

A large, stylized stained glass window of Jesus with long hair and a beard, wearing a red and gold robe, is positioned on the left side of the cover. The background features a church building with a cross on top, set against a light blue sky with faint clouds.

2009

Mid-Year Annual Report

Village Church

**THE VILLAGE COMMUNITY
PRESBYTERIAN CHURCH**

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Following Jesus For Life

THE VILLAGE COMMUNITY PRESBYTERIAN CHURCH
MEETING OF THE CONGREGATION
October 25, 2009
11:10 a.m.

AGENDA

11:10 OPENING PRAYER

The Rev. Scott Mitchell

11:12 REPORTS

- | | |
|---|-------|
| 1. Approval of the Minutes of the March 1, 2009 Meeting of the Congregation | 23-27 |
| 2. Treasurer's Report – 2009 | 29-32 |
| 3. Election of Officers | |

11:30 STATE OF THE CHURCH REPORT

The Rev. Dr. Jack W. Baca, Senior Pastor

11:50 CLOSING PRAYER

The Rev. Dr. Jack Baca

2009 Mid-Year Annual Report

Dr. Jack Baca, Senior Pastor

"Life is what happens while you are making other plans." Have you heard that saying before? It seems an apt description of the first six months of 2009, the time period covered by this edition of the Annual Report of The Village Church.

The reason for this abbreviated version of the report is that we have changed our program year and the term-of-service year for church officers to more accurately reflect the current reality of ministry. We also have changed the date of our Annual Meeting (from February to October) to reflect this change. All of that tells me something important about our church: we are willing to change *non-essential* things for the sake of staying current as we pursue the *essential* things. Forms and structures will come and go, but our call to proclaim the gospel of Jesus Christ and our work of building the Kingdom of God in the hearts and lives of people will never change.

With that said, we are in the midst of change here, most clearly seen in the campus renovation project that made major progress in the first half of 2009 (and will see completion by the end of the first half of 2010). While we have been looking forward to "the new building," (or "making other plans") we also have been continuing our many ministries here ("life is happening") on behalf of equipping you—the members of the church—to live out in the world as disciples of Jesus. In the pages that follow, you will read much detail of how all of this happens. From an overall perspective, let me make these observations.

First, even through the disruption of the renovation project, we are doing well in staying on course as a church. Attendance and participation remain at previous levels. Giving is still strong, though of course we have experienced some decline due to the economic downturn last fall. Staff morale is high, though we have left some positions unfilled and salaries have been frozen. Most importantly, the spirit of the church is positive, eager to try new things, and focused on the future.

Second, let us be thankful for the many blessings we enjoy as a church. We have talented and committed people all around us as fellow-members, who both encourage and challenge us in our growth and service. We have wonderful worship (two styles!), meaningful study, effective mission, and caring nurture. We have excellent staff to support us along the way. And we are blessed with a beautiful church home that is improving day by day.

Third, it is vital that we continue in this journey in which the Lord has led us. The general climate of our culture is moving away from all things religious, and Christians everywhere face new challenges to our faith and way of life. With this situation comes great opportunity, however, to present the claims of Christ in fresh ways. Our need for a Savior and Lord has not changed even though we may have changed. And so, as you read this report, I encourage you to pray for wisdom and energy as to how you individually and we together will continue to experiment, to grow, to develop, and to faithfully serve. Our best years are ahead of us, and I am excited to be here with you in this journey. Grace and peace to you!

Respectfully submitted,

Dr. Jack W. Baca, Senior Pastor

2009 Mid-Year Annual Report

The Rev. Jan Farley, Associate Pastor

Building blocks would define much of what has happened in areas where I work along side incredible capable members and staff of The Village Church. During the last several months in areas of worship and missions, we have been able to build upon the great ministries, outreach opportunities and programs.

Worship and Arts: Building a presence of classic, choral and contemporary worship and drama at The Village Church. All music and arts programs continue to thrive, and I am grateful for the professionals who work so diligently to maintain a level of excellence. Our Contemporary and Traditional worship services held strong even while parking shrunk, accessibility got squeezed, and visitors struggled to 'find their way' to the Fellowship Center. Duey Neil and the worship band continue to bring a variety of songs both traditional and contemporary in a contemporary style at the 8:45 a.m. worship service. Our Drama Ministry has built a solid foundation for enhancing and engaging folks in worship by it's participation in helping lead. Marianne Schwartz continues to lead a vibrant bell choir and has even brought on a number of new folks! Katy Lundeen continues to amaze us all with her ability to encourage choral music even as she juggles four Children's Choirs (that are growing!) Keith Pagan continues in faithful service to a fully engaged Sanctuary Choir while overseeing Bells and Children's Choir. Our staff for worship and arts is absolutely stellar; God is good! Praise God for the following members of our church who serve on the Worship and Arts Commission and on the Contemporary Worship committee: Denise Bohlken, Michael Dyer, Pat Dickinson, Kathy Hewitt, Kay Wilder, Mark Nydam, Brian Gillette, Elizabeth Hunten, Susan Appleby, (staff, Katy Lundeen, Duey Neil, Keith Pagan, Marianne Schwartz, Margie Wood) I am also grateful for the following people who service on the Task Force for Traditional Worship Service which works to enhance our traditional reformed worship: Lyn Lloyd Smith, Kay Wilder, Don Kiel, Mark and Emily Nydam and Anne Feighner.

Missions is building relationships and more clearly defining our current outreach ministries! Under the guidance of elders Fred Judge and Nina Lovejoy, we have continued to develop and reach out through mission support, Alternative Christmas Market, mission awareness Sundays and mission trips. Although the swine flu kept us from our trip to AMOR Ministries this spring, under the direction of Pat Singer, a trip was successfully completed late this summer. Our youth, in partnership with our Worship Commission and Floresta, took a trip to a village that we support in the Dominican Republic. Along with these mission trips, our Mission Commission worked along side the Children's Choir and Los Angelitos, the Children's Ministry and Monarch school as well as working with the Deacons and the San Diego Rescue Mission. This year we hope to expand our mission participation and outreach in the new fiscal year. Mission trips are set for Oaxaca, India and Kenya where I will travel with Mission teams to see what in the world God is doing with the support from The Village Church. I am grateful to work along side the entire Mission Commission and Liaisons: Fred Judge, Nina Lovejoy, Laura Metzger, Pat Singer, James Pazan, Ray Terhune, Deen Austin and Maria Zack.

The Stephen Ministers and the Deacons (too many to name to list here!) continue to build up the members of this church and community through their care giving. The Deacons continue to assist in home bound communion hospital visitations. Their presence and leadership has brought about some special work along with their care of the flocks in the church. They coordinated Christmas in July for San Diego Rescue Mission and provided financial support in emergencies to those in need. Our Stephen Ministers started a partnership for training and continuing education with Solana Beach this past spring which is really helping to bolster the ministry.

In July and September I took my sabbatical and visited over 13 churches (16 worship services) and met with professors, senior pastors, mission pastors, music and worship leaders and missionaries. The focus of my sabbatical was to study worship and mission with the intent of learning how to enhance our ministries here at The Village Church so we can more intentionally reach people for Christ.

In Christ's Service,

Jan Farley

2009 Mid-Year Annual Report

The Rev. Scott Mitchell, Interim Associate Pastor

God and The Village Church blessed me with a wonderful season of growth and change in ministry during the first half of 2009. Coming alongside me were the Family Commission staff and elders—Jay Shirley, Brian Gillette, Kara Lukash, Karen Jensen, Kathy Hogan, Pam Miller, Don Smith and Ken Ravazzolo—as well as the Connecting Commission elders—Vicki Perry and Don Wenskay. With these faithful followers of Jesus Christ, God's Spirit is doing mighty things at The Village Church.

My formal areas of ministry are the Family Commission and the Connecting Commission, so I will share in that order.

