

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS

Held at the Conway Public School Auditorium Conway, Arkansas August 7-8, 2001

Moderator of the 104th Annual Session David Bishop 403 Avenue 2 NE Atkins, Arkansas 72823 479-641-7520

Clerk of the 104th Annual Session Randy Ledbetter 1103 East L Street Russellville, Arkansas 72801 479-968-6844

MINUTES of the 104th Annual Session of the

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS

Table of Contents

Officers and Standing Boards	Page 1
Officers of District Associations	2-4
Proceedings of Annual Session	4-8
Report of Committee on Committees	9
Report of Credentials Committee	
Report of Arkansas Women Active for Christ	
Report of Arkansas Master's Men	
Resolutions Report	
Statistics Report	12-13
Registration Committee Report	
Executive Committee Report	
Executive Board Report	
Executive Director's Report	
Christian Supply Store Report	
OASIS Campus Ministries Report	
A.C.T.S. 1:8 Task Force Report	
State Home Missions Board Report	
State Youth Board Report	
Christian Education Board Report	
Election Schedule	
Obituary Report	
Arkansas State Association Constitution	

OFFICERS AND STANDING BOARDS 2001-2002

EXECUTIVE BOARD

Will Harmon	2004
Tommy Tims	
Randell Williams	
Doug Little	
Andy Pearcy	
STATE HOME MISSIONS B	OARD
Randy Burris	
David Taylor	
Bobby Shepherd	
Johnny Fowlkes	
Dwayne Roper	
Hursel Parker	
YOUTH BOARD	
T = - 3 A =4 :	2004
Leo Martin	
Mark Stripling	
Randall Ray	
Johnny Miller	2003
John Reed	
Mike King	
CHRISTIAN EDUCATION E	BOARD
Bob Brown	
Mike Phillips	
Leroy Scudder	
Jackie Brown	
Kendall Ross	
Nelson Henderson	
I VIOUI IIVIIMOLUUII IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	
MODERATOR	
ASSISTANT MODERATOR	David Winfrey
CLERK	
ASSISTANT CLERK	Paul Hammons

OFFICERS OF DISTRICT ASSOCIATIONS

ANTIOCH

Moderator-Kevin Haralson 231 Hartwick Lane Atkins, AR 72823 Ph. (479) 641-1022

Clerk—Robert Williams 3894 Highway 9 Springfield, AR 72157 Ph. (479) 354-4857

ARKANSAS

Moderator-Delbert Hodges P.O. Box 378 Lavaca, AR 72941 Ph. (479) 674-5471

Clerk- Kathy Minnie HC 69, Box 124 Gravelly, AR 72838 Ph. (479) 299-4607

CENTRAL

Moderator-Wendell Leckbee 3731 Lakeshore Drive N. Little Rock, AR 72116 Ph. (501) 753-1719

Clerk-Verna Puckett 2514 Kenwood Pine Bluff, AR 71603 Ph. (501) 879-1169

FELLOWSHIP

Moderator-David Bishop 403 Avenue Two NE Atkins, AR 72823 Ph. (479) 641-7520

Clerk-Keith Bowden 245 Bowen Estates Circle Russellville, AR 72802 Ph. (479) 968-8321

HARMONY

Moderator-David Laster P.O. Box 237 Belleville, AR 72824 Ph. (479) 493-2498 Clerk-Rhonda Mitchell P.O. Box 233 Belleville, AR 72824 Ph. (479) 476-2257

LITTLE MISSOURI RIVER

Moderator-Kenny Fant 116 N. Grandfield Road New Hope, AR 71959 Ph. (870) 398-4698

Clerk-Eddie Ary 45 Central Road Arkadelphia, AR 71923 Ph. (870) 246-3305

OFFICERS OF DISTRICT ASSOCIATIONS

NEW HOPE

Moderator-Ronnie Whitten 9 Whitten Lane Vilonia, AR 72173 Ph. (501) 796-3972 Clerk- Linda Whitten 9 Whitten Lane Vilonia, AR 72173 Ph. (501) 796-3972

NORTHWEST

Moderator-Doug Harris 460 CR 430 Berryville, AR 72616 Ph. (870) 423-4328 Clerk-Kenneth Booth P.O. Box 187 Berryville, AR 72616 Ph. (870) 437-2465

OLD MOUNT ZION

Moderator-Loy Counts 1004 Sherman Springdale, AR 72764 Ph. (501) 789-5713

Clerk-Carla Kay Henson P.O. Box 2165 Rogers, AR 72757 Ph. (501) 451-8408

POLK BAYOU

Moderator-David Winfrey P.O. Box 418 Tuckerman, AR 72473 Ph. (870) 349-5394 Clerk-DeAnna Lewis 774 Lawrence 269 Smithville, AR 72466 Ph. (870) 528-9919

SALINE

Moderator- Tommy Tims 2136 Highway 35 W Monticello, AR 71655 Ph. (870) 853-9109 Clerk-Linda Stevens 2178 Highway 425 N Monticello, AR 71655 Ph. (870) 367-8332

SOCIAL BAND

Moderator-Leo Martin P.O. Box 152 Reyno, AR 72462 Ph. (870) 769-2269

Clerk-Dale Blackwell 5805 Southwick Drive Jonesboro, AR 72404 Ph. (870) 932-6195

SOUTHEAST ARKANSAS

Moderator-Phillip Payne 644-B Highway 144 West Lake Village, AR 71653 Ph. (870) 265-3755 Clerk-Phyllis Welch 130 Pickle Shed Road Eudora, AR 71640 Ph. (870) 355-2326

OFFICERS OF DISTRICT ASSOCIATIONS

UNITY

Moderator-Will Harmon 2825 Grinnell Fort Smith, AR 72903 Ph. (479) 452-4796

Clerk- John Hays 2602 Phillips Drive Van Buren, AR 72956 Ph. (501) 471-0854

ZION HOPE #2

Moderator-Chet Smith 6136 Arkhola Road Van Buren, AR 72957 Ph. (479) 474-9243 Clerk-Gary O'Kelley P.O. Box 1424 Van Buren, AR 72957 Ph. (479) 632-3612

PROCEEDINGS Tuesday Evening, August 7, 2001

The 104th annual session of the Arkansas State Association of Free Will Baptists met at the Conway Public School Auditorium in Conway Arkansas, on August 7-8, 2001. The convention theme was "We Have a Future." The theme verse was 1 Thessalonians 1:3.

The Tuesday evening service opened with worship leader Dick Martin leading the congregation in singing "Let's Just Praise The Lord." The pianist was Joyce Little.

Randy Ledbetter, Clerk, led in prayer, called the session to order, and introduced the Moderator, David Bishop, pastor of the Union Grove Free Will Baptist Church in Atkins, Arkansas.

The Committee on Committees was elected as follows: Raymond Chronister, Gene Cullum, Leroy Scudder, Jim Walker, and Nelson Henderson. Dick Martin led the congregation in singing "O For A Thousand Tongues" and "King of Kings."

The Fellowship Association Choir sang "The Blood Bought Church," "Someday," "When He Calls Me," and "I'll Fly Away," under the direction of Mike Phillips.

Offertory prayer was led by David Winfrey. Dick Martin led the congregation in singing "Holy, Holy, Holy" and "Alleluia." The offerings were divided 1/3 to National Home Missionaries present: Norman Richards and Rue Dell Smith; 1/3 to Foreign Missionaries present: Dale Bishop, Eddie Bowerman, Shane Davison, and Patsy Vanhook; and 1/3 to State Missionaries present: Kerry Gandy and Ramon Zuniga. David Bishop introduced the evening speaker, Ralph Hampton, and the special music by Mike Phillips, singing "O What a Savior."

Ralph Hampton, Chairman of the Department of Biblical and Ministry Studies at Free Will Baptist Bible College, Nashville, Tennessee, brought the evening message on the subject "Work Produced by Faith." "Have Thine Own Way" was sung as an invitiation hymn.

Report of the Committee on Committees was given and accepted (page 9). Doug Little announced that Rev. Sam Truitt of North Carolina had passed away and led in prayer for his family and closed the service.

Wednesday Morning August 8, 2001

The service opened with Dick Martin leading the congregation in singing "Tis So Sweet to Trust in Jesus." Kerry Gandy led in prayer.

Sidney Sawrie read scripture from 2 Timothy 4:1-5 and led in prayer. Moderator David Bishop read from Ephesians 3:20-21 and gave a devotion reminding us that we serve an awesome God.

The Credentials Committee Report was read by the clerk, Randy Ledbetter. (page 9). Motion passed to receive the report. Delegates to the Association were recognized and motion passed to seat the delegates. Visitors were welcomed and recognized.

Report of the Arkansas Women Active For Christ was given by President Lisa Bowden (pages 10-11). Motion passed to receive this report.

Report of the Women Nationally Active for Christ was given by WNAC President Debe Taylor.

Report of the Executive Board was given by Hoover Lewis (pages 15-17). Motion was made to amend the Cooporative Plan Budget, taking 1/2% of from the Youth Board, and 1% from the National and give this 1 1/2% to the Acts 1:8 missionary accounts, creating a new line item in the budget. Motion to amend failed. Motion passed to adopt the original budget. Will Harmon was elected to the Executive Board to replace Hoover Lewis, and Tommy Tims was elected to replace Raymond Chronister. Report of the National Executive Office was given by Dr. Melvin Worthington, Executive Secretary.

Report of the Executive Director was given by David Joslin (pages 18-32). He challenged us to press forward and concentrate on the future, rather than dwell on the past. Kyle Hood, Campus Ministries Director of OASIS Campus Ministries gave the report for OASIS (page 41). He introduced several college students active in the ministry. Ed Cook prayed a prayer of consecration, asking God's blessings on this ministry. David Joslin introduced state leaders from California--Nuel Brown; Missouri--Nathan Ruble; and Oklahoma--Ernest Harrison, Jr. who brought greetings

from their respective states. Motion passed to receive the reports and adopt the budgets, (including the OASIS budget).

Report of the Christian Supply Store was given by Keith Johnson (pages 33-40). Motion passed to receive this report and adopt the budget.

"The Harvest" video was shown followed by Nelson Henderson giving the Report of the ACTS 1:8 Task Force. (pages 42-43). Motion passed to accept the report and adopt the budget.

Wednesday Morning Worship Service August 8, 2001

The service opened with worship leader Dick Martin leading the congregation in singing "Holy Ground" and "My Jesus I Love Thee." Special music was presented by Brian Phillips who sang: "I Don't Belong." Tim Landers led in prayer.

Assistant Moderator David Winfrey introduced the morning speaker, Ronnie Whitten, pastor of Sharon Free Will Baptist Church, Vilonia. He spoke on the subject "Labor Prompted by Love" from 1 Thessalonians 1:3. He closed his message with prayer. Dick Martin led the congregation in singing "Just as I Am." After announcements, Hoover Lewis dismissed the services in prayer. Following the services was a Retirement Luncheon for David A. Joslin who will be retiring next year as Executive Director for Arkansas Free Will Baptists.

Wednesday Afternoon Business Session August 8, 2001

Dick Martin began the session by leading the congregation in singing "He Keeps Me Singing." Lowell Graham gave the afternoon devotion from 1 Corinthians 4:10 and led in prayer.

Report of the State Home Mission Board was given by David Copeland (pages 44-52). State Home Missionaries Kerry Gandy and Ramon Zuniga were recognized. Motion passed to accept the report and adopt the budget.

Larry Powell, National Home Missions General Director, gave the National Home Missions report. Randy Burris (replacing David Copeland) and David Taylor (replacing Paul Payne) were elected to the State Home Mission Board.

James Forlines, Foreign Missions General Director recognized the foreign missionaries present: Shane Davison, Patsy Vanhook, Eddie and LaRhonda Bowerman and brought the report of the Board of Foreign Missions.

Report of the State Youth Board was given by Randall Ray (pages 53-54). He introduced Patrick Baze as the new Youth Director. He shared his vision for the future of our camp and Youth Department. Bob Thompson gave the Youth Director's report on Camp Beaverfork (pages 55-60)

and expressed appreciation for the support he received as Director. He has resigned to take a position at Hillsdale Free Will Baptist College. Motion passed to receive these reports and adopt the budget. Johnny Miller (replacing Patrick Baze) was elected, and Leo Martin, and Mark Stripling were re-elected to the State Youth Board.

Alton Loveless, General Director, gave a report from Randall House Publications. A report from Hillsdale Free Will Baptist College was given by Bob Thompson. Will Harmon was re-elected as Hillsdale Trustee.

Tim Campbell gave a report from Free Will Baptist Bible College. Reports from the National Board of Retirement and Free Will Baptist Foundation were given by Bill Evans. Report from Alabama Free Will Baptist Children's Home was given by Randy Key.

Report of the State Christian Education Board was given by Nelson Henderson (pages 61-62). He presented a plaque of appreciation to Harvey Butler for his years of service. Motion passed to receive this report and adopt the budget.

Bob Brown (replacing David Taylor) and Mike Phillips (replacing Harvey Butler) were elected to the State Christian Education Board.

Report of National Master's Men was given by Director Tom Dooley.

Report from the Arkansas Master's Men was given by Carmon Rushing (pages 11-12). Financial report and budget was presented at the banquet that evening.

Report of the Free Will Baptist Family Ministries was given by Roy Roach and Jim Walker.

Report from Harvest Free Will Baptist Family Ministries in Virginia was given by James Stepps.

Report of the Resolution Committee was given (page 12). Motion passed to adopt the resolution.

Delegates to the National Association in Memphis, Tennessee, were elected as follows: Willia Gene Lewis, Brenda Housley, Mike Birmingham, Kerry Phillips, and Sherlyn Blackwell.

State Officers elected for the next year were as follows: David Bishop-moderator, David Winfrey-assistant moderator, Randy Ledbetter-clerk, and Paul Hammons-assistant clerk. Motion passed to dismiss the Committee on Committees.

Report of the Obituary Committee was given by Tommy Tims (pages 64-65). After a moment of silence, Dewayne Roper led in prayer thanking God for the lives of those who have passed on. Motion passed to dismiss this committee and accept the report.

Statistics Report was read. (pages 12-13) Registration Report was read. (page 13) Bob Isbell dismissed in prayer. Motion passed to adjourn.

Wednesday Evening Worship Service August 8, 2001

Pre-service music was presented by the Men's Trio from the First Free Will Baptist Church, Russellville.

The service opened with the congregation singing "We Will Glorify," "He Lives" and "Because He Lives."

Bob Thompson was presented with a plaque of appreciation and gift by the State Youth Board for his years of service as Youth Director.

Tommy Tims read a proclamation from the Mayor of Conway proclaiming August 8, 2001, as David Joslin Day. Randell Williams read greetings from Governor Mike Huckabee commending David Joslin for his years of service to the state. David Bishop presented Mary Kay Joslin with roses. Hoover Lewis presented David Joslin with a plaque of appreciation from the State Executive Board on behalf of all Arkansas Free Will Baptists, and a \$6,532.75 gift sent from associations, churches, and individuals across the state. Raymond Chronister led in prayer asking God's blessings on the Joslins and Bob Thompson and his family.

Special music "Almighty God Melody" was sung by the choir from First Free Will Baptist Church in Russellville

David Bishop prayed the offertory prayer. The total received in the Tuesday and Wednesday mission offerings was \$1,420.04.

The congregation sang "Crown Him with Many Crowns" as the offering was taken.

Russellville's choir sang another special "Death Could Not Hold Him." Dick Martin led the congregation in singing "Victory in Jesus." Special music was by LeAnn Ledbetter who sang "He Has Forgiven Me."

Tommy Tims brought the evening message on the subject "Endurance Inspired by Hope" from 1Thessalonians 1:3. He closed the message with prayer.

David Joslin called Ramon and Ede Zumiga to the stage. After they sang "Amazing Grace" in Spanish, all the pastors gathered at the altar to pray for God's direction concerning the Hispanic work. David Joslin led in prayer, and Ramon and Ede sang "Because He Lives" in Spanish.

