



**EVANGELICAL
FREE CHURCH**

Annual Members Meeting 2024

November 24, 2024

**14861 Silverdale Way NW
Poulsbo, WA
(360) 598-3400**

Mark Kernan, Lead Pastor

www.oefc.org

TABLE OF CONTENTS

Annual Meeting Agenda	3
------------------------------------	----------

Written Reports:

Church Chairman Report.....	4
Lead Pastor's Report	5
Deacon of Missionary Care Report	6
Deacon of Finance Report	8

Documents:

Motion to Disperse Final Portion of 2023 Overage to Missions	9
Motion to Establish a Nine-Month Worship Internship	10
Job Descriptions for Diaconal Candidates.....	12
Notes Regarding 2025 Budget	14
2025 Budget	

ELDERS - Serving in 2024

Along with Pastor Mark Kernan

♦ Todd Mills (Chairman) ♦ Kevin Donohoe ♦ Greg Griesemer

DEACONS - Serving in 2024

Deacon of Congregational Care	Roger Anderson (moved)
Deacon of Finance	Bruce Ludlow
Deaconess of Missionary Care	Christy Lofall

Olympic Evangelical Free Church
Annual Members Meeting
November 24, 2024

1. Establish Quorum

2. Call meeting to Order

3. Open in Prayer

4. Reports

- Pastor's Report
- Missions Report
- Financial Report

5. Business

- Proposal to disburse funds as per Financial Policy from 2023 surplus. (Todd Mills)
- Proposal for nine-month worship internship (Mark Kernan)
- Presentation of Diaconal Candidates (Todd Mills)
 - Deacon and Deaconess of Congregational Care: Howie and DeLayne Hulst
 - Deacon of Worship: Daniel Longley
- Presentation of Budget (Kevin Donohoe)
- Collect ballots, count, and present results to Membership. (Greg Greisemer)

6. Any Other Business.

7. Close in Prayer.

2024 REPORTS

CHURCH CHAIRMAN

Dear Church family,

I pray that this report finds you all healthy and filled with joy. It has been a privilege to serve as the Chairman of our church this past year. I have truly been blessed and have grown on this Christian journey.

This past year has been a true roller coaster with challenges at every turn. But the elders have grown through these challenges by God's grace as he provided us with the perseverance and patience that we desperately needed.

God's grace is evident within our church as well. Our Sunday morning worship services have seen strong attendance, and God is adding to our numbers. This growth has extended to our Wednesday evening programs and small group participation as well, which is truly a blessing. During this time of growth, we remain focused on being gospel-centered and continue to prioritize community outreach, while always staying attentive to the needs of our congregation as they arise. One clear sign of God's work among our people is the way new members and attendees are stepping up to serve each week—whether it's helping in the kitchen, volunteering in the nursery, joining the worship team, mowing the lawn, maintaining the facilities, or assisting with Wednesday evening programs. God is building His church, and we give thanks and glory to Him for all of it.

What a blessing it has been to serve God and his congregation here at OEFC. I want to reassure each of you are deeply valued and loved by the elders and remind you that we pray for you regularly. We want to continue encouraging you in building meaningful relationships with one another and, most importantly, with our Lord and Savior, Jesus Christ.

I believe Peter's declaration in 1 Peter 1:3–7 is a fitting conclusion to 2024 and grounds for hope as we enter 2025.

1 Peter 1:3-7. "Praise be to the God and Father of our Lord Jesus Christ! In his great mercy he has given us new birth into living hope through the resurrection of Jesus Christ from the dead, and into an inheritance that can never perish, spoil or fade. This inheritance is kept in heaven for you, who through faith are shielded by God's power until the coming of the salvation that is ready to be revealed in the last time. In all this you greatly rejoice, though now for a little while you may have had to suffer grief in all kinds of trials. These have come so that the proven genuineness of your faith - of greater worth than gold, which perishes even though refined by fire - may result in praise, glory and honor when Jesus Christ is revealed."

With all blessings and adoration,

Todd Mills

LEAD PASTOR MARK KERNAN

As I look back at this last year, the words disappointed, painful, and discouraged come quickly to mind. Disappointed in that I did not want things to end as they did with Pastor Ryan. Painful because almost everyone in our church, especially those of us at the center of the conflict, were hurt by the end result. And discouraged not only because my leadership was at the center of the conflict; but because a number of faithful, gospel-centered churches have experienced similar events this last year. In light of this, I have spent considerable time praying for the Kirchhoff's, our church, and over the leadership conflicts that Ryan raised. In addition to this I've been reading a number of leadership resources to expand my management, team building, and leadership skills so that I can be a more effective leader and reduce the probability of a similar problem in the future.