FAMILY MINISTRY

The **Family Ministries Commission**, led by elders **Don Smith** and **Ken Ravazzolo**, oversees our Nursery School, Children's, Student and Family ministries. Our youngest contingent, the children in **The Village Nursery School**, had a great first half of 2009 under the direction of Pam Miller, her able teaching staff and office assistant Linda Nelson. As the entire congregation celebrated the completion of a new younger children's playground in April, the Nursery School in particular looks forward to enjoying it for years to come. The current economy has posed new dynamics throughout the year, but The Village Nursery School is faithfully and creatively addressing these concerns.

Our **Children's Ministry**, under Karen Jensen, Kathy Hogan and the Children's Ministry Committee, has been blessed by the efforts of a host of volunteers and teachers for our Sunday School ministry. As well, we highlighted the year with a "**Popcorn PowWow**" family fun event in February, followed in March by an educational "**Birds and the Bees with Ease**" seminar for young parents. **VBS**, too, went well this year in June, even with us having to take some of our program off campus due to the ongoing construction. In fact, our off-campus program was such a success that we may do it again next year. Children, youth and parent volunteers all had a marvelous time.

The big news in our **Student Ministries** this year was the departure in June of our long-time youth pastor **Jay Shirley**. Jay took an associate pastor position in Santa Barbara and leaves behind a 12-year legacy of youth discipleship and faithful service. Long-time veterans **Brian Gillette** and **Kara Lukash** were hired to be the core of our new ministry team and, along with the help of our Youth Committee, are doing well in their work with junior and senior-highs. They continue to build-up Christ's ministry at The Village Church through our highly successful small groups, mission projects and fellowship events. **The Crossing** has enjoyed a ministry to our college-aged and young adult persons, and is expanding their efforts through the labors of **Kim and Kyle Berg**.

CONNECTING MINISTRY

The **Connecting Commission**, led by elders **Vicki Perry** and **Don Wenskay**, oversaw another successful season of **Tables for 8**. The coming season will add a "*Family* Table for 8" in order to expand our outreach to younger families. Much advanced progress was also made in planning for **Rancho Days 2009**, an event loosely termed "All Things Cowboy." Our **Membership Ministry** enjoyed a banner year as well, as a significant number of new members were received into church membership at monthly session meetings. Besides organizing a New Member Dinner with hosts Jack and Helen Baca at the Manse, we led a 3-week New Members Class during Lent, and scheduled another class to be held in the fall.

BUILDING COMMITTEE

One of the tasks that interim ministry has put on my plate here at The Village Church is some general responsibilities on the **Building Committee**. I have sat in on many meetings and in particular focused on that construction which has been related to the children's programs. In recent months, your Session has approved and moved forward with a plan for the creation of an "**Older Children's Playground**" to replace our former church playground. While it has taken some time, this plan is well into the permitting process and continues to make positive headway. Besides the immediate and obvious play value to the children of our own congregation, Session's larger goal with the new playground is to expand our outreach to young families in the surrounding community. The design of the facility will be multi-use, a three-part configuration with a formal play structure and swing, asphalt sport court, and grass.

The Rev. Scott Mitchell, Interim Associate Pastor, cont'd

Along with the playground, I have been involved in giving program input for the “**Upper Education Building,**” to be housed in what is currently our administration building. This facility will serve well the educational needs of both children and adults until such time as the planned long-term Christian Education Building can be constructed.

STUDY LEAVE

Finally, my study leave was spent at the West Coast Presbyterian Pastor’s Conference, where all of us pastors were challenged by the **Rev. Dr. Mark Labberton**, who shared with us about the “smelling salts” of the **Gospel of Matthew**. Matthew introduces us to all sorts of people who were not the “right kind” of people, but who nonetheless were the people Jesus interacted with and ministered to. We have a God who is unpredictable. “We cannot,” Mark told us, “domesticate God.” Nor should we ever try to domesticate God. After all, “He will baptize you with the Holy Spirit and fire.” (Matthew 3:11)

As we enter into a new church year, may we all be baptized with the Holy Spirit and fire!

Blessings in Christ,

Interim Associate Pastor Scott

**2009 Mid-Year Annual Report
January-June, 2009**

The Church Administrator

Reflecting back on the past 6 months, it has been a true joy helping provide the administrative support for our many programs and a privilege to serve with an outstanding staff as we continue to expand and deepen Christ's ministry at The Village Church.

Since our campus development groundbreaking event on December 7, 2008, great progress has been made in the construction of our new Sanctuary and administration building. Thanks to the leadership of the Building Committee and in particular, Don MacNeil, the promise of our new church home is becoming a reality. There is great anticipation across the congregation as our new church facilities become a blessed cornerstone for God's work. Now, with the nursery playground complete, stucco applied, tile roof installed and cross affixed to the dome, we can readily envision the beauty and majesty of the new campus. Based on the most recent schedule, we anticipate occupancy no later than spring, 2010. Everyone is working diligently to deliver the project on time and under budget. The construction project has been disruptive; creating a series of major problems and minor inconveniences. Through all of these challenges the congregation of The Village Church has been very tolerant and patient. Thank you for your understanding as we build for the future.

Capital stewardship efforts to fund our \$16.5M campus development program continue to surpass all benchmarks for successful campaigns. The initial 3-year Blessed To Be A Blessing campaign concluded March 31, 2009 and generated over \$7.9M in pledges and over \$6.6M in contributions. Many of our church members had pledges which extended beyond 3 years and based on past history, we anticipate all of these pledges to be fulfilled. Our second capital campaign entitled Building Together kicked off on April 26. Pledges to this new 3 year campaign have already surpassed \$5M. This is good news, but we still need \$3.6M in additional pledges to meet our financial requirements. As noted in the Support Ministry report, the church has secured a bank loan to provide the necessary funding for our project. However, borrowing against this loan will cost the church roughly \$7,000 per month for every million dollars of loan balance. On-going stewardship efforts will be necessary to achieve our goal of 100% participation. I remain confident that the congregation will step forward in faith to give to the continued life and ministry of our church.

In addition to the primary campus development activities, efforts are underway to re-roof the nursery school building and current office building in the summer of 2010. Donations to fund these repairs have already been received. We are also close to finalizing the design for the current administration building to serve as the Upper Education Building for the foreseeable future. The completion of this re-model is planned for next summer. A new playground/outdoor use area for our older children is also being finalized.

The persistent economic downturn has necessitated a high level of focus on tightly managing the budgets throughout 2009. Through strict financial management, we generated a slight budget surplus in the first half of 2009. As we enter into a new fiscal year, we need to continue to encourage faithful stewardship for both the building campaign and operating budget and remain prudent with our resources. As an aside, the change in the church's fiscal year from the 12 months ending December 31 to the 12 month period ending June 30 was enacted to better match the church's program year, provide flexibility in managing to the annual budget, align with the nursery school year and link to the October congregational meeting.

Bill Smith, Church Administrator, cont'd

Lastly, I would like to acknowledge the custodial and administrative staff of The Village Church. They have with great patience and grace adapted remarkably well to the upheavals involved with the campus development in an effort to serve the needs of this congregation and His Church.

Respectively submitted,

Bill Smith

2009 Mid-Year Annual Report

Village Church Nursery School

The beginning of 2009 greeted The Village Church Nursery School with a new playground nearly complete. By April we hosted our "Grand Opening and Fundraiser". The evening was successful, and more importantly, fun for the whole family. Our hope is that in the near future we can raise enough funds to complete the playground and implement the 9 elements left out due to lack of funding. The lack of shade on the completed playground posed a serious problem. We implemented umbrellas and small portable shade covers to fill in the gaps until funds are available to add adequate and permanent shade protection. Our playground is a work in progress.

