

REPORT OF THE COMMITTEE ON FINANCE

General Assembly 2024

July 2, 2024

Preamble

The Committee on Finance has reviewed pertinent financial sections of the reports to General Assembly 2024 and all other matters referred to the committee. In the process of reviewing the reports, the Committee on Finance met with The Alliance Canada President, Darren Herbold; Wayne Regehr, Vice-President of Operations and Strategy Execution; Ken Pelissero, Finance Director of the National Ministry Centre; Ken Board, Alliance Retiral Fund Administrator; John Quigg, Treasurer of the Board of Directors; and, on behalf of the Alliance Charitable Foundation, Ryan Graham (Chair). The committee wishes to express appreciation to each of them for their assistance to this committee and leadership in our denomination. We would also like to thank the Finance Committee of the Board of Directors for their ongoing work.

Committee Affirmations

1. We note that the 2023 Financial Statements received a “clean” audit report which reflects the conscientious work of the National Ministry Centre’s Finance Department, the Board Finance Committee, and the Board Audit Review Committee. We thank them for their ongoing oversight of our auditing process and ensuring that our Auditors are appropriate to our needs.
2. We affirm the work underway to evaluate and expand the equity options and the favourable returns experienced in the Alliance Retiral Fund. We express our gratitude for the good work of the Investment Advisory Committee and Board of Directors.
3. We are grateful for the blessing of owning the building at 2580 Matheson Blvd East as the office of our National Ministry Centre, which represents an asset of property and equipment valued at \$9 million. This location offers future options that include a great present tenant using the second level and assisting with the cost of the facility.
4. We affirm the Board of Directors in assessing a 15% administration fee for designated projects as it better reflects the support these projects get from National Ministry Centre administration.
5. We affirm the work of the Alliance Charitable Foundation as an independent charity with the objective to contribute to the Global Advance Fund. The current Alliance Charitable Foundation Board includes: Ryan Graham (Chair), Jon Carlson (Secretary), Janet Kirby (Treasurer), and Genghis Chan, Anders Bygden, and Jonathan Carlzon (Directors). While there has been some return on the seed money invested by The Alliance Canada, the Alliance Charitable Foundation is still in the early days and determining how best it can help.

6. We thank the many churches and individual donors who continue to give sacrificially to the Global Advance Fund.

Board Resolutions

The Committee on Finance reviewed all recommendations within the Board of Directors Report to General Assembly 2024 that related to the finances of The Alliance Canada. After careful consideration, the Committee on Finance is pleased to bring the following resolutions before the Assembly.

Resolution #1 concerning Board of Directors Recommendation #1:

Upon the recommendation the Board of Directors, it is moved by Don Orr and seconded by Ron Westfall,

That Grant Thornton LLP be appointed as independent auditors for 2024 for The Christian and Missionary Alliance in Canada at a fee approved by the Board.

Resolution #2 concerning Board of Directors Recommendation #2:

Upon the recommendation of the Board of Directors it is moved by George Brodie and seconded by Sam Holukoff,

That Grant Thornton LLP be appointed as independent auditors for the 2024 Schedule of Contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information, at a fee approved by the Board.

Resolution #3 concerning Board of Directors Recommendation #3:

Upon the recommendation of the Board of Directors it is moved by George Brodie and seconded by Rod Willems,

That the 2023 Audited Financial Statements and the auditor's report for The Christian and Missionary Alliance in Canada be received.

Resolution #4 concerning Board of Directors Recommendation #4:

Upon the recommendation of the Board of Directors it is moved by Serge Roy and seconded by Kimberly McElroy.

That the 2023 Audited Schedule of Contributions received by the Pension Plan for Workers of The Christian and Missionary Alliance in Canada and the summary of significant accounting policies and other explanatory information be received.

Resolution #5 concerning Board of Directors Recommendation #5:

Upon the recommendation of the Board of Directors it is moved by George Zarikos and seconded by Serge Roy,

That the 2023 Financial Statements prepared by management for the Pension Plan of the Workers of The Christian and Missionary Alliance in Canada be received.

