

Annual Report for 2009
Reverend Stephen Glauz-Todrank

2009 was a mighty busy year at Skyland Church. Take a look at the report of the Missions Board and then move on from there. One of the major projects was shipping three libraries to elementary schools in Botswana and Lesotho, but individual Skylanders and groups were also traveling near and far to do helpful things: Julia Swayne to Botswana, Randy and Glenda McCalla to Fiji. The world was covered with caring energy from so many of you. Thank you all so much for your generous sharing of your time and treasure.

In September we welcomed our seminary intern, Yael Lachman, who was with us through the end of 2009 and will continue to be a part of our community until May of 2010. Yael brings many gifts of ministry to us and has been especially helpful leading us in an important community discussion about our visions for children and youth, the fruits of which came to pass in finding ways to involve older elementary students and younger youth in our worship service and in the first meeting of a youth group that combines high school students and young adults meeting in January of 2010.

In October we marked the 20th anniversary of the Loma Prieta Earthquake by inviting our former interim minister who helped with the aftermath, Rev. Jo Siders, back to guide our memories and reflections on that time.

As I begin my 20th year as your minister at Skyland Church I want to say again how grateful I am to be sharing our vision of Christian community and our wide-ranging mission of care to others with you. It is a blessing and a joy to work and play together and to celebrate in our midst the presence of God who is Love and who moves in us and among us to bring that love right out into the open for all to see. Thank you for all your love and support through all these years. Blessings to you!

Stephen

TREASURER'S REPORT (Revised) FOR 2009 CALENDAR YEAR

Thanks to your generous financial and personal support and the success of the 10K run, Skyland Church continues its generous mission outreach. 10K Run proceeds of \$5,650 have been distributed to organizations selected by your Mission board. Special fund raisers and planned giving resulted in \$28,274 of additional outreach. Total outreach \$33,924 is 20.4% of our general operating budget. See Missions report for details.

Your generosity in time and talents resulted in a joyous Harvest Festival with net proceeds of \$14,150. This revenue supports 8.5% of our general operating budget.

Thanks to your response to keep pledges current, pledge support is slightly above target. However, establishing the 'Year to Date' target requires some wisdom from above, sometimes called guessing, due to lump sum giving and new pledges at various times during the year.

Hall rental income is \$1,502 below our year-to date plan, are weddings being postponed due to the economy?

Income from Offerings and Other is \$375 below our financial plan.

Everyone has helped to keep our operating expenses \$3,754 less than planned. The result is our operating net is \$4,424 above the planned amount for the first seven months.

Following is a quick summary of our finances at the start and end of 2009 and the June 1 start of our current 09/10 fiscal year.

Year 2009	January 1	June 1	December 31
General fund Balance	13,148	-4,853	16,116
Special Funds	137,634	133,807	126,596
Total Assets	150,783	128,954	142,713
Earthquake rebuild loan	32,674	31,598	30,167

Change in assets from Jan 1, 2009 to Dec 31, 2009 is \$-8,070.

A summary of our June through December income and disbursements along with year-to-date and annual budget is presented on the next page. Our special fund balances are shown on the succeeding page.

Note: Several items are not in agreement related to general fund balance and net operating balance. I hope to have answers by annual meeting.

Gerald J. Alonzo

Skyland Community Church						11:37 PM
Profit & Loss Financial Plan Performance						Var.
December 2009						+ Good
						- Bad
						12/31/2009
						Cash Basis
	Dec 09	Budget	Jun - Dec 09	YTD Budget	YTD Var.	Annual Budget
Income						
Pledges	27,455	21,765	93,696	92,438	1,258	132,163
Offerings	1,871	1,125	10,787	11,375	(588)	17,000
Other income & surplus	-	8	271	58	213	500
Hall Rental	150	317	715	2,217	(1,502)	3,800
Harvest Festival	21	-	15,384	14,000	1,384	14,000
Womens group	-	-	5	-	5	-
Income Total	29,497	23,215	120,858	120,088	770	167,463
Disbursements						
Arts	-	-	-	-	-	-
Communications	185	375	700	1,725	1,025	3,050
Council	-	-	5	-	(5)	-
Deacons	178	1,283	1,134	2,383	1,249	3,600
Education	-	108	96	258	163	450
Harvest Festival	-	-	1,234	1,550	316	1,550
Human Resources						
Music Director	917	917	5,262	5,287	25	8,654
Pastor	13,368	13,942	65,301	66,100	799	105,596
Mission						
Our Share to UCC	2,896	2,896	8,688	8,688	-	11,584
Other Expenses	-	5	-	32	32	55
Trustee						
Facility Ins., Loan, Taxes	2,725	2,687	10,060	10,027	(33)	13,962
Non-Utility	2,310	1,633	4,910	5,371	461	11,538
Utilities	1,046	325	3,953	3,675	(278)	6,000
Disbursements Total	23,625	24,171	101,342	105,096	3,754	166,039