Along with the beginning of 2009 came the world's economic downturn that nearly everyone has felt in one way or another. The nursery school is no different. Our priority registration began in January and continued through May with our community wait list. Preschools in general in San Diego County found enrollment to be about 30% down and the "Village" shared in that down turn. Our enrollment is down about 25% for our 2009-2010 school year. In our attempt to balance our budget every school employee took some kind of significant pay reduction. It is with faith and the exceptional teaching staff that we anticipate enrollment to increase soon.

Chapel continues to flourish under the direction of Gretchen Pearson, one of our veteran teachers. She helps bring simple scripture to life for our preschool youngsters. She has worked very hard, along with Pastor Scott who provides music with "Little Elmo" his guitar, to provide an age appropriate scripture based chapel time.

Our music program with Monica Conway also continues to flourish. The children look forward to music each week, and were able to share some of what they learned in our Mother's Day Celebration. We are blessed to have Monica provide such an inspiring music program for our youngsters.

We are grateful for what we have and continue to praise the Lord for all His wonderful gifts!!!

Respectfully submitted,

Pamela Miller

2009 Mid-Year Annual Report
Children's Ministries

During the first six months of 2009, Children's Ministries of The Village Church followed its vision and purpose of
"Teaching the next generation to follow Jesus for life," by:

- sharing the good news and the stories of the gospel of Jesus Christ with children
- introducing young people to a personal God who cares specifically about them
- providing opportunities for fellowship and interaction with other Christians
- building programs that emphasize integrating faith into everyday lives and
- encouraging awareness of the needs of others along with the need for personal gratitude.

The above stated vision and purpose were realized due to an active and vital team of parent and congregation volunteers working together with staff.

- The Children's Ministry Commission added four adults to the leadership team, currently totaling 7 (not including staff).
- Nursery adult volunteers assisting on Sundays numbered twenty two.
- A "Tweeners / Club 56" staff person was hired who created a dynamic ministry attractive to that age group.
- Weekly Sunday School Classes involved approximately fifteen volunteers.
- Children attended worship with their parents each week prior to attending Sunday School.

New Events: The *Popcorn Pow Wow* in February and a parent forum, *The Birds and the Bees with Ease* which brought in a local pediatric/puberty specialist to speak in March along with *Vacation Bible School* were all major program outreach events and great successes. VBS felt "new" because our church campus was totally different from previous years and children went off campus part of the time with great success and enjoyment.

Other ministry programs included: Monthly Girls Only Bible Study
Age Group (by grade) Social Events; i.e. rock climbing / bowling etc.
One Great Hour of Sharing Fish Bank Collection & Palm Procession
Weekly Sunday School and Acolyte Program
May Building Campaign Kid's Banks -- Distribution and Collection
"Parent Link" monthly newsletter distribution (Church, VBS & NS)

Time was invested in researching possibilities, polling parents / children and attending meetings concerning both the site and actual structure(s) for a future playground that will be appropriate for children five to twelve. Action has been tabled until permits are granted.

Time also was invested developing a good usage plan for the future of the current office space as a "home" for Children's Ministries. (*A short term / temporary space in lieu of the future Christian Education Building.*)

It has been a great six months! God has truly empowered this ministry, enabling and blessing both volunteers and staff.

Respectfully submitted,

Karen Jensen, Director

2009 Mid-Year Annual Report

Student Ministries

This year the VCPC Youth Ministry has undergone a significant amount of growth and change. With the departure of Jay Shirley, Kara Lukash and I have stepped into more significant leadership roles in the ministry. Kara has assumed the role of Assistant Director of Student Ministry, and I the Director of Student Ministry. Our volunteer staff has also changed. We continue to receive the blessing of service from Ian Wimer. Kim and Kyle Berg continue to minister to young adults. We have now acquired the support of Connor Loveall, Susan Anderson, and Doug and Wendy Austin. We have also begun recruiting the support of parent volunteers, and have been blessed over the past couple of months with the response of twelve parents who have agreed to plan and host activities for the youth throughout the year. It would not be possible for us to run a program as extensive as this ministry without the faithful support of the members of our Youth Commission, including Pat Singer, Gena Wilson, Kathleen Nassi, and Susan Appleby, and our elders Don Smith and Ken Ravazzolo.

Sunday morning attendance has continued on par with previous years. We currently offer a Junior High Class at 8:45am and a High School Class at 10am. We have seen an average of 10 – 12 Junior High Students per Sunday, and 15 – 20 High School Students. Our plan is that when the new campus development is complete and more space becomes available, we will be able to run a Junior High and High School Class during both hours. We are looking forward to Confirmation Class which will begin soon and to Youth Sunday in the spring.

The Youth Ministry continues to participate in a number of service projects and mission trips. We support the local Encinitas branch of Fill – A – Belly, which provides food and fellowship for the community of Encinitas. We continue to partner with Ladle's Soup Kitchen at First Pres. in downtown San Diego providing food for the homeless in that area. The Sunday morning offering is used to support two children through Compassion International. Last April, a group of our High School students traveled to New Orleans to assist in reconstruction efforts. In June the High School raised \$3,000 to travel to the Dominican Republic and work alongside Floresta, a non-profit environmental and humanitarian organization which is also supported by our Missions Department. Our Fellowship of Christian Athletes clubs on both Torrey Pines and Canyon Crest Academy Campuses remain strong. The Youth Ministry subsidizes the cost of pizza for both clubs.

Our summer highlights were our programs and camps: We launched for the first time a Junior High Summer Mid-Week, "The Far-side", which saw huge success in terms of attendance, averaging around twenty-five students a week and topping out at thirty-five. We spent the summer analyzing the messages we receive from pop-culture and comparing them to the message of the Gospel. We also took twenty Junior High students to "Rock – N – Water" summer camp this year, a number double that of last years. The High School traveled to the Dominican Republic, served as leaders for the Junior High Program, volunteered at Ladle's soup kitchen, took on the task of preparing the weekly meal for Fill – A – Belly, and attended Forest Home Summer Camp.

The Village Church has a great deal to be thankful for in the Student Ministries. With the launching of our new Small Group program, the Youth Group has seen a steady rise in the number of Junior High Students participating in the program. We have also received an outpouring of support from our parents as we move toward being a family oriented program which is driven by parents. So far this fall, each of our activities have been organized completely by parents. Our next step is to focus more of our efforts in outreach ministry so as to become an ever increasing presence in our community. Please pray for the continued direction of our Lord as we seek to serve Him. May the Lord continue to richly bless this church in its efforts to further the Kingdom of God.

Respectfully submitted,

Brian Gillette, Director

2009 Mid-Year Annual Report

Director of Traditional Music Ministries

It is a joy to represent the music program to the congregation in this annual report. The traditional music program is vigorous, with broad and enthusiastic participation. The campus upheaval challenges have been successfully met, and we look forward to continued growth with the occupancy of the new building.

SANCTUARY CHOIR: The dedication and hard work of the members of the Sanctuary Choir results in year-round contributions to the public worship services. This is a committed group of singers who believe in what they are singing and do so with consummate skill.

CHILDRENS' CHOIRS: Katy Lundeen's development of the Children's Choir program is one of the very bright spots in the life of the church! There are now four choirs rehearsing and performing regularly. They are also involved in local outreach/missions projects. The CrossWinds participated in the National YouthCue in San Antonio. This summer's fourth annual Children's Music and Drama Camp involved over 100 students, climaxing in a public performance of two exciting, fully staged and costumed Christian musicals to a packed house. A very successful Boy's Choir Workshop was conducted in April.

VILLAGE RINGERS: Marianne Schwartz and the Village Ringers are a valuable component of our music ministry. They are regular contributors to the worship services.

MAJOR PERFORMANCES: On Maundy Thursday, we performed Stainer's THE CRUCIFIXION – one of the great classics among oratorios. Later, we performed a much newer work, A NEW CREATION by René Clausen.

GUEST PERFORMANCE: We were privileged to present the internationally acclaimed Westminster Choir College Bell Choir in late May.