REPORTS

REPORT OF THE COMMITTEE ON COMMITTEES

Nominating: Bobby Shepherd, Kerry Gandy, Fred Warner, Leo Martin,

Tommy Tims

Credentials: Terrell Holland, Paul Hammons, Bob Brown, Terry Latham,

Ray Stowers

Resolutions: Ed Cook, Jackie Brown, Raymond Chronister, Randy Burris,

Joe Buttgen

Obituary: Lawnie Coffman, Melvin Shelton, David Taylor, Chet Smith,

Ron Parker

Committee:

Raymond Chronister

Leroy Scudder

Jim Walker

Gene Cullum

Nelson Henderson

REPORT OF THE CREDENTIALS COMMITTEE

We, the Credentials Committee report the following:

The following district associations have represented by letter, delegates, and fees: Antioch, Central, Fellowship, Harmony, Little Missouri River, New Hope, Northwest, Polk Bayou, Saline, Social Band, Southeast, and Unity.

The following district associations have represented by letter, delegates, and partial fees: Arkansas District; two churches did not pay: Egypt and Union Hill. Old Mt. Zion; three churches did not pay: Eastgate, Greenland, and Unity. Zion Hope; seven churches did not pay: Barling, Booneville, Chester, Heritage Oaks, Kibler, Van Buren, and Hwy 71.

Respectfully submitted:

Terry Latham

Paul Hammons

Terrell Holland

E. Raymond Stowers
Bob Brown

REPORT OF ARKANSAS WOMEN ACTIVE FOR CHRIST

The 47th Annual session of the Arkansas Women Active for Christ met August 7, 2001, at Conway Public School Auditorium. The theme for the day was "Joy Unspeakable" taken from I Peter 1:6-9. Singing was directed by Sue Patton with Jayne Hannah as the pianist, and Eddy Jean Forbus on the keyboard.

Rue Dell Smith, home missionary to Monroe, Louisiana, gave the morning devotion. Bessie Richards, home missionary to Slidell, Louisiana, gave the afternoon devotion.

Special music was by Joe Scoggins. Shane Davison played the guitar for the offertory. Patsy Mercer signed the songs during the afternoon congregational singing.

Eddie Bowerman, foreign missionary to Panama, was the 11:00 speaker.

All eleven districts reported with 63 locals and a membership of 773. A total of 160 registered, including five foreign missionaries, and nine home missionaries.

Total receipts were \$64,490.16. Cash and gifts sent direct were \$24,691.43, for a total giving of \$89,181.59. Giving to Foreign Missions was \$22,960.42. (A.C.T.S. 1:8 receiving \$19,552.63 of this amount); National Home Missions \$15,920.40; Children's Home \$1,570.00; and our 2001 State Project: the Zuniga's of Springdale and the Gandy's of Maumelle \$2,390.55. The 2000 State Project: The Tommy Jones, and George Harvey Land Funds \$5,919.69.

The following resolutions were adopted. (page 11)

The 34th Annual banquet was in the Brewer-Hegeman Conference Center of the UCA Campus, August 7, 2001, at 5:00 PM with 129 in attendance. LaRhonda Bowerman, foreign missionary to Panama, spoke from the theme "Standing With Others In Prayer." Special music was by Denise Hammons.

The Annual Retreat was conducted May 4-5, 2001, at Camp Beaverfork with 221 registering. The speaker was Joanne King, WNAC Vice President. The theme was "Put On a Happy Face" taken from Proverbs 15:13a.

Respectfully Submitted: Lisa Bowden, State President

ARKANSAS WOMEN ACTIVE FOR CHRIST RESOLUTIONS

Be it resolved that the Arkansas Women Active for Christ treasury pay the state president's plane ticket or mileage (IRS allowance), hotel expense (three nights), and meals (6 @\$8.00 per meal) for the WNAC national convention. State president and state treasurer will be responsible for starting early in the year, watching airfare sales to secure the most economical airfare available. State president will continue to receive a \$75.00 yearly honorarium.

Submitted by the Executive Committee

Be it resolved that the Executive Committee retain an independent CPA to audit the financial records of the Arkansas Women Active for Christ on an annual basis. This audit report will be presented with the treasurer's annual report at the Women Active for Christ annual session.

Submitted by the Resolution Committee

Respectfully submitted:

Jan Morrison Ruby Hughes

Modean Bowman

Yvonne Phillips JoAnn Holland

We propose that the Arkansas Women Active for Christ recommend for the 2002 state project the support of the Ken Doggett Building Fund, home missionaries to Springfield, Illinois, and the Rue Dell Smith Land Fund, home missionaries to Monroe, Louisiana, in the amount of \$5,000.00 each, for a total of \$10.000.00.

Submitted by the Executive Committee

ARKANSAS MASTER'S MEN

The Arkansas State Master's Men met at Denny's Restaurant, Conway, Arkansas, on August 8, 2001, for their 27th annual meeting. President Carmon Rushing presided. The theme was "We Have A Future."

Treasurer Jerry Lewis reported that \$598 was received for the state project –the "Build A House" project for the mission house to be built on the new Free Will Baptist Bible College property in Joelton, Tennessee.

Next year's project will be the continuation of that same project and the addition of the Free Will Baptist Family Ministries, Greenville, Tennessee. A total of \$690 was given to the Free Will Baptist Family Ministries during this meeting. Representative Roy Roach reported to the men that a flood had done much damage to their facilities just days before coming to this meeting in Arkansas.

The following officers were elected to serve for the following two years: President, Darren Walker; Membership VP, Carmon Rushing; Activities VP, Larry Bonemma, Program VP, Bob Huckaba; Secretary-Treasurer, Jerry Lewis; Chorister, Mike Williams.

Guest speaker was Paul Hammons, Pastor of First Free Will Baptist Church, Conway, Arkansas. He spoke on "Real Men Love Jesus." Rev. Hammons stated: "We have seen a decline of true manhood. This decline has hurt our families, churches and society. If we are to have a future, then Free Will Baptist men must remain true to the Biblical teachings of manhood."

RESOLUTIONS

Whereas Brother David Joslin has faithfully served Arkansas Free Will Baptists as Executive Director for many years, we do hearby recognize Brother Joslin for his dedication to the cause of Christ and to Free Will Baptists, and do pray God's richest blessings upon him and his wife Mary Kay upon his retirement. May God grant you many more years of peace, joy and happiness.

Submitted by Fellowship Association of Free Will Baptist

Respectfully Submitted:

Resolution Committee

Ed Cook

Randy Burris

Jackie Brown

Raymond Chronister
Joe Buttgen

STATISTICS REPORT FROM CHURCH LETTERS

The Arkansas State Association of Free Will Baptists reports 15 associations comprised of 216 churches. The statistics for membership, baptism, etc., are based on the 202 churches who reported.

There are 91 churches located in a city/town, 125 churches in rural, 105 with full-time pastors, and 92 part-time pastors.

There are 332 ordained ministers, 62 licensed ministers, and 497 ordained deacons.

The churches reported 607 baptisms with 1,094 members added, 810 members lost, and a total membership of 19,451.

Sunday School enrollment was 11,510; CTS enrollment was 2,356; Women Active for Christ membership was 990; and Master's Men membership was 170.

There were four churches with day cares, eight churches with kindergartens, and seven with Christian day schools.

The total income of all churches reporting was \$10,352,414.80 and 44 churches with budgets.

There were 67 churches with parsonages, and a total value of all church property, including parsonages, of \$122,054,910.00.

2001 REGISTRATION COMMITTEE REPORT

The following have registered during the 104th session of the Arkansas State Association of Free Will Baptist, held on August 7-8, 2001, at the Conway Public School Auditorium, Conway, Arkansas: Ministers 95, Deacons 26, Delegates 60, Home Missionaries 6, Foreign Missionaries 5, Visitors 202, Total 394.

EXECUTIVE COMMITTEE REPORT

March 6, 2000

The Executive Committee met during the Minister's Retreat at Lake DeGray Resort State Park near Bismarck, Arkansas, with all members present to plan the 2000 state association. The following was adopted:

STATE ASSOCIATION THEME: "We Have A Future," I Thessalonians 1:3

Tuesday evening, August 7: With Work Produced By Faith, Rev. Ralph Hampton, Chairman of the Department of Biblical and Ministry Studies at Free Will Baptist Bible College, Nashville, Tennessee

Wednesday morning worship: With Labor Prompted By Love, Rev. Ronnie Whitten, Sharon Free Will Baptist Church, Vilonia, Arkansas

Wednesday evening worship: With Endurance Inspired By Hope, Rev. Tommy Tims, Rose Hill Free Will Baptist Church, Monticello

Wednesday morning devotion: Rev. Sidney Sawrie, Searcy, Arkansas

Wednesday afternoon devotion: Rev. Lowell Graham, First Free Will Baptist Church, Corning, Arkansas

Music Coordinator: Dick Martin

Special Music: Fellowship Association Choir and First Free Will Baptist Choir, Russellville, Arkansas

A Bible Conference was planned for August 7, Tuesday afternoon, from 1:30-4:00 PM with Bill Evans, Director of the Board of Retirement and Insurance; and Larry Powell, Director of the National Home Missions Department.

July 6, 2001

The Executive Committee met at the state office in Conway, Arkansas, with the following members present: Moderator David Bishop and Clerk Randy Ledbetter as well as Executive Director David Joslin and Ricky Taylor, CPA.

Upon reviewing the financial statements given for Arkansas State Association of Free Will Baptists, Christian Supply Store, Camp Beaverfork, and Arkansas State Home Mission Board, no irregularities were discovered in our review.

Motion passed to retain Ricky Taylor as auditor for next year.

EXECUTIVE BOARD REPORT

October 10, 2000

The Executive Board met October 10, 2000, at the State Office in Conway, Arkansas. Officers elected were: Hoover Lewis, as Chairman; Raymond Chronister, as Vice-Chairman; and Doug Little, as Secretary.

Keith Johnson presented the report of Christian Supply Store for the third quarter of 2000, noting receipts were \$19,000 less than last year's sales (1999). MSC to receive his report and approve the financial statement. MSC to allocate \$2,000 from the Contingency Fund of Christian Supply Store to aid in the payment of property taxes for the store.

David Joslin presented his report of the State Office for the quarter. He reviewed the financial reports for the General Fund, Operational Fund, Sunday School Literature, VI-SION, Minister's Benevolent Fund, and the Contingency Fund. MSC to receive the reports and approve the financial statements.

MSC to appoint David Taylor to the Christian Education Board to fill the unexpired term of Rick Ketchum, who moved to a pastorate in Oklahoma.

MSC to appoint Dale Underwood (Harmony Association), and Doug Harris (Northwest Association), to the A.C.T.S. 1:8 Task Force.

MSC to divide the dividend of \$13,400 from Brotherhood Insurance as follows: \$5000 for Free Will Baptist Bible College; \$5000 for Hillsdale Free Will Baptist College; \$2000 for A.C.T.S. 1:8 Plan; and \$1400 for the Guthrie Scholarship Fund of Camp Beaverfork.

MSC for the Executive Director to pursue the planning of a tri-state conference for pastors of Arkansas, Oklahoma, and Missouri.

MSC to give \$1000 from the General Fund and \$1000 from the Operational Fund to assist the Joslins for medical expenses.

MSC to approve the transfer of the remaining funds designated for the College Ministry Committee to the OASIS Ministry. MSC to develop and print a brochure for the OASIS Ministry.

MSC to eliminate the requirement for checks to be co-signed.

There was discussion of the procedure to select the next Executive Director in consideration of Brother Joslin's retirement. It was agreed the goal would be to have the new man in the office on July 1, 2002. This information will be shared at the All-Board's Conference in January 2001. The job profile will be defined and completed by April 2001. Resumes will be received no earlier than October 2001.

January 23, 2001

Keith Johnson, presented the report of Christian Supply Store for the fourth quarter of 2000. Due to less-than-projected sales, he proposed a revised budget for 2001 of \$740,000. MSC to receive the report and approve the revised budget. MSC to authorize a loan up to \$50,000 to pay accounts payable, to be repaid at \$5,000 or more per month.

David Joslin gave the Executive Director's report. MSC to receive the reports and approve the financial statements.

Hoover Lewis reported on the OASIS College Ministry, and the interview of Kyle and Bethany Hood. MSC to hire Kyle Hood as the Director of the OASIS Ministry at Arkansas Tech University in Russellville. MSC to set employment terms on an annual renewable contract beginning February 1, 2001. MSC to advance \$2500 to the OASIS Fund as a temporary transfer from the Operational Fund, to be repaid at the rate of of \$100 per month once support is raised, and to authorize up to a total of \$5000 if necessary.

MSC to draft a letter to be sent to pastors announcing Bro. Joslin's retirement and the process of hiring his successor.

EXECUTIVE BOARD REPORT, Continued

April 3, 2001 Conference Call

Upon request of the Zion Hope #2 Association, the State Executive Board agreed to meet with them at their campground to discuss the situation with the Faith Free Will Baptist Church of Fort Smith, Arkansas.

April 6, 2001 Conference Call

Brother Joslin reported that the Faith Free Will Baptist Church of Fort Smith, Arkansas, has appealed to the State Executive Board for help in resolving the dispute over the control of their property. Brothers Joslin, Bishop, Williams, Pearcy, and Chronister were authorized to meet with the involved parties if requested. It was agreed by consensus that the Board has no intention of entering into litigation in this matter.

April 10, 2001

David Joslin gave the Executive Director's report. Brother Joslin also reported on the progress of the OASIS Ministry, and the current status of the Board's efforts to help resolve the dispute at the Faith Free Will Baptist Church in Fort Smith. MSC to receive the report and approve the financial statements.

MSC to change the Board's regular quarterly meeting to the fourth Thursday of the month, beginning in October 2001.

Keith Johnson presented the report of the Christian Supply Store. MSC to receive his report.

Brother Joslin excused himself from the meeting. The Board discussed various matters regarding the hiring of the new Executive Director. It was agreed that Brother David Bishop, as the moderator, and *ex officio* member, would have the right to vote.

In Executive session, the Board continued discussion regarding the process of hiring the new Executive Director. It was agreed that resumes will be accepted October 1 to December 31 of 2001. Resumes are to be mailed to the Executive Board Chairman, who will provide copies only to the rest of the Executive Board. A resume will be required from all prospective candidates. Each person submitting a resume will be sent a questionnaire to complete and return prior to the interview process. The board will begin reviewing resumes in January 2002, and interview the candidates it chooses. It was agreed that a candidate must receive a yes vote of at least 5 of the 7 Board members in order to be hired for the position.

July 9, 2001

The State Executive Board met at the state office with auditor Ricky Taylor. The 2000 financial audit for Christian Supply Store was given by Auditor Ricky Taylor. MSC to accept the reports as given. Ricky Taylor presented the 2000 audit for Arkansas Free Will Baptists. MSC to accept the audit as presented.

Keith Johnson presented the quarterly report for the Christian Supply Store. MSC to receive the report and adopt the presented budget for 2002.

David Joslin gave the April-June 2001 reports for Arkansas Free Will Baptists. MSC to receive the reports and approve the 2002 budgets for Coop, General Fund, Operational Fund, Sunday Literature, VISION, and Contingency Fund.

MSC to pay the unpaid National Association fees out of the Operational Fund.

MSC to appoint Dorace Bishop, Harmony Association to the A.C.T.S. 1:8 Task Force Committee.