Yet in the midst of this, I have been greatly encouraged by the people of our church. We've had hard conversations and at some points we didn't always agree, but we didn't divide. In this I am forever grateful to God for his active work of grace in your lives. In fact, all we have to do is look around to see this grace still at work, in that, we have more people serving in our church today than anytime I can remember in the past seven years. We have a full slate of teachers and small group leaders on Wednesday night. We have a large group of people serving up front and behind the scenes every Sunday to lead us in worship. We have brand new ministries like "Anna and Friends" (the widow's luncheon) and "31 Flavors" because people saw a need and stepped in to fill it. It's important for us to see this as a church because only a supernatural work of grace could cause these things to happen at such a difficult time.

As I look forward to this next year, I'm gearing up to launch a sustainable elder training track because we need to raise up more of our men to serve as lay elders within our church. In fact, while we will be talking about a new associate pastor in the new year, I believe the training of lay elders is even more important. And that is because an established cadre of qualified lay elders is able to provide the kind of long-term guidance, unity, and stability that our church and every church desperately needs.

Now I admit this may seem like a pipedream when you consider the size of our church. But let me remind you that a sustainable weekly discipleship ministry in our church was just as unthinkable seven years ago. But we persevered through those early challenges by the grace of God because we knew it was the right thing to do. And we are at a place now where Wednesday night has become one of the most important ministries of our church outside of Sunday morning. So please be praying that God will grant me clarity as I prepare and that he will start prodding our men with an unquenchable desire to pursue the high and holy office of elder within our church.

Now to him who is able to do far more abundantly than all that we ask or think, according to the power at work within us, to him be glory in the church and in Christ Jesus throughout all generations, forever and ever. Amen. (Ephesians 3:20–21)

Your fellow servant in the Greatest Cause,

Pastor Mark

DEACONESS OF MISSIONARY CARE

Quoting Pastor Mark of a few years ago: “Our supported missionaries are an extension of the church staff.”

Two of our missionary couples retired in 2024. Ernest and Effie Dyck, EFCA missionaries to Latin America and the Caribbean, retired in June. Daniel and Carrie Ritzman, EFCA missionaries to Iranians in Belgium, retired in July. Both of these dear couples served for 30 + years and had wonderfully fruitful service in church planting, training leaders, and church growth. We praise God for their ministry over the years.

Peter Twele with Wycliffe Bible Translators preached on Sunday, May 12. Daniel and Carrie Ritzman preached in June and Eric Belz with EFCA Reach Global, Africa was the preacher for Mission Focus on November 3.

The congregation contributed \$1230.00 for the Children of the Nations ‘Giving Tree’ last December. Also Carey Holmquist with Proclaim International brought violinist, Pavel Shelpuk and Sophia from east Asia for a Christmas concert last December. The sanctuary was full and all attending were blessed with the music and Pavel and Sophia’s testimonies.

Some bits of news and activity of our “missionary church staff”---,

Greg and Heidi Carlson of Cadence International are experiencing a wonderful problem. They have been regularly having a houseful of sailors and their families every Friday for a meal and Bible study. Many come at 6pm and stay until midnight. The problem? How to accommodate the increase in numbers. They need a bit more help in babysitting and groceries. But they mostly desire some church family to come along side, participate occasionally and get to know some of the sailors.

Carey and Holly Holmquist of Proclaim International had a busy year with Christian band concerts in many international locations and with their Victory kids camps in South Africa, Peru and east Asia. Particularly wonderful this year was because of Sophia facilitating band performances in two universities in two cities which resulted in many new friendships. Sophia is seeking native English speakers to meet via zoom for English conversation and Bible study with new believers and seekers in her country.

James and Kari Kuster with CRU have been living in Taiwan since spring. They reach the Taiwanese through English teaching, Family ministry and outdoor ministry. They asked me (Christy L) to assist them with English teaching in October for a couple of weeks. The Taiwanese CRU staff that we taught came out of Buddhism and ancestor worship. Now they are growing brothers and sisters in Christ.

Richard and Debi Maxwell with Alpha Counseling ask for ongoing prayer for wisdom in dealing with many complex situations which hurting people bring to them for help.

Tionna Tillequots serving with Sacred Road Ministries works with before and after school programs for kids.

Peter and Hazel T. serve with Wycliffe Bible Translators for translation projects in 'east Asia'. They asked for prayer for a virtual beginners Bible translation workshop going on now for 10 Cibtu and Sonora participants who will be traveling to a central secret location for security reasons. The area of these two languages is extremely hostile to the Gospel.

