
	_		_						
	4,247,388		-		4,247,388				
	3,040,085				3,040,085				
	7,287,473		_		7,287,473				
	43,455,837				43,455,837				
	1,742,742		480,744		2,223,486				
	11,433,978		21,412,051		32,846,029				
\$	13,176,720	\$	21,892,795	\$	35,069,515				

### Consolidated Statements of Functional Expenses Years Ended December 31, 2020 and 2019

	Program Expenses					St	_					
	ReachGlobal	ReachGlobal Crisis Response	Global Fingerprints	EFCA Foundation	Clause B Districts	National Office	Immigrant Hope	Total Program Expenses	Management and General	Fundraising	Total Support	Total Expenses
2020												
Salary and wages	\$ 11,146,662	\$ 848,276	\$ 343,432	\$ 15,317	\$ 743,227	\$ 3,573,427	\$ 24,000	\$ 16,694,341	\$ 1,966,029	\$ 1,701,998	\$ 3,668,027	\$ 20,362,368
Employee benefits	3,154,584	223,716	76,632	4,907	117,028	1,148,639	-	4,725,506	708,700	509,353	1,218,053	5,943,559
Travel	859,465	102,267	50,955	363	80,879	254,874	-	1,348,803	36,917	129,176	166,093	1,514,896
Donations and benevolence	1,818,589	497,414	1,197,230	-	200,994	58,958	5,754	3,778,939	-	-	-	3,778,939
Foundation distributions	_	_	_	1,317,401	(20,805)	) -	-	1,296,596	-	-	-	1,296,596
Consulting, contract and foreign labor	622,553	22,341	26,216	3,414	13,496	362,912	-	1,050,932	202,565	123,565	326,130	1,377,062
Meeting and conference expenses	154,541	25,029	2,803	4	17,239	98,640	-	298,256	5,588	24,266	29,854	328,110
Ministry supplies	523,863	10,304	73,324	58	2,746	(6,965)	204	603,534	1,764	83,859	85,623	689,157
Technology	196,933	8,995	35,066	634	10,575	78,296	-	330,499	530,615	38,078	568,693	899,192
Building, maintenance and utilities	106,156	66,272	1,331	-	8,414	50	-	182,223	121,362	23,684	145,046	327,269
Staff training, recruiting and events	187,744	6,741	10,767	119	4,970	31,983	-	242,324	17,112	17,826	34,938	277,262
Printing and postage	117,459	6,110	25,690	1,344	4,891	37,443	-	192,937	54,886	46,272	101,158	294,095
General expenses	303,649	101,918	26,505	466	12,840	258,729	5,348	709,455	933,746	67,004	1,000,750	1,710,205
	\$ 19,192,198	\$ 1,919,383	\$ 1,869,951	\$ 1,344,027	\$ 1,196,494	\$ 5,896,986	\$ 35,306	\$ 31,454,345	\$ 4,579,284	\$ 2,765,081	\$ 7,344,365	\$ 38,798,710

_	Program Expens es					Supporting Activities													
	ReachGlo		ReachGlobal Crisis Response	Glob Fingerp		EFCA Foundation	Clause B Districts	Nat	tional Office	Immigrant Hope	tal Program Expenses		nagement d General	Fu	ındraising	Tot	al Support	Tota	l Expenses
2019																			
Salary and wages	\$ 11,992,	129	738,904	\$ 27	3,512	\$ 25,223	\$ 627,149	\$	3,492,340	\$ 24,000	\$ 17,173,557	\$	1,973,546	\$	1,800,548	\$	3,774,094	\$	20,947,651
Employee benefits	3,972,	013	172,133	(	2,157	6,626	139,296		1,034,867	-	5,387,092		705,897		504,492		1,210,389		6,597,481
Travel	1,988,	431	207,019	10	8,737	750	170,863		777,902	904	3,254,606		98,653		290,784		389,437		3,644,043
Donations and benevolence	2,153,	919	831,351	1,18	8,467	-	65,750		131,222	65	4,370,774		-		-		-		4,370,774
Foundation distributions		-	-		-	1,574,514	-		-	-	1,574,514		-		-		-		1,574,514
Consulting, contract and foreign labor	550,	562	32,649	3	2,195	3,224	36,538		348,206	2,305	1,005,679		191,034		104,449		295,483		1,301,162
Meeting and conference expenses	375,	981	58,420	]	2,196	116	17,530		327,352	4,203	795,798		15,174		62,379		77,553		873,351
Ministry supplies	531,	557	35,244	4	8,168	29	1,380		66,793	24	683,295		6,947		75,435		82,382		765,677
Technology	174,	177	9,187	2	5,243	958	1,800		75,354	-	286,719		455,034		31,806		486,840		773,559
Building, maintenance and utilities	187,	004	104,060		-	-	1,663		2,493	-	295,220		137,056		39,793		176,849		472,069
Staff training, recruiting and events	186,	838	3,842		9,656	259	4,572		57,549	_	262,716		45,216		16,509		61,725		324,441
Printing and postage	86,	599	9,332	2	0,454	4,078	2,231		73,191	1,181	197,166		55,570		34,836		90,406		287,572
General expenses	365,	552	119,941	2	8,064	311	 23,429		315,126	28,805	881,228		563,261		79,054		642,315		1,523,543
	\$ 22,565,	262 5	2,322,082	\$ 1,80	8,849	\$ 1,616,088	\$ 1,092,201	\$	6,702,395	\$ 61,487	\$ 36,168,364	\$	4,247,388	\$	3,040,085	\$	7,287,473	\$	43,455,837