PROPOSED COOPERATIVE PLANBUDGET - 2002 PLAN A PLAN B PROPOSED AMT. **AGENCY CURRENT PROPOSED** AMT. **CURRENT** \$99,750.00 General Fund 19.5 % 19.0 % \$99,750.00 19.5% 19.0% State Missions 17.0 % 17.0 % 89,250.00 89,250.00 17.0% 17.0% 91,875.00 91,875.00 Youth Board 17.5 % 17.5 % 17.5% 17.5% 3.0 % C. E. Board 3.0 % 15,750.00 3.0% 3.0% 15,750.00 THE VISION 2.0 % 2.0 %10,500.00 2.0% 2.0% 10,500.00 A.C.T.S. 1:8 Task 2.0 % 2.0 % 10,500.00 10,500.00 2.0% 2.0% 1.5% 2.0 % OASIS . 10,500.00 2.0% 10,500.00 1.5% TOTAL 62.5 % 62.5 % \$328,125.00 62.5% 62.5% \$328,125.00 National Assoc. 37.5 % 37.5 % \$196,875.00 32.5% \$170,625.00 33.5% Hillsdale 5.0% 4.0% 26,250.00

Plan "B" Cooperative Plan would designate 5% to Hillsdale College, 62.5% to the State Association, and 32.5% to the National Association.

100.0%

100.0%

\$525,000.00

100.0 % \$525,000.00

TOTAL

100.0 %

ARKANSAS FREE WILL BAPTISTS Comparative Receipts - January-December 1999-2000

STATE ASSOCIATION

			INCREASE	
	<u> 2000</u>	<u> 1999</u>	(DECREASE)	<u> %</u>
General Fund	95,402.38	99,519.68	(4,117.30)	(4.1)%
Operational Fund	24,480.00	24,642.00	(162.00)	(.1)%
State MissDesig	207,313.42	220,668.66	(13,355.24)	(6.1)%
SM Property Notes	55,513.44	52,513.44	3,000.00	5.7%
Sunday School Lit.	255,672.59	250,648.65	5,023.94	2.0%
State Assoc. Fees	6,330.00	6,615.00	(285.00)	(4.3)%
Nat'l Assoc. Fees	15,500.00	5,475.00	10,025.00	181.8%
THE VISION	18,511.53	17,167.74	1,343.79	7.8%
C.E. Board	22,114.06	18,539.95	3,574.11	19.3%
ACTS 1:8 Task Ford	ee 9,245.77	6,913.14	2,332.63	33.7%
Misc. Accounts	15,482.43	8,825.23	6,657.20	75.4%
Christian Supply	736,450.97	800,848.91	(64,397.94)	(8.0)%
Camp Beaverfork	203,571.01	216,842.19	(13,271.18)	(6.1)%
TOTALS (1)	\$1,665,587.60	\$1,729,219.59	\$(63,631.99)	(3.7)%
A.C.T.S. 1:8 (2)	355,563.76	334,613.40	20,950.36	6.3%
COOP (3)	504,332.18	494,607.72	9,724.46	2.0%
HILLSDALE	101,898.47	53,126.09	48,772.38	91.8%

NOTE 1: These totals represent monies receipted through the Arkansas agencies.

NOTE 2: These totals are also included in the Foreign Missions totals below.

NOTE 3: Coop Plan receipts are included in other agencies that receive percentages of Coop.

NATIONAL ASSOCIATION

	INALIGINA	MITABOOCIATIC		
			INCREASE	
	<u>2000</u>	<u> 1999</u>	(DECREASE)	<u> %</u>
Executive Office	83,096.30	82,392.68	703.62	1.0%
Foreign Missions	466,617.30	449,974.51	16,642.79	3.7%
Nat'l Home Missions	255,464.34	259,599.79	(4,135.45)	(1.6)%
FWBBC	83,076.76	75,082.81	7,993.95	10.6%
Bd. Retirement & Ins	sur 14,218.69	14,098.29	120.40	1.0%
Master's Men	16,418.69	16,686.84	(268.15)	(2.3)%
WNAC	11,181.36	12,207.57	(1,026.21)	(8.4)%
FWB Foundation	6,093.73	6,042.15	51.58	1.0%
TheoIntegrity Com	n 509.31	503.82	5.49	1.1%
Media Commission	507.81	503.50	4.31	1.0%
Music Commission	507.81	538.76	(30.95)	(5.7)%
Historical Commission	on 507.81	503.50	4.31	1.0%
TOTALS	\$938,199.91	\$918,134.22	\$20,065.69	2.2%
GRAND TOTAL \$	2,705,695.98	\$2,700,479.90	\$5,206.08	.2%
(STATE, NATIONAL	, AND HILLS	DALE)		

18

IL, MALIONAL, AND IIIIZZODA

JANUARY-DECEMBER 2000 COOP - \$504,332.18

ANTIOCH	NORTHWEST	SALINE, Continued
Mt. Vernon 2600.00	Berryville, First 467.04	Star City, First 8251.54
ANTIOCH \$2600.00	Eureka Springs 323.01	Trinity 13105.20
ARKANSAS -0-	Gospel Lighthouse 108.20	Warren. First 5759.86
<u>CENTRAL</u>	Moore 1029.19	Yorktown 1166.57
Bethel 1692.45	Oak Grove 906.64	SALINE \$56530.40
Conway, First 2905.30	Oak Lane 602.00	SOCIAL BAND
Jacksonville, First 2112.59	Shell Knob, MO 233.77	Arbor Grove 1496.00
Malvern, First 1147.51	NORTHWEST 3669.85	Faith, Jonesboro 6240.00
N Little Rock, 1st 9762.94	OLD MT. ZION	Jonesboro, First 10591.69
Oak Park 6712.41	Calvary, Springdale	Northside 183.00
Russellville, First 55642.12	5054.58	Old Reyno 3553.43
CENTRAL \$79975.32	Clifty Chapel 971.65	Pocahontas, First 9258.30
FELLOWSHIP	Eastgate 150.00	Poplar Valley 1453.86
Dardanelle, First 3530.00	New Sulphur 300.00	Sutton 14581.26
Harmony 3892.00	Phillip's Chapel 17234.10	United WalRidge 10462.92
Oak Grove 2290.00	Victory 4751.23	Walnut Ridge, 1st 9095.22
Union Grove 10459.00	West Ridge 1800.00	TOTAL \$66915.68
Welcome Home 2967.00	Westside 1500.00	SOUTHEAST ARK
Woodlawn 3420.00	OLD MTZION \$31761.56	Southeast Arkansas 797.65
FELLOWSHIP \$26558.00	POLK BAYOU	<u>UNITY</u>
<u>HARMONY</u>	Allen Chapel 13988.00	Bethlehem 3206.75
Danville 528.77	Ballew's Chapel 7404.27	Cavanaugh 64669.49
Plainview 957.00	Batesville, First 14263.18	Charleston, First 6728.97
Ranger 715.57	Blackland Chapel 3743.29	Greenwood, First15223.50
Upper Sprg Creek 1986.62	Cave City 275.00	Oliver Springs 2946.56
Wilson 921.45	Mt. Harmony 2862.00	Ozark 12201.35
HARMONY \$5109.41	Newport, First 5648.80	Southside 1972.79
LITTLE MO RIVER	Tuckerman, First 5069.00	Vista 4469.36
Arkadelphia, First 749.60	POLK BAYOU 53253.54	UNITY \$111418.77
Daisy 4122.02	SALINE	ZION HOPE
Glenwood 1958.00	Corbin Ferry 315.00	Catcher 872.87
Hatfield 410.60	Crossett, First 4843.93	Central 7953.01
Lake Hills 13686.82	Faith 1104.77	Cottonwood 349.78
Lodi 523.71	Free Hill 21.00	Enterprise 796.72
Pleasant Grove 1211.14	Harmony 5109.34	Fort Smith, First 191.71
LMR \$22661.89	Hillview 245.00	First, Mulberry 570.03
NEW HOPE	Landmark 630.00	Heritage 37.50
Center Point 4840.87	Macedonia 368.81	Kenner Chapel 530.39
Chapel Lane 1557.52	Monticello, First 3305.54	Locke 692.96
Friendship 2770.60	Mt. Pleasant 21.00	ZION HOPE 11994.97
Mt. Bethel 5054.46	Oak Grove 1525.04	
Mt. Calvary 2753.23	Pine Hill 420.00	TOTALS \$504332.18
Rolling Oaks 7296.00	Pleasant Grove 59.50	
Sharon 2530.25	Pleasant Valley 3579.89	
South Heights 4282.21	Rose Hill 6642.41	
NEW HOPE \$31085.14	Spring Hill 56.00	

January-December 2000 A.C.II.S. 188 Receipts \$355,563.76

A STATE OF THE PROPERTY OF THE	AND THE PERSON NAMED IN COLUMN TO SERVICE AND ADDRESS OF THE PERSON NAMED ADDRESS OF THE PERSON NAMED ADDRESS OF THE PERSON NAMED ADDRESS			WOMEN ACTIVE FOR C	
ANTIOCH	500.00	POLK BAYOU		<u>ANTIOCH</u>	55.00
Antioch Masters Men Atkins, First	65.00 1110.00	Ballew's Chapel Batesville, First	4330,26 3277,37	Mt. Home, Lamar Mt. Vernon	240.80
Hector	408.00	Blackland Chapel	1680.00	Ola	768.00 230.00
Johnson	720.00	Cave City	440.00	Slaty Crossing	391.50
Mt. Vernon	168000	Grace	545.32	Smith Springs	660,00
Slaty Crossing Smith Springs	900.00 3120.00	Mt. Harmony New Bethel	1373.75 554.00	ANTIOCH DISTRICT TOTAL <u>CENTRAL</u>	\$2345.,30
ANTIOCH TOTAL	\$8503.00	Newport, First	2647.81	Capitol City	100,00
<u>ARKANSAS</u>	250.00	Oak Grove	691.19	Conway	199,00
Boles Freedom	408.00 500.00	Oakland Discourse	240.00	Jacksonville	325.00
Harmony	264.70	Tuckerman, First Weaver's Chapel	6827.26 2880.23	Malvern N Little Rock, First	16.12 50.00
Hosanna	300.00	Wynne, First	230.00	Oak Park	360,00
Individual	750.00	POLK BAYOU TOTAL	\$38069.94	Russellville	360,00
ARKANSAS TOTAL CENTRAL	\$2472.70 7993.49	SALINE	12000.00	CENTRAL DISTRICT TOTAL	\$1410.12
Bethel	2043.56	Crossett, First Faith	5321.56 480.00	<u>FELLOWSHIP</u> Harmony	214.00
Conway, First	2337.07	Fordyce, First	520.00	Oak Grove	230.00
Jacksonville, First	3256.79	Harmony	1252.90	Union Grove Actionettes	430.00
Malvern, First N. Little Rock, First	942.31	Hillview	25.00	Union Grove	800.00
Oak Park	16163.06 10502.92	Macedonia Mt. Pleasant	480.00 468.00	Welcome Home Woodlawn	50,00 290,34
Russellville, First	43696.03	Oak Grove	459.00	FELLOWSHIP TOTAL	\$2014.34
Individual	10.00	Pine Hill	240.00	HARMONY - Ranger	240.00
CENTRAL TOTAL	\$86945.23	Pleasant Valley	960,00	LITTLE MISSOURI RIVER	
<u>FELLOWSHIP</u> Dardanelle, First	2880.00 1560.00	Rose Hill	3691,56	Daisy	200,00
Dover, First	480.00	Spring Hill Star City, First	350.00 15606.93	Glenwood Individual	500.00 52.00
Harmony	3772.00	Trinity	4586.95	LITTLE MISSOURI RIVER TO	
Oak Grove	1320.00	Warren, First	1000,00	NEW HOPE	50.00
Union Grove	7082.00	Yorktown	1666.52	Center Point	765.00
Welcome Home Woodlawn	1137.00 1086.00	Individuals	580,00 \$1,884,00	Mt. Calvary	181.39
FELLOWSHIP TOTAL	\$19317.00	SALINE TOTAL <u>SOCIAL BAND</u>	\$49688.42 3988.60	South Heights NEW HOPE TOTAL	280,00 \$1276,39
<u>HARMONY</u>	1014.64	Arbor Grove	1528.65	OLD MT. ZION	90.46
Danville	400.07	Coffman	1358,00	Faith	180.00
Plainview Ranger	4849.00 1436.12	Corning	784.00	New Sulphur	150.00
Upper Spring Creek	970.00	Faith Grandview	4880.00 187.00	Rogers Victory	320.00 165.00
Wilson	1487.59	Harmony	750.00	OLD MT. ZION TOTAL	\$905.46
Individual	200.00	Jonesboro, First	3416.03	POLK BAYOU	300.00
HARMONY TOTAL	\$10357.42	Mountain Home, First	451.35	Allen Chapel	1680.00
LITTLE MISSOURR RIVER Arkadelphia, First	2685.89 609.00	Northside O'Kean	549.00 240.00	Ballew's Chapel Batesville, First	240.00 930.92
Daisy	3753.44	Old Reyno	4393.70	Blackland Chapel	240.00
Glenwood	887.31	Paragould, First	671.02	Cave City	240.00
Lake Hills	4193.32	Pioneer	600.00	Grace	(10.00)
Pleasant Grove LMR TOTAL	800.00 \$12928.96	Pocahontas, First	5959.50	Mt. Harmony	520.00
NEW HOPE DISTRICT	640.00	Sharum Sutton	1040.00 3585.60	Newport, First Tuckerman, First	260,00 480,00
Cedar Heights	212.16	United, Walnut Ridge	2846.15	Weaver's Chapel	80.00
Center Point	1380.00	Walnut Ridge, First	2692.30	POLK BAYOÙ TOTAL	\$5870.92
Chapel Lane 18th Street	1170.71 400.00	SOCIAL BAND TOTAL	\$39920.90	SALINE	629.88
Friendship	1016.46	<u>SOUTHEAST ARKANSAS</u> Grace	1098,83 539,00	Crossett, First Pleasant Valley	960.00 322.53
Gravel Hill	200.00	SOUTHEAST TOTAL	\$1637.83	Rose Hill	240.00
Mt. Bethel	3849.83	UNITY	•	Star City, First	393.83
Mt. Calvary Rolling Oaks	2625.00 1271.25	Bethlehem	1228.30	Trinity	117.00
Sharon	1271.25 2265.00	Cavanaugh Greenwood, First	2256.00 3851.83	Warren, First SALINE TOTAL	360.00 \$3023.24
South Heights	2019.41	Oliver Springs	1440.00	SOCIAL BAND	95.13
NEW HOPE TOTAL	\$17049.82	Ozark	1244.00	Jonesboro, First	240.00
NORTHWES	2200.00	Southside	1800.00	Pioneer	40,00
Eureka Springs Moore	763.77 4781.00	Vista UNITY TOTAL	534.00 \$12354.13	Pocahontas, First Sutton	210.00
Oak Lane	380.00	ZION HOPE	\$14004.10	Walnut Ridge, First	600.00 120.00
NORTHWEST TOTAL	\$8124.77	Catcher	934.29	SOCIAL BAND TOTAL	\$1305.13
OLD MT. ZION	450.00	Central	1855.73	SOUTHEAST - Grace	8.00
Bentonville Faith	450.00 520.00	Chester	340.00 160.16	<u>UNITY</u> Charleston	100.00
Freedom	595.23	Enterprise Fort Smith, First	160.16 617.00	Charleston Greenwood	300.00 57.25
Норе	1795.00	Independence	575.00	Oliver Springs	600,00
Huntsville, First	5723.28	Kenner Chapel	400.00	Walnut Street	646.47
Mt. Zion New Sulphur	550.00 300 oo	Kibler Mulhama Vinet	200.00	UNITY TOTAL	\$1603.72
Pea Ridge	300.00 778.66	Mulberry, First Riverdale	740.00 102.00	ZION HOPE DISTRICT Central City	189.00 550.00
Victory	1271.64	Individual	209.00	Highway 71	50.00 50.00
West Ridge	2520.00	ZION HOPE TOTAL	\$6124.18	Kenner Chapel	315.00
	240.00	Individuals	1757.00	Kibler	50.00
Individual					=
OLD MT. ZION TOTAL	\$14743.81	Lafferty Community	100.00	Mulberry, First	240.00
					240.00 \$1394.00 \$22148.62