WORSHIP ENHANCEMENT: Pat Dickinson continues to provide appropriate, seasonal décor for the public worship area.

WE GIVE THANKS FOR:

Professional soloists: Lisa Elliott, Katy Lundeen, Tom Oberjat, David Marshman

A fine resident organist, Jeffrey Brown

Singers and ringers who joyfully give 1000's of hours each year

Excellent directors who are dedicated, committed and endued by the highest motive

A growing number of volunteers from the congregation who serve as soloists, etc.

Respectfully submitted,

Keith A. Pagan

2009 Mid-Year Annual Report

Director of Contemporary Music Ministries

Review of 2009

We have successfully established variety in Sunday morning worship experiences at The Village Church. The contemporary music team, the drama team, and the pastors now provide a service that is both Presbyterian and styled to reach out to un-churched and younger participants. It is complimentary to the traditional service in that it serves a different group of people. I see the two different styles of worship now poised to thrive along side each other for the good and for the growth of the church in the years ahead.

We have received plenty of encouragement and appreciation from people who attend the contemporary service, and I'm truly grateful for it. I see and experience the presence of the Holy Spirit in our services - times when God is there in the room with us in an unmistakable way. That is the greatest joy, privilege, and affirmation of our efforts. It keeps the music team humble and dedicated to continue.

We have emphasized congregational singing, and this participatory emphasis is catching on. Use of band driven arrangements of hymns, and new worship songs taken from current college age worship experiences are blended in our services weekly. The pastors have adapted aspects of the Sunday messages to be more conversational which I believe has been effective, and helped create a different experience for worshippers.

In July we installed new software that was donated for use in our service, and are now using it smoothly. The result is improved clarity of lyrics and Bible verses, and smoother and more engaging presentation of video in services. It also has freed office staff from graphic preparation for our service, enabling their limited time to be used in other ways.

I am grateful for the humble and professional attitude of the musicians that serve with me at The Village Church, and their cooperation with a reduction of their stipends. I also deeply appreciate The Village Church custodial team, and their help in establishing a weekly routine that successfully shares the Family Center with the Traditional Worship program.

Looking ahead, Rev. Jan Farley invested time during her sabbatical researching trends and styles of contemporary services. We'll be presented with many new ideas for enhancements to our service because of this gift of time she received from the congregation. Dr. Baca has given us a new level of detail regarding the themes and content of his messages for the year ahead. This will enhance integration of message themes in the service plans. We'll continue to evolve our service, looking for ways to encourage worship in the youth programs, and use new elements in our service.

The new building will present opportunities to grow and improve the way we serve people at The Village Church. We hope to see new people from the community at our services too. The next 12 months should be fun!

In Christ's Service,

Duey Neil

2009 Mid-Year Annual Report

Drama Ministry

The Village Church Drama Ministry has become a regionally recognized fellowship of actors who present biblical and secular stories that celebrate the Judaic/Christian traditions of life. The Village Church Community Theater presents family entertainment focused around a morally inspired message to encourage the spiritual and fellowship dimension of our church and local community. We are highly committed to excellence in performance and story material. We are comprised of church and community actors, both professional and talented amateurs of all ages who are selected by auditions for our productions. All are donating their time and talents as volunteers. The Village Church Community Theater has also become a major outreach into the community by attracting audiences and actors from a wide area.

The Worship Service Drama Team is a select group of teen and adult actors who work closely with the pastoral staff to enhance worship through dramatic readings and presentation of biblical scriptural and scripture related stories. They are highly committed to excellence in presentations that inspire and move the congregation to a more intimate and transforming worship experience.

The Selfish Giant, a play based on Oscar Wilde's classic religious themed children's story about a selfish giant who wouldn't share his beautiful garden was presented in March, 2009. The story celebrated the message of friendship and heart changing faith and was a beautiful allegory of Jesus' love for all his children. The cast included twenty children and teens and four adults. Twenty volunteers assisted behind the scenes and the production staff included a paid professional Costume Director, Lighting Designer, Set Designer and Dance Choreographer. Three performances were given of *The Selfish Giant* and generated an audience of approximately five hundred, both from the church and area community.

Director Marge Wood was an award winner of a Calvin College Institute of Worship Grant to attend the Christians In Theater Arts Conference with a focus on the Theater in Worship discipline track. The grant made possible a weekend visit by a mentor from Christians in Theater Arts to the Village Church Worship Service Drama Team in March. Jocelyn Slutka, a professional actor in touring Christian Theater Company, *Friends of the Groom*, director and teacher met with the team, gave a workshop and coached the cast in the Sunday morning worship service drama.

Anne of Green Gables was presented in June by The Village Church Community Theater. Over six hundred people enjoyed this classic story which has been a favorite for over one hundred years. Besides a cast of eleven teen and adult actors representing over six hundred hours in rehearsals, approximately thirty volunteers and five paid professional artistic directors made possible the success of this production.

Respectfully submitted,

Margie Wood
Director, Village Church Drama Ministry

2009 Mid-Year Annual Report

Family Ministries

FAMILY MINISTRIES

The Family Ministries Commission has oversight in the areas of Nursery School, Children's, Student and Family ministries. The Village Nursery School had a great first half of 2009 under the direction of Pam Miller and her able staff. The new, younger children's playground was completed in April, and the Nursery School looks forward to enjoying it for years to come.

Our Children's Ministry, under Karen Jensen, Kathy Hogan and the Children's Ministry Committee, has been blessed by the many volunteers and teachers working with our Sunday School ministry. We held a "Popcorn PowWow" event in February, an educational "Birds and the Bees with Ease" seminar for young parents in March, and had a great week-long VBS experience in June. Children, youth and parent volunteers all had a marvelous time.

The big news in our Student Ministries this year was the departure in June of our long-time youth pastor Jay Shirley. Moving on to a new church, Jay leaves behind a 12-year legacy of youth discipleship and faithful service. Long-time veterans Brian Gillette and Kara Lukash were hired to be the core of our new ministry team and, along with the help of our Youth Committee, are doing well in their work with junior and senior-highs. They are focusing on small groups, mission projects and fellowship events. The Crossing, under Kim and Kyle Berg, continues their expanding ministry to our college-aged and young adult persons.

In recent months, your Session has approved and is moving forward with a plan for the creation of an "Older Children's Playground" to replace our former church playground. This plan is well into the permitting process and continues to make positive headway. Besides the immediate and obvious play value to the children of our own congregation, Session's larger goal with the new playground is to expand our outreach to young families in the surrounding community. The design of the facility will be multi-use, a three-part configuration with a formal play structure and swing, asphalt sport court, and grass.

Along with the playground, we are working on the "Upper Education Building," to be housed in what is currently our administration building. This facility will serve well the educational needs of both children and adults until such time as the planned long-term Christian Education Building can be constructed.

Thank you for all of your prayers and support for the Family Ministry of The Village Church.

Respectfully submitted,

Elders Don Smith and Ken Ravazzolo

2009 Mid-Year Annual Report

Connecting Ministries

The Connecting Commissions has been meeting monthly under the enthusiastic leadership of Pastor Scott Mitchell.

- The Tables for 8 had another successful season.
- The new construction has not hampered new membership numbers as they are significantly up in the first half of the year.
- Pastor Scott conducted a 3 week membership class during Lent.
- Name tags continue to be worn by most of the church service attendees and do help with creating a friendly and welcoming atmosphere.
- The Eggstravaganza and Summer Sunsets were put on hold until next year due to lack of space during construction time.
- Much planning has been put into making Rancho Days a very special event at the church on October 11th.
- Our committee is making plans for a new or updated Church Directory.
- Potential series of celebrative and outreach events are being discussed for the opening of the new sanctuary.

