

Executive Director's Report to the Boards

February 5-7, 2015

Auburn, Washington

Any written report is an attempt to find the balance between too much and too little. Too much and no one will read it. Too little and you don't give a reasonable accounting for what has transpired under your direction in the last period of time. Although narrative is always the most readable and retainable, it is not always possible. Regardless of the more sterile nature of a this type of non-narrative report I trust you will take the time to read through and digest this document as it is a primary source of information for you as you provide governance to InterAct Ministries.

This month, February, 2015, marks the end of the fifth year of my tenure as executive director of InterAct Ministries Inc. and InterAct Ministries of Canada. Although time has seemed to fly by in most ways, much water has gone under the bridge during this half decade. Being very close to the action it is difficult to track what has transpired – or even see much change – unless one steps back with intentionality and spends some time reflecting. Let me start this report with that kind of intentional review of the past five years.

Before beginning I would like to make it as clear as possible that I do not take credit for any advances that have been made. God has obviously been the One who has been moving behind the scenes in a very active way. I have felt myself carried along on many occasions by Him. I have sensed His supernatural preparation of many events before I ever had my first thought on the subject. On occasions I have perceived myself to be making decisions with a level of insight that is far beyond my simple thinking. God has been working!

The other huge piece of any forward momentum has been the result of many godly and wise co-workers. I am amazed at the professionalism, maturity and spiritual depth of those I serve beside in the two offices and at the helm of leadership on the fields. They know their jobs, they have vision for their area of responsibility and they are committed to God's calling within InterAct. If you want a picture of how effective they are just look at how they continued to perform their respective responsibilities with my sporadic involvement from September through January (much travel in North America and overseas). The leadership team kept things running without a blip. This has been true for the entire duration of my tenure as InterAct's executive director. Godly, committed co-workers have kept things going and in most areas have advanced God's work in their sphere of responsibility. I am blessed and you as a board are blessed as well!

With those two huge disclaimers let me walk through some of the events that have taken place in the last five years. At the dawn of 2010, many wondered what the future

would be like for InterAct after the upheaval caused by the resignation of InterAct's executive director. InterAct's birthplace, the Alaska field, came within striking distance of closing its doors. At the same time, the heir apparent for the executive director's role, resigned his leadership role as field director of both Russia and Alaska. Suddenly InterAct Ministries was without three of its four primary field leaders (the executive director and the three field directors). It would be very fair to say that the Alaska field was going through some very deep struggles – with the Alaska leadership team even voting to close its doors and disperse the field's assets (this was not really their prerogative but they were not aware of that). Thirty-nine Alaska missionaries had resigned or retired in the decade leading up to 2009. Russia was down to two singles and one couple on the continent. Canada was stable but would have a hard time making it without the support and partnership provided by its now struggling sister organization. Although InterAct Ministries still had resources, both financial and real, the trajectory of 2009 was not headed in a healthy direction. Momentum was moving the wrong direction! For those who knew the whole picture, these were painful days for InterAct Ministries.

The reality of the struggle at that time does not tell the whole story. InterAct had many very healthy structures that had been put in place by my predecessor, Gary Brumbelow. We also had missionaries on the field who were seasoned veterans who were not ready to give up just because we were facing some tough times.

So what has happened in the intervening five years? Quite simply, God showed us that He was not done with us yet. He still had ministry for us to complete as the organization of InterAct Ministries. Reflection helps me recognize that the negative trajectory of 2009 has largely reversed. Though I long for greater effectiveness in reaching, discipling and transforming across the North Pacific Crescent, we are moving in a positive direction. Let me start with the Canada field.