ARKANSAS FREE WILL BAPTISTS 2000 Associational Receipts									
ASSOC.	COOP	A.C.T.S. 1:8	S.M.	N.H.M.	F.M.	FWBBC	HILLS.	MISC.	TOTALS
ANTIOCH	2,600.00	8,503.00	1,316.00	309.00	-0-	-0-	-0-	2,660.00	15,388.00
Antioch Auxil	liary	2,345.30	•					-	2,345.30
ARKANSAS	-0-	2,472.70	-0-	-0-	571.68	-0-	-0-	1,120.00	4,164.38
CENTRAL	79,975.32	86,945.23	13,037.75	8,355.30	36,557.96	21,664.39	3,382.01	1,255.00	251,172.96
Central Auxili	iary	1,410.12							1,410.12
FELLOWSHIP	26,558.00	19,317.00	1,184.00	3,706.00	345.00	1,497.50	-0-	2,760.00	55,367.50
Fellowship At	uxiliary	2,014.34	<i>500.00</i>						2,514.34
HARMONY	5,109.41	10,357.42	1,873.00	200.00	1,224.00	-0-	982.00	680.00	20,425.83
Harmony Aux	riliary	240.00							240.00
L MO RIVER	22,661.89	12,928.96	64,755.74	6,160.00	1,370.00	2,726.16	4,610.00	1,254.00	116,466.75
L MO River A	uxiliary	<i>752.00</i>							752.00
NEW HOPE	31,085.14	17,049.82	44,692.27	15,965.29	1,623.66	660.00	2,550.46	2,000.25	115,626.92
New Hope Au	xiliary	1,276.39							1,276.39
NORTHWEST	3,669.85	8,124.77	-0-	4,276.00	2,043.00	-0-	55.00	1,080.00	19,248.62
OLD MT ZION	31,761.56	14,743.81	8,958.39	8,902.02	2,410.00	-0-	50.00	3,425.00	70,250.78
Old Mt. Zion A	Auiliary	905.00	-0-						905.00
POLK BAYOU	153,253.54	38,069.94	5,312.53	5,384.17	5,737.58	6,540.00	550.00	3,273.00	118,120.76
Polk Bayou A	uxiliary	5,870.92							5,870.92
SALINE	56,530.40	49,688.42	3,875.19	4,965.28	747.00	3,011.30	4,831.37	4,110.00	127,758.96
Saline Associ		3,023.24							3,023.24
SOCIALBAND	•	39,920.90	12,078.82	4,820.68	3,107.00	1,095.00	1,259.66	3,855.52	133,053.26
Social Band A	•	1,305.13	-0-						1,305.50
SOUTHEAST	797.65	1,637.83	500.00	398.82	-0-	177.82	-0-	135.00	3,844.30
Southeast Au	•	8.00							8.00
	11,418.77	12,354.13	4,186.00	7,355.67	10,086.00	-0-	37,377.00	1,990.00	184,767.57
Unity Auiliary		1,603.72							1,603.72
ZION HOPE	11,994.97	6,124.18	300.00	3,122.67	1,965.72	240.00	-0-	1,505.00	25,252.54
Zion Hope Au	xiliary	1,394.00	300.00		100.00		_		1,794.00
OTHER		5,177.00	8,941.13	1,141.83	1,851.83	5,000.00	5,000.00	430.00	27,541.79
State WAC		34,608.49			.		-0-	4,608.49	·
	04,332.18	333,415.14	171,010.82	75,062.75	69,640.43	42,434.35	60,647.50	31,907.77	1,288,450.92
Total Woman'	s Auxiliary	22,148.62	5,408.49		100.00				27,656.65

Ricky J. Taylor C.P.A., P.A. Certified Public Accountant P. O. Box 2851 Russellville, AR 72811 (501) 967-4439

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors Arkansas State Association of Free Will Baptists, Inc.

I have audited the accompanying statements of financial position of Arkansas State Association of Free Will Baptists, Inc. (a nonprofit Corporation) as of December 31, 2000 and 1999, and the related statements of activities, and cash flows for the years then ended. The financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

The Organization has elected to record the values of land and buildings, specifically the state offices at Conway, Arkansas, at the current appraised values. Generally accepted accounting principles require that operational assets be valued at actual cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Due to limited records and the extensive use of donations relating to the establishment of the above mentioned property, it was not practical for me to extend my examination of such records beyond the amounts recorded.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the actual cash and donations records referred to in the preceding paragraph been susceptible to satisfactory audit tests, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2000 and 1999 and its results of operations and its cash flows for the years then ended in conformity with generally accepted accounting principles. Ruhy of Juster CPAPA

Russellville, Arkansas

June 21, 2001

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2000 AND 1999

ASSETS

ASSETS:	<u>2000</u>	<u> 1999</u>
Cash	\$196,699	\$133,972
Accounts Receivable	291	3,043
Inventory	4,331	4,412
Property, Plant & Equipment		
Less Accumulated Depreciation	<u>391,112</u>	<u>399,515</u>
Total Assets	\$592,433	\$540,942
LIABILITIES AND NET	ASSETS	
LIABILITIES:		
Accounts Payable	\$ 6,828	\$ 7,751
Designated Contributions Payable	100,216	59,306
Sales Tax Payable	39	40
Payroll Taxes Payable	1,517	1,443
Notes Payable	<u>11,535</u>	<u>16,748</u>
Total Liabilities	120,135	85,288
NET ASSETS:		
Unrestricted	456,299	450,592
Permanently Restricted	<u>15,999</u>	5,062
Total Net Assets	472,298	<u>455,654</u>
Total Liabilities and Net Assets	<u>\$592,433</u>	<u>\$540,942</u>

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

		1	999					
	TEMPORARILYPERMANENTLY							
	UNRESTRICTED	T	OTAL					
						TOTAL		
REVENUE:								
Designated contribution	ns-							
National Home Mission	ns \$	\$	\$	75,063	\$	75,063	\$	94,207
Designated contribution	ns-							
Foreign Missions				69,740		69,740		62,933
Designated contribution	ns-							
Acts 1:8				355,564		355,564		334,613
Designated contribution				10.101		40.404		00.474
Free Will Baptist Bible	•			42,434		42,434		36,171
Designated contribution	ons-			00.040		60.640		04.704
Hillsdale	Otto			60,648		60,648		24,734
Designated contribution				46,185		46,185		60,694
Cooperatiave Contribu	•					504,332 233,234		494,608 245,914
Sunday school lit. sale Vision sales and adve	•					9,048		7,680
FWB History book sale	•					335		1,058
National convention fe						15,500		5,475
State convention fees	6,330					6,330		6,715
Rental income	24,480					24,480		24,642
Interest income	3,412			199		3,611		3,552
State Cooperative inco	•			138,601		138,601		133,769
Other income	10,000			15,113		25,113		16,470
Net Assets released fr	•					,		,
Restrictions satisfied								
by payments	792,610			(792,610)		0		0
				·				
Total Revenue	1,599,281		0	10,937	1	,610,218	1,	553,235
EXPENSES:								
Designated contribution	ons 649,634					649,634		613,352
Cooperative contributi	ons 504,332					504,332		494,608
Cost of sales-S.S. lit.	161,366					161,366		169,047
Cost of sales-FWB His	story 330					330		1,070
State convention expe	,					5,807		5,259
Interest expense	561					561		813
Sales tax	24					24		13.922
Property taxes	1,323					1,323		1,208
Payroll taxes	4,488					4,488		3,847
Health insurance & re	,					9,923		9,407
Property insurance	2,071					2,071		1,971

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

2000

1999

TEMPORARILYPERMANENTLY TOTAL UNRESTRICTED RESTRICTED RESTRICTED TOTAL **EXPENSES:(CONTINUED)** 503 \$ 503 \$ \$ 159 Workman's comp insur. 3,500 2,601 Utilities 3,500 1,129 1,163 **Janitor** 1,163 2,174 2,819 Supplies 2,174 Miscellaneous 9,337 9,337 11,220 Salary, holusing, retirement 72,703 68,359 insurance & social sec. 72,703 5,645 5,852 Board mileage & meals 5,645 Auto & travel expenses 4,513 6,597 6,597 4,981 3,165 Repairs & maintenance 4,981 4,664 3,677 3,677 Telephone Postage & printing 26,094 18,022 26,094 1,380 Computer expense 3,651 3,651 45,681 Secretary salaries 51,885 51,885 Stockroom expense 2,035 1,879 2,035 2,900 2,900 2,800 Professional fees Retreat & conference exp. 19,225 19,225 16,248 15,500 5,475 15,500 National Assoc. fees 8,600 5,000 Directors transition exp. 8,600 767 2,453 Acts 1:8 field rep. exp. 767 4,375 3,097 Ministers benev. exp. 4,375 College ministry expense 2,000 0 0 4,000 Contributions-Acts 1:8 8,403 8,403 7,548 Depreciation 0 0 1,593,574 1,534,568 Total Expenses 1,593,574 Increase (Decrease) in 0 5,707 10,937 16,644 **Net Assets** 18,667 Net Assets-

The Accompanying Notes Are an Integral Part of These Financial Statements.

0

0

\$

450,592

\$ 456,299

5,062

15,999

455,654

\$ 472,298

436,987

\$ 455,654

Beginning of Year

Net Assets - End of Year

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2000</u>	<u>1999</u>
Increase in net assets	\$ 16,644	\$ 18,667
Adjustments to reconcile net revenues over expenditures to net cash provided by operating activities:		
Depreciation	8,403	7,548
<pre><increase>decrease in: Accounts receivable Inventory</increase></pre>	2,752 81	<1,194> 395
Increase <decrease> in: Accounts payable Payroll taxes payable Sales tax payable Designated contributions payable</decrease>	<923> 74 <1> 40,910	<376> 248 <36> 17,248
Net Cash Provided by Operating Activities	s 67,940	42,500
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property & equipment	0	<31,250>
Net Cash Used by Investing Activities	0	<31,250>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt Repayment of debt	0 <5,213>	21,351 <9,383>
Net Cash Provided by Financing Activities	s <u><5,213</u> >	11,968
Net Increase <decrease> in Cash</decrease>	62,727	23,218
Cash at Beginning of Year	133,972	110,754
Cash at End of Year	\$196,699	\$133,972
SUPPLEMENTAL DISCLOSURES:		
Cash Paid During the Year for Interest	\$ 561	\$ 813

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arkansas State Association of Free Will Baptists, Inc. is a nonprofit corporation organized to provide central leadership and representation for Free Will Baptists of Arkansas and to handle certain receipts and disbursements of Free Will Baptist Churches. The corporation's support comes primarily from COOP receipts and Sunday School literature sales.

The Corporation is exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code.

The following significant accounting policies have been followed in the preparation of the financial statements:

Basis of Accounting

The Corporation prepares its financial statements using the accrual basis of accounting, which involves the application of generally accepted accounting principles; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Contributions

The Corporation accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Corporation has no temporarily restricted net assets.

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED) DECEMBER 31, 2000 AND 1999

Property and Equipment and Depreciation

Auto, office furniture and equipment and building improvements are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Expenditures for repairs and maintenance are charged to operations when incurred, while major betterments and renewals are capitalized. The following useful lives were used to calculate depreciation:

Auto 4 years
Office furniture & equipment 5 years
Building improvements 10 - 25 years

Cash Equivalents

The Corporation considers all highly liquid investments with a maturity of nine months or less when purchased to be cash equivalents.

<u>Inventory</u>

Inventory is stated at the lower of cost (first in, first out method) or market.

NOTE 2 - PROPERTY & EQUIPMENT

A summary of property is as follows:

	<u> 2000</u>	<u> 1999</u>
Auto	\$ 26,622	\$ 26,622
Office Furniture & Equipment	38,358	38,358
Building Improvements	<u>22,522</u>	22,522
	87,502	87,502
Less Accumulated Depreciation	51,390	<u>42,987</u>
	36,112	44,515
Land and Building	<u>355,000</u>	<u>355,000</u>
Total Property and Equipment	\$391,112	\$399,515

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED) DECEMBER 31, 2000 AND 1999

NOTE 3 - COOPERATIVE CONTRIBUTIONS AND EXPENDITURES

The Corporation receives contributions to be cooperatively allocated among board approved organizations. The percentage allocation of Cooperative Contributions for the years ended December 31, 2000 and 1999 was as follows:

			Janı	uary - June	e July - D	ecember
	<u> 20</u>	<u>000</u>	<u> 1999</u>	9	<u>1999</u>	
<u>I</u>	PLANA	PLAN B	PLAN A	PLAN B	PLAN A F	LAN B
State General Fund	21.0%	21.0%	22.0%	22.0%	21.0%	21.0%
State CTS Board	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
State Missions Boar	d 17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
Christian Ed. Board	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
THE VISION	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
National Association	n 37.5%	33.5%	37.5%	33.5%	37.5%	33.5%
ACTS 1:8 Task Ford	ce 2.0%	2.0%	1.0%	1.0%	2.0%	2.0%
Hillsdale	0.0%	4.0%	0.0%	4.0%	0.0%	4.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

NOTE 4 - DESIGNATED CONTRIBUTIONS PAYABLE

The Corporation receives designated contributions from churches and individuals that are to be forwarded to the appropriate organization or individual. The Corporation is to remit these contributions in the following month after collection.

NOTE 5 - CONTINGENCY FUND

Arkansas State Association of Free Will Baptists, Inc. makes periodic payments to a contingency fund to be used in case of an emergency at the discretion of the executive board. Contributions to the fund for the years ended 2000 and 1999 are \$ 3,690 and \$ 3,291. This amount is included in Cash and Cash Equivalents on the Statement of Financial Position.

NOTE 6 - RESTRICTIONS ON NET ASSETS

Permanently restricted net assets are available for the following purposes:

	<u>2000</u>	<u> 1999</u>
Ministers Benevolent Fund	\$ 2,200	\$ 62
Directors Transition Fund	13,799	5,000
	<u>\$ 15,999</u>	\$ 5,062
	• •	

These net assets are restricted due to donor restrictions.

ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED) DECEMBER 31, 2000 AND 1999

NOTE 7 - NOTES PAYABLE

THO THE TANGET THE TANGET	<u>2000</u>	<u>1999</u>
Note payable - GMAC, requires monthly installments of \$ 481, including principal and interest at an annual percentage rate of 3.9%. Note is secured by vehicle.	<u>\$ 11,535</u>	<u>\$16,748</u>
Total Debt	<u>\$ 11,535</u>	\$ 16,748

The aggregate maturities of these notes are as follows:

2001	\$ 5,420
2002	5,635
2003	<u>480</u>
	<u>\$ 11,535</u>

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Board has an accounting risk of loss in the area of cash and cash equivalents to the extent cash funds are not insured by a governmental agency. The amount of accounting risk of loss on December 31, 2000 is \$ 75,987.