Total Church Membership as of December 31, 2008		1,210
Members received between 1/1/09 and 6/30/09:		28
On Reaffirmation and Confession	11	
By Letter of Transfer	8	
Confession of Faith	7	
Affiliate	2	
Members removed between 1/1/09 and 6/30/09:		6
By Letter of Transfer	4	
By Death	2	
Removed	0	
Total Church Membership as of June 30, 2009		1,232

Respectfully submitted,

Elder Vicki Perry

2009 Mid-Year Annual Report

Discipleship Ministries

The quality and impact of any given church depends on the extent to which its members are learning the Ways of Christ.

LifeLearning SMALL GROUP is a new ministry started this fall for members and friends that would like to be part of a group that engages in lively discussion of the past Sunday's sermon, and to share meaningful prayer and enjoyable fellowship on a weekly basis through the fall season. After a break for the holidays, the groups will reconstitute for winter and spring sessions with a variety of studies and themes. The three groups established for the fall session meet on Tuesday and Wednesday evenings, and on Sunday mornings during the second worship service. LifeLearning is designed to accommodate those who are unable to commit to extended studies and those desiring to get to know more of our church family.

LifeLearning joins several smaller groups that already meet for study and fellowship. The largest of these is the Women's Fellowship that meets weekly on Wednesday mornings. Using a combination of large and small group study, an average of 100 women continue this long standing Bible study. A Men's Bible Study Group meets on Wednesday evening. There is also a Men's Bible Breakfast at Denny's on Thursday mornings. The La Costa Glen Bible Study continued to grow in 2009, meeting weekly on Tuesdays. A Couple's Bible Study also meets twice a month at members homes.

Kerygma: *Discovering the Bible* finished its third year and has been replaced by a new Adult Sunday School led by Elders Don Kiel and Mike Kendall. The group meets Sunday mornings prior to the traditional worship service from 8:30-9:45.

These study and fellowship groups provide a platform from which we will continue to grow our discipleship effort in the current year.

Respectfully submitted,

Elders David Buck and Bill Brackett

Your Mission Commission is grateful for The Village Church support of missions during this period as we sought to make disciples of all nations.

Close to home we have furthered the work of the San Diego Rescue Mission through gifts of money and clothes. We have also ministered to students through our support of Christ-centered organizations including Navigators, Young Life, and Realty Changers. At Christmas time we supported Angel Tree that provides gifts for children with a parent who is incarcerated. We also ran the Alternative Christmas Market (ACM) which provided an opportunity for members of the congregation to contribute funds to partners supported by Missions. In total, \$19,225 was raised and distributed as directed by the givers, to the partners to support their missions. The ACM was especially challenging because of the Church building program, but the support of the congregation was very encouraging for this, the last event held in the Chapel as construction began

Internationally, we have shared the love of Jesus with the street boys of Brazil through our support of Hope Unlimited International who provides Christian homes and educational opportunity for the boys. In Europe, our church helps support the Kazar's who live in Budapest, Hungary, but sometimes travel to bring the "Good News" to other areas in Europe. They are supported through the International Gospel organization. Carrying the gospel out further into the world, The Village Church has continued to support the Cheppema children in Kenya, East Africa, who were forced to leave their previous home by a political situation which made it necessary to move to a nearby area, where they are currently finishing construction on a new home for the children. Most of the children are now in the new home which is named Elma Barnett Children's Centre Kamonong, and known as the Elma Centre. Within our Mission budget and with generous periodic contributions from a Village Church family, we, along with other supporters, have been able to provide assistance, to help the Orphanage survive.

Your Mission Commission has helped organize a coalition, comprised of representatives from The Village Church, three other churches in the area and joined by Friends of Los Ninos (a 501c3 corporation specializing in support for Christian orphanages in Tijuana). The purpose of this coalition is to help the Los Angelitos orphanage attain an acceptable level of financial controls and stability. We are hopeful that the Friends of Los Ninos will step-up to provide enough funds so that the current orphanage facility can be purchased outright to reduce operating expenses and to assure that the children will always have a home.

In this period, we have sent over 14 men, women and young people to overseas locations to actively participate in mission activities. In addition to increased personal involvement in missions, we are pleased to report that our congregation contributed \$126,150 for budgeted missions giving for this total fiscal year. Our church is truly making a difference in the world for the sake of Jesus Christ, and we are grateful for the help of the Village Nursery School, Deacons, Children's Ministries, Student Ministries, Krafty Ladies, Women's Bible Study, and other groups for their hands on mission's involvement this year!

The projects and ministries supported by The Village Church missions in this period included:

African Mission – Barnett/Stover/Elma Center (formerly Cheppema)

Care House Life Ministries (through ACM)

Christian International Scholarship (through ACM)

Floresta

Harry Hakken Scholarship

Hope Unlimited International

International Gospel

Los Angelitos Orphanage

Military Outlook Ministries

Mission to the World

Navigators

Presbyterian Urban Center

Project Amor, House building in Mexico

Realty Changers

San Diego Rescue Mission

Young Life International

Respectfully submitted,
Elder Fred Judge

Worship and Arts Commission

We are deeply grateful for our faithful directors who give us continued leadership in the worship services and presentations. Thank you Dr. Keith Pagan, Pat Dickinson, Michael Dyer, Katy Lundeen, Marianne Schwartz, and Margie Wood for your dedicated service.

Dr. Keith Pagan's devotion to The Village Church and his extensive knowledge of quality sacred music is clearly evident every Sunday. The adult choir faithfully provides beautiful music during the Sunday morning worship service throughout the year. The Christmas and Easter music adds another meaningful way to worship. The talented choir's professional soloists guide the choir weekly during rehearsals and provide special music during the worship services throughout the year.

The children's choirs are lovingly led by Director Katy Lundeen. Director Lundeen has a special ability to inspire children and teens to sing to the Lord with joy. Choral pieces, as well as special presentations provide the children with a place to use their talents. These choirs have become a meaningful ministry to families, friends and community.

The Village Ringers, our bell choir, is under the capable direction of Director Marianne Schwartz. Throughout the year, hours are spent weekly in rehearsals to perfect their talents. Director Schwartz and the bell ringers provide beautiful sacred music during the worship services.

The drama productions are under the direction of Director Margie Wood. This growing ministry to our community has provided individuals with a wide range of ages from our congregation to perform together. Director Wood's passion and commitment provides the drama team an outreach throughout the year.

The worship environment has been guided under the direction of Pat Dickinson. We are grateful to Pat and the hundreds of church members in helping to decorate for the Thanksgiving, Christmas and Easter seasons. In addition, Pat's talents heighten the worship experience in the Fellowship Center for other special occasions throughout the year.

The teams of ushers and servers of communion, under the direction of Michael Dyer, have provided the church and community members with a warm welcome as they come to worship. Their thoughtful caring smiles speak of Christ's love to all. Michael's dedicated leadership is greatly appreciated.

The Village Church is thankful for the dedicated teams of directors, leaders, choir members, bell ringers, actors, decorators, servers, ushers, and helpers in all areas of our worship and arts ministries. We are a blessed congregation.

Respectfully submitted,

Elder Kay Wilder

The Support Commission

The Support Commission oversees The Village Church's financial, stewardship, property, personnel, communications and Foundation initiatives.

The total unaudited operating income for The Village Church during the first half of 2009 was \$1,393,181. This compares to the planned income of \$1,311,970 for a surplus of \$81,211 above budget (+6.2%). Most of this increase traces to the strong performance of the nursery school which was \$75,759 above budget. The church income of \$853,623 was \$5,453 above budget (+0.6%). Versus year ago, total income increased \$65,532 (+4.9%). The nursery school posted an income increase of +13.0% while church income edged down fractionally -0.03%. Importantly, our expenses were well managed to a total of \$1,382,455 (+2.0% above year ago). As such, first half income exceeded expenses by \$10,726. An external audit of the financial performance of The Village Church for the period ending June 30, 2009 will be conducted by the end of October.