### Consolidated Statements of Cash Flows Years Ended December 31, 2020 and 2019

		2020		2019
Operating Activities	_	- 0.55 - 1 -	_	
Change in net assets	\$	7,968,319	\$	2,223,486
Items not requiring (providing) operating activities cash flows				(0.010.001)
Net realized and unrealized investment gains		(1,617,517)		(2,912,281)
Gain on sale of property and equipment		(183,940)		(444,942)
Gain on beneficial interests in trusts held by others		(131,550)		(86,637)
Stock donations		(4,388,194)		(1,158,770)
Proceeds from sale of donated stock		4,367,774		1,352,041
Depreciation and amortization		331,673		356,157
Inherent contribution received in EDA acquisition		(1,364,431)		-
Changes in				
Accounts receivable		(514,507)		205,593
Other assets and liabilities		2,115,460		124,638
Accounts payable and accrued expenses		(391,003)		24,503
Split-interest agreement obligations		(809,553)		2,135,810
Net cash provided by operating activities		5,382,531		1,819,598
Investing Askinities				
Investing Activities		22.272		10.776
Net change in loan investments, assets held in trust Proceeds from sale of investments		22,273		19,776
		11,148,702		17,045,738
Purchase of investments		(9,682,901)		(15,511,472)
Cash received from EDA acquisition		449,801		150 107
Proceeds from sale of property and equipment		616,694		159,427
Purchase of property and equipment		(66,710)		(205,540)
Net cash provided by investing activities		2,487,859		1,507,929
Increase in Cash and Cash Equivalents		7,870,390		3,327,527
Cash and Cash Equivalents, Beginning of Year		11,670,140		8,342,613
Cash and Cash Equivalents, End of Year	\$	19,540,530	\$	11,670,140
Supplemental Cash Flows Information				
Sale of property and equipment included in accounts receivable	\$	53,968	\$	335,006
EFCA acquired Eastern District Association. Assets acquired and the inherent contribution received are as follows:				
Cash acquried	\$	449,801		
Investments acquired		338,065		
Property acquired		576,565		
• • •				
Inherent contribution received	\$	1,364,431		

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Note 1: Nature of Operations and Summary of Significant Accounting Policies

#### **Nature of Operations**

Evangelical Free Church of America (EFCA) is an association and fellowship of autonomous Christian churches of like faith united by a mutual commitment to fulfill the Great Commission of the Lord Jesus Christ.

EFCA operates primarily on contributions from individuals and associated churches. Contributions are received for the support of specific ministry projects as well as for the support of missionaries serving under ReachGlobal, a department of EFCA. ReachGlobal missionaries operate in approximately 40 countries and activities include church planting, evangelism and theological education. Missionary support is based upon established needs according to cost-of-living factors and includes an amount for administration, medical insurance, retirement, allowances for the education of children and ministry expense.

Other significant ministry departments of EFCA include ReachGlobal Crisis Response, a ministry for disaster response and community development; GlobalFingerprints, a child sponsorship ministry; EFCA Foundation, which assists constituents in planning their charitable giving; Clause B Districts, which serve EFCA churches and facilitate planting of new churches, including EFCA West in its region of the American Southwest, EFCA Allegheny in its region of the American Northeast, EFCA Southeast in its region of the American Southeast and EFCA Eastern District Association in its region of American East; and the National Office, which provides EFCA pathways to multiply transformational churches among all people.

EFCA is a nonprofit organization incorporated in Minnesota and is exempt from federal and state income taxes under the provisions of the Internal Revenue Code Section 501(c)(3) and applicable state statutes. EFCA has been classified as a public organization that is not a private foundation under Section 509(a) of the Code.

#### **Basis of Consolidation**

The December 31, 2020 and 2019, consolidated financial statements include the accounts of EFCA and Immigrant Hope.

Immigrant Hope is a nonprofit, tax-exempt affiliated corporation whose Board members are approved by the EFCA Board and was incorporated in the state of Minnesota in 2010. Immigrant Hope's purpose is to give all immigrants among us, including undocumented immigrants, the hope of the gospel, help in finding a pathway to legal residency and a home in the church that cares for their needs.

The consolidated financial statements do not reflect assets, liabilities, net assets, revenue and expenses of EFCA's autonomous churches or other affiliated but autonomous organizations located throughout the United States or in foreign countries because they do not meet the requirements of consolidation. Intra-organization transactions and balances are eliminated for financial statement purposes.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

A substantial portion of all the financial activities and revenue is the result of transactions with parties associated with and related to the Evangelical Free Church of America, including Church districts, local churches and other affiliated organizations.

Immigrant Hope is a separate legal entity. Accordingly, its assets are segregated for its operations and to satisfy its obligations. Immigrant Hope's assets are not available for the payment of EFCA's obligations or liabilities, and EFCA has not guaranteed any of Immigrant Hope's obligations.

#### Foreign Operations and Foreign Currency Translation

ReachGlobal has ministry sites in approximately 40 foreign countries. The activities and balances of ReachGlobal's overseas operations have been included in the consolidated financial statements. As of December 31, 2020 and 2019, assets related to these mission fields including cash, accounts receivable and other assets totaled \$649,549 and \$787,324, respectively; property and equipment, net of accumulated depreciation, amounted to \$2,272,212 and \$2,482,405, respectively; and liabilities were \$55,011 and \$155,937, respectively.

The functional currency of the various sites is the local currency used in each country where the field operation is located. Current assets and liabilities for these ministries are translated at the exchange rates effective at the end of the year, long-term assets and liabilities are translated at historic exchange rates and amounts in the consolidated statements of activities are translated using monthly exchange rates in effect during the year. Resulting gains and losses from the translation are included in net assets without donor restriction. The net gain or loss recognized on foreign currency translation was insignificant in 2020 and 2019.

Missions operating in foreign countries hold balances at various financial institutions within their respective countries. These amounts are not subject to FDIC insurance, but are insured by appropriate regulatory bodies in the countries where the cash accounts are domiciled. These balances represent \$247,095 as of December 31, 2020.

#### Basis of Accounting Policies

The consolidated financial statements of EFCA have been prepared using the accrual basis of accounting. The accounting policies reflect practices common to religious organizations.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Cash and Cash Equivalents

EFCA considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2020 and 2019, cash equivalents consisted primarily of certificates of deposits with original maturities of three months or less, money market funds, accounts with brokers and short-term repurchase agreements.

At December 31, 2020, the Organizations' cash accounts exceeded federally insured limits by approximately \$10,800,000.

Cash equivalents that are waiting longer-term investing have been classified as investments and are not to be considered cash and cash equivalents.