Canada has been the most stable of the fields (yes, I recognize that it is also an autonomous organization, but it is a field as well). In the opening hours of 2010 Canada was healthy, but in some ways it was flat. Dan Mayerle was doing a good job of providing leadership but was very understaffed. Most, if not all of the supervision of the field was being done by Dan personally. As one can well imagine, with close to fifty staff, spread out over three very large provinces, adequate supervision, effective strategic planning and regular personal encouragement visits were challenging. This was no fault of Dan's. He was struggling to keep his head above water with the staff he had. Fortunately, by this time he did have Wes Schellenberg in the Canada office serving as his administration director. Then God opened the floodgates of heaven and blessed InterAct Canada with two additional choice couples: Jim and Becky Hamilton and their son and daughter-in-law, Greg and Laura Hamilton. With the missionary experience brought by both Jim and Greg, InterAct Canada's leadership equation suddenly shifted in a very positive direction.

The past five years have seen a net gain of eight staff members in Canada, in spite of deaths, retirements and field transfers. The Canada office now has a facility of its own, sitting on a beautiful piece of land. Where everything had previously been done by Dan and Wes, a new Canada HR director has been added (Greg Hamilton), a resident mobilization expert is part of the team (Jim Hamilton) and the new executive director even shows up at his office in Canada on occasion. Field supervision is now being carried out by several individuals rather than the entire responsibility sitting Dan Mayerle's shoulders.

Changes in field ministry are particularly encouraging. Under the direction of Jim Hamilton, a brand new summer ministry program, EnGage! Canada, has not only been initiated but since its inception has brought as many as five new missionary prospects into the long-term pipeline. Dan Mayerle cast a vision for the field of twenty new ministry locations by 2020 and is right on track toward the accomplishment of this goal (thank you, Lord). We have seen the launch of a Native Youth discipleship program, Anchored Warriors, which continues to impact Native Christian youth in western Canada. The North Pacific Crescent has once again been expanded to include Manitoba with the addition to the team of Akmal and Sarah Erastus in Winnipeg, working with Sikhs and Muslims. Vision. Advancement of ministry. Multiplying disciples. Spiritual growth. All good things and reason for giving thanks to the Father.

Let me end Canada with one story that gets my ministry juices flowing. Recently I saw a Facebook post of a baptism on a lake in central Saskatchewan. Of the more than twenty individuals going under the cold water of the lake that day, most were Native. What was most exciting was how this baptism had come to pass. The pastor of this fledgling flock of Native believers was the son of two of the key leaders from an earlier InterAct church-plant. Multiplication in action! That is the heart cry of all of us – that our efforts would not only yield fruit, but that the fruit would multiply!

The Russia field has had difficulty over the past five years but has continued to see effective ministry among our limited field staff. The resignation of field director Jim Capaldo in the fall of 2009 resulted in the appointment of Thomas Slawson as his replacement (February 2010). Due to the special needs of his young son, Isaiah, Thomas was never able to serve as the resident field director. Although his presence in North America allowed him a platform for telling of the needs and opportunities in Russia, we struggled to advance as a field. The field, however, did advance on a few fronts. Scott and Vanessa Gilbert successfully helped start more than one dozen small businesses that aided local believers generate income that in turn resulted in opportunities to advance the gospel. Our sister organization, Vzaimodiestvie (InterAct Russia), continues this ministry in Gilbert's absence. Lucas and Jamie Orner made a good transition to the field, began ministry in the city of Krasnoyarsk, with Lucas becoming the field leader in Thomas' place. Ted and Kate Mole, with a heart to return to full-time ministry in Russia, continued to pursue necessary certifications and experience to open an addictions recovery center in Yakutia. We also inherited a

single missionary from a New Tribes subsidiary organization who is effectively discipling Buryat women in Buryatia. Each of our Russia staff have lived lives marked by intentional relational ministry and discipleship as they lived in a Russian context.