A new fiscal year budget covering the period of 7/1/09-6/30/10 has been approved by the Session of The Village Church. The total budget is \$2,599,200; down 3% versus year ago. The approved church revenue budget is \$1,899,200, a +4.0% increase above the year ago period. This increase reflects the anticipated increase in attendance, membership and contributions to the church following the completion of the campus development project next spring. While the church operating budget has been increased, the budget for The Village Church Nursery School has been set at \$700,000, down 13% and in line with an anticipated decline in enrollment. The total expense budget has been set at \$2,599,200, down 3% from our actual '08 spending.

The Support Commission would like to thank all of the members and friends of The Village Church who have given so generously toward our campus development programs. The Blessed To Be A Blessing building campaign which officially concluded March 31 was an unqualified success. During the pot-luck dinner on March 29, we celebrated the generosity of our congregation to help further the cause of Christ. Pledges topped \$7,920,000 and we received an incredible 99.3% of anticipated contributions. To help fund the remaining balance of our \$16.5M campus development a second capital campaign, Building Together was initiated in May. We are delighted to report that this new campaign has received incremental pledges surpassing \$5m. To date, over 83% of all Village Church families have given or pledged future contributions to the construction of our new church. The generosity of the congregation is particularly heartfelt given these challenging economic times.

The Village Church has secured a 5 year fixed loan from Pacific Western Bank of up to \$11.5M for the campus development. During the construction phase interest expenses will accrue. The church will begin to repay the loan principle and interest beginning April, 2011. However, we prayerfully request that the members and friends of the church find it in their hearts to abundantly share their many blessings so we can limit our financial debt.

The Village Christian Foundation was formed in 2001 by the authority of the Session of The Village Church in order to be a ministry to those seeking to expand their Christian stewardship. The Support Commission is working with the Foundation to more effectively address the legacy giving requirements of the congregation and further support the mission of The Village Church.

Communications have been enhanced with a total redesign of The Village Church website thanks to the talents of Adrian Narlock and Don Kiel. Moreover, we have been proactive in communicating the progress of our building efforts through extensive outreach efforts with the local media. The story of what God is doing in this community through the many good works of The Village Church has been well publicized and received.

The Support Commission appreciates and is blessed by the wonderful leadership and work of Bill Smith in his business ministry role directing our Church Administration.

Respectfully submitted,

Elder Hugh Greenway

2009 Mid-Year Annual Report

The Village Christian Foundation

The Village Christian Foundation (VCF) was formed in 2001 by authority of Session of The Village Community Presbyterian Church to be a ministry to givers. Operating as a 501(c)(3) charity, it is governed by a separate board of church members who work to assist the congregation's Christian discipleship in the area of stewardship.

The Village Christian Foundation's focus is to encourage perpetual tithing by including The Village Christian Foundation in personal estate plans and to enhance regular giving through the use of donor advised funds and donations of non-cash gifts.

Through the generous participation and personal stewardship ministries of numerous congregation members, as of June 30, 2009 the liquid invested assets of the Foundation were roughly \$593,000.

Individual grants from the Foundation totaling more than \$110,000 were approved by the Board throughout 2009 to support The Village Church and a number of its key mission-related activities. These included the Cheppema Children's Home in Kenya as well as a variety of local medical and community related causes including Youth Cue and the San Diego YMCA.

Respectfully submitted,

Jerry M. Harris
President

Board of Deacons

Our Deacons are:

CLASS OF 2009	CLASS OF 2010	CLASS OF 2011
Paul Cook	Sue Bartow	Kyle Berg
Julie Klaus	Tom Bowman	Kevin Coons
Lyn Lloyd-Smith	Marilyn Buck	Roger Martin
Julie MacNeil	Chris Marshman	Kathleen Nassi
Bart Schade	Drew Middleton	Karen Pease
Betty Smith	Erika Nienhouse	Wendy Santamaria
Bill Smith	Jerry Seiler	Robin Singer
Larry Wood	John Tanner	

The officers are:

Larry Wood – Moderator
 Karen Pease – Vice – Moderator
 Secretary – Lyn Lloyd-Smith
 Treasurer – Marilyn Buck
 Jan Farley – Ex Officio

We welcomed four new Deacons to the class of 2011 as indicated by the asterisks and rejoiced that Robin, Kathleen and Karen were re-elected to serve again as Deacons. Flocks were reassigned as appropriate along with committee assignments for a seamless transition into the year.

Along with the continued nurturing of our flocks (approximately 25 households/individuals per Deacon) our hard working committees supported the following activities:

- Provided Greeters – Vanguarders for our Sunday services
- Prepared communion for all services
- Prepared and delivered in excess of 25 meals in support of congregational needs
- Over 160 dozen valentine cookies were baked, packaged and delivered to 96 households/individuals showing our love for one another
- Provided complete support for the Christmas in July mission project over a two day period by loading trucks with gifts, preparing receipts and picking up items at households as requested
- Our Treasurer, Marilyn Buck, ensured that we operated within our allocated budgeted requirements and expenditures YTD are 2% below plan. Momentarily, we provided financial support to: American Bible Society, San Diego Rescue Mission, Military Outreach activities (e.g. support to R. Milewski in Afghanistan), Presbyterian Urban Ministries and limited financial support to some of our church family members

In addition to our committee assignments, you may have noted that many of our Deacons can be seen ushering, helping with the Fellowship Center set up/clean up after events and in general supporting all ministry programs occurring at our church.

Praise the Lord for all the work of these individuals.

Respectfully submitted

Larry M. Wood
 Moderator, Board of Deacons

The Village Community Presbyterian Church

Rancho Santa Fe, California
MINUTES OF THE FIFTY-THIRD MEETING OF THE CONGREGATION AND CORPORATION
March 1, 2009

The Annual Congregational Meeting of the Village Community Presbyterian Church of Rancho Santa Fe, California, called by the Session, was held in the Fellowship Center on Sunday, March 1, 2009 at 11:00 A.M, with the Rev. Dr. Jack W. Baca, Senior Pastor and Moderator, presiding. The minutes were taken by Claire Padgett, Clerk of Session. A quorum was present. The meeting date and time were published in the bulletin, posted on the Village Church web site and announced from the pulpit for four weeks prior to the meeting.

Opening Prayer: The opening prayer was offered by Rev. Jan Farley, Associate Pastor.

Reports: The following reports were included in the Annual Report: Report of the Senior Pastor, Associate Pastor, Interim Associate Pastor, Church Administrator, Nursery School, Children's Ministries Director, Student Ministries Director, Traditional Music Ministries Director, Contemporary Music Ministries Director, Worship and Arts Commission, Support Commission, Missions Commission, The Village Christian Foundation.

Approval of the 2008 Meeting Minutes: *A motion was made and seconded* that "the Minutes of the Fifty-Second Meeting of the Congregation of February 24, 2008 be approved as printed." **Motion Carried unanimously.**

Necrology Report: Rev. Dr. Baca read the Necrology Report for 2008. The brothers and sisters of faith of the Village Community Presbyterian Church who were received into the Church Triumphant were remembered in prayer.

Approval of Changes in the By-Laws: Rev. Dr. Baca presented the revisions to the By-Laws as approved by Session. The proposed amendment was printed in the annual report handout on page 35. He explained the usefulness of permitting email voting for Session members as noted in the proposed revision. During the previous Annual Meeting, electronic notification of Session members for Special Meetings was added. This revision permits email voting with approval by a majority of members for routine matters such as changes to meeting dates or approval of Committee-requested fund raising events. In addition, the amendment permits electronic voting on non-routine matters with the condition for approval if the criterion for unanimous approval is met.

Rev. Dr. Baca asked if there were any questions from the congregation concerning the proposed changes. Hearing none the motion was made.