#### Investments and Investment Return

Investments in equity securities are carried at fair value. Other investments including certificates of deposit and real estate are valued at lower of cost or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments valued at cost.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year are recorded as net assets with donor restrictions and then released from restriction. Other investment return is reflected in the consolidated statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Investment management fees paid to outside custodians for investments and assets held for long-term investment totaled \$79,068 and \$80,331, respectively, for the years ended December 31, 2020 and 2019. These fees are netted against interest and dividend income.

#### Accounts and Notes Receivables

Accounts and notes receivables consist primarily of vehicle loans and employee advances to missionaries, notes receivable and amounts due from affiliated entities, which are paid within 30 days. Vehicle loans are repaid by monthly payroll deduction and are offset by a vehicle reserve.

#### **Property and Equipment**

Expenditures for land, buildings and equipment in excess of \$7,000 (domestic and international) are capitalized at cost. Donated assets to be used in the ministry are capitalized at their fair market value on the date of the gift. Depreciation of buildings and equipment is computed on the straight-line method over the estimated useful lives of the assets (buildings: 10-40 years; furniture and equipment: 3-10 years; computer software: 3-5 years; and vehicles: 3-5 years).

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Long-Lived Asset Impairment

EFCA evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2020 and 2019.

#### Net Assets With Donor Restrictions

Net assets with donor restrictions are those net assets subject to donor imposed stipulations (1) that will be met either by actions of the EFCA or the passage of time or (2) that are to be perpetually maintained by the EFCA. Generally, the donor of these assets permit the EFCA to use all or part of the income earned on related investments for general or specific purposes.

#### **Contributions**

Contributions are provided to EFCA either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts — with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
Conditional gifts, with or without restriction Gifts that depend on EFCA overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
Unconditional gifts, with or without restriction  Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present value discount is amortized using the level-yield method.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Individual missionary support and project funds are charged an administrative fee, calculated at a flat rate based on family size or a set percentage based upon the type of activity or project involved, in order to offset the general fund's costs of administering those activities. Each year, amounts are transferred from missionary and project funds to the general fund and included in net assets released from restrictions in the consolidated statements of activities.

Member congregations, individuals and other organizations routinely provide voluntary services to EFCA. These resources have a significant impact on making the ministry program effective. However, the value of the volunteer time associated with such programs is not reflected in the consolidated financial statements because they do not meet the definition of skilled services under accounting standards.

Gifts of land, buildings, equipment and other long-lived assets in excess of \$7,000 are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

#### Pension and Retirement Plans

EFCA makes contributions on behalf of certain employees to the Free Church Ministers' and Missionaries' Retirement Plan (FCMM). FCMM is a multi-employer pension plan that includes a frozen defined benefit program and various defined contribution programs. FCMM serves ministers, missionaries and other eligible persons affiliated with EFCA. Participating member churches and EFCA make contributions to FCMM. Because it is a multi-employer plan, actuarial and net asset information is not maintained separately for each contributing organization. EFCA made contributions for missionary staff of \$1,298,125 and \$1,392,115 in 2020 and 2019, respectively. In addition, EFCA made contributions to a 403(b) plan on behalf of national office and Clause B District staff of \$345,245 and \$341,591 in 2020 and 2019, respectively. The contributions for national office and Clause B District staff are made at 5 percent of the employee's salary and EFCA made a matching contribution of up to 2.5 percent.

#### Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the program activities, management and general and fundraising categories based on time and effort and other methods.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Note 2: Revenue From Contracts With Customers

#### Registration Fees

EFCA recognizes revenue generated from various conferences. Registration fees are generally paid up front, and revenue is recognized at a point in time once the conference has been conducted. These revenues totaled \$121,599 and \$389,133 for the years ended December 31, 2020 and 2019, respectively, and are reported in ministry program services and sales on the consolidated statements of activities.

#### Service Fees

EFCA recognizes service fee revenue for providing various services related to assisting certain groups with missions trips. These fees are paid in advance of the trip, and are recognized as revenue over the period of the trip. These revenues totaled \$96,829 and \$277,833 for the years ended December 31, 2020 and 2019, respectively, and are reported in ministry program services and sales on the consolidated statements of activities.

Service fee revenue also includes revenues earned from CIF and FCMM (related parties) for various services including assistance with administrative services. Revenue for these services is recognized over the period the service is provided. These revenues totaled \$126,000 and \$161,990 for the years ended December 31, 2020 and 2019, respectively, and are reported in ministry program services and sales on the consolidated statements of activities.

There are no other material revenue streams that are within the scope of ASU 2014-09.

#### Contract Balances

The following table provides information about EFCA's contract liabilities:

	2020	2019
Contract Liabilities		
Deferred revenue, beginning of the year	\$ 71,426	\$ 52,760
Deferred revenue, end of the year	9,940	71,426

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Note 3: Acquisition of Eastern District Association

On January 1, 2020, EFCA acquired the net assets of Eastern District Association (EDA), which was previously a separately incorporated District of EFCA pursuant to the provisions clause (a) of Article III.B.3 of EFCA's bylaws. EFCA acquired EDA to permit their transition to a Clause B District as defined in Note 1 of the consolidated financial statements. No consideration was or will be transferred for the acquisition.

The following table summarizes the amounts of the assets acquired at the acquisition date:

Cash	\$ 449,801
Investments	338,065
Property and equipment	 576,565
Total identifiable net assets - contribution received	\$ 1,364,431

There were no liabilities assumed in the acquisition. The acquisition resulted in an inherent contribution of \$1,364,431, and is presented as a contribution from district acquisition in the consolidated statement of activities for the year ended December 31, 2020.

#### Note 4: Investments

Investments at December 31 consisted of the following:

		2019			
Certificates of deposit	\$	344,539	\$	324,682	
Mutual fund securities					
U.S. equities		1,596,454		2,053,352	
International equities		1,080,178		1,371,009	
Global fixed income		2,028,424		2,223,581	
Short-term fixed income		7,095,870		4,913,683	
Real estate		-		353,261	
Hedged fund strategies		1,549,106		1,458,294	
Money market funds		37,987		24,388	
Variable annuity contracts					
U.S. equities		176,226		187,760	
International equities		111,519		121,317	
Global fixed income		227,378		359,119	
Short-term fixed income		403,853		317,115	
Cash surrender value, life insurance		171,884		167,495	
Real estate		13,676		145,130	
	\$	14,837,094	\$	14,020,186	

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

	 2020	2019
Investments available for EFCA operations Investments held for EFCA endowment	\$ 14,202,812 634,282	\$ 13,428,303 591,883
	\$ 14,837,094	\$ 14,020,186

The fair value option permits the irrevocable fair value option election on an instrument-by-instrument basis at initial recognition of an asset or liability or upon an event that gives rise to a new basis of accounting for that instrument. EFCA applies the fair value option for all variable annuity contracts. EFCA elected the fair value option for the variable annuities to reduce the accounting complexities for these investment instruments.