Fred and Vicki Van Gorkom serving with Christian Veterinary Mission ask for prayer in recruiting more trained veterinarians to serve on the mission field. Fred is International Partners Director and African Regional Director.

Other supported local ministries are Youth for Christ, Trillium, Kitsap Rescue Mission and Coffee Oasis. All are in need of volunteers.

Tom Malley got brave and went on his first short term mission with Proclaim as a 'roadie'. He helped a Christian band set up and take down equipment in Albania at several venues including churches and a jail. He took lots of great pictures and has stories to tell.

Did you know that Annette Freeman and Beryl Carpenter volunteer at Trillium Women's Center where they teach English. Bruce Ludlow is the financial guy at Trillium as he is at OEFC. Greg Griesemer is on the board there. Annette Freeman and I (Christy) went to Cuba in March at the invitation of Los Pinos Nuevos church to teach Bible lessons in English as an outreach.

Upcoming: Sunday, December 8 at 6pm, Count Your Blessings Concert with Pavel Shelpuk on his violin and Sophis sharing. It will be a special evening to invite family and friends. Also the COTN giving tree will be up on Sunday, December 1.

I am thankful for our OEFC church family who continues to put a priority on missions by supporting these missionaries. I am also thankful for the Missions Committee: Ron and Margaret Raub, and Beryl Carpenter, Greg and Melissa Griesemer, Jack and Amy Christensen, myself and (new this fall) Dave Williams and Edie Klatt. May God be glorified in the lives of all the Church – here at OEFC, in our community and around the world where his disciples are sharing the Gospel in a broken world.

May all people hear the Good News.

Christy Lofall

DEACON OF FINANCE

It has been my pleasure to serve as your treasurer in this the eleventh year. Last year (2023) ended with a surplus of \$42,920.42, which is being distributed per the OEFC Financial Policy: \$8,584.08 (20%) for Missions, \$17,168.17 (40%) to the Capital Fund, and another \$17,168.17 (40%) to the Capital Fund, retaining in reserves an amount equal to ¼ of the 2024 budget total.

In addition to regular offerings and on-line donations, OEFC can receive Qualified Charitable Distributions (QCDs) from donors' Individual Retirement Accounts (IRAs) and donations of investment stocks through our Edward Jones brokerage account. We are also registered to receive funds from the donation of vehicles and cryptocurrency, via the links on the OEFC.org Giving page.

Below is the General Fund Income Statement, the In & Out Fund Balances and the OEFC Cash Position, all as of October 31, 2024.

2024 GENERAL FUND INCOME STATEMENT (Through Oct)					
	1st Quarter	2nd Quarter	3rd Quarter	October	Year-to-date
Income	96,509.90	88,664.99	92,478.60	28,339.17	305,992.66
Expense	97,390.88	108,279.08	65,978.71	22,019.34	293,668.01
Net Income (Loss)	-880.98	-19,614.09	26,499.89	6,319.83	12,324.65

In & Out Fund Balances:	
Building Fund	74,642.51
Capital Fund	94,578.99
Benevolent Fund	5,018.54
Backpack Buddies	1,372.00
Bookstore	-357.81
Men's Ministry	96.06
Mission Extra	11,929.91
Staff Gift	150.00
Technology Deprec	1,650.00
Youth	557.07
Total	189,637.27

CASH POSITION	OCTOBER
KCU CHECKING	68,957.96
KCU SAVINGS	5.00
KCU 6-Month CD	41,982.64
CIF INVESTMENT CERTIFICATES (3)	195,279.82
TOTAL CASH ASSETS	306,225.42
(LESS DESIGNATED FUNDS & LIABILITIES)	
IN/OUT FUNDS TOTAL	189,637.27
ACCOUNTS PAYABLE	3,350.20
AVAILABLE CASH ASSETS	113,237.95

I welcome any questions or comments you may have concerning this report or other church financial issues.

Bruce Ludlow

Motion to Disperse Final Portion of 2023 Overage to Missions

Background:

Our financial policy dictates that we disperse yearly surplus in the following manner: 20% to missions, 40% to the capitol fund, and 40% as directed by the elders. This policy also requires the membership to approve the actual spending plan by majority vote.