MISSION SPECIAL			
Mission Income			
10K Run	75		9,689
Local Emergency	1,778		2,218
Other Mission Drives	3,159		5,333
Mission Income Total	5,012		17,240
Mission Special Disbursements			
10K Run Expense	-		3,490
10k Run Outreach	-		5,650
Local Emergency Relief	1,280		1,960
Spical Outreach	3,159		5,333
Mission Special Disbur. Total	4,439		16,434
MISSION SPECIAL NET TOTAL	573		807

Skyland Community Church		11:34 PM							
Balance Sheet		12/31/2009							
As of December 31, 2009		Cash Basis							
Accounts									
Checking plus undeposited funds		35,253							
Savings		26,932							
Investments		80,527							
Total of Accounts						142,713			
General Fund						16,116			
Special Funds									
Liabilities									
Current Liabilities									
Other Current Liabilities									
Board Designated Reserves									
Capital Improvement Fund				131					
Child Care Fund				-					
Choir Fund				2,700					
Endowment Dividends				-					
Endowment Fund				35,503					
Facility Maintenance Fund				2,557					
Hand Bells Fund				3,000					
History Project Fund				3,275					
Memorial Walk Fund				23,250					
Music & Arts Fund				0					
Pastor Discretionary Fund				-					
Pastor Educational/Prof. Fund				3,855					
Pastor Search Fund				924					
Pastor Substitute Fund				-					
Seminary Student Fund				1,726					
Women's Group Fund				80					
Youth Fund				401					
Total Board Designated Reserves				77,402					
Deferred revenue									
Total 10K Run Advance				-					
Pledge Advance				-					
Total Deferred revenue				-					
Total Special Funds				77,402					
Total Special Funds and Memorials						126,596			
Long Term Liabilities									
SBA Loan	Earthquake rebuild			30,167					

To: Trustees, Moderator and Treasurer of Skyland Church

From: Jim Bowen, Auditor

Ref: Skyland Church Audit Report Fiscal Year June 2008 through May 2009

I have audited the Skyland Church Financial Reports and back-up for the Fiscal Year 2008 through 2009. The treasurer's report accurately portrays the financial transactions for that period. The following are comments related to the audit:

1)...The receipts are quite close to the projected numbers in the budget. The pledges were \$118,045, offerings were \$17,259 and other income (10k run, Harvest festival, hall rental, misc.) was \$30,000. The total income was \$165,362 and the expenses were \$157,956. This put us ahead for the year by \$4606 after taking \$2800 for reserves.

2)...Again, as in previous years, the fixed expenses (Pastoral and Church Facilities) ran about 85% of the total expenses. In essence, this says that any attempt to reduce expenses significantly would be difficult, as there is a very small amount of variable expense to be cut. On the income side, any effort to increase revenue would have to come from increased pledges, increased offerings and increased hall rental.

3)... The report given to the members in the newsletter is extremely helpful in defining our financial condition on a

periodic basis. It allows the members to have a real time look at the financial condition of the church in a “painless” way.

4)...In my capacity as Chairman of the Endowment Fund, I had an opportunity to review the assets held in this account (as required by the by-laws). I issued a report to the Council on this and indicated all seems to be in order. The fund has stayed essentially intact for the past few years. However, it has been recommended we review the operation of the fund at the Feb. 2010 Council Meeting.

As in the previous years, I find the work done by Gerry and Jan short of amazing. This activity takes a considerable amount of time and needs a great deal of “attention to detail”. The magnitude of all the transactions, banking, etc is extremely time consuming. Skyland Church is very fortunate to have Gerry and Jan doing this work and the church owes them a great debt of gratitude!!

