

InterAct Ministries, Inc., Board Meeting

Country Inn and Suites, Portland Airport
July 30, 2016

Members Present: Bill Twichell (Chairman), Randy Jackson (Vice Chairman), Ray Prigodich (Secretary), Gale Van Diest (Treasurer), Huron Claus, Hugh Grant, Randy Jackson, Dave Perry, Chuck Schaap, Dale Smith, and Al Strawn.

Members Absent: Mike Matthews.

Others Present: Lucas Orner (electronically), for the first part of the meeting.

Call to Order and Welcome

Chairman Twichell called the meeting to order at 8:45 AM.

Announcements and Housekeeping Matters

The chairman reminded us that we are not to share with others the things we talk about during board meetings.

Devotional Time

Chuck Schaap began by reading to us Philippians 1:1: “Paul and Timothy, bond-servants of Christ Jesus, to all the saints in Christ Jesus who are in Philippi, including the overseers and deacons.”

What is a bond-servant? Chuck asked. To illustrate the meaning of this term, he took us to Exodus 21:2, 5-6: “If you buy a Hebrew servant, he is to serve you for six years. But in the seventh year, he shall go free, without paying anything. ... But if the servant declares, ‘I love my master . . . and do not want to go free,’ then his master must take him before the judges. He shall take him to the door or the doorpost and pierce his ear with an awl. Then he will be his servant for life.”

A bond-servant who was completely sold out to his master could choose not to go free after six years of service, opting instead to serve his master for the rest of his life. There was a price to be paid when exercising this option—the shedding of some of the bond-servant’s blood, as he submitted to having an awl pierce his ear. Cf. Psalm 40:6: “Sacrifice and offering you did not desire, but my ears you have pierced. . . .”

While an indentured servant is *required* to serve his master, a bond-servant does so *willingly*. As bond-servants of Christ, we should display excitement as we serve him, since the failure of so many Christians to exhibit enthusiasm in their service for Christ is surely one of the reasons that many young people abandon the faith when they reach adulthood.

Prayer Time

There was a time of corporate prayer, brought to a conclusion by Chuck Schaap.

Potential Conflict of Interest

A potential conflict of interest for InterAct staff member Gale Van Diest was noted.

Approval of Previous Minutes

One correction was made to the minutes from February 6, 2016. The text at the bottom of p. 2 under the heading, “Consideration and Tabling of a Motion to Appoint Darris Arnold as Alaska Field Director Pending Successful Field Ratification Vote,” was amended as follows:

There was a lengthy time of discussion, with a break for lunch at 12:00, after which we reconvened at 1:00—without Dale Smith, who was meeting with the Canada board.

Mike Matthews moved and Al Strawn seconded his **motion** to table this motion until the July board meeting. The motion was **approved** with one negative vote.

Dale Smith rejoined us following the approval of this motion, as discussion continued.

Chuck Schaap moved that the minutes be approved as corrected, and Gale Van Diest seconded his **motion**. The motion was **approved** without any objection.

REPORTS

Canada Field Director’s Report (Dan Mayerle)

Because Dan was not present, there was no discussion of his written report.

Russia Team Leader’s Report (Lucas Orner)

Lucas, who joined us electronically, said that much has happened since he wrote his report about a month and a half ago, the most significant development being the approval by the Russian government of new restrictions on religious activities. After reading the opinions of a number of lawyers, Lucas has come to the conclusion that InterAct is unlikely to be impacted significantly by these restrictions, since personal relationships, rather than organizational structures, are so central to what InterAct does in Russia. It’s still legal, Lucas said, to witness one-on-one to unbelievers, since such activity is protected under the Russian constitution. He also believes that it’s still legal to invite unbelievers to church, although it’s probably not legal any longer to invite people explicitly to *join* a church. New believers must take the initiative regarding church membership. Lucas is convinced that Western media sources have overreacted to the recent changes in the law, which, he said, are directed primarily against Islamic terrorism, rather than Christianity.

Lucas reported that Shawna Hess came to visit a couple of weeks ago. Her health, he said, is much improved, and she is pursuing many relationships in Ulan Ude and Buryatia.