GENERAL FUND BUDGET January - December 2002

Receipts:		
Cooperative Plan (19.0% of \$525,000)	\$99,750.00	\$99,750.00
Disbursements:		
Salary	\$32,500.00	
Housing	12,600.00	
Retirement	7,200.00	
Social Security	12,000.00	
Hospitalization Insurance	8,500.00	
Board Meals & Mileage	1,500.00	
Travel/Auto	5,000.00	
Phone	2,000.00	
Audit	1,500.00	•
Office Supplies/Printing	1,500.00	
Auto Payments	7,200.00	
Auto Insurance	1,200.00	
Miscellaneous	1,950.00	
Transition	2,700.00	
Computer Fund	600.00	
Secretarial	1,800.00	
Total Disbursements	\$99,750.00	\$99,750.00

OPERATIONAL FUND BUDGET January - December 2002

Receipts:		
Rental Income	\$24,480.00	
Rental Utilities	3,500.00	
Total Receipts	\$27,980.00	\$27,980.00
Disbursements:		
Utilities	\$ 7,000.00	
Pest & Dust Control	500.00	
Janitor & Yard	1,300.00	
Property Insurance	2,800.00	
Property Taxes	1,500.00	
Supplies	1,200.00	
Repairs & Maintenance	1,500.00	
Audit	1,000.00	
Miscellaneous	2,580.00	
Computer/Office Equipment	1,200.00	
Savings/Improvements	5,000.00	
Secretarial	2,400.00	
Total Disbursements	\$27,980.00	\$27,980.00

SUNDAY SCHOOL BUDGET January - December 2002

Receipts:		
Sale of Literature	\$255,000.00	\$255,000.00
Disbursements:		
Literature for Resale	\$156,000.00	
Postage/UPS	7,500.00	
Incoming Freight	1,800.00	
Salaries	43,000.00	
Stockroom Salaries	1,800.00	
Retirement	1,830.00	
Hospitalization Insurance	9,600.00	
Payroll Taxes	15,000.00	
Sales Tax	14,000.00	
Phone	1,200.00	
Supplies	1,210.00	
Audit	1,200.00	
Miscellaneous	1,000.00	
Total Disbursements	\$255,000.00	\$255,000.00

THE VISION BUDGET January - December 2002

Receipts:		
Cooperatiave Plan (2% of \$525,000)	\$10,500.00	
Subscriptions (3,000@\$3 each)	9,000.00	
Advertisements	300.00	
Total Receipts	\$19,800.00	\$19,800.00
Disbursements:		
Printing	\$ 7,500.00	
Postage	6,500.00	
Supplies	1,000.00	
Computer Fund	1,200.00	
Board Mileage & Meals	1,000.00	
Audit	600.00	
Secretarial	1,200.00	
Miscellaneous	800.00	
Total Disbursements	\$19,80.00	\$19,800.00

CONTINGENCY FUND BUDGET January - December 2002

receiptor		
Interest on Checking Account	\$1,800.00	
Total Receipts	\$1,800.00	\$1,800.00

Receipts:

Ricky J. Taylor C.P.A., P.A.
Certified Public Accountant
P. O. Box 2851
Russellville, AR 72811
(501) 967-4439

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees Christian Supply Store, Inc.

I have audited the accompanying balance sheets of Christian Supply Store, Inc. (a nonprofit Corporation) as of December 31, 2000 and 1999, and the related statements of revenue and expenses, and statement of cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Supply Store, Inc. as of December 31, 2000 and 1999 and its results of the operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Ruhy of Juster CPAPA

Russellville, Arkansas

May 17, 2001

CHRISTIAN SUPPLY STORE, INC. BALANCE SHEETS DECEMBER 31, 2000 AND 1999

ASSETS

ASSETS:	<u> 2000</u>	<u>1999</u>
Cash on hand	\$ 200	\$ 200
Cash in bank	11,432	9,584
Cash-contingency fund	656	7,021
Accounts receivable	14,006	14,788
Inventory	<u>261,078</u>	<u>287,059</u>
Total Current Assets	287,372	318,652
FIXED ASSETS:		
Auto	14,159	14,159
Equipment	55,305	50,996
Leasehold Improvements	5,235	0
Less: Accumulated Depreciation	<u><54,548></u>	_<48,880>
Total Fixed Assets	20,151	<u>16,275</u>
TOTAL ASSETS	\$307,523	\$334,927
LIABILITIES AND FUND BAI	<u>ANCES</u>	
LIABILITIES:		
Accounts payable	\$ 83,978	\$57,298
Current notes payable	0	3,567
Payroll taxes payable	3,227	3,469
Sales tax payable	5,453	6,860
Total Current Liabilities	92,658	71,194
Total Liabilities	92,658	71,194
FUND BALANCES:		
Fund balance, Beginning		276.022
· · · · · · · · · · · · · · · · · · ·	263,733	2/0.933
Current year profit <loss></loss>	263,733 <48,868>	276,933 <13,200>
Current year profit <loss> Fund balance, Ending</loss>	•	•
	<u><48,868</u> >	<13,200>

The Accompanying Notes Are an Integral Part of These Financial Statements.

CHRISTIAN SUPPLY STORE, INC. STATEMENTS OF REVENUE AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

REVENUE:	<u>2000</u>	<u> 1999</u>
Sales	\$741,176	\$796,808
COST OF SALES:		•
Merchandise purchases	481,322	488,843
Freight	3,732	3,351
Sales Tax	44,206	45,394
Supplies	12,150	14,016
Commissions	1,918	1,160
Total Cost of sales	543,328	552,764
GROSS PROFIT	\$197,848	\$244,044
OPERATING EXPENSES:		
Advertising	19,603	26,276
Auto expense	1,182	1,058
Insurance	12,548	8,570
Bank charges & credit card fees	3,448	3,357
Miscellaneous	2,434	2,009
Postage	6,528	6,607
Rent	48,000	48,000
Payroll taxes	9,404	9,134
Telephone	3,630	4,274
Travel	1,261	1,046
Salaries-other	84,390	87,103
Manager-salary & housing	31,539	32,138
Manager-insurancae & retirement	3,684	9,489
Professional fees	3,860	3,675
Board mileage and meals	636	725
Property tax	2,320	1,920
Returned checks	<7>	437
Utilities	6,877	6,089
Depreciation	5,668_	5,333
Total operating expenses	_247,005_	_257,240
NET OPERATING PROFIT <loss></loss>	<49,157>	<13,196>

The Accompanying Notes Are an Integral Part of These Financial Statements.

CHRISTIAN SUPPLY STORE, INC. STATEMENTS OF REVENUE AND EXPENSES - CONTINUED FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
NET OPERATING PROFIT <loss></loss>	\$<49,157>	\$<13,196>
OTHER REVENUE AND EXPENSES:		
Interest income	425	527
Interest expense	<u><136></u>	<u><531></u>
NET PROFIT <loss></loss>	\$ <u><48,868</u> >	\$<13,200>

CHRISTIAN SUPPLY STORE, INC. STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

CASH FROM OPERATING ACTIVITIES	<u>2000</u>	<u>1999</u>
Excess of revenues over expenses	\$<48,868>	\$<13,200>
Adjustments to reconcile excess to net cash provided by operating activities:		
Depreciation (Increase)decrease in accouants receivable (Increase)decrease in inventory Increase(decrease) in accounts payable Increase(decrease) in payroll taxes payable Increase(decrease) in sales tax payable	5,668 782 25,981 26,680 <242> <1,407>	5,333 566 14,722 <7,578> 1,239 199
Net cash provided by operating activities	8,594	1,281
CASH FLOWS FROM INVESTING ACTIVITIES: Purchase of fixed assets	<u><9,544</u> >	0
Net cash used in investing acitivities	<9,544>	0
CASH FLOWS FORM FINANCING ACTIVITIES: Repayment of debt	<u><3,567</u> >	<u><4,416></u>
Net cash used in financing activities	<3,567>	<4,416>
Net Increase (Decrease) in Cash	<4,517>	<3,135>
Cash at Beginning of Year	<u>16,805</u>	<u>19,940</u>
Cash at End of Year	\$ 12,288	<u>\$ 16,805</u>

CHRISTIAN SUPPLY STORE, INC. NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Christian Supply Store, Inc., is a nonprofit corporation in Conway, Arkansas, organized to provide Christian material for Arkansas Free Will Baptists. The Bookstore also services many other denominations and organizations within Arkansas and other surrounding states. The inventory consists primarily of bibles, music, literature, clothing, reference and training materials as well as cards and gift items.

METHOD OF ACCOUNTING

The financial statements of the Bookstore have been prepared on the accrual basis of accounting, where income and expenses are recorded as they are earned or incurred.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Estimated useful life of the property, equipment and leasehold improvements range from 3 to 10 years. Depreciation expense for the years ending December 31, 2000 and 1999 are \$ 5,668 and \$ 5,333, respectively.

INVENTORY

Inventory is recorded at lower of cost or market using first-in, first-out method for cost of sales.

STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the company considers all investment instruments purchased with a maturity of three months or less to be cash equivalents. Cash available per operating accounts are \$ 11,632 and cash in the contingency fund is \$ 656.

Cash paid for interest is as follows:

2000

\$ 136

1999

\$ 531

NCOME TAXES

The Bookstore is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Service Code.

USE OF ESTIMATES

The preparation of financial statements in conformity with gener ally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

CHRISTIAN SUPPLY STORE, INC. NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

NOTE 2 - NOTES PAYABLE	<u>200</u>	<u>0</u>	<u> 1999</u>
Note payable - Simmons First Bank, Conway,			
Arkansas, requires monthly installments of			
\$ 412, including principal and interest at an			
annual percentage rate of 9%. The note is			
secured by equipment.	\$	0	\$ 3,567
Total		0	3,567
Less current portion of L-T debt		0	0
Less current notes payable		0	3,567
Long-Term Debt	\$	0	\$ 3,567

NOTE 3 - CONTINGENCY FUND

The Bookstore makes periodic payments to a contingency fund to be used in case of an emergency. The executive board has discretion over the disbursements of these funds. Activity in this fund is as follows:

	<u>2000</u>	<u>1999</u>
Beginning Balance	\$ 7,021	\$ 311
Contributions	11,000	6,600
Disbursements	<17,500>	0
Interest earnings	<u>135</u>	110
Ending Balance	\$ <u>656</u>	<u>\$ 7,021</u>

NOTE 4 - LONG-TERM LEASE

Christian Supply Store, Inc. entered into a long-term lease in September 1997. Scheduled minimum lease payments for the 5 subsequent years are as follows:

2001	\$48,000
2002	\$48,000
2003	\$48,000
2004	\$48,000
2005	\$48,000

NOTE 5 - CONCENTRATION OF CREDIT RISK

The Board maintains cash deposits at a financial institution located in the United States. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$ 100,000. At December, 2000 all of the Board's deposits were insured.

CHRISTIAN SUPPLY BUDGET January - December 2002

Receipts from Sales	\$750,000.00		\$750,000.00
Disbursements:			
Merchandise for Resale	450,000.00	60%	
Employee Salaries:			
Manager's Salary	\$ 18,876.00		
Manager's Housing	12,300.00		
Other Salaries	76,726.00		
Total Salaries	\$107,902.00	14%	
Insurance:			
Hospitalization	11,950.00		
Retirement	2,580.00		
Worker's Compensation	600.00		
Inventory and Equipment	1,680.00		
Total Insurance	16,810.00	2%	
Operating Expenses:			
Advertising	25,000.00		
Freight	4,000.00		
Postage	6,500.00		
Supplies	12,000.00		
Telephone	3,600.00		
Travel and Auto Expense	2,000.00		
Rent	48,000.00	,	
Utilities	7,000.00		
Equipment	1,000.00		
Accounting	3,860.00		
Miscellaneous	2,828.00		
Contingency Fund	2,400.00		
Total Operating Expenses	118,188.00	16%	
Taxes:			
Sales Tax	46,000.00		
Social Sec and Other Withholdin	•		
Property Tax (Inventory and Equ			
Total Taxes	57,100.00	8%	
Total Disbursements	\$750,000.00		\$750,000.00

OASIS CAMPUS MINISTRIES REPORT Kyle Hood, Campus Ministries Director

First of all, it has been an exciting seven months for OASIS Campus Ministries. We are making progress and are ready for the upcoming school year. During the past few months my itinerary was in 19 churches and four associations. We have received over 50 faith pledges from individuals, 11 faith pledges from churches, one faith pledge from an association, and one faith pledge from a Women Active for Christ district association.

Secondly, as the director of OASIS Campus Ministries at Arkansas Tech University, Russellville, Arkansas, I have begun preparation by attending various conferences and making different appointments with campus ministers to see how their campus ministry works. I have been all over Arkansas, and to Springfield, Missouri, and Nashville, Tennessee, to see how other ministries operate.

Thirdly, we have started a Bible study with a group of students from Arkansas Tech University. On average, we have eight students with as many as 19 at a cookout. Also, five area Free Will Baptist churches have represented in our Bible study. It has been a good group from which to develop leadership for the campus ministries.

Lastly, OASIS Campus Ministries is a new adventure for Arkansas Free Will Baptists. We hope a year from now that Arkansas Free Will Baptists will be proud to have started this ministry. We are close in raising support for our budget, so could you please help us in scheduling services to finish this task?

OASIS Pledges/Faith Promise - \$2,647 per month

<u>Amount Needed Per Month - \$3,125</u> Additional Pledges Needed - \$500

OASIS - January-June 2001			
Beginning Balance, January 1, 2001	\$ 3,142.36		
Receipts:			
Cooperative Plan	\$ 3,363.03		
Churches	16,121.69		
Total Receipts	\$19,484.72	\$19,484.72	
Disbursements	\$21,009.97	\$21,009.97	
Ending Balance, June 30, 2001		\$1,617.11	

Disbursements	\$21,009.97	\$21,009.97
Ending Balance, June 30, 2001		\$1,617.11
2002 Proposed	d Budget - OASIS	
Receipts:		
Cooperative Plan (2% of \$525,000)	\$10,500.00	
Churches	17,500.00	
Individuals	20,000.00	
Total Receipts	\$48,000.00	\$48,000.00
Disbursements:	•	, ,
Salary (\$475 per week)	\$24,700.00	
Health Insurance (\$300 per mo.)	3,600.00	
Social Security & Income Taxes	3,000.00	
Housing (\$525 per mo.)	6,300.00	
Travel	3,400.00	
Office Ministry	6,000.00	
Miscellaneous	1,000.00	
Total Disbursements	\$48,000.00	\$48,000.00

41

A.C.T.S. 1:8 TASK FORCE

October 7, 1999

The A.C.T.S. 1:8 Task Force Committee and Executive Director David Joslin met at 2:00 PM, at the First Free Will Baptist Church, Conway, Arkansas, with 12 members present.

The financial reports and giving for 2000 were presented by David Joslin. News reports and prayer requests from the A.C.T.S. 1:8 missionaries were given by Chairman Doug Little.

Motion passed to have Nelson Henderson draft a letter of progress to send to the district moderators and treasurers and to ask each association to send their receipts monthly.

Motion passed to ask Doug Harris to design a 2001 A.C.T.S. 1:8 brochure and map ready for distribution by January 1, 2001.

The following officers were elected for the coming year: Nelson Henderson, Chairman; Doug Little, Vice-Chairman; and David Winfrey, Secretary.

January 23, 2001

The A.C.T.S. 1:8 Task Force Committee and Executive Director David Joslin met at 12:30 PM, at Ryan's Family Steak House in Conway, Arkansas, with 17 members present.

Motion passed to accept the 2000 financial report as given by David Joslin Plans were discussed for the year 2001.

Motion passed to have the secretary send a letter to all the churches lising the different ways money has been raised for A.C.T.S. 1:8 to provide suggestions for raising support.

Motion passed to reprint 5,000 additional 2001 A.C.T.S. 1:8 brochurers.

Motion passed to retain Rev. Sidney Sawrie as field representative for A.C.T.S. 1:8.

April 12, 2001

The A.C.T.S. 1:8 Task Force Committee and Executive Director David Joslin met at 12:00 Noon at Ryan's Family Steak House, Conway, Arkansas, with 11 members present. The January-March 2001 financial giving was presented to the members with a note of a total of \$92,884.02 had been received which was \$34,865.97 short of the projected goal.

A.C.T.S. 1:8 Field Representative Sidney Sawrie reported on his activities for the past three months, and Foreign Mission Board Chairman Doug Little reported on the Arkansas A.C.T.S. 1:8 missionaries.

Motion passed to contact Dale Underwood, representative from the Harmony Association, to see if he could continue to serve on the committee, and if not, that Dorace Bishop be recommended to the Executive Board Board to replace Bro. Underwood.

New ideas for fund raising were discussed. Motion passed that Chairman Nelson Henderson and Doug Little meet with Youth Director Bob Thompson to discuss the involvement of the teens in A.C.T.S. 1:8 giving.