Changes in fair value of the variable annuity contracts are included in net realized and unrealized investment gains on the consolidated statements of activities and amounted to \$50,332 and \$101,352 for 2020 and 2019, respectively.

Note 5: Property, Equipment and Depreciation

Total
\$ 2,132,986
5,405,959
2,687,341
762,808
10,989,094
(7,284,756)
\$ 3,704,338
Total
\$ 2,284,701
5,678,632
2,669,532
713,908
11,346,773
(7,225,756)
\$ 4,121,017

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

Management has reviewed the assets in other countries that are recorded as international property and equipment and has determined that they are under the control and ownership of EFCA. While such items are recognized as assets of EFCA, it should be noted that the political situation in many countries is subject to change. Therefore, while EFCA believes the assets are properly stated at the date of this report, subsequent changes could occur that could adversely affect the realizable value of the assets in other countries. In addition, the carrying value of the assets may not be representative of the amount that would be realized should the assets be sold.

It is EFCA's policy to expense international property purchases in the year they are made, when ownership and control is conditional and temporary or uncertain due to the political environment. These assets are purchased with the intent of yielding ownership to the national church of the respective country at such time as the economic condition, political environment and church maturity make it possible.

#### Note 6: Assets Held for Long-Term Investment

The assets held in trust by EFCA at December 31 consist of:

	2020	2019
Cash and cash equivalents	\$ 4,797	\$ 37,181
Certificates of deposit	2,112,103	3,112,181
Mutual fund securities		
U.S. equities	3,017,393	1,569,816
International equities	2,235,939	1,195,384
Global fixed income	2,562,397	2,558,942
Short-term fixed income	1,908,941	1,330,789
Global equity income	-	1,491,306
Real estate	-	431,190
Hedged fund strategies	335,516	440,539
Money market funds	17,733	44,660
Variable annuity contracts		
U.S. equities	12,596	127,817
International equities	7,175	82,587
Global fixed income	9,473	107,374
Short-term fixed income	-	1,004
Loan participation	 398,575	 420,848
	\$ 12,622,638	\$ 12,951,618

The fair value option permits the irrevocable fair value option election on an instrument-by-instrument basis at initial recognition of an asset or liability or upon an event that gives rise to a new basis of accounting for that instrument. EFCA applies the fair value option for all variable annuity contracts. EFCA elected the fair value option for the variable annuities to reduce the accounting complexities for these investment instruments.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

Changes in fair value of the variable annuity contracts is included in net realized and unrealized investment gains on the consolidated statements of activities and amounted to \$29,603 and \$361,217 for 2020 and 2019, respectively.

Christian Investors Financial (CIF), a related party, has sold participation interests in certain individual loans receivable to EFCA as the investment model for several charitable remainder unitrusts. Under the loan participation agreements, CIF maintains all records, collects all payments and remits monthly the appropriate pro rata share of both interest and principal collected on these loans. The participation interests held by EFCA in CIF loans totaled \$398,575 and \$420,848 at December 31, 2020 and 2019, respectively.

#### Note 7: Beneficial Interest in Remainder Trusts

EFCA is the beneficiary under charitable remainder trusts administered by outside parties. Under the terms of the trusts, EFCA has the irrevocable right to receive a remainder interest in the trust assets at a future date. The estimated value of the expected future cash flows is \$1,175,622 and \$1,044,072 at December 31, 2020 and 2019, respectively. The discount rates used to calculate the present value ranged from 2.0 percent to 5.0 percent.

### Note 8: Missionary Medical Plan

EFCA operates a self-funded medical, dental and vision insurance plan for ReachGlobal employees who are primarily not located in the Minneapolis area. The majority of the 150-plus family units and 50-plus single units participating in the plan are located on overseas mission fields. The self-funded plan has an annual \$175,000 stop loss limit for each insured individual. There is no lifetime maximum coverage amount due to the changes in health care law. Missionary support accounts are charged an amount to cover claims and administration on a monthly basis. The plan uses an outside third-party administrator to process all claims.

At December 31, 2020 and 2019, the reserve for unpaid claims and claims incurred, but not reported, was approximately \$359,000 and \$559,500, respectively. This amount has been recorded and is included in accounts payable and accrued expenses on the consolidated statements of financial position. This reserve is based on an estimate of outstanding claims at December 31. However, the actual liability is unknown and exposure to claims in excess of the accrued reserve may exist. Management believes that the liability reflected in the consolidated statements of financial position is adequate to cover claims that have been incurred at December 31, but not yet reported.

Notes to Consolidated Financial Statements
December 31, 2020 and 2019

#### Note 9: Coronavirus Aid, Relief, and Economic Security Act

On March 27, 2020, President Trump signed into law the *Coronavirus Aid, Relief and Economic Security* (CARES) Act. On April 16, 2020, EFCA received a loan in the amount of \$2,700,000 pursuant to the Paycheck Protection Program (PPP). EFCA has elected to account for the funding as a conditional contribution by applying ASC Topic 958-605, *Revenue Recognition* and the liability is recorded in deferred revenue on the statement of financial position as of December 31, 2020. Revenue is recognized when conditions are met, which include meeting FTE and salary reduction requirements and incurring eligible expenditures. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration, or lender; as a result of such audit, adjustments could be required to the recognition of revenue. EFCA has used the entire \$2,700,000 to make eligible payments, but there is some uncertainty about the extent to which the loan will be forgiven.

