
THE FIRST PRESBYTERIAN CHURCH IN PHILADELPHIA

2016 ANNUAL REPORT

Pastor's Report

In 2016 First Church took the first steps toward the next chapter in its long and storied history. With the announcement to the Session during the summer of my intention to retire in the summer of 2018, the church—after consideration of its options by the congregation's leadership and extensive consultation with the Presbytery of Philadelphia—chose to pursue the course of calling a new pastor who would serve for a short period of time with me as a co-pastor. Upon my retirement, the new pastor would then become the sole pastor and head of staff of the church.

The first step in that process was the completion of a Mission Study by a team appointed for that purpose. Using a congregational assessment tool involving an online survey that was completed by 191 persons (more than our average attendance on Sundays!), the team produced a wonderfully complete and informative report that will provide guidance for the church not only in its search for a new pastor but in charting the course of its ministry in the years to come. The Mission Study was approved by the Session in February, and by the Presbytery's Committee on Ministry on March 2. The next step will be the election of a Pastor Nominating Committee at the Annual Meeting.

Another significant highlight of 2016 was the implementation of a new staffing structure design adopted following the departure of Rev. Mindy H. Campbell in January 2015. The new plan called for part-time clergy to work in specific areas of church ministry, as well as the addition of several other part-time persons with specific responsibilities, among them our young adult ministry and communications. With the addition of Annie LeCluyse as our Young Adult Team Leader, and Patti Sassoli as our Director of Communications, and the ongoing work of Rev. Megan LeCluyse, our Celebration! Team Leader, and Rev. Drew Harrison, our Director of Congregational Care and Membership Development, we have put together a *great* ministry team which will serve the church well in coming years. We are incredibly fortunate to have such a talented group of people in leadership.

The year, however, ended on a tragic note with the sudden and utterly unexpected death on November 30 of our Church Administrator, Gwen Scott. Gwen had worked here at First for six years and had done a very good job. She maintained a very good relationship with church members and visitors to the church, providing for everyone with whom she dealt a very positive image of the church. May she rest in peace.

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Annual Meeting of the Congregation
March 12, 2017

1. **Call** George Schneider, Clerk of Session
2. **Constituting Prayer** Rev. Jesse Garner
3. **Appointment of Clerk of Meeting**
4. **Presentation of Annual Report**
5. **Report of the Mission Study Team** Paula Gross
6. **Report of the Stewardship & Budget Committee**

Treasurer's Report 2016	Craig Boddorff
Church Budget 2017	Phil McMunigal
7. **Report of the 2016 Nominating Committee** Jim Wilson

Nominees for the Class of 2020 (unless otherwise indicated):

<i>Elders:</i>	<i>Deacons:</i>
Susy Christensen	Courtney R. Friedman
Heather Coyne	Cynthia Olds-Greeley
Cynthia Decrucq	Jack Melvin
Jennifer Hsiung	Don Williams
Michael Smith	Phillip Woehr
Karen M. Buzan (2019)	Atticus Tsai-McCarthy (2017)
8. **Corporation Meeting**

Nominees for the Class of 2020 (unless otherwise indicated):

<i>Trustees:</i>		
Cory Clippinger	Rebekah Horowitz	Tom Lever (2018)
Robert Linck	Cade Massey	
9. **Election of 2017 Nominating Committee** Rev. Jesse Garner

<i>At-large Members:</i>	<i>Session:</i> Allan Schimmel
Allen Garner	<i>Deacon:</i> Cynthia Olds-Greeley
Joao Magalhaes	<i>Trustee:</i> Rebekah Horowitz
Stella Tsai	
Rebecca Yep	
10. **Election of the Pastor Nominating Committee**

Reggie Amoa	Andrea Bowman	Cynthia Decrucq
Courtney Friedman	Dave Huting	Diane Rogers
Michael Smith		
11. **Adjourn with Closing Prayer** Rev. Jesse Garner