Motion passed to not meet again before the state meeting, and the support goals and the 2002 A.C.T.S. 1:8 Task Force budget be drafted and approved by correspondence.

Motion passed to purchase 2,000 banks for the Children's Globe Bank program for A.C.T.S. 1:8.

Nelson Henderson, Chairman-Social Band Antioch -Jimmy Chronister Arkansas-David Williams Central-Doug Little Fellowship-David Bishop Harmony-Dorace Bishop Little MO River-Kevin Jewell New Hope-Sidney Sawrie Northwest-Doug Harris Old Mt. Zion-David Watson Polk Bayou-David Winfrey Saline-Dwayne Roper Southeast-Phillip Payne Unity-Jim Walker Zion Hope-Chet Smith Women Active for Christ-Lisa Bowden Master's Men - Carmon Rushing

A.C.T.S. 1:8 Mission Task Force Budget January - December 2002

Receipts:

Cooperative Plan (2% of \$525,000)**\$10,500.00**

\$10,500.00

Disbursements:

Travel and Mileage	\$5,500.00	
Printing	1,500.00	
Promotion	3,000.00	
Secretarial	300.00	
Miscellaneous	200.00	
Total Disbursements:	\$10,500.00	\$10,500.00

A.C.T.S. 1:8 Missionary Budget January - December 2002

MISSIONARY	FM BUDGET	RATE	A.C.T.S. 1:8	BUDGET
Bobby Aycock	\$89,042.29	25%	\$22,260.63	4.0%
David Aycock	103,415.74	25%	25,853.94	5.0%
Dale Bishop	121,126.77	50%	60,563.39	12.0%
Eddie Bowerman	91,781.03	100%	91,781.03	17.0%
Stan Bunch	104,597.80	50%	52,298.90	10.0%
Shane Davison	33,004.80	100%	33,004.80	6.0%
Anthony Edgmon	97,716.57	25%	24,429.15	5.0%
Jaimie Lancaster	111,019.10	50%	55,509.55	11.0%
Don McDonald	141,899.73	25%	35,474.93	7.0%
Patsy Vanhook	69,756.37	100%	69,756.37	16.2%
New Missionary	25,000.00	100%	22,840.00	5.0%
Support Services	25,000.00	100%	22,840.00	5.0%
TOTALS	\$1,013,360.40		\$520,932.69	100.0%

STATE HOME MISSIONS BOARD REPORT

October 12, 2000

The State Mission Board met October 12, 2000, at the state office in Conway, Arkansas. The following business was transacted:

- 1. MSC that the present officers be retained: David Copeland Chairman; Paul Payne-Vice-Chairman, and Johnny Fowlkes Secretary.
 - 2. Minutes of the April and July meetings were approved by the board.
 - 3. MSC that the financial reports as presented by David Joslin be approved.
 - 4. MSC that expenses of those who assist Missionary Ramon Zuniga be paid.
- 5. MSC that \$1000 be given to Missionary Zuniga for travel to Mexico when his paperwork is completed.
- 6. Johnny Fowlkes presented a proposal on property which was for sale in the Cabot, Arkansas, area. There was some discussion about the property, but no action was taken.

<u>January 23, 2001</u>

The State Mission Board met January 23, 2001, at the state office. The following business was conducted:

- 1. MSC that the report of Ramon Zuniga be accepted.
- 2. MSC that the report of Kerry Gandy be accepted.
- 3. MSC to approve the 2000 Christmas bonuses of \$500 to each state missionary.
- 4. MSC that if the church property in Cabot becomes available to contact the Mission Board.
 - 5. MSC that \$250 be given to the Hispanic Ministry to reimburse for revival speaker.

March 6, 2001

The State Mission Board met March 6, 2001, during the Minister's Retreat, at Lake DeGray Resort State Park, near Bismarck, Arkansas, and conducted the following business:

The Deacon/Trustee Board of the Mt. Calvary Free Will Baptist Church offered their property and building to the State Mission Board. This proposal was approved by the board.

March 29, 2001

The State Mission Board met March 29, 2001, at the state office. The following business was conducted:

- 1. MSC that the minutes of January 23, 2001, be approved.
- 2. MSC that the financial reports as given by David Joslin be accepted and approved.
- 3. MSC that \$10,000 be transferred to Zuniga's account from the General Fund Account.
- 4. MSC that Real Estate Exchange be hired to market the 310 Salem Road Property that was recently acquired by the Board.
- 5. A conference call will be held April 3, 2001, to discuss the Cabot Church. (The conference call was postponed to give the Board the opportunity to meet with the First Free Will Baptist Church of Jacksonville to hear their concerns about the possibility of a church in Cabot.) On April 12, 2001, David Joslin, David Copeland, Johnny Fowlkes, and Bobby Shepherd met with the pastor and deacons of the First Free Will Baptist Church, Jacksonville.

May 10, 2001

The State Mission Board met May 10, 2001, at the state office. Brother David Joslin gave the financial report and it was approved by the Board.

- 1. MSC that the 2002 budget be approved as presented.
- 2. MSC to begin a search for our next state mission project.
- 3. MSC to give Missionaries Zuniga and Gandy the amount of \$1500 each for the National Association in Detroit, Michigan.
- 4. Motion lost to purchase the existing church building in Cabot which was presented at the October 12, 2000, meeting.
- 5. MSC to approve the report of Missionary Kerry Gandy concerning the Rolling Oaks Church in Maumelle. It was projected that this work would be debt free and self-supporting by August 2002.

44

STATE HOME MISSIONS BOARD REPORT, Continued

May 29, 2001

The State Mission Board met via conference call with all members present to consider an offer made on the Conway church property. MSC to accept the offer contingent upon financing.

July 9, 2001

New Work

Total Disbursements

The State Mission Board met July 9, 2001, at the state office and conducted the following business:

- 1. Auditor Ricky Taylor presented the 2000 financial reports. MSC to accept and approve the report as given.
 - 2. MSC to accept the June 2001 financial reports as given by Sue Patton.
- 3. John Fowlkes informed the board that the prospected buyer of the Conway property had asked the State Mission Board to carry a portion of the financing. MSC to carry a second mortgage only after all other avenues had been pursued.

State Mission Board Budget January - December 2002

Receipts:		
Cooperative Plan (17% of \$525,000)	\$ 89,250.00	
West Monroe to Landmark FWB	4,500.00	
Rolling Oaks to Pastoral Support	7,000.00	
Lake Hills, Hot Springs to APPLE	21,000.00	
Churches, Individuals, Associations	<u> 78,250.00</u>	
Total Receipts:	\$200,000.00	\$200,000.00
Disbursements:		
Rolling Oaks - Salary and Benefits	\$ 30,940.00	
Rolling Oaks - Property Payment	22,000.00	
Lake Hills - Property Payment	27,600.00	
Lake Hills to APPLE	21,000.00	
Hispanic Ministry, Springdale	39,900.00	
Landmark FWB, Monroe, Louisiana	4,500.00	
Phone	1,400.00	
Secretarial Expense	3,600.00	
Computer	2,400.00	
Board Mileage/Meals	3,000.00	
Audit	2,000.00	
Miscellaneous	4,400.00	

David Copeland, Chairman

Paul Payne, Vice-Chairman

Dwayne Roper

Hursel Parker

37.260.00

\$200,000.00

\$200,000.00

Ricky J. Taylor C.P.A., P.A.
Certified Public Accountant
P. O. Box 2851
Russellville, AR 72811
(501) 967-4439

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors

Arkansas State Mission Board of the Arkansas State

Association of Free Will Baptists, Inc.

I have audited the accompanying statements of financial position of Arkansas State Mission Board of the Arkansas State Association of Free Will Baptists, Inc. (a nonprofit Corporation) as of December 31, 2000 and 1999, and the related statements of activities, and cash flows for the years then ended. The financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

The Organization has elected to record the values of land and buildings, specifically the state mission church at Wynne, Arkansas, at the appraised values. Generally accepted accounting principles require that operational assets be valued at actual cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Due to limited records and the extensive use of donations relating to the establishment of the above mentioned property, it was not practical for me to extend my examination of such records beyond the amounts recorded.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the actual cash and donations records referred to in the preceding paragraph been susceptible to satisfactory audit tests, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Arkansas State Mission Board of the Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2000 and 1999 and its results of operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Russellville, Arkansas

June 7, 2001

Ruhy of Juylor CPAPA

Member of: Arkansas Society of Certified Public Accountants Oklahoma Society of Certified Public Accountants

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2000 AND 1999

<u>ASSETS</u>

ASSETS: Cash Cash-Savings Accounts Cash-Certificates of Deposits Property Mortgage/Notes Receivable	2000 \$ 68,683 93,603 152,162 754,918 	1999 \$ 70,772 27,130 145,250 754,918 18,373
Total Assets	\$1,084,937	<u>\$1,016,443</u>
LIABILITIES AND NET A	ASSETS	
Bonus Payable	\$ 4,713	\$ 4,150
Escrow Payable	171,652	97,742
Scholarship Fund Payable	0	9,681
Accrued Payroll	0	3,750
Mortgage Payable	239,752	260,044
Total Liabilities	416,117	<u>375,367</u>
NET ASSETS:		
Unrestricted	660,772	615,317
Temporarily Restricted	8,048	<u>25,759</u>
Total Net Assets	668,820	641,076

\$1,084,937

\$1,016,443

Total Liabilities and Net Assets

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

		2000 TEMBORADII V	/ DCDMANIENITI	V	1999
<u>U</u>		D RESTRICTED	PERMANENTL RESTRICTED	TOTAL	TOTAL
REVENUE:					
General Fund Income	\$ 81,070	\$	\$	\$ 81,070	\$ 81,197
Missionary Income-Hispa	anic Mission	26,690		26,690	38,152
Missionary Income-Maur	melle	53,805	255	54,060	40,431
Missionary Income-Hot S		31,793		31,793	48,603
Missionary Income-New	. •	•		371	0
Guthrie Memorial Income			2,054	2,054	2,948
Louisiana Land Fund Inc	come		_,, 0 0 .	0	10,000
Interest Income	11,908			11,908	9,463
Net Assets released fro	•	s·		11,000	5,400
Restrictions satisfied		J.			
by payments	132,679	(130,370)	(2,309)	0	0
Total Revenue	225,657	(17,711)	0	207,946	230,794
Total Ficvenius	220,007	(17,711)	U	207,940	230,794
EXPENSES:					
Board Mileage & Meals	1,757			1,757	2,432
Telephone	720			720	536
Printing	132			132	242
Postage	157			157	233
Office Supplies	15			15	128
Secretarial Expense	3,600			3,600	3,600
Computer Expense	1,800			1,800	•
Professional Fees	1,800			•	600 1 700
Workman's Comp Insura	•			1,800	1,700
Miscellaneous	` '			(61)	93
	1,563			1,563	1,156
Travel	65			65	50
Missionary ExpMaume	•			48,112	46,658
Missionary Exp-Hot Spro				55,350	46,763
Missionary Exp-Hispanio	•			38,566	39,851
Guthrie Memorial Fund	2,054			2,054	2,948
Guthrie Scholarship Fun				0	266
Louisiana Land Fund-De	•			0	10,000
Louisiana Land Fund Ex	•			4,513	4,513
Interest Expense	20,059	- ·		20,059	<u>21,571</u>
Total Expenses	180,202	0	0	180,202	183,340
la anno anno anno anno anno anno anno an					
Increase <decrease></decrease>	4- 4	44443	_		
in Net Assets	45,455	(17,711)	0	27,744	47,454
Net Assets-					
Beginning of Year	615,317	25,759	0	641,076	593,622
J J					
Net Assets-					
End of Year	\$660,772	\$ 8,048	\$ 0	\$ 668,820	\$ 641,076
•			<u> </u>		

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u> 1999</u>
CASH FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 27,744	\$ 47,454
Increase <decrease> in:</decrease>		
Bonus payable	563	2,539
Escrow payable	73,910	39,999
Remittance due	0	<1,128>
Accrued payroll	<3,750>	3,750
Scholarship Fund payable	<u><9,681</u> >	166
Net Cash Provided by Operating Activities	88,786	92,780
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from collection from		
Mortgage Receivable	2,802	2,537
Net cash Provided from Investing Acitivities	2,802	2,537
CASH FLOWS FORM FINANCING ACTIVITIES:		
Repayment of debt	<20,292>	_<16,672>
Net Cash Provided by Financing Activities	<u><20,292></u>	<16,672>
Net Increase < Decrease > in Cash	71,296	78,645
Cash at Beginning of Year	243,152	164,507
Cash at End of Year	\$314,448	\$243,152
SUPPLEMENTAL DISCLOSURES: Cash Paid During the Year for Interest	\$ 20,059	\$ 21,571

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arkansas State Mission Board of the Arkansas State Association of Free Will Baptists, Inc. is a nonprofit Corporation incorporated under the law of the State of Arkansas. The purpose of the corporation is to establish and support Free Will Baptists Mission Churches in the state of Arkansas. The corporation's support comes primarily from donor contributions and COOP receipts.

The Corporation is exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code.

The following significant accounting policies have been followed in the preparation of the financial statements:

Basis of Accounting

The Corporation prepares its financial statements using the accrual basis of accounting, which involves the application of generally accepted accounting principles; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Contributions

The Organization accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization has no permanently restricted net assets.

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED) DECEMBER 31, 2000 AND 1999

Property

As mentioned in the audit report, the property located in Wynne, Arkansas is carried at the appraised values. The property at Maumelle, Arkansas and Hot Springs, Arkansas is carried at cost plus donated labor and material. Expenditures for repairs and maintenance are charged to operations when incurred, while major betterments and renewals are capitalized.

Cash Equivalents

The Corporation considers all highly liquid investments with a maturity of six months or less when purchased to be cash equivalents.

NOTE 2 - PROPERTY

A summary of property is as follows:

Land & building - Wynne, Arkansas	\$135,000
Land & building - Maumelle, Arkansas	254,230
Land & building - Hot Springs, Arkansas	<u>365,688</u>
	\$754,918

NOTE 3 - MORTGAGE RECEIVABLE

The State Missions Board has sold various properties to various organizations and carries the mortgage on the property until paid.

NOTE 4 - ESCROW PAYABLE

Rolling Oaks Free Will Baptist Church in Maumelle, Arkansas and Lake Hills Free Will Baptist Church in Hot Springs, Arkansas are making payments to the Arkansas State Mission Board of the State Association of Free Will Baptists, Inc., to be applied to the purchase of the property in Maumelle and Hot Springs respectively. The property will not be transferred to Rolling Oaks Free Will Baptist Church or Lake Hills Free Will Baptist Church until the church goes self-supporting.

ARKANSAS STATE MISSION BOARD OF THE ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED) DECEMBER 31, 2000 AND 1999

NOTE 5 - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2000</u>	<u> 1999</u>
Missionary - Maumelle	\$ 9,928	\$ <4,056>
Missionary - Hot Springs	0	27,286
Missionary - Hispanic Mission	<2,251>	2,529
Missionary - New Mission Work	<u>371</u>	0
	\$ 8.048	\$ 25,759

These net assets are restricted due to donor restrictions. They are released when the donor restriction is satisfied.

<u>2000</u>	<u>1999</u>
\$ 42,363	\$ 51,396
\$10 7 380	208,648
· ———	\$260,044
\$ 11,577	
12,525	
13,552	
14,662	
15,864	
<u>171,572</u>	
\$239,752	
	\$ 42,363 \$ 197,389 \$239,752 \$ 11,577 12,525 13,552 14,662 15,864 171,572

NOTE 7 - CONCENTRATION OF CREDIT RISK

The Board has an accounting risk of loss in the area of cash and cash equivalents to the extent cash funds are not insured by a governmental agency. The amount of accounting risk of loss on December 31, 2000 is \$ 54,108.

STATE YOUTH BOARD

January 5, 2001

Members present: Patrick Baze, John Reed, Leo Martin, Mark Stripling, Bob Thompson, and David Joslin.