Traveling across Siberia on the Trans-Siberian railway with Lucas Orner in the fall, we had a heart-to-heart discussion regarding the future of this field. With the recent resignation of the Gilberts and the continuing question of whether or not Moles will actually ever be back on the field, reality needed to be faced. All that remains of the Russia field, actually serving on the field, is one couple (Orner's) and one single lady (Shawna). So we grappled with the questions: Is this enough momentum to continue? Where is God in this decision? Neither Lucas nor I felt we were at the point to throw in the towel. In spite of the long-term goal of facilitating ministry to the lesser reached indigenous groups of Russia, for now God seemed to be closing the door for that ministry (Shawna does continue in ministry among an indigenous people). Instead, He had opened two significant new doors for ministry – coming alongside Russian congregations with a heart to reach the marginalized special needs people of the country and also partnering with Russian churches who desired to use English classes to evangelize among both Russians and the indigenous groups around them. So we committed to move forward. Both of the ministries mentioned above provide excellent points of entry into Russian ministry. Having summer or short-term programs focused on teaching English as a second language, as well as one focusing on special needs Russians, are exciting and glamorous ways to invite North Americans into legitimate and needed ministry while at the same time exposing them to needs and opportunities for long-term ministry. Like Victory Bible Camp of days gone by, God seemingly uses exposure as one of His tools to direct His children into cross-cultural ministry. Bottom line question – has our Russian ministry advanced in the past five years? Probably not from the superficial perspective. But the field is now postured with a clear thinking field leader on site who has a clear vision for how the field can be rebuilt – with the ultimate goal that God will once again allow us to partner with national churches in reaching the unreached and lesser reached peoples of Russia.

Last, but not least, Alaska. The last five and one half years have been quite a ride. As mentioned earlier, we came close to losing the Alaska field. Sensing the critical place the field found itself, David Joseph agreed to step in as field director. Even though he did not have the time (he was already working as a full-time church-planter and also had a half-time job with the state), he graciously added this extra responsibility to his already full plate. I am convinced that he was responsible for keeping the Alaska field from self-destructing in the aftermath of the 2009 upheaval. David initiated some significant partnering events as well as being the primary agent in bringing two new couples into the organization and one new couple to the state from another field. Three new couples on the field in Alaska in the last few years. No macro advances, but significant forward motion none-the-less.

For over a year I attempted serving as the interim “sorta/kinda” Alaska field director while continuing to wear my executive director hat. Knowing I could not do much without key people to carry the load, I cast the vision for a residential relational discipleship ministry using the Lazy Mountain campus as its base. Steve and Jill were ready and willing to pick up the baton and run with the idea and the result was the newly launched LEaD Alaska program. Although it is still in the newborn or young toddler stage of development, it has visionary leadership (Horsmans) and I am confident will make a contribution to growth among Native Alaskan believers. Hopefully, it will be part of what God will use to train (disciple) a new generation of this choice and somewhat overlooked segment of the Alaskan population.

The aforementioned year, was not without agony of sorts. The field would have loved a field director – not a “sorta/kinda” field director, and this interim field director would have loved to have been free from the additional responsibility. In spite of the need for a long-term leadership solution for Alaska, I was determined to move forward only with God’s clear direction. And the heavens were silent for almost a year. Then God, in His sovereignty, brought to mind Darris Arnold. A surprise visit to the Arnold’s made it clear that He had been preparing their hearts for a change, by putting a tug in Darris’s heart to once again minister in his home state. With your blessing I was able to bring Darris on as “field director appointee,” with a partial salary starting in September. When I had met this brother nine years earlier, I had coveted the opportunity to serve with him in ministry. The door did not open at that time but to my great joy God has brought this very gifted man to the leadership team. Already he is bringing to this role vision, wisdom, a relational heart, cultural sensitivity, maturity and grace. I am blessed. Alaska is blessed. InterAct Ministries is blessed.

Let me briefly review the purpose for our existence - InterAct Ministries exists to make disciples among least reached peoples in cooperation with like-minded churches and organizations. We desire to see disciples who are reproducing, impacting their communities and gathering as believers. We don’t exist to manage a well-oiled machine. Good administration that provides smooth operation, adequate funding, legal compliance, adequate staff, etc. is critical, but without effective ministry on the fields we cease to have a legitimate reason to exist. Forward motion on the three fields, Canada, Russia and Alaska, is the yardstick by which we measure our effectiveness, not our administrative excellence (though we do seek excellence here as well).