First Presbyterian Church in Philadelphia
2016 Budget Results

OPERATING				
	Budget	Actual	%	Remaining
Income				
Pledges	451,000	464,480	103%	-13,480
Plate Collections	25,000	24,169	97%	831
Designated Offerings	8,565	8,536	100%	29
Investment Income	440,574	447,990	102%	-7,416
Other Income	22,500	22,001	98%	499
Total Income	947,639	967,177	102%	-19,538
Expense				
Clergy & Presbytery	282,562	272,372	96%	10,190
Financial Services	26,000	24,112	93%	1,888
Worship and The Arts	142,442	140,705	99%	1,737
Congregational Needs	40,750	26,315	65%	14,435
Christian Education	19,590	15,450	79%	4,140
Office	101,002	96,785	96%	4,217
Building Expenses	232,367	192,551	83%	39,816
Mission & Benevolence	88,165	88,702	101%	-537
Misc Expenses	13,425	17,387	130%	-3,962
Total Expense	946,303	874,378	92%	71,925
Income Less Expense	1,336	92,799		-91,463

ENDOWMENT

Income	
Investment Gain	452,898
Expense	
Support of Church Operations	327,982
Income Less Expense	124,916

CAPITAL

Income	
--none--	0
Expense	
Capital Expenditures	21,985
Income Less Expense	-21,985

PRESERVING FIRST

Income	
Contributions from Congregation	5,900
Interest	947
Total Income	6,846
Expense	
--none--	0
Income Less Expense	6,846

SELECT BALANCE SHEET ITEMS:

Endowment Value	7,274,820
Endowment Encumbered Funds	(621,201)
Mortgage Balance	(1,500,710)
Loan to Presbyterian Investment Loan Program	251,600

Church Budget**Phil McMunigal**

	2016	2017
Income		
Pledges	451,000	450,000
Plate Collection	25,000	25,000
Designated Offerings	8,565	8,565
Investment Income	430,575	402,011
Other Income	22,500	20,000
Total Income	937,640	905,576
Expenses		
Clergy & Staff	436,345	448,074
Worship	72,995	72,330
Communications	7,500	7,500
Congregational Needs:	19,200	19,450
Session	500	500
Membership & Evangelism	9,700	9,950
Stewardship	9,000	9,000
Deacons	14,050	14,750
Christian Ed	14,100	11,400
Office	30,625	30,625
Building	219,467	196,434
Missions	88,165	92,165
Financial Services	26,000	26,000
Other:	12,000	17,000
PNC Expenses	0	10,000
Miscellaneous	2,000	2,000
Contingency Fund	10,000	5,000
Total Expenses	940,447	935,728
Net General Income	-2,807	-30,152

The Board of Trustees**Gary Christensen, President**

Sustainability has been the focus of many recent Trustee activities.

The First Church endowment has grown through the dedicated giving of many former congregants, as well as the exercise of prudent stewardship of those gifts. Annual withdrawals from the endowment are used for all of our capital expenses, and approximately a half of our operating expenses. Historic returns from the endowment have, on average, been sufficient to cover both of these expenses. Our current investment company (Vanguard) recently presented us their 10-year market forecast projecting that for the next 10 years, average investment returns will be significantly below historic levels, with their best estimate being 4.7%/year. Historically, we have budgeted for 5% of the endowment (actually 5% of the three-year rolling average) to fund the operating budget, averaging approximately \$50,000/year on capital items over the last 20 years (excluding major items like Preserving First), and currently drawing approximately \$60,000/year for repayment of the principal portion of the Preserving First loan. That results in a total draw rate from the endowment of ~6.7%. For the next decade, this is not sustainable. Based on these projections, the Trustees recommended to the Budget committee that the draw rate used for operating expenses be decreased, initially to 4.5%, with further reductions in subsequent years.

Historically, First Church has not had an annual Capital Budget. The capital expenses mentioned above have typically been addressed on an as-needed basis, as things broke. It was obvious that this practice is not sustainable and could result in poor planning. In the spirit of sustainability, and to encourage more efficient planning and practices, the Trustees also recommended to the Budget committee that an annual Capital budget be prepared. Such a practice would also permit the finance office to better manage our cash flow.

Our church has been blessed by the presence, and availability, of people with specialized skills. One of these skills relates to accounting. Since I have attended this church, either Craig Boddorff or Carol Winkler has presented the church's financial position at every annual meeting. In addition, the operation of our Financial Office also relies on a few dedicated individuals. There are questions about whether our current practice of reliance on these few individuals is sustainable. To investigate this, the Trustees have formed a task force to consider the operations of the Finance office, and to develop recommendations for how these operations can be made more sustainable.

The sustainable functioning of our church relies on many people. Thank you to all the Trustees, both currently serving, and those who served in the past, whose dedication of time and talents have kept this church functioning. The First Presbyterian Church in Philadelphia was first organized in 1698. By adopting a sustainability mentality, it is hoped that we will continue to worship, serve, and bear witness to the Word for centuries to come.