Jim Bowen
December 30, 2009

Board Of Deacons

The Board of Deacons provides support to the spiritual activities and needs of Skyland Church. Our duties include coordinating services on Sunday mornings, Christmas Eve and Maundy Thursday. We arrange for greeters, ushers, and liturgists each week and set up and serve communion on the first Sunday of each month. The Board also arranges for guest speakers for Sunday services when Rev. Stephen Glauz-Todrank is away and on special occasions. We host coffee hours in December, January and February. In the fall, we host a Deacons Potluck.

This year board member Christina Schwabecher took the initiative to recruit several liturgists from the congregation. She helped to coordinate training by our minister Stephen Glauz-Todrank, and scheduled liturgists for weekly services. Her initiative enabled several members of the congregation to train and serve as liturgists.

The Board of Deacons welcomes new members into the church. We invite prospective members to an orientation where they have the opportunity to learn about Skyland Church and opportunities for members. Persons who wish to join the church are received into membership on new member Sundays, which are held twice a year. We received several new members into the church this year.

For the past two years, Board of Deacons member Don Law has served as our representative on the Memorial Committee, which is working to plan and build a memorial space on the church grounds. Don has been very active on this committee and has reported back to us monthly on its progress.

One of the duties of the Deacons is to support “in-care” members who are called to ministry and members who are in a “Four-Way Covenant between Skyland Church, UCC, the member, and their place of employment.

In September of 2009 we were pleased to welcome Yael Lachman as a student intern from Pacific School of Religion. Our minister Stephen Glauz-Todrank provides guidance and mentoring for Yael. She is also supported by a Teaching Parish Committee of four Skyland members who provide support and feedback from a lay point of view. Yael spends fifteen hours a week in her internship activities. During her year of internship Yael has the opportunity to serve as liturgist and to preach several sermons. She also leads discussion groups on various subjects for the congregation. Yael will lead the Women’s Retreat on February 27.

At Harvest Festival the Deacons hosted a welcome and information booth for the second time. The booth included information about the church and about ways to protect the environment. We distributed reusable shopping bags, which were designed by Glenda McCalla and decorated by several members. People who visited the Harvest Festival received the bags with appreciation and enthusiasm. The booth provided a gracious welcome to the public as they arrived at the Festival.

Marcia Rollins and Jennifer Busam, Co-Chairs

Trustees 2009 Annual Report

Function: The Trustees maintain the physical buildings and help the council create an annual budget.

Trustees: Brian Wood, Michael Overson, John Seckinger, Maire Howard, T.J. Leary, Anthony Petrillo, Lou McTamane, Larry Cooke, and Gene Geist

Maintenance: This year the trustees performed the usual projects including:

1. Checking the fire extinguishers, fire alarm and exit sign batteries
2. Fixing, improving and replacing electrical covers and lights.
3. Helping with the budget and pledge committee calling
4. Supporting the other committee's building projects
5. Organizing and participating in spring and fall clean-up days.
6. Setting up and cleaning up for the 10K run and Harvest Festival, and
7. Fixing the kitchen door and caulking Whitiker hall's chimney.

Projects: In addition the trustees perform many planned and unplanned projects as necessary to upgrade or repair the buildings and grounds. This year the trustees did the following projects:

1. Rebuilt the planter box
2. Installed Fans in Whitiker Hall
3. Installed an irrigation system around the Church and Bell Tower
4. Replaced the Harvest Festival Canopies
5. Added locks to the storage areas
6. Cleaned and restored the flooded Whitiker downstairs
7. Contracted tree cutting and trimming and cleared tree damage

Plans: This year the Trustees also discussed plans to complete Repairs to:

1. The fireplaces,
2. The bathroom and nursery heaters,
3. The Church upper window leak,
4. The Shed foundation,
5. The parking lot and Church ramp,
6. The Bell Tower door and cinder block foundation, and
7. The large oak trees.

And Thanks to all of you for all your Help with everything the Trustees do.

Mission Board Annual Report – 2009

Our goals for this year were as follows:

- To help the church realize their “vision” goals of outreach to the community, support for the Youth and greening of the church,
- To continue the work of the missions board.

In January the missions board continued to collect used books for the African Library Project shipments to schools in Lesotho and Botswana, Africa. The shipment of books to the Lesotho school was organized and special requests for books from Africa were sought out and collected. This is a massive recycling project as used children’s books flow from the USA to Africa. Also the initial planning for Julia Swayne’s trip to Botswana has begun. Olga Tsimanyane is eagerly awaiting Julia’s arrival.