- 1. Financial reports were approved for the quarter and annual.
- 2. Children's Retreat speaker approved: Tommy Tombs
- 3. Teen Retreat speaker approved: Phil Chalmers
- 4. Camp dates were set and approved.

May 14, 2001

The board met with members pressent: Patrick Baze, Randall Ray, Mike King, Mark Stripling, and David Joslin.

Director Bob Thompson submitted his resignation. It was accepted by the board.

Procedures were discussed to secure a new director. A letter will be sent to all pastors announcing the resignation and asking for resumes.

June 11, 2001

Board members present: Randall Ray, Patrick Baze, Leo Martin, John Reed, Mike King, Mark Stripling, and David Joslin.

Patrick Baze was excused from discussion after submitting his resume.

Resumes for Director were discussed.

Two candidates would be called for an interview on June 22, 2001. The candidates were Patrick Baze and Tim Ebarb.

June 22, 2001

Members present: Randall Ray, Mike King, John Reed, Leo Martin, Mark Stripling, and David Joslin.

Candidates were interviewed for the position of Director.

June 25, 2001

A Conference call was made with all board members present except Patrick Baze. Brother David Joslin was also present.

A vote was called for, and the new Director will be Patrick Baze.

July 9, 2001

Members present: Randall Ray, Mike King, Leo Martin, Patrick Baze, David Joslin, and Auditor Ricky Taylor.

Motion passed to accept Patrick Baze's resigination from the board to assume the director's position.

There was general discussion about the audit and the incomplete minutes. Motion passed to accept the auditor's report.

Motion passed for Randall Ray to assume the position as Chairman and John Reed to take the position of Vice-Chairman.

Motion passed to send letters of appreciation to all those who submitted resumes and thanking them for submitting.

Motion passed to fix/replace the camp parsonage roof.

Motion passed for Patrick Baze's first day of employment to be Monday, August 13, 2001, and that he turn in all his receipts for his moving expenses, and the camp would pay for those expenses.

Motion passed for Leo Martin to have a plaque made to present to Bob Thompson at the 2001 state meeting in appreciation for his 5 1/2 years of service.

Randall Ray, Chairman
John Reed, Vice-Chairman
Mark Stripling, Secretary

Leo Martin Mike King

STATE YOUTH BOARD BUDGET January - December 2002

Rece	eipts:
****	·ihro•

Cooperative Plan	
(17.5% of \$525,000)	\$91,880.00
Camp Registration and Concession	55,000.00
Camp Rentals	60,000.00
Interest Income	500.00

Total Receipts \$207,380.00 \$207,380.00

Disbursements:

Total Disbursements:

Director Salary	\$30,000.00
Maintenance Caretaker Salary	15,600.00
Maintenance Caretaker Insurance	3,000.00
Clerical Salary	4,000.00
Auto Payment	4,680.00
Director Home Equity	600.00
Car Expense	4,000.00
Utilities-Camp and Director	29,000.00
Camp Insurance	9,000.00
Director Insurance and Retirement	6,000.00
Payroll Taxes	7,500.00
Postage	750.00
Professional Fees	2,200.00
CTS Rally	3,000.00
Conventions	2,500.00
Miscellaneous	1,090.00
Camp Literature	500.00
Pool Maintenance	7,200.00
Food Service	29,000.00
Food Service Labor	5,000.00
Repairs	11,000.00
Supplies	1,500.00
Camp Labor	4,000.00
Guest Speakers	8,000.00
Board Mileage and Meals	1,500.00
Loan Payment	14,760.00
Printing	2,000.00

\$207,380.00

\$207,380.00

Ricky J. Taylor C.P.A., P.A. Certified Public Accountant P. O. Box 2851 Russellville, AR 72811 (501) 967-4439

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc.

I have audited the accompanying balance sheets of Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc. (a nonprofit corporation) as of December 31, 2000 and 1999, and the related statements of revenues and expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The Organization has elected to record the values of fixed assets, specifically the campground land and facilities, at the appraised values. Generally accepted accounting principles require that fixed and operational assets be valued at actual cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Due to the limited records and the extensive use of donations relating to the establishment of the campground properties, it was not practical for me to extend my examination of such records beyond the amounts recorded.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the actual cash and donation records referred to in the preceding paragraph been susceptible to satisfactory audit test, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc. as of December 31, 2000 and 1999, and its results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles. Ruhy of Justin CRAPA

Russellville, Arkansas

July 3, 2001

CAMP BEAVERFORK, ARKANSAS FREE WILL BAPTISTS YOUTH CAMP, INC. BALANCE SHEETS DECEMBER 31, 2000 AND 1999

ASSETS

ASSETS:	<u>2000</u>	<u>1999</u>
Cash in bank	\$ 3,722	\$ 2,872
Cash-contingency fund	1,168	10,971
Cash-capital improvements fund	2,105	779
Cash-Arkansas Youth Scholarship fund	420	0
Accounts receivable	<u>11,237</u>	8,821
Total Current Assets	18,652	23,443
FIXED ASSETS:		
Land and buildings	333,760	333,760
Auto	23,926	23,926
Equipment	49,364	34,597
Camp improvements	192,230	116,586
Less: accumulated depreciation	<u><76,564</u> >	<u><56,082</u> >
Total Fixed Assets	522,716	452,787
TOTAL ASSETS	<u>\$541,368</u>	\$476,230
LIABILITIES AND FUND BAL	LANCES	
CURRENT LIABILITIES:		
Current notes payable	\$84,000	\$ 15,000
Current portion of L-T debt	7,111	6,840
Accounts payable	1,624	1,803
Payroll taxes payable	780	1,610
Designated contributions payable	1,715	0
Total Current Liabilities	95,230	25,253
LONG-TERM DEBT:	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<i>===</i> ,===
Notes payable		
(Less: current portion of L-T debt)	4,276	11,387
TOTAL LIABILITIES	99,506	36,640
FUND BALANCES	77,000	00,010
Fund balance, Beginning of year	439,590	440,265
Excess revenue over expenses	2,272	<675>
Fund balance, End of Year	441,862	439,590
TOTAL LIABILITIES AND FUND BALANCES	\$541,368	\$476,230

The Accompanying Notes Are an Integral Part of These Financial Statements.

CAMP BEAVERFORK

ARKANSAS FREE WILL BAPTISTS YOUTH CAMP, INC. STATEMENTS OF REVENUE AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

ASSETS

	<u>2000</u>	<u> 1999</u>
REVENUE:		
COOP	\$ 80,304	\$80,027
Camp rentals	67,878	85,475
Registration & concessions	52,588	45,510
CTS rally	1,193	3,410
Gifts and contributions	2,845	1,998
Special offerings	1,716	2,253
Interest income	<u>457</u>	<u> 688</u>
Total Revenues	206,981	219,361
EXPENSES:		
Salaries-director	33,644	32,032
Salaries-maintenance	0	22,984
Salaries-clerical	1,022	335
Home equity plan-director	1,200	900
Auto expense	3,889	4,732
Utilities	24,270	25,338
Insurance-camp	6,472	7,880
Insurance and retirement-director	5,700	5,700
Payroll taxes	3,693	5,305
Office supplies	937	3,759
Professional fees	1,875	1,800
CTS rally	2,810	2,088
Meetings & conventions	1,090	2,809
Interest expense	5,529	2,539
Miscellaneous	5,875	1,254
Camp literature	48	425
Pool upkeep	1,908	326
Food service	41,704	44,157
Food service-labor	5,525	8,375
Repairs & maintenance	15,575	15,512
Postage	0	233
Camp labor	10,608	5,624
Guest speakers	6,837	5,663
Designated gifts	1,716	2,255
Board mileage & meals	817	2,019
Printing	1,483	1,382
Depreciation	<u>20,482</u>	<u>14,610</u>
Total Expenses	204,709	<u>220,036</u>
Excess Revenues Over Expenses	<u>\$ 2,272</u>	\$ <u><675></u>

The Accompanying Notes Are an Integral Part of These Financial Statements

CAMP BEAVERFORK ARKANSAS FREE WILL BAPTISTS YOUTH CAMP, INC. STATEMENTS OF REVENUE AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
CASH FROM OPERATING ACTIVITIES Net of revenues over expenses	\$ 2,272	<675>
Adjustments to reconcile net revenue over expenses to net cash provided by operations:		
Depreciation	20,482	14,610
(Increase)decrease in accounts receivable	<2,416>	<2,377>
Increase(decrease) in accounts payable	<179>	<485>
Increase(decrease) in payroll tax payable Increase(decrease) in designated	<830>	160
Contributions payable	1,715	0
Net Cash Provided by Operating Activities	21,044	11,233
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	<90,411>	<67,076>
Net cash used in investing acitivities	<90,411>	<67,076>
CASH FLOWS FORM FINANCING ACTIVITIES:		
Repayment of debt	<6,840>	<9,811>
Proceeds from debt	69,000	36,002
Net cash used in financing activities	62,160	26,191
Net increase (decrease) in cash	<7,207>	<29,652>
Cash at beginning of year	14,622	44,274
Cash at end of year	\$ 7,415	\$ 14,622

CAMP BEAVERFORK, ARKANSAS FREE WILL BAPTISTS YOUTH CAMP, INC. NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc. is a nonprofit corporation established to serve the Arkansas Free Will Baptists Youth by providing summer camp and retreat facilities.

METHOD OF ACCOUNTING

The Camp maintains its financial records on a basis of cash received and cash disbursed for internal purposes, with appropriate accruals for receivable and payable balances at the end of each fiscal period for financial statement purposes. This accounting method is generally accepted among nonprofit organizations as the most feasible way of reflecting their financial activity and position. The fund balance represents the Camp's equity in its assets.

LAND, BUILDINGS AND EQUIPMENT

Due to limited records and the extensive use of donations related to the establishment, development, and maintenance of the campground facilities, the land and buildings are recorded at their appraised value. Generally accepted accounting principles require that fixed and operational assets be recorded at cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Equipment, auto and camp improvements are recorded at cost and appropriate provisions for depreciation have been applied. Depreciation expenses for the years ended are \$ 20,482 and \$ 14,610 respectively.

STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the company considers all investment instruments purchased with a maturity of three months or less to be cash equivalents.

Cash paid for interest is as follows:

2000 \$ 5,529

1999 \$ 2,539

INCOME TAXES

The corporation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Service Code.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

CAMP BEAVERFORK ARKANSAS FREE WILL BAPTISTS YOUTH CAMP, INC. NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2000 AND 1999

ACCOUNTS RECEIVABLE

Accounts receivable represent the balance of the COOP monies and contributions held by the Arkansas Association of Free Will Baptists, Inc. as of December 31, 2000 and 1999, due payable to Camp Beaverfork, Arkansas Free Will Baptist Youth Camp, Inc.

NOTE 2 - NOTES PAYABLE	<u>2000</u>	<u> 1999</u>
Note payable-Simmons First Bank, Conway,		
Arkansas, \$ 100,000, Line of Credit, due on demand,		
including principal and interest at an annual percentage		
rate of 6.50%. This note is unsecured.	\$ 84,000	\$ 15,000
Note payable-Honda America, requires monthly installments of \$ 619, including principal and interest at an annual percentage reate of 3.9%.		
This note is secured by a vehicle	11,387	18,227
•	\$ 95,387	\$ 33,227
Less: Current notes payable	84,000	15,000
Less: Current portion L-T Debt	<u>7,111</u>	<u>6,840</u>
Long-term Debt	\$ <u>4,276</u>	\$ <u>11,387</u>
Scheduled minimum maturities of long-term debt over the year	ers subsequent t	to December

31, 2000, are as follows:

2001	\$	7,111
2002		4,276
	\$_	11,387

NOTE 3 - CONTINGENCY FUND

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc. makes periodic payments to a contingency fund to be used in case of an emergency. The C.T.S. Board has discretion over the disbursements of this fund.

NOTE 4 – DESIGNATED CONTRIBUTIONS PAYABLE

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc., received income that was designated for specific purposes. Money that was not spent that was included in designated contributions payable is as follows:

Arkansas Youth Scholarship Fund	\$ 420
Capital Improvement Fund	1,295
	\$ 1,715
MARLIAR LATON OF SPERIM PLAN	_

NOTE 5 - CONCENTRATION OF CREDIT RISK

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, Inc., maintains cash deposits at a financial institution located in the United States. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2000 all of the corporation's money was insured.

CHRISTIAN EDUCATION BOARD REPORT

October 1, 2000, Conference Call

The Christian Education Board met via conference call, October 1, 2000. The following business was transacted:

MSC to invite the Durbin Family for the 2001 Trailblazer Retreat to be conducted at Camp Beaverfork.

MSC to keep the \$20 price of admission intact for the Free Will Baptist women who will attend the 2000 Woman's Conference. MSC to continue with the Woman's Conference.

January 23, 2001

The Christian Education Board met in Conway, Arkansas, during the All Board's Meeting, January 23, 2001. The following business was transacted:

MSC to have Kendall Ross provide all the essentials for the sound system at the 2001 Minister's Retreat at a cost of approximately \$550.

MSC to give an honorarium of \$1,000 each to Talmadge Johnson and Terry Toler, plus expenses for their part in the 2001 Minister's Retreat.

MSC that Kendall Ross and Jackie Brown serve as a sub-committee in preparation and planning of the next Woman's Conference.

MSC to give Rick Ketchum a letter of appreciation for his support and involvement in the 2000 Woman's Conference, and to provide him with a tax receipt for his \$1,200 donation to the conference.

MSC to provide the Durbin Family an honorarium of \$1,000 plus expenses for their participation in the upcoming 2001 Trailblazer Retreat, September 14-15, 2001 at Camp Beaverfork.

MSC that Rev. Gene Thomas be invited to speak on Friday night, September 14 of the 2001 Trail-Blazer Retreat. An honorarium of \$100 plus expenses will be provided.

MSC to accept the yearly financial statement as presented by the Executive Director.

March 5, 2001

The Christian Education Board met March 5, 2001, during the Minister's Retreat. The following business was transacted:

MSC to appoint a sub-committee composed of Jackie Brown and Kendall Ross to begin planning for a 2002 Women's Conference.

MSC to rescind a motion made during the May 2000 meeting concerning honorariums for Talmadge Johnson and Terry Toler.

MSC to appoint Terri Berry from the Cavanaugh Free Will Baptist Church, Fort Smith, Arkansas, to serve as the chairperson for the committee in planning the 2002 conference for women.

May 8, 2001

The Christian Education Board met May 8, 2001, at the state office in Conway. Leroy Scudder recorded the minutes in the absence of Jackie Brown. An expression of appreciation was given to Harvey Butler for his faithful service to the Board for the past seven years. His term will expire in 2001.

MSC that contact be made with Gene Thomas and the Durbin Family for confirmation.

MSC to continue with the evening meal on Friday night and provide a continental breakfast on Saturday.

CHRISTIAN EDUCATION BOARD REPORT, Continued

MSC to set the date of February 18-20, 2002, for the 2002 Minister's Retreat at DeGray Lake Resort State Park, Bismarck, Arkansas. MSC to invite Al Taylor of the Church of God, Cleveland, Tennessee, and Larry Powell, General Director of the National Home Missions Department, Nashville, Tennessee. After discussion regarding pre-registration required by DeGray State Park, MSC to ask ministers/laymen to pre-register by January 7, 2002, through the state office. Registration cost will be \$50.00 per person.

MSC to approve the 2002 proposed budget.