A potential new couple, Tucker and Grace Grose, who have been serving in Canada under NAIM, are currently in Namtsi on tourist visas, establishing relationships primarily with Sakha people. Their visit is going well, and they are seriously considering moving to Yakutia.

Although the two short-termers who were in Russia this summer through EnGage! had a positive experience, neither currently senses a calling to full-time ministry in Russia.

Executive Director/Alaska Field Director's Report (Dale Smith)

Assuming that we had all read his report, Dale asked if we had any questions. In response to one question, he reported that Darris Arnold hasn't yet found a new ministry position. Nevertheless, Darris is optimistic about a couple of possibilities. There was then a lengthy time of discussion concerning the procedures being followed in connection with Darris' departure from InterAct.

Dale noted two recent retirements: Rhaylene Abbey and Doug & Marlin Prins. (Doug is now 65.)

Prayer for the Fields

There was a time of corporate prayer, with particular emphasis on Darris and his future ministry and on the Alaska field, as it continues to look toward the future. Gale Van Diest brought this time of prayer to a conclusion.

NEW BUSINESS

Finance and Audit Committee Report (Gale Van Diest [Chairman], Ray Prigodich, Chuck Schaap, Al Strawn, Dale Smith [*ex officio* as CEO], Bill Twichell [*ex officio* as Board Chair], and Karen Schweitz [*ex officio* as CFO]).

Chairman Van Diest presented the committee's **report** (see attached minutes). There was a lengthy time of discussion regarding the investment allocations. Bill Twichell expressed serious concern that current stock values cannot be sustained over the long haul, which means that InterAct's reserves are at serious risk. He recommends keeping no more than 25% of InterAct's funds in equities.

Dave Perry expressed the opinion that InterAct should be spending more of its assets on ministry, rather than just sitting on them.

Al Strawn reminded us that there is not an equal degree of risk with all equities. It would be possible, he said, to invest more of our assets in less risky equities. He recommends that we adopt a moderate to conservative approach to allocation, which can still yield a four to five percent return in today's market.

Further discussion followed regarding the purpose of our investments. Do we want to make money, or is our primary goal to preserve what we have? Do we want to maintain a large "rainy-day" fund, or should we be making a greater percentage of our resources available for ministry expansion?

Following this time of discussion, the committee's report was **approved** without any objection. By approving the report, the board accepted the following recommendations:

- That the board continue to discuss the organization's investment allocations.
- That management be instructed to follow as closely as possible the board-recommended investment allocations and that it present a report about this at every board meeting.
- That Kern & Thompson be appointed as auditors for the 2016-17 fiscal year.
- That the clergy housing allowance for 2017 be set at a maximum of \$30,000.

- That Steve Horsman and Dale Smith be authorized to serve as co-Alaska banking agents (at either Wells Fargo Bank or at a new banking institution) and that Darris Arnold and Doug Prins be removed from this position.
- That Rhaylene Abbey’s MER fund balance of \$352.27 be transferred to her work fund.

Investment Policy

Dave Perry moved and Chuck Schaap seconded his **motion** that we direct the Finance and Audit Committee to move our funds over the next 90 days into investments that represent a moderate/conservative investment approach and to present at the next board meeting a proposed long-term policy for managing our financial assets. The motion was **approved** without any objection.

(We broke for lunch at 12:30 PM and resumed meeting at 1:30 PM.)

Nominating and Review Committee Report (Hugh Grant [Chairman], Huron Claus, Randy Jackson, Mike Matthews [absent], Dave Perry, Dale Smith [*ex officio* as CEO], and Bill Twichell [*ex officio* as Board Chair]).