One of the things you have expressed is my need for administrative assistance as I seek to serve as the executive director of InterAct. I will be the first to admit to having been spread thin over much of the five years. Carol continues to provide incredible assistance to me on a host of administrative details. I am blessed to have her beside me, a true partner in this venture. One of the reasons I have been stretched *has been due to* was my desire to rebuild trust toward InterAct leadership. Although it was not lost with everyone, trust was low in the minds of some. Because of this Carol and I were very intentional about visiting in the homes of missionaries and partners, particularly in Alaska. Was it time intensive? You bet! Was it 100% effective in

rebuilding broken trust? Maybe not, but it has proven to be a step in the right direction.

Serving as the Alaska “sorta/kinda” field director also has added extra responsibility to my plate. In spite of the increased load, I was blessed to see even my minimal involvement resulting in forward movement with the initiation of LEaD Alaska and EnGage! Alaska. My role usually keeps me at arms-length from such projects, but wearing the Alaska hat allowed a modicum of involvement I rarely enjoy.

The third reason for my busy schedule has been my commitment to serve InterAct from the Canada context. This has been a major paradigm shift for the folks in the U.S. office, one I am not sure they prefer even now. Making sure the fields have not felt micromanaged from afar has been worth the monthly travel between the U.S. and the Canada offices. Long-term sustainability of this model will require a “field director” of sorts, for the U.S. office. In Canada, Dan Mayerle works for me to oversee both field operations and operation of the Canada office. Something similar, at least the office oversight component, is needed in the U.S. office. Historically, the Inc. organization’s office had the executive director working in residence. Currently I spend one week a month in Boring, which leaves a significant need for a “go to” person during my absence. Roy Martin has been that person, though he has done so without the commensurate authority or job title. Roy and I discussed this early on, but due to the reticence of the staff I initially chose not to force it. As time has passed it has become increasingly obvious that I need someone to be my resident “point person” – but this time with authority commensurate with the responsibility. Although it is not certain who that person may ultimately be, presently I am in dialogue with a former supported missionary with business credentials and experience. Please pray with me that God will bring to light the person He has planned to fill that role.

Those of you who have read my recent reports have heard me reference Michael Batt’s “SOP” – **Strategy, Oversight and Policy**. With regards to **strategy**, both organizations have recently signed on to our new Mission, Vision and Values statements. Each field has developed or is developing their own specific application of field strategy falling within InterAct’s larger Mission, Vision and Values. **Oversight**. There is always more that could be done here. Information regarding organizational movement is available to you via reports from myself, from the field directors, from key organizational leaders, staff prayer letters, InterACTION publications, Prayer & Praise, appeal letters, etc. These sources of input should inform you as you hold me accountable for accomplishing organizational purposes. Effectiveness in legal and fiscal matters is clearly demonstrated by both organization’s audit reports and compliance with respective accountability organizations – Canadian Council of Christian Charities (Canada) and the Evangelical Council for Financial Accountability (U.S.). **Policy** matters are largely being overseen by our two administrators, Roy Martin (U.S.), Wes Schellenberg (Canada) and myself. Canada is beginning discussion regarding developing a board policy handbook similar to that of the U.S. organization toward the end of better development, adjustment and implementation of appropriate board policy.

Enough! It is a joy continuing to serve in the role of executive director of this organization(s). I covet the wisdom, oversight, accountability, protection and friendship you provide as my employer. It is an honor and privilege to serve on your behalf as the leader of this amazing group of missionaries.

Respectfully submitted,

J. Dale Smith

Mission - *InterAct Ministries exists to make disciples among least reached peoples in cooperation with like-minded churches and organizations.*

Vision - *InterAct Ministries desires to see reproducing disciples impacting communities across the North Pacific Crescent.*