

The State of the Church
January 25, 2009
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In addition to the written Pastor's Report you will find with the other Annual Reports, I am motivated to share with you a State of the Church report. You might think I am motivated by all the activity we watched in Washington DC this week – but that is not it. My motivation is that in a year with so much anxiety, so much financial uncertainty, so much economic doom and gloom, you have a right to know what the state of your church is. In my opinion, the state of the church, State College Presbyterian Church, the state of our church is pretty good. More than that, very good!

Particularly in those areas to which we as a congregation have made a special commitment.

For any church prayer is foundational, worship is foundational, the praise of God is foundational. And in these areas we continue faithful. But in addition churches decide where to put their emphasis, where to invest their time and money.

We never sat down and voted – but through the years we have chosen by how we spend our money, how we give our time, by the staff we hire and the programs we grow – we have chosen to emphasize programs and ministry to children, youth, and young adults. And we have a long standing but constantly increasing commitment to the mission of Jesus Christ in our local community and the world.

Read your reports about all these ministries. They are blooming! A few examples. The LOGOS program this year has enrolled 93 children: 53 in 1-5 grade, 40 in Chrysalis, the LOGOS middle school component. 93! I remember sixteen years ago, when the middle school youth would sing in worship, there were exactly 8 of them!

FISH, Fellowship in Senior High, for grades 9 -12, has 112 youth and 20 leaders this year. The highest participation in the last 15 years! If you do not see any of them when you look around this morning, that is because Joel has them out at Krislund on their winter retreat.

There is so much more I could tell you – but read it for yourselves – or better yet talk to Deannine and Ned, Diana and Joel about the work they are doing.

The last year has been devoted to exploring our vision for Mission. And to doing mission! Can anyone here not be aware of our Habitat House, Mission Trips, our local and world-wide involvements? Mission is so important to us that the Session has voted to add a part time Associate in Ministry for Mission to the church staff for a period of two to three years.

About this new position, the Mission Ministry has written:

Approval of this position is a recognition of the increased mission activity and interest within our church family AND our desire to meet the increasing needs of the wider community given the new economic climate. We are fortunate to have existing funds in a Trust intended to support program and staff initiatives such as this one, enabling us to hire now without impacting our operating budget. After two years, the position will be evaluated under a process approved by Session to consider the impact of the position on the church's outreach and our financial capacity to maintain it in our budget then.

Some have asked, "how can we afford to establish this position in such a troubled economy." My response is, "how can we not." When we are called more and more to respond in mission to a hurting world.

Certainly concerns about the faltering economy cast a shadow of anxiety over the past year, and continue to challenge us. In spite of the economy, contributions were strong all year, and finished 2008 above what we projected, and therefore over budget.

As you know, pledges for 2009 were slower than usual coming in, leading Session to project at first an operating budget with no increase over 2008. I am pleased to report that in the month of December pledges increased to a level which enabled Session to pass a budget based on projected giving of \$862,314, an increase of \$23,518 over 2008, though still \$17,323 less than our goal of \$879,637. This has allowed us to restore all the Mission and Program items which were eliminated when we cut back to 2008 levels, and include a modest increase for staff. We have continued cuts in administration and facilities to balance the budget.

Part of the reason for the relative health of our operating budget – relative to many churches I know – is because we do not depend to any great extent on invested funds to support the Operating Budget. Our investments are not large. In General Endowment and Trust Funds we have about half a million dollars, reported on page 36. In Designated Funds about \$300,000, reported on pages 37 & 38. And in the additional Endowments reported on page 39 more than \$600,000. By the way, every penny this church has is reported here.

But, like everyone else's investments, the value of our invested funds is lower than it was at the beginning of the year. In our case, about 31%. But from all these endowments only a bit over \$10,000 in accumulated income is used in the Operating Budget – and in more years than not, such as 2008, we have not had to use any of the invested funds we had budgeted. Endowments do not run operations – they pay for extra ministry and mission outside of the operating budget.

This is not the case in many churches. For example, consider a church smaller than ours, but with a bigger endowment. At the Beginning of 2008 it was \$7,000,000. At the

beginning of 2009 their endowment is \$5,000,000. Since they take 5% of the Endowment each year for their operating budget, they must now reduce the 2009 Operating Budget by \$100,000 (5% of the lost \$2,000,000). But that is the danger of an Operating Budget which depends on Endowment income. A danger we avoid. So when our investments fall, we can give them time to recover – ten, or twenty, or a hundred years if necessary. We are invested for the long term.

The exception to this is the Bayard Trust. According to the directions of the trust, use is limited to the maintenance of the church buildings. We normally divide dividends between the maintenance accounts in the operating budget (\$25,000) and a special ongoing Bayard Maintenance Fund (all the rest). The market value at the end of 2007 was \$808,586, and at the end of 2008 was \$555,175 -- a loss of 31%. In 2007 we received \$66,498 in dividends. In 2008 we received \$34,476. In 2008 we spent, between the operating budget and the special fund, \$44,604, as you can read on page 39. We have committed \$25,000 to the 2009 Operating Budget for Building Maintenance. Should we receive less than \$25,000 in dividends in 2009 the Operating Budget is still secure because we have \$45,000 left in the Bayard Income Designated Account – page 37.

I want to conclude by looking forward to two things which will be happening this spring.

First, if you concur with the action of session, which you will be asked to do in a few minutes, our Associate Pastor of fifteen years Joel Blunk will be on Sabbatical from March through May. I cannot think of anyone who deserves this time of Sabbath and renewal more than Joel does. He does so much and gives of himself so much – much more than most folks realize. The value of this sabbatical to both Joel and the church has been recognized by the Louisville Institute which has given him a sabbatical grant funded by the Lily Foundation. Joel's final Sunday in Worship will be March 1 – to return again to this service on June 2.

And finally, this spring will bring a "Celebration of Renewal" for SCPC, beginning on Palm Sunday, lasting about a month. Once upon a time this was being called a "Capital Campaign" – but our whole way of thinking has changed. We want to celebrate what God has done here, through this faithful community. We hope to inspire and challenge our congregation for the future to which God is calling us. We will invite pledges and contributions toward a Faith Fund for Mission, a Renewal Fund for the Church Organ, and a Fund for repairs and improvements to our buildings – rewiring, handicapped access, renovating the Fireside Room for Youth and Young Adult Ministry. We will invite the congregation to also give time to projects which will renew us within and reach out in service to others. You will hear much more in the coming months. But I am pleased to announce that members of our congregation have already contributed over \$35,000 to this fund – months before we have even begun!

The verse of scripture which informs and guides us in this challenge of renewal is Psalm 37:3a:

“Trust in the Lord and do good.”

Which, now I think of it, is good guidance for our whole church in these times, and in any times. May these words guide us in the year ahead:

“Trust in the Lord and do good.”

Here ends the State of the Church report
a state which, once again, seems to me
to be pretty good.
Amen.