Committee Resolutions

Resolution #6 concerning giving to the Global Advance Fund

Whereas the Alliance Canada has a shared vision, and the latest version is shown in the Strategic Roadmap;

Whereas the Committee on Finance acknowledges the challenge of funding missions, noting that the quest for a solution over the years has looked at issues including funding models, staffing, education, spiritual discernment, as well as our missions call and identity;

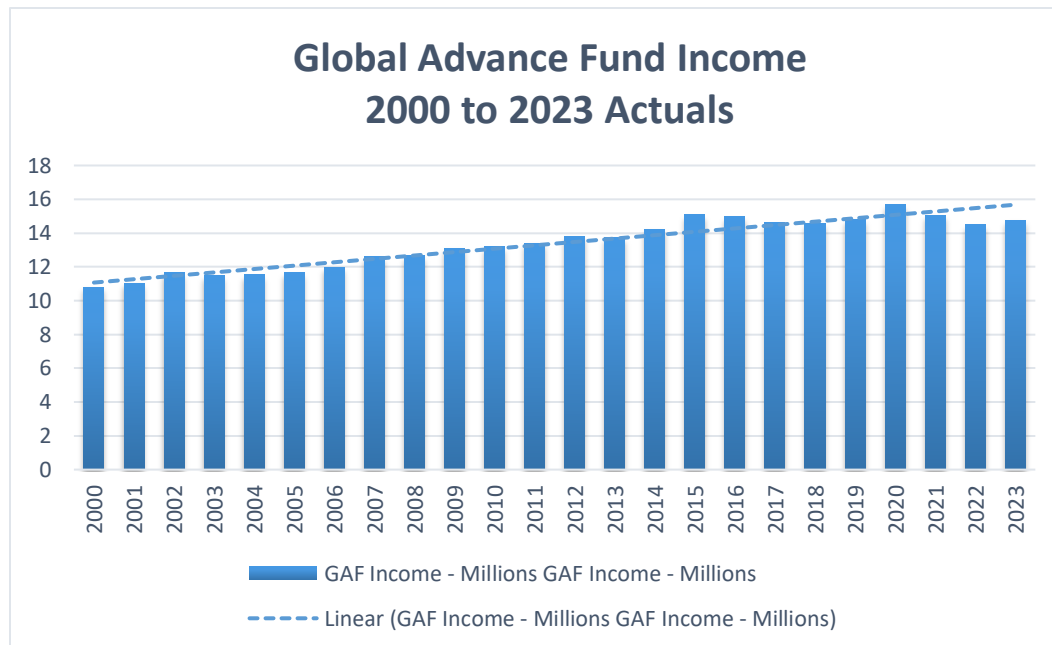
Whereas in 2014, after a 1% decline in Global Advance Fund revenue in 2013, the Board of Directors was asked to explore funding models, motivation for giving, and vision for our missionary denomination;

Whereas in 2016, after a 6% increase in Global Advance Fund revenue in 2015, it was recognized that there would be wisdom in hiring a fund developer to explore and capitalize on various revenue streams;

Whereas in 2018, after consecutive declines of 0.7% in 2017 and 0.5% in 2018, the Committee on Finance asked for a discernment session at General Assembly 2020 focused on how God would transform our hearts in support and funding for missions;

Whereas in 2022, after far more dramatic declines of 4.1% (2021) and 9.6% (2022), the Committee on Finance gently reminded us of our missionary call and encouraged all of our churches and donors in The Alliance Canada to give;

Whereas since celebrating giving in excess of \$15 million in a year (2015), we have only repeated that twice (2020 and 2021);



Whereas one of the distinctive and beautiful features of our mission model was the freeing of our international workers from the need to raise their support in order to go to the field, which is now increasingly an explicit and implicit requirement of our international workers;

Whereas some local churches feel a level of disconnection and a lack of consultation with the National Ministry Centre when it comes to understanding missions priorities, funding structures, and policy changes regarding our approach to missions;

Whereas this giving challenge is one that we need to face together as members of our denomination;

Whereas a shaming of churches may inhibit generosity while appreciation and inquiry may release new grace and energetic participation in generosity for mission;

It is moved by Cheryl Gunaratnam and seconded by Don Orr,

That the Board of Directors direct the President to work with Districts to host at least one or two focus groups in each district for a conversation around the primary research question, “How do we grow generosity in our churches for our shared Alliance Canada mission?” and the secondary research questions “(a) What are factors in the choices of member churches engaging in Alliance Canada mission-oriented giving?, and (b) How robust are our current practices of mission giving at the church, district, and national level of The Alliance Canada?”, and report back on outcomes to General Assembly 2026.