In February the Mission Board and friends packed up over 1,600 books to be sent to St. Stephen’s School in Lesotho. Included in the shipment were photos of our church, and letters from church members. A group of us then took them to the Redwood Estates Post office to begin their 6,000-mile journey to Lesotho.

In March the Mission Board, Kacie Clarke and friends sorted and packed two more book drives to two elementary schools in Botswana. One of the book drives to the Omaweneno School was headed up by Kacie Clarke. Julia Swayne has raised funds herself as well as through the congregation to go to Botswana at the end of the month. The mission board has provided special reading games to take with her to aid in her classroom work. Also in March the Mission Board supported the UCC fundraiser (100K Virtual Run) which raised \$2251 for the UCC Conference Staff.

In April the Mission Board and Kacie Clarke shipped two book drives with approximately 2,000 books to Botswana. Julia is working hard in Botswana and is

being followed by the Botswana press and TV. The Crop Walk which supports local organizations to end hunger had nine Skyland walkers and raised \$540. One Great Hour of Sharing raised \$343.

In May the Mission Board joined with the Skyland Run Committee to plan and organize the 17th annual Skyland Run. We also created a web site and address.

In June Skyland Run hand-out cards were given out at the Annual Firemen's BBQ and Girls on the Run event in Los Gatos. New Run banners were ordered and placed as well as posters around the local high schools. Local businesses were also approached to give prizes for the raffle at the Run. Also in June Randy and Glenda McCalla raised money to give to the Fiji Islanders when they go to Kadavu Island in July. They also are taking a laptop computer for the schools.

On the fourth of July, Julia Swayne in full African dress spoke about her trip to Botswana, answered questions and showed slides. As our goodwill ambassador, she has made such a fantastic connection with Botswana. The Mission Board supported the Skyland Run, which had almost 300 runners this year, and everyone had a great time. The net profit was ~ \$5,650.

In October the Mission Board decided on the distribution of the monies from the Skyland Run. \$5650 was divided up between 21 non-profits and charities. We also wrote a letter to be sent with the contribution so that we could learn how the money is spent by the various organizations.

In November the Mission Board began collecting toiletries for the migrant workers to be distributed through the Davenport Resource Center. For the first time we offered to give community service hours to students at the local schools to help collect more goods. It was very successful. Angela Patterson and Sophie delivered over nine full boxes of toiletries to the Davenport Resource Center and helped to distribute them. On the Sunday before Thanksgiving we focused on world and local hunger and gave an offering of letters as part of Bread for the

World. Inspired by Stephen's sermon, our congregation wrote 51 letters to our congressional representatives to support senate bill 1524 or house bill 2139.

In December we collected \$1598 during Blanket Sunday. We collected \$279 in quarters in the Heifer tube and the monies were sent to Heifer International.

Randy and Glenda McCalla informed us that there was a typhoon in Kadavu, the Fiji Island that they visited last summer. All the crops were destroyed so the Skyland congregation gave \$691 to buy food and individual church members contributed another \$720 directly to the Kadavu Connection relief fund.

We are most especially proud of our youth at Skyland Church who have contributed so much to our Mission work this year! Also we are proud of the generous individuals who have done their own projects that have contributed so much to end hunger, poverty and ignorance both locally and world-wide.

The following is a summary of the money and items collected and distributed:

UCC Share	\$13,562
Blanket Sunday	\$1598
UCC fundraiser(100K Virtual Run)	\$2251
Heifer Offering	\$279
One Great Hour of Sharing	\$343
10 K Run distribution (21 organizations)	\$5,650
Fiji Children Education & laptop (McCalla's)	566.
India Student Ed. Fund (special fund)	\$500
Crop Walk	\$540
Kadavu Connection(Fiji Island) Relief Fund	\$691
Shipping 3 libraries to Africa through the ALP	\$1777
Julia Swayne trip to Botswana	\$1097
Pastor Discretionary Fund (emergency relief)	\$2735
Summit Fire local relief	\$900
Asian Earthquake relief	\$935

Pastoral Relations Committee

In accordance with the bylaws, the Pastoral Relations Committee consisted of four members: Don Law, Holly Reed, Gina Wetherill, and chairperson Mary Ellen McTamaney. It is the committee's duty to meet twice a year to review the effectiveness of the relationship between the pastor and the congregation and to make a recommendation regarding the pastor's salary and benefits. At the time of this report, we have not yet made a salary offer to Stephen for 2010-11. The committee will meet in the next few weeks to discuss finances with him. There are no issues regarding his welfare, needed guidance or problems between members of the congregation and the pastor at this time. There will be a meeting with Stephen in the spring to revisit these issues again.