Motion: "To approve the change in the by-laws to add to Article VI, Section 8, Electronic Voting." The **motion was seconded.** **Motion carried by unanimous vote.**

Treasurer's Report for 2008:

Rev. Dr. Baca requested Church Administrator Mr. William Smith to provide the Treasurer's report. Mr. Smith reported 2008 income was approximately \$250,000 below expected due to a decrease in non-designated gifts. In addition, pledge fulfillment was approximately \$100,000 below expected. The trend towards a decrease in giving was observed during the year and spending was decreased by approximately \$78,000. This reduction was not however fast enough to match the full of the decrease in giving. The Nursery School operations did well in 2008. The total deficit was \$167,000 which was covered by a good

cash position. The budget for 2009 was planned using a 10% decrease of total spending as recorded in 2008. Questions from the congregation:

A member requested the definition of the line item of designated funds. The reply was that these were funds designated for Missions. What efforts had been made to follow up on unpaid pledges? The reply was that letters and calls were made to follow up. What is the appraised value of the property and structures? The reply was that the value was approximately \$8.2 million when appraised at the end of year 2007 and as reflected in the budget. How was the operational saving of 2008 achieved? The reply was that every operational aspect was reviewed and reduced.

**Presentation of the
2009 Operating:**

Budget:

Rev. Dr. Baca presented the 2009 operating budget of the Village Community Presbyterian Church as approved by the Session on February 10, 2009, which totals \$1,818,263.

Approval of Changes in Terms of Call for Ordained Staff:

Rev. Dr. Baca indicated the proposed Terms of Call for the Senior Pastor and the Associate Pastors for 2009 as recommended by the Session and presented herein. The totals are unchanged from 2008 only some line item changes were made.

Senior Pastor – Rev. Dr. Jack Baca

Salary

Base Salary	\$ 83,969
Housing Allowance	2,496
403B Contribution	5,970
Additional Pension	2,985
Equity Allowance	<u>5,877</u>
Sub-Total Salary	<u>\$ 101,296</u>

Benefits

Medical/Pension	\$ 31,908
Medical Deductible	7,164
Professional Expenses	11,223
Manse Hospitality	<u>3,390</u>
Sub-Total Benefits	<u>\$ 53,683</u>
Total Senior Pastor	\$154,980

Associate Pastor – Rev. Jan Farley

Salary

Base Salary	\$ 29,016
Social Security Allowance	5,258
Housing Allowance	40,479
Sub-Total Salary	<u>\$ 74,753</u>

Benefits

Medical/Pension	\$ 23,547
Medical Deductible	2,500
Professional Expenses	<u>3,083</u>
Sub-Total Benefits	<u>\$ 29,130</u>
Total Associate Pastor	<u>\$ 103,883</u>

Associate Pastor – Rev. Scott Mitchell

Salary

Base Salary	\$ 25,000
Housing Allowance	40,000
Sub-Total Salary	<u>\$ 65,000</u>

Benefits

Medical/Pension	\$ 20,475
Medical Deductible	125
Professional Expenses	<u>2,400</u>
Sub-Total Benefits	<u>\$ 23,000</u>
Total Associate Pastor	<u>\$ 88,000</u>

Rev. Dr. Baca declared the floor open for discussion and having heard none called for the question. The motion "to receive the Treasurer's Report for 2008 as printed in the Annual Report and to approve the Terms of Call for the Senior Pastor and Associate Pastors as presented." **was moved and seconded. Motion Carried unanimously.**

**Election of
New Deacons:**

Deacons: The following names were placed into nomination for the Office of Deacon, Class of 2011: Roger Martin and Kyle Berg.

Rev. Dr. Baca declared the floor open for additional nominations. There were no nominations from the floor.

The **motion** that "nominations be closed and a unanimous ballot be cast for the election of Deacon nominees as follows: Class of 2011: Roger Martin and Kyle Berg." **was made and seconded. Motion Carried by unanimous vote.**

Annual Report:

It was voted to approve and forward to the General Assembly the Annual Report which includes the number of members on the Active Members Roll, which totals 1,210 on December 31, 2008. A summary is as follows:

Total Church Membership as of December 31, 2007		1,175
Members received between 1/1/08 and 12/31/08		48
By Reaffirmation and Confession of Faith	26	
By Letter of Transfer	22	
Members removed between 1/1/08 and 12/31/08		13
By Letter of Transfer	10	
By Death	3	
Removed	0	
Total Church Membership as of December 31, 2008		1,210

State of the Church Report:

Rev. Dr. Baca gave his perspective on the activities and accomplishments during past year and recognized how the hand of God has been at work in the life of the church and our members. He recognized the positive activities of the faithful and courageous servants in

the congregation who have advanced the church with new and passionate ideas to engage in new ministries which will be beneficial for the long term life of the congregation. The worship schedule change was made successfully and over a short period of time. The Sunday average attendances has increased by about 2% with an average attendance of 140 worshipers at the 8:45 AM Service and 330 at the 10:00 AM Service. About 50 new members were welcomed during 2008. Mission activities continue to grow through continuing support and the support and leadership of these efforts was transitioned to Rev. Jan Farley during 2008. Educational opportunities have flourished and attendance has been good to these sessions including new and small group opportunities. Fellowship opportunities continue through the Table for 8 series, retreats and visits after worship services. Total membership is recorded as greater than 1200 individuals. This number may be slightly high and could be adjusted while the roll sweeping activities take place this calendar year. The Children's and Youth ministry activities were evaluated using outside consultant services during 2008. Through these evaluations we are able to appraise our current programs and initiate effective methods to reach out to the local areas with vitality for development and growth.

Rev. Dr. Baca expressed his thanks and appreciation to those individuals who support the church and to the staff. Scott Mitchell became the interim Associate Pastor this year. During the Annual Meeting of 2008 an Associate Pastor Nominating Committee was approved. This group has been actively searching for a permanent Associate Pastor since April 2008. At this time the Session has asked the APNC to withhold their activities. Due to the current economically uncertain times, it was felt that moving a new pastor with a family was not prudent and we should be in a conservative hold for the time being. Scott Mitchell will continue to serve as the Interim Associate Pastor in the meanwhile. Bill Smith joined as the Church Administrator in March 2008 and brings his skills and commitment to the position. Duey Neil joined the staff as the Director of Contemporary Music and participates as a leader and colleague in the ministry. The staff including these individuals, Rev. Farley and Shirley, Keith Pagan the Traditional Music Ministries Director, and Gustavo Coria who oversees all of the details of the facilities and preparedness for activities were thanked.

The financial life of the church has been impacted by the current economy. As noted in the financial report, the 2009 budget is decreased from the 2008 budget but concern still remains if the decrease is adequate. Rev. Baca requested all to be in prayer for continued support during these times. In addition, some who may not be as greatly affected may be able to take up the slack for those who are more deeply affected. He noted some churches have had to cut staff. The Village Church is increasing efficiency to do more with less dollars and will diligently try to stay away from staff cuts within the church.

The campus development is moving at a swift pace and progress is being seen with structures and construction. Session and the Campus Development Committee continue to look at costs and efficiencies for this project. Rev. Baca is encouraged by the interest in the building by the community. In the midst of all these events and concerns, the Spirit continues to move within the Church. The world outside our doors is hurting and prayers for a strong and healthy message of the Good News of Jesus were requested.

Miscellaneous
Business:

The floor was opened for questions.

Questions were posed by the congregational attendees.

Costs of construction have decreased recently. What actions are in place to take advantage of these decreases? We have positioned ourselves well for cost savings and efficiencies throughout the project planning and execution process. Will the playground for the older children be accessible during the construction process? Yes, the new playground is for the younger children and the playground for the older children will be accessible. We are also looking towards a refurbishment of that playground. Because the education building is not in the plan at this time, the area will go for the playground for the older children.

Rev. Dr. Jack Baca was thanked for all he has done and continues to do as the Senior Pastor for The Village Church.