#### **Note 10: Nonqualified Pension Liability**

EFCA provides supplementary retirement payments under various deferred compensation arrangements to approximately 10 past employees, primarily retired missionaries, who had at least 25 years of service and ministry through retirement age 65. The supplement is paid monthly to retirees and provides them with a minimum monthly retirement benefit. The liability is actuarially calculated using standard life expectancy tables and a discount rate of 0.82 percent and 2.19 percent and equaled \$58,280 and \$57,352 at December 31, 2020 and 2019, respectively. EFCA made payments of \$9,144 in 2020 and 2019.

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

### Note 11: Obligations Under Split-Interest Agreements

Split-interest obligations represent the present value of income interests, required future payments or the portion of trusts due other remaindermen on charitable gift annuities, charitable remainder trusts, pooled income funds or revocable trusts that EFCA has interests in and administers. The present value of income interests or future payment streams are discounted using mortality rate tables and discount rates ranging in value from 2.1 percent to 15.4 percent:

Present value of annuity and trust obligations
Amounts due to other remaindermen

			20	20		
С	haritable	Charitable		Pooled		
A	Gift Innuities	Remainder Trusts		Income Funds		Total
\$	3,944,331	\$	2,574,414	\$	408	\$ 6,519,153
	489,096		154,911			 644,007
\$	4,433,427	\$	2,729,325	\$	408	\$ 7,163,160

Present value of annuity and trust obligations
Amounts due to other remaindermen

		20	19			
Charitable Gift Annuities		Charitable Remainder Trusts				Total
 illialucs		114313		unus		TOtal
\$ 4,181,686	\$	2,863,898	\$	373	\$	7,045,957
531,333		395,423		_		926,756
\$ 4,713,019	\$	3,259,321	\$	373	\$	7,972,713

2010

Contribution revenue recognized under such agreements was \$90,924 and \$1,316,156 for the years ended December 31, 2020 and 2019, respectively.

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Note 12: Net Assets

		2020	2019
Net assets without donor restrictions			
Designated by the Board for			
Annuity reserves	\$	473,538	\$ 322,954
Ministry projects		719,095	684,607
Donor advised funds		3,505,296	2,240,949
Net investment in property and equipment		3,704,338	4,121,017
Undesignated		9,368,950	5,807,193
Total net assets without donor restrictions		17,771,217	13,176,720
Net assets with donor restrictions			
Irrevocable trust agreements		2,251,175	2,246,379
Specific ministry purpose		22,522,808	19,153,782
Perpetual in nature		492,634	492,634
Total net assets with donor restrictions		25,266,617	21,892,795
Total net assets	\$	43,037,834	\$ 35,069,515
Net assets were released from restrictions due to the following:			
	_	2020	2019
Satisfaction of program restrictions		\$ 31,400,068	\$ 34,433,037
Satisfaction of timing restrictions	_	459,704	304,450
		\$ 31,859,772	\$ 34,737,487

### **Note 13: Related Party Transactions**

EFCA contracts with, and is reimbursed by, Free Church Ministers' and Missionaries' Retirement Plan (FCMM) for its share of building operating costs, support services, postage, office supplies and other miscellaneous expenses provided by EFCA. For the years ended December 31, 2020 and 2019, this amounted to \$126,000 and \$120,000, respectively. The balance due from FCMM at December 31, 2020 and 2019, totaled \$347,743 and \$130,790, respectively, which includes balances related to the service agreement as well as payroll reimbursement and other administrative items.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

EFCA contracts with, and is reimbursed by, CIF for its share of building operating costs, support services, postage, office supplies and other miscellaneous expenses provided by EFCA. For the years ended December 31, 2020 and 2019, these reimbursements amounted to \$126,000 and \$131,990, respectively. The balance due from CIF at December 31, 2020 and 2019, totaled \$157,861 and \$159,493, respectively, which includes balances related to the service agreement as well as payroll reimbursement and other administrative items. EFCA also holds investments at CIF. At December 31, 2020 and 2019, EFCA had investments of \$9,945,717 (included in cash and cash equivalents \$7,090,500; investments \$344,539; assets held for long-term investment \$2,510,678) and \$9,224,404 (included in cash and cash equivalents \$5,366,692; investments \$324,682; assets held for long-term investment \$3,533,030) with CIF and earned interest on those investments totaling \$129,317 and \$135,739, respectively.

During 2020 and 2019, EFCA purchased \$38,311 and \$20,568, respectively, in goods and services from organizations that employ individuals related to management employees and Board members of EFCA.

#### Note 14: Endowment

EFCA's endowment consists of various individual donor-restricted endowment funds established for a variety of purposes. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

EFCA's governing body has interpreted the State of Minnesota's Uniform Prudent Management of Institutional Funds Act (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, EFCA classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by EFCA in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, EFCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1. Duration and preservation of the fund
- 2. Purposes of EFCA and the fund
- 3. General economic conditions
- 4. Possible effect of inflation and deflation
- 5. Expected total return from investment income and appreciation or depreciation of investments
- 6. Other resources of EFCA
- 7. Investment policies of EFCA

### Notes to Consolidated Financial Statements December 31, 2020 and 2019

The composition of net assets by type of endowment fund at December 31, 2020 and 2019, were:

		2020	
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 634,282	\$ 634,282
		2019	
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$	\$ 591,883	\$ 591,883

Changes in endowment net assets for the years ended December 31, 2020 and 2019, were:

Appropriation of endowment assets

Endowment net assets, end of year

for expenditure

Changes in endowment net assets for the	years ended De	cember 3	1, 2020	0 and 2019,	were:	
				2020		
	Without Restric			th Donor strictions		Total
Endowment net assets, beginning						
of year	\$	-	\$	591,883	\$	591,883
Investment return						
Interest income		-		14,977		14,977
Net appreciation				51,910		51,910
Total investment return		-		66,887		66,887
Appropriation of endowment assets						
for expenditure				(24,488)		(24,488)
Endowment net assets, end of year	\$		\$	634,282	\$	634,282
				2019		
	Unrest	tricted		nporarily stricted		Total
Endowment net assets, beginning						
of year	\$	-	\$	521,926	\$	521,926
Investment return						
Interest income		-		18,833		18,833
Net appreciation		-		80,241		80,241
Total investment return		=		99,074		99,074

(29,117)

591,883

(29,117)

591,883

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level EFCA is required to retain as a fund of perpetual duration pursuant to donor stipulation or SPMIFA. Deficiencies could result from unfavorable market fluctuations that occur shortly after investment of new contributions and continued appropriation for certain purposes that was deemed prudent by the governing body. There are no deficiencies of this nature reported in net assets with donor restrictions at December 31, 2020 and 2019.