The Board of Deacons**Linda Deis, Moderator**

On behalf of the Board of Deacons of the First Presbyterian Church in Philadelphia, I submit this yearly report.

Let me begin by thanking all the Deacons for their continued work and dedication as part of the leadership of the church. The Deacons are responsible for the following three areas within the church: Fellowship, Congregational Care and the Sanctuary.

Each Sunday, the Fellowship team provides delicious food and beverages during Fellowship Hour. Besides the Deacons, other groups from within the congregation will be asked to host one Sunday per month. The Advent Luncheon, Annual Picnic, lunch at the Annual Meeting of the Congregation, and Easter Breakfast are also provided by the Deacons. These meals have been drawing more people, especially newcomers.

Several members of the Deacons are part of the Congregational Care team led by Rev. Drew Harrison. These members give freely of their time to visit those who are homebound or hospitalized, send cards and offer some meals. Anyone in the congregation can join our Deacons in the intercessory prayer meetings which occur right after the service in the office of Rev. Jesse Garner.

The Sanctuary team prepares Communion, organizes and decorates the church for the holiday seasons, coordinates the weekly floral arrangements and oversees the ushers. Thank you to everyone who generously donate to help make the sanctuary a beautiful place in which to worship. We always welcome new ushers, so if you are interested in helping, please let one of us know.

Even if you are not a church officer, we welcome you to volunteer to contribute to the life of the Church. Contact any Deacon to find out how you might help.

The Deacons look forward to another year of serving all of you.

The Session**George Schneider, Clerk**

As is said here every year, you will read about most of the activities of the Session in the reports of the session's hard-working committees, reports to be found in the pages of this Annual Report.

Perhaps the happiest item of information is the welcoming of 25 new members to First Church in 2016. Many if not all of these members have become regular attenders and active participants in the life of the congregation. One of our newcomers, Annie LeCluyse, is now our Young Adult Leader. We celebrated 7 births and 8 baptisms.

The Session approved amendments to the church by-laws which relate to the matter of finding members to serve on church boards. These amendments will offer more flexibility to our Nominating Committee.

A major action taken last year (and explained in detail in the September Messenger) was the decision to search for a co-pastor, a minister who will serve for a period of time with Jesse Garner and who will become the First Church pastor on Jesse's retirement. To this end, a Mission Study Team was formed, and this team, in pursuing its goal, distributed the 85-question assessment which the majority of you completed and which served as a resource in the team's development of a Mission Statement.

Under the guidance of Elder Bill Leonard, the efforts to install a columbarium in the present church library is progressing rapidly.

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The Session said farewell with thanks to Chip Rotolo as he moved on to the University of Notre Dame and a doctorate in the sociology of religion. We welcome Clark Royale, our seminary intern, who will work with the Missions Committee. And we offer our continued thanks to Drew Harrison and Megan LeCluyse as they continue their outstanding ministries with us. We welcome, too, Sue Riemann, our Interim Church Administrator.

The Session mourns the death in 2016 of four of our long-time members—Joanne Hamstrom, Wilma Heston, Ruth Gilmore and Helen McDermott. And with deep sadness we mourn the death of Gwen Scott, our beloved Church Administrator. and we thank God for her years of service with First Church.

Membership & Evangelism Committee

Larry Slagle, Chair

The Membership & Evangelism Committee (M&E) exists to welcome visitors and newer attendees and encourage and integrate them into the life of the church, the aim being to facilitate the membership process to add new members to the First Presbyterian family.

2016 was a productive year for the committee seeing 25 new members added to our congregation. The committee continued to work closely with Rev. Drew Harrison supporting our work this year. Activities of the M&E Committee for 2016 included the robust Young Adult ministry with weekly Bible studies, monthly brunches and regular fellowship activities. This ministry has been very blessed by the addition of group leader, Anne LeCluyse. We again held several events: a welcome party called “We’re So Glad You’re Here” to which new members and visitors were invited for fellowship and to meet members of the church boards, new members’ workshops, a Ladies’ Tea, an outreach table at “OutFest,” the LGBT Christmas Party, and CCRA’s Sacred Spaces Open House. New initiatives this year were a three-week Bible Study held by the LGBT Fellowship looking at the Bible’s perspective on Same Sex marriage, fellowship events for Families with Young Children, and an “Each One Reach One” day of prayer in preparation for welcoming visitors during Advent. The committee works throughout the year tracking visitors and regular attenders.