Chairman Grant presented this **report** (see attached minutes), which was **approved** without any objection. By approving this report, the board accepted the following recommendations:

- That the following slate of officers be approved for 2017:
 - Chairman: Bill Twichell
 - Vice Chairman: Randy Jackson
 - Secretary: Ray Prigodich
 - Treasurer: Gale Van Diest
- That the board committees be constituted as follows in 2017:
 - **Nominating and Review:** Hugh Grant, Chair; Huron Claus; Randy Jackson; Mike Matthews, Dave Perry, Dale Smith (*ex officio*); and Bill Twichell (*ex officio*).
 - **Finance and Audit:** Gale Van Diest, Chair; Ray Prigodich; Chuck Schaap; Al Strawn; Karen Schweitz (*ex officio*, as CFO); Dale Smith (*ex officio*); and Bill Twichell (*ex officio*).
 - **Executive Director Relations:** Dave Perry, as the “at large” member from the Inc. board. (This committee meets annually only during the joint board meetings in February. It is comprised of the Inc. and Canada chairs, one “at-large” member selected from one of the boards, and the Smiths.)

Audit

Dave Perry moved and Huron Claus seconded his **motion** that the 2015-16 audit be approved. The motion was **approved** without any objection.

Review, Approve, and Sign IRS Form 990

Dave Perry moved and Hugh Grant seconded his **motion** that the completed IRS Form 990, as presented to the board, be approved and that the executive director and the appropriate members be directed to sign this form. The motion was **approved** without any objection.

Gifts to Retirees

Dave Perry moved and Ray Prigodich seconded his **motion** that the staff be given the discretion to present retirement gifts to retirees, as follows:

- up to \$1,000 for missionaries who have served for 50 years with InterAct;
- up to \$800 for missionaries who have served for 40 years with InterAct;
- up to \$600 for missionaries who have served for 30 years with InterAct; and
- up to \$400 for missionaries who have served for 20 years with InterAct.

The motion was **approved** without any objection.

Amend Last Year's Board Action Regarding Money Received from Hueytown Church

Huron Claus moved and Gale Van Diest seconded his **motion** that the board action of August 1, 2015, regarding the anticipated gift from Hueytown Church be amended as follows: "That from the anticipated gift from the recently-disbanded Hueytown Church in Birmingham, Alabama, \$80,000 be retained by InterAct, Inc., to cover the cost of a new manufactured home and related landscaping costs at the U.S. Office, with the balance to be given to InterAct Ministries of Canada." The motion was **approved** without any objection.

Date, Place, and Chair for Inc. Annual Meeting

Hugh Grant moved and Huron Claus seconded his **motion** that the annual meeting of InterAct Ministries, Inc., be held in cyber form on September 13, 2016, from 2:00 to 3:00 PM, Pacific Daylight Time, at the Boring office, to be chaired by Jerry Crosby. The motion was **approved** without any objection.

Future Meetings

The board will meet on:

- Thursday through Saturday, February 2-4, 2017, at a place yet to be determined (possibly Camp Berachah), with committee meetings on the afternoon and evening of the 2nd, the Joint Board Dialogue on the 3rd, and board meetings on the 4th.

Dave Perry moved and Hugh Grant seconded the **motion** that the location for future meetings be at the discretion of the Executive Director and his assistant. The motion was **approved** without any objection.

- Friday and Saturday, July 28-29, 2017, if in Alaska, with committee meetings on the 28th and the board meeting on the 29th; or Friday and Saturday, August 4-5, 2017, if in the Northwest, with committee meetings on the 4th and the board meeting on the 5th.
- Thursday through Saturday, February 1-3, 2018, at a place yet to be determined (possibly Camp Berachah).

Meeting Evaluation

Comments and suggestions included the following:

- Appreciation was expressed for the times of corporate prayer.

- Appreciation was also expressed for the good, harmonious discussion regarding investment policy.
- It was suggested that the field directors' reports regularly include information about how many missionaries are currently serving and in which capacities.
- It was also suggested that in the future, we formally express to retirees the board's appreciation for their service.
- It was recommended that the Finance and Audit Committee once again include in its reports the number, and possibly the names, of retirees who are continuing to receive financial support.
- Special thanks was extended to the women who helped with snacks, meals, and logistics.

Closing Prayer and Adjournment

Following a prayer by Huron Claus, Chairman Twichell adjourned the meeting at 2:30 PM.

Respectfully submitted,

Ray Prigodich, Secretary
Crossville, Tennessee
August 6, 2016