Proposal:

The mission's committee is proposing that we disperse the 2023 funds (\$11,929.11) as one-time gifts to the following:

6.11 Wycliffe, Twele	1,100.00
6.14 CVM, Van Gorkom	1,100.00
6.16 Alpha, Maxwell	1,100.00
6.17 Proclaim, Holmquist	1,100.00
6.19 Cadence, Carlson	1,100.00
6.13 Sacred Road, Tionna	100.00
6.18 Proclaim, Sophia	500.00
6.26 Trillium	1000.00
6.27 West Sound YFC	500.00
Children of the Nations	500.00
Special gift for Pasha (through Proclaim Intl.) who is in real need of a car in Poland after leaving almost all their possessions in Belarus.....	800.00
Special gift for Sophia (through Proclaim Intl.) for Chinese Bibles.....	200.00
Emergency fund for special and/or critical needs held in the overage account:	<u>1729.11</u>
Total	\$11,929.11

The Committee is grateful for the generosity of the congregation and with these funds seeks first to care well for our supported missionaries.

Respectfully Submitted,

Christy Lofall, Deaconess of Missionary Care

Motion to Establish a Nine-Month Worship Internship

Background:

In our effort to multiply devoted followers of Jesus Christ, there are times where we are presented with a special opportunity to train and equip people for present and future ministry within the church. And the elders believe we have just such an opportunity with Hunter Mills. Hunter has already been serving on our worship team and leading congregational worship once a month. In addition to this Hunter has expressed his desire to deepen his understanding of corporate worship so that he can serve with greater ability in the future.

Proposal:

The elders move that we establish a paid nine-month worship internship for Hunter Mills of approximately eight hours per week. This internship will help him grow in his: philosophy of worship, ability to plan the weekly liturgy, and his proficiency in leading others. The full position description is on the next page.

Worship Internship Description

Summary:

The OEFC worship internship is an opportunity for a worship leader looking to develop heart, passion, and gifting in worship ministry.

Duration and Compensation:

- This internship is a nine-month, part-time position of approximately 8 hours per week.
- The intern must be able work on site at least five hours a week during normal business hours.
- Compensation will be \$20 per hour.

Personal Qualifications:

- A believer
 - who demonstrates genuine love for the Lord and other people with an authentic, transparent, Christ-centered lifestyle.
 - who is committed to the vision, values, and beliefs of OEFC.
 - who desires to grow in their experience and ability to lead worship.
- A humble, lifelong learner who is looking to grow and improve their worship leading skills.

Duties:

- Meet weekly with the Lead Pastor (or other mentors) for training, development, and planning.
- Lead worship practice and congregational worship at least once a month.
- Serve as supporting band member or vocalist as needed and available.
- Learn ProPresenter software and input data for each week's worship service.
- Assist with worship volunteer scheduling (Planning Center software).
- Coordinate as needed with the computer tech and sound teams.
- Other tasks as assigned by Lead Pastor or Elders.

Working Relationships:

- Reports to: Sr Pastor who will provide feedback and evaluation every three months.
- Works closely with: Deacon of Worship, Worship Team, Sound Team, and Tech Team.

Deacon of Congregational Care

Purpose: The Deacon of Congregational Care fosters unity, love, and compassion in the church by identifying and attending to the acute and long-term practical needs within the church.

Responsibilities:

- Organize a team of volunteers to assist him or her in meeting the various care needs in our congregation.
- Empower care team by delegating leadership oversight and responsibilities.
- Faithfully steward associated financial and church resources.
- Serves as primary contact for care needs within the church (ex: meals, moving, benevolence, transportation, illness, major surgeries, shut-ins). And works with care team to engage these needs as they arise.
- Serve as primary contact for benevolence needs that come from outside the church (until we are able to install a deacon of mercy ministry).
- Maintain documentation for current policies, procedures, and referral contacts.

Communication:

- Weekly: Keeps pastors and elders informed of general care needs and of visitation needs/requests. Present elders with significant benevolent needs as they arise.
- Monthly: Keep elders apprised of plans. Ask elders for direction. Inform elders of problems or needs.

Deacon of Worship

Purpose: The Deacon of Worship ensures that our worship celebrates the gospel of Jesus Christ and glorifies the infinite grace of our God by overseeing the music ministry of OEFC.