EFCA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds EFCA must hold in perpetuity or for donor-specified periods. Under EFCA's policies, endowment assets are invested in a manner that is intended to produce an inflation adjusted income stream to grow the corpus above the inflation rate. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, EFCA relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). EFCA targets a diversified asset allocation that places an emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

EFCA had a policy of appropriating for expenditure each year 5 percent of its endowment fund's average fair value over the prior three years but reduced the appropriation to 4 percent beginning in 2016. In establishing this policy, EFCA considered the long-term expected return on its endowment. Accordingly, over the long term, EFCA expects the current spending and investment policies to allow its endowment to grow at an amount that offsets the long-term effects of inflation. This is consistent with EFCA's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through investment return.

#### Note 15: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- **Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2020 and 2019:

				20:	20		
				Fair Valu	e Me	asureme	nts Using
	F	air Value	i M	Quoted Prices n Active arkets for dentical Assets (Level 1)	Obs	nificant Other servable nputs evel 2)	Significant Unobservable Inputs (Level 3)
Investments  Mutual fund securities  Variable annuity contracts  Assets held for long term investment	\$	13,388,019 918,976	\$	13,388,019	\$	- 918,976	\$ -
Assets held for long-term investment Mutual fund securities Variable annuity contracts Beneficial interest in remainder trusts		10,077,919 29,244 1,175,622		10,077,919		- 29,244 -	- 1,175,622
				20°		- CIL * C * C * C	unto Iloina
				Fair Valu		asureme	ents Using
				Fair Valu Quoted		asureme	ents Using
				Fair Valu Quoted Prices	е Ме		ents Using
	F	air Value	i M	Fair Valu Quoted	Sig Obs	nificant Other Servable nputs evel 2)	Significant Unobservable Inputs (Level 3)
Investments	F	air Value	i M	Fair Valu Quoted Prices n Active arkets for dentical Assets	Sig Obs	nificant Other servable nputs	Significant Unobservable Inputs
Mutual fund securities Variable annuity contract		air Value 12,397,568 985,311	i M	Fair Valu Quoted Prices n Active arkets for dentical Assets	Sig Obs	nificant Other servable nputs	Significant Unobservable Inputs
Mutual fund securities		12,397,568	i M I	Fair Valu Quoted Prices n Active arkets for dentical Assets Level 1)	Sig Obs	nificant Other servable nputs evel 2)	Significant Unobservable Inputs (Level 3)

Following is a description of the inputs and valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There were no liabilities measured at fair value on a recurring basis. There have been no significant changes in the valuation techniques during the year ended December 31, 2020.

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Investments and Assets Held for Long-Term Investment

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The inputs used by the pricing service to determine fair value may include one or a combination of observable inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data market research publications and are classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

#### Beneficial Interest in Remainder Trusts

The fair value is estimated at the present value of the future distributions expected to be received over the term of the agreements. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy. See the table below for inputs and valuation techniques used for Level 3 assets. There were no purchases in 2020 or 2019.

#### Unobservable (Level 3) Inputs

	_	air Value at ecember 31, 2020	Valuation Technique	Unobservable Inputs	Range
Beneficial interest in remainder trust	\$	1,175,622	Discounted cash flow	Discount rates Mortality assumptions (*)	2.6%
				Portfolio returns	3.0% - 10.1%
	_	air Value at ecember 31, 2019	Valuation Technique	Unobservable Inputs	Range
Beneficial interest in remainder trust	\$	1,044,072	Discounted cash flow	Discount rates Mortality assumptions (*)	2.6%
				Portfolio returns	3.0% - 10.1%

<sup>\*</sup> Based on the ages of designated beneficiaries in the trust instruments.

## Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Note 16: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2020	2019
Financial assets, at year-end	\$ 36,609,626	\$ 27,161,666
Less those unavailable for general expenditures within one year, due to Contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(22,464,551)	(18,658,906)
Board designations - ministry projects and annuity reserves	(1,192,633)	(1,007,561)
	\$ 12,952,442	\$ 7,495,199

EFCA regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, EFCA considers all expenditures related to its ongoing mission-related activities, as well as the conduct of service undertaken to support those activities, to be general expenditures.

#### Note 17: Significant Estimates, Concentrations, Contingencies and Uncertainties

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

#### General Litigation

EFCA is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of EFCA. Events could occur that would change this estimate materially in the near term.

#### Investments

EFCA invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated statements of financial position.

# Notes to Consolidated Financial Statements December 31, 2020 and 2019

#### Risks and Uncertainties

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of EFCA. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

#### **Note 18: Subsequent Events**

Subsequent events have been evaluated through April 15, 2021, which is the date the consolidated financial statements were available to be issued.





#### Independent Auditor's Report on Supplementary Information

Board of Directors Evangelical Free Church of America Minneapolis, Minnesota

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information listed in the table of contents is presented for purposes of additional analysis rather than to present the financial position, changes in net assets and cash flows of the individual organizations and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BKD, LLP