Resolution #7 concerning ‘Stewardship and Effectiveness’

Whereas the Committee on Finance commends the National Ministry Centre for initiatives to be wise and efficient in spending with a view to ‘stewardship and effectiveness with the goal to maximize and strengthen areas of support’ (President’s Report to General Assembly 2024, p. 27);

Whereas an important review of efficiency and effectiveness of funding and spending is underway including considerations around shared information systems, coordinated insurance and benefits, and continued collaboration between the National Ministry Centre and District Offices, with the hope that there will be continued collaboration between the National Ministry Centre, District Offices, and interested individual churches;

Whereas an example of this is that The Alliance Canada holds property valued near \$1 billion and carries insurance for property, liability, and health benefits with annual premiums of approximately \$12 million, that if coordinated may, with time, lead to savings of 5-12% (these figures are a best estimate at this time);

It is moved by George Zarikos and seconded by Serge Roy,

That the Board of Directors report on learnings from the current exploration of “efficiency and effectiveness” via shared services and efficiencies with the early adopters and report back to Assembly 2026.

Resolution #8 concerning promotion of giving to Global Advance Fund

Whereas it is vital for motivating giving that our churches have an opportunity to hear and see stories of our international work;

Whereas churches need easily accessible videos that are generally less than 2 minutes in length and social media content that is easy to repost including an overall church and social media strategy from the National Ministry Centre that assists local churches to reach all demographics,

It is moved by Rod Willems and seconded by Serge Roy,

That the Board of Directors request the President to facilitate creation of digital video content that would be appropriate for church services as well as social media content that assists local churches to reach all demographics as they seek to empower their people to partner with the Global Advance Fund.

Resolution #9 concerning Scope of Alliance Programs and Ministries

Whereas the Board of Directors and National Ministry Centre executives have done an admirable job of navigating a pandemic and presidential change in the context of reduced Global Advance Fund revenue (as discussed in Resolution #6);

Whereas the Global Advance Fund has recorded four deficits in the past 6 years and the fund balance has been reduced from \$4.3 million (2018) to \$1.9 million (2023);

Whereas the Board of Directors is addressing the financial health of The Alliance Canada in the Strategic Roadmap by attending to vision, giving, and efficiency, but less overtly by looking at all funded programs and ministries;

Whereas the Global Advance Fund in the first quarter of this fiscal year has experienced an unprecedented and encouraging new high in giving;

It is moved by Dwayne Uglem and seconded by Rob Knight,

That the Board of Directors continue to work the Strategic Roadmap but also bring a report on how the scope of funded programs and ministries of The Alliance Canada could also be re-thought if Global Advance Fund giving does not increase by General Assembly 2026.

Recurring Questions and Conversations

The following topics are noted for future Finance and other General Assembly Committees.

1. How to sustain the funding of the Global Advance Fund.

2. How to stay alert to the impact of shifting more responsibility to international workers for raising funds for projects and expenses and how that becomes a key part of their responsibility, shifting the competencies we are looking for in international workers?
3. How to fund the National Ministry Centre?
 - Is the scope of services/programs appropriate?
 - Should funding for the National Ministry Centre be segmented from the Global Advance Fund?
 - What level of funding to extend to Ambrose University and L'École de Théologie Évangélique du Québec through the Global Advance Fund?

As the Committee on Finance, it has been a privilege to serve our church family by prayerfully evaluating and offering recommendations around the financial aspects of the Report of the President to General Assembly 2024 and the Report of the Board of Directors to General Assembly 2024. We did so with deep appreciation for the good work of our President and his team at the National Ministry Centre as well as the Board of Directors and the Finance Committee of the Board.

We invite our church family to pray to the Lord our God for His provision for the local and international mission He has called us to. As we pray, we remember these words of faith and doxology from the Apostle Paul:

“Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen.” (Ephesians 3:20-21, New International Version)

Respectfully submitted by,

Doug Doyle, Chair
Dwayne Uglem, Vice Chair
Rob Knight, Secretary

It is moved by Doug Doyle and seconded by Dwayne Uglem,
That the Report of the Committee on Finance be received.