Mary Ellen McTamaney

Endowment Fund Background

I assume the Fund was started about 1995, and Don Law wrote the by-laws. I must also assume the purpose of the fund was to allow members, or others, to place monies in the fund to accomplish certain goals. As the by-laws indicate, there was a book established listing the donors and their specific wishes. In addition, the Committee was to function in a business-like manner, keeping minutes and monitoring the funds to insure they continued to grow. To my knowledge, or according to legend, this was done until about the year 2000. At that time all records were destroyed by one of the committee members. All of this came to light about 2003, when there was a desire by some members to use the fund for construction projects. This would have been legally possible only if the donors to the fund were to allow a change in the conditions of their donation and/or the by-laws changed. We attempted to find the donors and could not locate them, or find out what their original caveats were.... so the fund remained intact. Now fast forward to 2004.

A Year End Endowment Fund Report was generated in 2004 and given to the Council. At that time, the Committee consisted of Don Law, Ann Andrews and myself. In summary, the fund was \$ 32,860 as of Nov. 30, 2004. The decision at that time was to put the monies into conservative funds: these were Vanguard 500 Index Fund (VFINX) and Vanguard Inter-Term Bond Fund (VBIIIX). Our investment in these funds, to my knowledge, has remained the same, and has generated results indicated later in the report. In addition, I have enclosed the history of these funds and their present day value, including the addition of a Cash and Sweep Money Market Fund. I also have included a copy of the by-laws, which to my knowledge have remained the same since 2004.

In addition, I believe the dividends as generated by the funds have been returned to the Operating Fund of the Church as proscribed by the by-laws, most probably at about \$1000 per year.

Note: At the time I agreed to become Chairman of the Fund, I indicated this was probably a conflict of interest for me to assume this position, while also holding the position of Auditor. I believe this is still true. The fact that the fund is benign, and has not had many changes, makes this unimportant for now, but in the future I do not think the Chairman of the Fund should be the Auditor. (Fox in hen house)

2009 Results

The decision to put the money in conservative funds has served us well. In spite of 9/11, the collapse of the dot-coms ;and the present financial situation, the investments have grown. The only data given to me (dated 9/30/2009) shows the funds stand as follows:

Vanguard Intermediate term Bond
Fund.....\$17,962.43

Vanguard 500 Index
Fund.....\$12,254.43

Cash and Sweep Money Market
Fund.....\$5,286.01

Total.....\$35,502.87

Year to date (Jan-Sept 2009) Dividends

Bond Fund.... \$580.24

500 fund.... \$179.74

Cash and Sweep Money Market Fund.... \$ 0

The increase in Value of Funds (Jan- September)

Bond Fund.... \$1147.03

500 fund.... \$1982.35

Over the past five years, the funds have done amazingly well (either through astute management or benign neglect) considering the economic problems during this period. The value of the funds plus the Money Market has increased about 8%. Considering the destruction of many of the other funds this is a blessing (after all, we are a church, so...)

Recommendations

The purpose of the Endowment Fund and its goal need to be discussed by the Council. In addition, the by-laws and management of the financial information needs review.

I have taken the liberty to have the funds professionally evaluated and a brief summary is as follows:

Bond Fund (VBIIX)

The fund is devoid of subprime-backed and other non-contingency mortgage- related investments. The fund has never lost money in any 12-month period in its 15-year history of operation. Its goal is capital preservation and it achieves this goal by avoiding higher risk investment and keeping operating expenses low. It carries a 5 star Morningstar rating.

Recommendation: Hold

500 Fund (VFINX)

This fund has invested in corporate and asset backed securities. They have stayed away from Government debt as favored by their peers. They have a proven and long tenured management and have been able to generate above-average yields. They maintain a low expense operation and are rated by Morningstar as a 4 star operation.

Recommendation: Hold, but look at funds like Dodge and Cox which is a higher yield fund.

Overall, the Endowment Fund is in good shape. There should be more frequent meetings and discussion, if it is decided to move to another stock fund.

I have tried to give you enough information without burdening you with too much technical data. If, however, you need more data, I have it and it makes wonderful medicine for those who have trouble sleeping.