Fort Wayne, Indiana April 15, 2021

# Consolidating Statements of Financial Position Information December 31, 2020 and 2019

	2020					
			migrant		⊟iminating	Grand
Assats	EFCA		Норе	Total	Entries	Total
Assets Cash and cash equivalents	\$ 19,473,846	S	66,684	\$ 19,540,530	s -	\$ 19,540,530
Investments	14,837,094	Ų.	-	14,837,094	_	14,837,094
Accounts and notes receivables, net	2,273,546		7,828	2,281,374	_	2,281,374
Other assets	672,806		129	672,935	_	672,935
Property and equipment, net	3,704,338		-	3,704,338	_	3,704,338
Assets held for long-term investment	12,622,638		_	12,622,638	_	12,622,638
Beneficial interest in remainder trusts	1,175,622		-	1,175,622	-	1,175,622
Total assets	\$ 54,759,890	\$	74,641	\$ 54,834,531	\$ -	\$ 54,834,531
Liabilities and Net Assets						
Liabilities						
Accounts payable and accrued expenses	\$ 1,623,146	\$	_	\$ 1,623,146	S -	\$ 1,623,146
Deferred revenue	2,709,940		2,550	2,712,490	-	2,712,490
Amounts held for others	239,621		· -	239,621	-	239,621
Nonqualified pension liability	58,280		-	58,280	-	58,280
Liabilities under split-interest agreements	7,163,160		_	7,163,160	-	7,163,160
Total liabilities	11,794,147		2,550	11,796,697	-	11,796,697
Net Assets						
Without donor restrictions						
Designated by Board for						
Annuity reserves	473,538		-	473,538	-	473,538
Ministry projects	719,095		-	719,095	-	719,095
Donor Advised Fund	3,505,296		-	3,505,296	-	3,505,296
Net investments in property and equipment	3,704,338		-	3,704,338	-	3,704,338
Undesignated	9,316,909		52,041	9,368,950	-	9,368,950
	17,719,176		52,041	17,771,217	-	17,771,217
With donor restrictions						
Irrevocable trust agreements	2,251,175		-	2,251,175	-	2,251,175
Specific ministry purpose	22,502,758		20,050	22,522,808	-	22,522,808
Perpetual in nature	492,634		-	492,634	-	492,634
-	25,246,567		20,050	25,266,617	-	25,266,617
Total net assets	42,965,743		72,091	43,037,834	-	43,037,834
Total liabilities and net assets	\$ 54,759,890	\$	74,641	\$ 54,834,531	\$ -	\$ 54,834,531

n	

	Im	m igrant	2019	Elim inating	Grand
EFCA	11111	Hope	Total	Entries	Total
		поре	Total	Littles	10141
\$ 11,600,765	\$	69,375	\$ 11,670,140	\$ -	\$ 11,670,140
14,020,186		· -	14,020,186	_	14,020,186
1,460,296		11,044	1,471,340	=	1,471,340
258,712		291	259,003	=	259,003
4,121,017		-	4,121,017	=	4,121,017
12,951,618		-	12,951,618	=	12,951,618
1,044,072			1,044,072		1,044,072
\$ 45,456,666	\$	80,710	\$ 45,537,376	\$ -	\$ 45,537,376
\$ 43,430,000	<u>Ф</u>	80,710	\$ 45,557,570	J -	\$ 45,557,570
\$ 2,015,077	\$		\$ 2,015,077	\$ -	\$ 2,015,077
71,426	Ψ	-	71,426	Ψ -	71,426
351,293		-	351,293	-	351,293
57,352		-	57,352	-	57,352
7,972,713		-	7,972,713	-	7,972,713
10,467,861		<u>-</u>	10,467,861		10,467,861
10,107,001			10,107,001		10,107,001
322,954		-	322,954	-	322,954
684,607		-	684,607	_	684,607
2,240,949		-	2,240,949	-	2,240,949
4,121,017		-	4,121,017	-	4,121,017
5,746,533		60,660	5,807,193	-	5,807,193
13,116,060		60,660	13,176,720	-	13,176,720
2 246 270			2 2 46 2 70		2 246 270
2,246,379 19,133,732		20.050	2,246,379 19,153,782	-	2,246,379 19,153,782
492,634		20,050	492,634	-	492,634
21,872,745		20,050	21,892,795		21,892,795
34,988,805		80,710	35,069,515		35,069,515
\$ 45,456,666	\$	80,710	\$ 45,537,376	\$ -	\$ 45,537,376

## Consolidating Statements of Activities Information Years Ended December 31, 2020 and 2019

				2020			
		lm	migrant		Eli	minating	Grand
	EFCA		Норе	Total	E	Entries	Total
Revenue, Gains (Losses)							
and Other Support							
Contributions and bequests	\$ 41,723,963	\$	65,991	\$ 41,789,954	\$	(62,692)	\$ 41,727,262
Contribution from district acquisition	1,364,431		-	1,364,431		-	1,364,431
Ministry program services and sales	891,491		57,087	948,578		-	948,578
Dividend and interest income	475,590		-	475,590		-	475,590
Net realized and unrealized investment gains	1,617,517		-	1,617,517		-	1,617,517
Change in value of annuities							
and trusts	449,711		-	449,711		-	449,711
Gain on sale of property and equipment	183,940		-	183,940		-	183,940
Total revenue, gains on other support	46,706,643		123,078	46,829,721		(62,692)	46,767,029
Expenses							
Program services							
ReachGlobal missions ministry	19,192,198		_	19,192,198		-	19,192,198
ReachGlobal Crisis response ministry	1,919,383		-	1,919,383		-	1,919,383
GlobalFingerPrints ministry	1,869,951		-	1,869,951		-	1,869,951
EFCA Foundation	1,344,027		-	1,344,027		-	1,344,027
Clause B districts	1,206,494		-	1,206,494		(10,000)	1,196,494
National Office	5,896,985		_	5,896,985		_	5,896,985
Immigrant Hope	-		77,373	77,373		(42,067)	35,306
Total program services	31,429,038		77,373	 31,506,411		(52,067)	31,454,344
Supporting activities							
Management and general	4,535,586		54,324	4,589,910		(10,625)	4,579,285
Fundraising	2,765,081		-	2,765,081		-	2,765,081
Total expenses	38,729,705		131,697	38,861,402		(62,692)	38,798,710
Change in Net Assets	7,976,938		(8,619)	7,968,319		-	7,968,319
Net Assets, Beginning of Year	34,988,805		80,710	 35,069,515			 35,069,515
Net Assets, End of Year	\$ 42,965,743	\$	72,091	\$ 43,037,834	\$		\$ 43,037,834