CHRISTIAN EDUCATION BUDGET January - December 2002

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Cooperative Plan (3% of \$525,000.00)	\$15,750.00	
Minister's Retreat	4,000.00	
Woman's Conference	6,500.00	
Total Receipts	\$26.250.00	\$26,250.00
Disbursements:		
Minister's Retreat	\$ 9,000.00	
Trailblazer Retreat	2,500.00	
Board Mileage and Meals	2,500.00	
Phone	300.00	
Printing and Postage	1,200.00	
Secretarial Expense	1,200.00	
Computer	480.00	
Audit	500.00	
Workshops/Seminars	1,500.00	
Video Purchase	220.00	
Woman's Conference	6,500.00	
Miscellaneous	570.00	
Total Disbursements	\$26,250.00	\$26,250.00

Nelson Henderson, Chairman Jackie Brown, Secretary Harvey Butler

Leroy Scudder Kendall Ross David Taylor

ELECTION SCHEDULE FOR 2001-2002

EXECUTIVE BOARD

TERM ENDS 2002 TERM ENDS 2003 TERM ENDS 2004

Andy Pearcy Dale Blackwell <u>Will Harmon</u>

(Replacing Hoover Lewis)*1

Doug Little Randell Williams <u>Tommy Tims</u>

(Replacing Raymond Chronister)*1

STATE YOUTH BOARD

TERM ENDS 2002 TERM ENDS 2003 TERM ENDS 2004

John Reed Randall Ray <u>Leo Martin</u>

(Replacing Leo Martin)*2

Mike King <u>Johnny Miller</u> <u>Mark Stripling</u>

(Replacing Patrick Baze)(Replacing Mark Stripling)*2

STATE HOME MISSIONS BOARD

TERMS ENDS 2002 TERM ENDS 2003 TERM ENDS 2004

Hursel Parker Bobby Shepherd <u>Randy Burris</u>

(Replacing David Copeland)*1

Dwayne Roper John Fowlkes <u>David Taylor</u>

(Replacing Paul Payne)*1

CHRISTIAN EDUCATION BOARD

TERM ENDS 2002 TERM ENDS 2003 TERM ENDS 2004

Nelson Henderson Leroy Scudder <u>Bob Brown</u>

(Replacing David Taylor)*3

Kendall Ross Jackie Brown <u>Mike Phillips</u>

(Replacing Harvey Butler)*1

HILLSDALE TRUSTEE - Will Harmon (Replacing Will Harmon)

OFFICERS

Moderator - <u>David Bishop</u> Clerk - <u>Randy Ledbetter</u>

(Replacing David Bishop) (Replacing Randy Ledbetter)

Assistant Moderator - <u>David Winfrey</u> Assistant Clerk - <u>Paul Hammons</u>

(Replacing David Winfrey) (Replacing Tommy Tims)

^{*1-}Served two full terms...May not be re-elected

^{*2-}Served one term...May be re-elected

^{*3-}Served one partial term...May be re-elected

2001 OBITUARY REPORT

The following have been called from our midst this past year:

ANTIOCH
Ivy Carr
Ethel Tilley
Gertie Hulsey
Eva Tean Ault
Maxine Bean
Alta Mosley
Cecil Craig
Leverne Henderson

Leverne Henderson Ruby Sykes Eugene Coffman O. C. Lynch Valerie Lynch Don Burris Rev. Hearley Reeves

Vable Alewine
Bill Virden
Cleo Duvall
Jack Power
Ott McGuire
Monroe Davis

Monroe Davis Jess Crow Lewis Johnson Linda Guinn Willie Chism Tom Brown

ARKANSAS
Elsie Roberson
H. H. McConnell
Mary Smith

CENTRAL
Joe Woodward
Paul Finley
Mcree Walling
Peggy Free
Bonnie Pounder
Truman Reynolds
Robert Porter
Sue Stanley
Richard Coe
Vera Eastwood
Larry Phillips
Marie Trammell

FELLOWSHIP
J. B. Patterson
Molly Perea
Opal Bunton
Beatrice Singleton
Vernon "Bud" Nordin
Betty Barham Duvall

Rev. Clyde Bunton
Art Muncy
Elsie Reed
Archie Johnson
Stacy Potts
Phyllis Colflesh

Brooks Staggs (Deacon)
Iva Spaulding
Dorthy Bone

HARMONY
Clyde Bull
Roscoe Hays
Robert Wilson
Margaret Wood
Rena Garner

Ezra Vaught
Hurley Plyler
Raymond McCoy
Kelsie Turner

NEW HOPE
Jarel Don Fowler
Faye Lovin
Kenneth Debusk
Paul Fendley
Doyle Lawrence
Carra Lawrence
Olean Loyd
Eddie Powell
Mrs. Rushel Carter
Carl Duffell
Donald Moss
Mary Aunspaugh
Ora Boyles

NORTHWEST
Fern Langum
W. Birch Porter

OLD MT. ZION **Jackie Dean Phillips Earl Thomas Davis James Curtis Philips** Leon Crouch **Mary Horton Grace Casteel Robert Dela Poute** Ernest R. Bowen Carrie Bolinger Calvin D. Woodring **Dessa White** Kathleen S. Cox May Vanhook Dixie Easterling **Ola Sims** James Elmer Spears

Myrl Stone
Juanita Lockheart
Dessie Waterson
Effie "Susie" Faster
Charles Nall
Edna Roller
Lucille Taylor
Charles Acuff
Fred I. Harger
Scott Marrs, Jr.
John Glendon Barne

John Glendon Barnes
Charles Paruin
Ella Lancaster
Frankie Smith
Johnny Cole
Richard Carmean
Howard Sewell
Ruby Barron
Raymond W. Wilson
Laura Lynch

Kendall Bohlen

OBITUARY REPORT, Continued

POLK BAYOU

Rev. J. W. Blanks
Eddie Joe Johnston
Skeeter Wycough

Lena Clark

Theda Lewis

Noma Manuel

Dallas Estes

Joan Fulbright

Stanley Fulbright

Doyle Poole

Olen Burrow

Marie Burris

Hugh Pentecost Smith

Mike Bowden

Harold Howard

William Earl Sexton

Tava Hicks

Loudean Combs

Amelia Thompson

Edith Elms

Grace Mitchell

Dessie Nell Freeman

Billy Coleman

Eva Miller

Raymond Reddell

Bobby Woodruff

Elmer Driskell

Thelma Rainwater

Jim Ard

Becky Ard

Pauletta Pate

SALINE

Robert L. Morgan

Marie Gibson

Joyce Bradley

Herbert Bradley

Jewel Clark

John S. Fay, Jr.

Carrie Trammell

Howard Loyd

Clark High

Robert Loyd

Carrie Bea Beard

Ronald Gene Beard

L. L. Miller

SALINE, Cont.

Richard Palmer

Bill O'Neal

Melvin McKinney

Bertha Nichols

Norma Beckman

James Carl McKinney

Betty Thompson

Myra Wear

Lena Williams

Ronald Henley

Luther Hays

Bruce Barnett

Lois Folder

Richard D. Wright

Margaret Glossie

SOCIAL BAND

Jim Surles

Rev. Grady Linebaugh

Frona Garner

Ingrid Flaten

Robert Turner

Maxine Partee

Adam Warner

Donna Miller

Guy McCleran

Dave Sullinger

Kevin GIbson

Nina Newson

Ray Branham

T) 1

Dilman Jones

Ethel Kirkendal

Lena Stone

Bonnie Gentry

Henry Brandon

Clarence McGlothlin

Earl Lane

Doll England

W. H. Cox

Helen Monroe

Bessie Spurlock

Lula Dean

Arthur Denton

Sarah Crowley

Charles Tyler

Nellie Clark

SOUTHEAST ARK.

Sidney Lamb

Lamar Payne Ollie Gosney

Shirley Higgins

Dorothy Brooks

Annie Shields

ZION HOPE

Mary Holland

Rev. Rupert Pixley

J. D. Peters

Erchil Cook

Wendell P. Yarbrough

(Deacon)

Dale Spruill

Frances Parks

Donna Satterfield

Opal Comstock

Rev. Lessley Peterman

Hubert "Bear" Duncan

Respectfully Submitted:

OBITUARY

COMMITTEE

Lawnie Coffman

Melvin Shelton

David Taylor

Chet Smith Ron Parker

ARKANSAS STATE ASSOCIATION CONSTITUTION

Preamble

From experience we, the members of the Free Will Baptist denomination, being regularly baptized upon a profession of our faith in Jesus Christ and realizing the necessity of a bond of union and fellowship among us; to preserve and maintain correspondence and coordination with us; to unify the work of the various districts composing the State Association; and to devise and execute measures for the extension of the Kingdom of God in cooperation with the various districts of the Association, for that may be hereafter represented therein, do therefore ordain this Constitution for our better denomination government.

Article I.

Name:

This organization shall be known as the Arkansas State Association of Free Will Baptists, affiliated with the National Association of Free Will Baptists.

Article II.

Purpose:

The purpose of this organization shall be to unify the work of the various districts composing the State Association and to devise and execute measures for the extension of the Kingdom of God in connection with the various districts in the Association.

Article III.

Representation:

Section 1. This association shall be composed of all ordained ministers and deacons with membership in a church belonging to a district association, the district associational clerk, all members of state boards, and standing officers of the state association.

Section 2. Each district association shall be entitled to five (5) lay delegates at large. Each local church which holds membership in a district association affiliated with this body shall be entitled to send one lay delegate.

Section 3. Associational Delegates:

A. In the event any of the elected delegates fail to report, said vacancy may be filled by appointment of the moderator of said district or by the delegates present from said district.

- B. In the event the elected delegate from a local church is not present, the Pastor of that local church shall have the authority to appoint a delegate to serve in place of the absent delegate.
- Section 4. New associations desiring membership in the state association shall send messengers bearing a petitionary letter. If found orthodox, upon examination by the credentials committee, they shall be received by the vote of the association and given the right hand of fellowship by moderator.
- Section 5. The State Convention shall convene annually on the Tuesday following the first Sunday in the month of August unless another time is recommended by the Executive Committee.

Article IV.

Finance:

- Section 1. This association shall be supported by a percentage of the Cooperative receipts as designated by the State Association and by designated gifts. Said allocations to national and state work to be recommended to the association by the budget committee.
- Section 2. Each district association shall send \$25.00 for each church belonging to the district association for the purpose of entertaining the State Association; \$50.00 for each church for National Association fees; and \$5.00 per each church for minutes, for a total of \$80.00.
- Section 3. In the event any church within a local association does not pay its fee; the delegates, deacons, and ministers of that church shall not be seated.

Article V.

Discipline:

Section 1. This State Association shall have the right to settle any questions of discipline, doctrine, or practice that may properly come before it from any of the districts composing said organization. If there be any question of discipline, doctrine, or practice on the part of a district body, delegates of that association shall be not seated until these questions have been settled to the satisfaction of the credentials committee.

Section 2. The decision of the credentials committee may be appealed to the State Association sitting in a committee as a whole.

Article VI.

Officers:

Section 1. The officers of the State Association shall consist of a moderator, assistant moderator, clerk, assistant clerk, and executive director. Each of these, with exception of the executive director shall be elected annually. These shall constitute a standing Executive Committee.

Section 2. The Executive Committee shall plan the State Association. A district association desiring to host the state association shall extend an invitation at least one year in advance. If an invitation is not received, the State Association will convene in the Conway area unless another site is recommended by the Executive Committee.

Section 3. The Executive Committee shall employ the auditor for all standing boards. The auditor shall be responsible to report directly to the committee, and then to the directors and boards. The audits shall be paid for by each respective board.

Section 4. The Moderator shall be an ex-officio member of the Executive Board. The Executive Director shall be an ex-officio member of all standing boards and committees.

Section 5. A committee on committees shall be elected by the body on the opening night of the association. All other committees shall be appointed by the committee on committees.

Section 6. The moderator, assistant moderator, executive director, clerk, and assistant clerk shall serve as the program committee for the State Association.

Article VII.

Duties and Rules of Standing Boards:

Section 1. All standing boards shall be composed of six (6) members, each of whom shall serve for three years. A member may be re-elected for an additional term of three years. No board member shall immediately succeed himself after having served two full three-year terms on said board.

Each board shall prepare a budget of its proposed financial expenditures at the beginning of each fiscal year and shall present same for approval by the Arkansas State Association along with an audit made by an independent certified public accountant, which audit shall lead to the expression of an unqualified opinion on the financial statements. The auditor's report shall include, where applicable, a balance sheet and income statement and other schedules as may be necessary for a proper presentation of the financial condition and results of operation.

Section 2. All boards of this association shall organize immediately following the annual association meeting. They shall elect a chairman, vice-chairman, and secretary. Each board shall give a written report at the annual association of meetings conducted, work accomplished, monies received and expended during the year

Section 3. Executive Board: This board shall have the authority to fill irregular vacancies which may occur in its own body, and any irregular vacancies which may occur in any standing board between sessions of the state association. An office may be declared vacant for any of the following reasons: if a member moves from the State; if a member fails to attend the board meetings for a period of one year without providential hindrance; or if for any reason he submits a statement of resignation.

The Executive Board shall keep a record of all work accomplished, money raised, meetings conducted, and make a full and complete report at the annual association of the State Association. The Executive Board shall receive, hold, manage, use, control, and convey property entrusted to the State Association, except as stipulated elsewhere in the constitution.

No board shall buy or sell real estate, encumber the State Association beyond their current fiscal year and budget, or enter into litigation when the State Association is not in conference without the approval of the Executive Board. The chairman and secretary of the Executive Board shall sign all papers by which the State Association is to become legally responsible.

In case of an emergency situation, the Executive Board shall have the authority to call the State Association in conference by notifying each district association at least ten (10) days prior to the conference.

A bookstore shall be operated under the supervision and direction of the Executive Board who shall have the authority to employ a bookstore manager. A contractual agreement shall be signed annually by the manager of the bookstore and the Executive Board. The manager shall present a financial statement of the bookstore operation at each annual session of the association.

This board shall have the authority to employ the state executive director. A contractual agreement shall be signed annually by the executive director and the Executive Board. The executive director shall assist in coordinating the work of the various boards of the State Association and shall serve as state treasurer. He shall promote both the state and national works, missionaries, mission conferences, etc. It shall be his duty to edit and publish the state paper.

He shall receive, hold, and disburse money as is made available by the State Association to the various boards. Disbursements to the various boards will be made when requested.

He shall present a written report of his work at each annual session of this association, with a financial statement of all monies received and disbursed.

Section 4. Mission Board: It shall be the duty of this board to promote an active missions program. It shall work in cooperation with the national home mission and foreign missions boards in the arranging of missionary conferences, of missionary itineraries, and shall assist in the raising of the State quota for the national missions program.

The board shall not participate in the organization of any church or mission in a town, city, or community where there is an organized Free Will Baptist Church without seeking the cooperation of said church. Neither shall this board assist in the organization of a group that is out of fellowship with an established church.

This board shall be entrusted to receive, hold, manage, use, control, or convey State Mission Property.

Section 5. State Youth Board: It shall be the duty of the State Youth Board to sponsor activities for the youth of the state that will encourage, enlighten, and educate them in a manner which will be uplifting to Christ. This board shall sponsor retreats, conferences, activities, camps, and service oriented projects for the youth. This board shall be trustees of the camp facilities owned by the state. It shall be the responsibility of this board to employ a State Youth Director to manage the camp facilities, organize and coordinate youth activities, and receive and disburse designated funds as directed by this board. The State Youth Director shall promote district, state, and national programs involving the youth. The Youth Director shall be responsible for the hiring and dismissing of camp personnel under the direction of the State Youth Board.

Section 6. Christian Education Board: It shall be the duty of this board to promote Christian education throughout the state. They shall arrange activities which may include conferences, workshops, teacher training courses, and retreats to promote instruction and fellowship.

Article VIII.

Amendments:

This constitution may be amended at any regular session of the State Association by a two-thirds vote of the members present, providing proposed amendment is presented in writing to the body one day in advance.

Article IX.

Hillsdale Trustees:

The State Association shall have two trustees to Hillsdale Free Will Baptist College. They shall give an annual report to the State Association on the progress of the college. One board member shall be elected annually to serve a two-year term.

Article X.

Parliamentary Procedure:

This meeting of the State Association shall be governed by the rules of parliamentary law as set forth in Robert's Rules of Order.