Jim

Harvest Festival

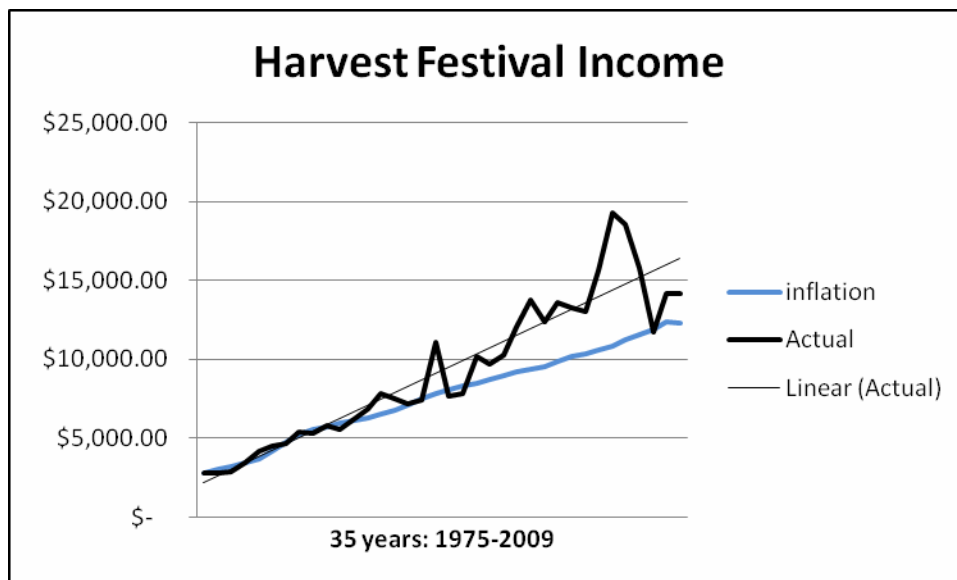
"Staying above water"

This year we had a crisis of management. There was no one to lead the Harvest Festival, so the council stepped in, and tried over a number of meetings to help get the event started. Still it needed a leader to actually get organized. Finally, Sarah Overson graciously agreed to take the job, and later I agreed to help her because she had no prior Harvest Festival experience.

As a result of all this, we got started later than expected. Still, even with the slow start, haphazard donation program, and theft of half the canopies, we all stepped up to all the tasks and put together another wonderful event that raised \$14,150 for the church, rebounding from the poor return in '07.

Thank you all for another good year!

As you can see below, in the last 25 out of 35 years this event has grown faster than inflation, with only one "rained out" result ('07) in the last 15 years.



Larry Cooke

Annual Report – 2009 Skyland Church’s Women’s Group

The Women’s Group of Skyland Church is a volunteer organization that meets the first Tuesday morning of each month (except December and July – September) for the purpose of providing support, enrichment, and planning special projects to raise funds for local and global needs. All women are invited and encouraged to participate in whatever way they can even if they are not able to attend the meetings.

In addition to the responsibility for organizing monthly potlucks, co-ordination of kitchen supplies, and organizing the sign-ups for altar flowers, the women’s group provide many activities that enrich us and bring us closer as a church community.

In January, the women hosted our third annual Spaghetti Dinner. This was a major effort providing delicious food as well as an opportunity to gather socially and strengthen our community bonds.

In February, we hosted a well-attended, day-long spiritual retreat at the Sisters of the Holy Names Convent in Los Gatos centering on Enchantment and Hope, led by Carolyn Glauz-Todrank.

In March we held a creative and inspiring collage class taught by Christina Schwabecher.

In April, we hosted both Easter service coffee hours as well as a cake decorating class taught by Linda Heyes. Everyone who attended the class was impressed with the beautiful cakes created.

In May we hosted our Second Annual Wine Tasting with the Silver Mountain Winery. It was a very enjoyable social evening as well as a successful fund raiser.

In June we distributed the funds that we had earned to the following projects/groups: Santa Cruz Mountain Fire Victims, Rebele Family Shelter, Women’s Crisis Center, and Valley Churches United.

In lieu of money making activities for the 2009/2010 year the Women’s Group decided to do a volunteer project - bake 30 dozen cookies - distributed by Valley Churches United for those in need in Santa Cruz County during the holiday season. Also in December Brenda Jatho and Diane Cooke organized our annual giving tree gift donations for a family from the Families Outside organization. The women’s group also sponsored the very well attended Christmas Potluck.