	2019								
EFCA	Immigrant		Eliminating Entries	Grand Total					
<u>EFCA</u>	Норе	Total	Entries	TOLAT					
\$ 41,109,007	\$ 127,658	\$ 41,236,665	\$ (103,083)	\$ 41,133,582					
1 206 516	-	-	-	-					
1,386,516	67,838	1,454,354	=	1,454,354					
680,449	-	680,449	-	680,449					
2,912,281	-	2,912,281	-	2,912,281					
(946,285)	-	(946,285)	-	(946,285)					
444,942	_	444,942	_	444,942					
45,586,910	195,496	45,782,406	(103,083)	45,679,323					
22,565,262	-	22,565,262	=	22,565,262					
2,322,082	-	2,322,082	-	2,322,082					
1,808,849	-	1,808,849	-	1,808,849					
1,616,088	-	1,616,088	-	1,616,088					
1,092,201	_	1,092,201	-	1,092,201					
6,702,395	_	6,702,395	-	6,702,395					
-	147,081	147,081	(85,594)	61,487					
36,106,877	147,081	36,253,958	(85,594)	36,168,364					
4,225,967	38,910	4,264,877	(17,489)	4,247,388					
	38,910		(17,489)						
3,040,085	105.001	3,040,085	(102,002)	3,040,085					
43,372,929	185,991	43,558,920	(103,083)	43,455,837					
2,213,981	9,505	2,223,486	-	2,223,486					
32,774,824	71,205	32,846,029		32,846,029					
\$ 34,988,805	\$ 80,710	\$ 35,069,515	\$ -	\$ 35,069,515					

## Consolidating Statements of Cash Flows Information Years Ended December 31, 2020 and 2019

				2020		
		lm	migrant			Grand
	EFCA		Норе	Total	Elimination	Total
Operating Activities			(0.540)	- 0.00 - 1.0	•	
Change in net assets	\$ 7,976,938	\$	(8,619)	\$ 7,968,319	\$ -	\$ 7,968,319
Items not requiring (providing) cash						
Net realized and unrealized	(1 (17 517)			(1 (17 517)		(1, (17, 517)
investment gains	(1,617,517)		-	(1,617,517)	-	(1,617,517)
Gain on sale of property and equipment	(183,940)			(183,940)		(183,940)
Gain on beneficial interests	(103,940)		-	(103,940)	-	(105,540)
in trusts held by others	(131,550)			(131,550)		(131,550)
Stock donations	(4,388,194)		-	(4,388,194)	-	(4,388,194)
Proceeds from sale of donated	(4,500,154)		-	(4,300,134)	-	(4,366,194)
stock	4,367,774		_	4,367,774	_	4,367,774
Depreciation and amortization	331,673		_	331,673	_	331,673
Inherent contribution received in	331,073			331,073		331,073
EDA acquisition	(1,364,431)		_	(1,364,431)	_	(1,364,431)
Changes in	(-,,			(-,,		(-,,,)
Accounts receivable	(517,723)		3,216	(514,507)	-	(514,507)
Other assets and liabilities	2,112,748		2,712	2,115,460	_	2,115,460
Accounts payable and	, ,		,			
accrued expenses	(391,003)		_	(391,003)	-	(391,003)
Split-interest agreement						
obligations	 (809,553)			(809,553)		(809,553)
Net cash provided by (used in)	 					
operating activities	 5,385,222		(2,691)	 5,382,531		 5,382,531
Investing Activities						
Net change in loan investments	22,273		-	22,273	-	22,273
Proceeds from sale of investments	11,148,702		-	11,148,702	-	11,148,702
Purchase of investments	(9,682,901)		-	(9,682,901)	-	(9,682,901)
Cash received from EDA acquisition	449,801		-	449,801	-	449,801
Proceeds from the sale of property						
and equipment	616,694		-	616,694	-	616,694
Purchase of property and equipment	 (66,710)			 (66,710)		 (66,710)
Net cash provided by	<b>2</b> 40 <b>5</b> 0.50			2 405 050		2 405 050
investing activities	 2,487,859			 2,487,859		 2,487,859
Increase (Decrease) in Cash and						
Cas h Equivalents	7,873,081		(2,691)	7,870,390	-	7,870,390
Cash and Cash Equivalents,						
Beginning of Year	 11,600,765		69,375	 11,670,140		 11,670,140
Cash and Cash Equivalents, End of Year	\$ 19,473,846	\$	66,684	\$ 19,540,530	\$ -	\$ 19,540,530

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					2019				
	lmmigrant						Grand		
	<b>EFCA</b>	ı	Норе		Total	Elimination		Total	
\$	2,213,981	\$	9,505	\$	2,223,486	\$ -	\$	2,223,486	
Ψ	2,213,701	Ψ	3,505	Ψ	2,223,100	Ψ	Ψ	2,223,100	
	(2.012.201)				(2.012.201)			(2.012.201)	
	(2,912,281)		-		(2,912,281)	-		(2,912,281)	
	(444.040)				(444.040)			(444.040)	
	(444,942)		-		(444,942)	=		(444,942)	
	(86,637)		-		(86,637)	=		(86,637)	
	(1,158,770)		-		(1,158,770)	-		(1,158,770)	
	1,352,041		-		1,352,041	-		1,352,041	
	356,157		_		356,157	=		356,157	
	•				,				
	_		_		_	_		- -	
	205,775		(182)		205,593			205,593	
	126,169		(1,531)		124,638	_			
	120,109		(1,331)		124,036	-		124,638	
	24.517		(1.4)		24.502			24.502	
	24,517		(14)		24,503	=		24,503	
	2,135,810				2,135,810			2,135,810	
	1,811,820		7,778		1,819,598			1,819,598	
	19,776		-		19,776	-		19,776	
	17,045,738		_		17,045,738	-		17,045,738	
(15,511,472)			_		(15,511,472)	_		(15,511,472)	
			_		-	_		_	
	159,427		_		159,427	_		159,427	
	(205,540)				(205,540)			(205,540)	
	(203,340)				(203,340)		_	(203,340)	
	1 507 020				1 507 020			1.507.020	
	1,507,929				1,507,929		_	1,507,929	
	2 2 1 6 7 1 6		7.770		2 225 525			2 225 525	
	3,319,749		7,778		3,327,527	-		3,327,527	
	8,281,016		61,597		8,342,613			8,342,613	
\$	11,600,765	\$	69,375	\$	11,670,140	\$ -	\$	11,670,140	
	<del></del>				<del></del>		_		