Adjournment:

Having concluded the business of the Fifty-Third Annual Meeting at 11:55 AM, a request was made for an adjournment motion.

It was ***moved*** and ***seconded*** that "we adjourn the Fifty-Third Annual Congregational Meeting." ***Motion Carried.***

Closing Prayer:

The Rev. Dr. Jack Baca closed the fifty-third Annual Congregational Meeting of the Village Community Presbyterian Church of Rancho Santa Fe with prayer at 11:55 AM.

Respectfully submitted,

Claire S. Padgett
Clerk of Session

Rev. Dr. Jack Baca
Moderator

"Moment for Remembrance"

We remember, with gratitude, the following members of our church, who were received into the Church triumphant, and rest from their labors:

Joseph Botka, who passed away January 6, 2009

Keith Bennett, who passed away June 28, 2009

"FOR ALL THE SAINTS WHO FROM THEIR LABORS REST"

For all the saints who from their labors rest,
Who Thee by faith before the world confessed,
Thy name, O Jesus, be forever blest.

Thou wast their Rock, their Fortress, and their Might;
Thou, Lord, their Captain in the well-fought fight;
Thou, in the darkness drear, their one true Light.

O may Thy soldiers, faithful, true, and bold,
Fight as the saints who nobly fought of old,
And win with them the victor's crown of gold.

FINANCIAL RECAP*
(SIX MONTHS ENDING JUNE 30, 2009)

	ACTUAL	BUDGET	YEAR AGO
<u>INCOME</u>			
Church Operations	\$ 853,622	\$ 848,170	\$ 862,150
Nursery School	\$ 539,559	\$ 463,800	\$ 466,513
TOTAL	\$ 1,393,181	\$ 1,311,970	\$ 1,328,663
<u>EXPENSES</u>			
Church Operations	\$ 935,690	\$ 886,670	\$ 949,985
Nursery School	\$ 446,765	\$ 425,117	\$ 406,740
TOTAL	\$ 1,382,455	\$ 1,311,787	\$ 1,356,725
Surplus/Deficit	\$ 10,726	\$ 183	\$ (28,062)

BALANCE SHEET COMPARISON

	UNAUDITED 2008 RESULTS 12 mos. ending 12/31/08	UNAUDITED 2009 RESULTS 6 mos. ending 6/30/09
Total Current Assets	\$ 3,256,741.00	\$ 900,067.00
Total Fixed Assets	\$ 14,252,405.00	\$ 17,519,476.00
Total Assets	\$ 17,509,146.00	\$ 18,419,543.00
Total Current Liabilities	\$ 7,572,146.00	\$ 8,435,038.00
Total Mortgages & Notes	\$ 857,859.00	\$ 847,767.00
Total Liabilities	\$ 8,430,004.00	\$ 9,282,805.00
Fund Balance	\$ 9,079,142.00	\$ 9,136,738.00
Total Liabilities and Fund Balance	\$ 17,509,146.00	\$ 18,419,543.00

* An audit of our 2008 and 2009 financials is underway. The results will be available for review on the church website in November.

Rancho Santa Fe, California
BALANCE SHEET
Six Months Ending June 30, 2009

ASSETS

Current Assets

Petty Cash	\$ 600
Pac. Western Bank Checking Account	6,331
Pac. Western Bank Money Market Account	366,329
RSF Foundation – NS Restricted Fund	24,321
Pac. Western Bank BTBAB Money Mkt Account	488,326
Accounts Receivable-Tuition	10,447
Prepaid Expenses	<u>3,713</u>

TOTAL CURRENT ASSETS

\$900,067

Fixed Assets

Land & Buildings Church	\$8,200,000
Land & Building Manse	1,485,000
Land & Building Las Colinas	608,000
Mitigated Land Purchase	16,400
Furniture, Fixtures & Equipment	364,100
Vehicles	178,120
Accumulated Depreciation	(367,757)
Construction in Progress	<u>7,035,613</u>

TOTAL FIXED ASSETS

\$17,519,476

TOTAL ASSETS

\$18,419,543

LIABILITIES/FUND BALANCE

Current Liabilities

Accounts Payable	\$ 40,614
Housing Equity Allowance Payable	47,916
Security Deposit Payable	5,600
Accrued Vacation	57,834
Prepaid Pledges 2009	93,140
Deferred Tuition Income '09/'10	303,241
Designated Funds	<u>7,886,693</u>

TOTAL CURRENT LIABILITIES

\$8,435,038

Mortgages & Notes

Notes Payable-La Jolla Bank	\$ 847,767
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TOTAL MORTGAGES & NOTES

\$ 847,859

TOTAL LIABILITIES

\$9,282,805

FUND BALANCE

Prior Year General Fund Equity	\$9,126,012
Income Over/Under Expenses	<u>10,726</u>

TOTAL FUND BALANCE

\$9,136,738

TOTAL LIABILITIES & FUND BALANCE

\$18,419,543

THE VILLAGE CHURCH
Rancho Santa Fe, California
STATEMENT OF INCOME AND EXPENSES
For Six Months Ending June 30, 2009

2009 Income

Contributions

Pledges	\$ 553,911
Non-Designated Gifts	197,532
Plate Offering	14,458
Facility Use Reimbursement	<u>45,000</u>
Sub-Total	<u>\$810,901</u>

Other

Interest Income	\$ 3,391
Rental Income	34,711
Miscellaneous Income	<u>4,620</u>
Sub-Total	<u>\$ 42,722</u>

Nursery School Tuition	<u>539,559</u>
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TOTAL INCOME FROM OPERATIONS	\$1,393,181
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2009 Expenses

Children's Ministries	\$ 2,630
Student Ministries	6,880
Adult Ministries	434
Membership, Evangelism & Congregational Life	9,342
Worship & Music	35,233
Missions	39,498
Presbytery Per Capita	14,388
Communications	13,384
Board of Deacons	2,330
Pastoral Staff	165,580
Program and Support Staff	460,965
Administration	36,778
Physical Resources	<u>148,248</u>
Sub-Total	<u>\$ 935,690</u>

Nursery School Expenses	<u>446,765</u>
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TOTAL EXPENSES – OPERATIONS	\$1,382,455
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TOTAL INCOME OVER EXPENSES – OPERATIONS	\$ <u>10,726</u>
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THE VILLAGE CHURCH
Rancho Santa Fe, California
Fiscal Year 2010 Operating Budget

2010 Income

Pledges	\$1,271,780
Non-Designated Gifts	450,000
Plate Offering	30,000
Facility Reimbursement Income	70,000
Miscellaneous Income	4,000
Las Colinas Rent	35,820
Ave. Esteban Rent	33,600
Interest Income	4,000
Total Income	<u>\$1,899,200</u>

2010 Expenses

Children's Ministries	\$ 8,685
Student Ministries	9,900
Adult Ministries	3,200
Membership, Evangelism & Congregational Life	12,750
Worship & Music	30,990
Communications	22,800
Board of Deacons	5,230
Missions	97,375
Presbytery Per Capita	28,775
Administration	96,700
Physical Resources	314,638
Pastoral Staff	346,863
Program & Support Staff	921,294
Total Expenses	<u>\$1,899,200</u>

Total Operating Budget Income Over (Under) Expenses **0**

2010 Other Income/Expense Budget

Nursery School	
Tuition Income	\$ 680,000
Other Income	20,000
Total Nursery School Income	<u>\$ 700,000</u>

Nursery School Expense	
Salaries	\$ 532,000
Payroll Taxes	40,700
Worker's Compensation	16,800
Services – Church	70,000
Supplies/Telephone	13,500
Equipment/Furniture	5,000
Refunds	13,000
Education	5,000
License/Fees	1,000
Miscellaneous	3,000
Total Nursery School Expenses	<u>\$ 700,000</u>

Total Nursery School Income Over (Under) Expenses **0**

TOTAL VILLAGE CHURCH BUDGET **\$2,599,200**