Responsibilities:

- Oversee programming for Sunday worship services and special events where musical worship is included:
 - Working closely with the Lead Pastor each week.
 - Maintaining proper alignment with God's Word and our Vision for Corporate Worship.
 - Serving as worship leader or supporting musician as necessary.
- Organize a team of qualified musicians, vocalists, and leaders to lead the congregation in worship
 - Establishing a clear process for adding and/or removing members to/from the team.
 - Fostering spiritual and technical growth of worship team members and worship leaders.
- Establish guidelines for worship leaders to help them prepare worship-related programming such as:
 - Song selections and congregational affirmations that are in alignment with our Vision for Corporate Worship.
 - Best practices for communication and coordination with other teams, and meeting weekly deadlines.
- Coordinate with worship technology leads to establish and improve processes to ensure smooth execution of worship program.
- Monitor equipment needs of the worship team in close coordination with Sound System Lead. Recommend and approve purchases, faithfully stewarding financial and church resources.
- Monitor licensing needs for worship song and software usage, recommend and approve purchases and renewals
- Establish schedule for worship team events, including standards for weekly practice times and planning for special practice events or team morale events.

Communication:

- Reports to: Lead Pastor
- Weekly communication: Lead Pastor and Church Secretary.
- Monthly communication: Keep Lead Pastor apprised of plans or need for direction. Inform Lead Pastor and/or elders of problems or needs.

Notes Regarding 2025 Budget

Dear Brothers and Sisters,

There have been some changes to the budget document itself, so we thought it wise to identify and clarify these changes. Some budget categories have been moved to different headings and some new categories have been created. There are also cost of living adjustments for our employees as well as the missionaries we support, and a raise in pay for our lead Pastor.

Please see the 2025 budget document showing categories and dollar amounts assigned to them.

Starting at the top of the budget document:

1. Budget items under 1.0 Pastor and Employee Expenses: The budget items 1.15 through 1.17 have been moved to a new section, 13.0 Pastor Reimburse Expense, as these are not actual salary, but reimbursable ministry costs paid for by the pastor and reimbursement requested with receipts.
2. Budget items in the 1.20: All categories have been converted to one line, 1.20 Associate Pastor Search /Compensation. As we move forward and anticipate searching for and hiring an associate pastor, this is funding to pay for the search process and compensation package to be negotiated.
3. Budget item 1.30 Secretary Salary: It has become apparent that we need more secretarial support, so we have increased the hours for our secretary from 20 hours per week to 22 hours per week.
4. Budget items under 2.0 Office and Admin Expenses: Sections 2.20 through 2.23 have been moved to more a more appropriate heading 11.0 Future Funding and 12.0 EFCA Support because these items are not actual office expenses.
5. Budget items under 6.0 Missions: Items 6.10 and 6.12 are placeholders for missionaries that have retired, freeing up those funds for future missionaries that are under consideration. The missionary committee, along with the elders, look forward to presenting to the congregation for your approval missionary candidates in the near future.
6. Budget items under 8.0 Discipleship: Two subheadings have been added, 8.72 (31 Flavors, a ministry focusing on preteen and teenage girls learning practical skills in a spiritual environment) and 8.77 (Widows Ministry, a ministry focusing on meeting the needs of widows.)
7. Cost of Living Adjustments: Because of the rising cost of living it is incumbent upon us to help our employees and missionaries keep up with the cost of goods and services as they inevitably rise. This year we settled on 3% after weighing the financial information available to us and looking at the COLA's proposed by churches across the nation.
8. Pay raise for Pastor Mark: Pastor Mark has now been our lead Pastor for more than 7 years. During this time he has received cost of living adjustments in an attempt to keep up with inflation, but has not received any pay raise or step increase to date. In the 2025 budget he has received a 5% pay increase, and an increase in his retirement benefit. We believe this is warranted due to his faithful service over the last seven years, and in addition, his compliance with our directive that he pursue ordination in the EFCA, where he spent hundreds of hours studying and writing his thesis as well as standing for

examination before the credentialing board for the Evangelical Free Church of America. He succeeded in achieving the status as an ordained minister of the gospel in the EFCA, for which we are grateful.

9. Pastoral Salaries: Pastors are paid differently than regular employees, pastors are not treated the same as a regular wage earners by the IRS, but more like a self employed contractor.

- Typically an employer will pay the employer portion of FICA (social security) and provide some form of health and dental insurance for the employee an his/her family, and other benefits.
- At OEFC, pastors are responsible for paying the full 15% FICA, we also do not provide health insurance for the pastor/pastors but pay into a Health Reimbursement Account, this year at \$15,000. (Pastor Mark's health insurance this year, Obama care bronze pkg with some dental, costs him \$22,000 per year. So by doing some simple math, you can see that the salary/benefit package is not exorbitant but designed to provide an adequate standard of living for Pastor Mark and his family.

Thank you for reading through this whole document and I hope I have helped you have a good understanding of the 2025 budget. There will be opportunity to ask questions and comment at the annual member's meeting on November 24th.

For the Elders,

Kevin Donohoe