Plans for 2017 include continuation of existing programs, as well as planning for a “Baby Boomer” fellowship. We continue to explore ways of reaching emerging demographics that are visiting our church. The Committee is grateful to the entire congregation for offering a very warm and welcoming experience to those who visit and are moving into relationship with our community. The members of the M&E Committee are Allen Garner, Jeff Halili, Lisa Hanson, Fran Kraemer, Ginnie Mesibov, George Schneider, Larry Slagle (Chair), and Rick & Shellie Unger, as well as Jesse Garner and Drew Harrison.

Christian Education Committee

Jeff Halili, Chair (reported by Jesse Garner)

In the area of Christian Education 2016 was a year of transition. With a growing number of very young children (most of them under two), and the challenge of accommodating ever growing demands on our families’ time, the shape of educational programming for our children and youth is constantly evolving. In the past year under Drew Harrison’s leadership, we began a “*Make a Joyful Noise!*” program

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(CE, continued from page 7)

using music to begin to nurture our youngest children in the faith as a prelude to more formal education. Many thanks to Karen Buzan, Emily Roan, Kristin Adams and Becky Yep for their continuing leadership in our Sunday School. Our Youth program featured several “lock ins” here at the church with youth from East Falls Presbyterian Church followed up by volunteer stints the next morning with Urban Tree Connection and a UCHC casserole blitz. Many thanks to Emily Roan, Maren Wennberg, and Eleanor Young for staying overnight with our youth. Some of the highlights of our adult programming for the past year were our Lenten Wednesday program featuring a study of the various forms the Bible has taken over the centuries, and an adult forum series on the book *Being Mortal* with contributions from several of our members in the medical profession. Early 2017 has featured another of our annual winter seminars on the constitution seminar, and the latest in our Encountering Other Faiths series, this time with the Church of Jesus Christ of Latter Day Saints. Special thanks to our own Will Harris and Phil Webster for their contributions.

Personnel Committee

Allan Schimmel, Chair

Prompted by the departure of the Rev. Mindy Campbell at the end of January 2015 and the decision of the Session not to seek another Associate Pastor, the Personnel Committee has worked diligently to put together a staff plan that has the skill sets needed to support the congregation at First Church and its witness in the community. This staff plan continues to be a work in progress. First Church is fortunate to have identified outstanding part-time staff who are dedicated to the work of the church.

In 2015 three part-time staff people were engaged: Michael (Chip) Rotolo became our seminary intern and took responsibility for the Young Adult Group. The Rev. Megan LeCluyse became the Celebration Service Team Leader and the Rev. Drew Harrison became the Director of Membership and Congregational Care.

In 2016 the departure of Chip Rotolo led to engaging Annie LeCluyse in the part-time position of Young Adult Leader. The Director of Communications part-time position was filled by Patti Sassoli. Near the end of 2016 another seminary intern joined the part-time staff; Clark Royle will be working until mid-2017 on developing a volunteer recruitment program.

The sudden death of Church Administrator, Gwen Scott, at the end of November, 2016 prompted the Personnel Committee to evaluate that position. During this time of this evaluation Suzanne Riemann was engaged as the Interim Church Administrator. At its February 9, 2017 meeting the Session approved the recommendation of the Personnel Committee to establish two part-time positions, Business Manager and Church Secretary rather than seeking another full-time Church Administrator. The Committee will be working on how to implement this change remaining flexible about the outcome. The challenge will be identifying appropriate candidates for these positions.

Perhaps the most important recommendation of the Personnel Committee in 2016 was that of establishing the position of Co-Pastor in anticipation of the retirement of the Rev. Jesse Garner in the summer of 2018. The Session approved this recommendation; it was also approved by the Presbytery of Philadelphia. A Mission Study Report, which is a prerequisite for electing a Pastor Nominating Committee, has been completed.

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(Personnel, continued from page 8)

Going forward, the Personnel Committee will continue to endeavor to ensure that its recommendations on staff design support the First Church community and its outreach.

The members of the Personnel Committee are Andrea Bowman, Rebecca Melley, Allan Schimmel (chair) and Stella Tsai.

Worship Committee

Jen Johnson, Chair

2016 represented a year of cautious experimentation – gently pushing our boundaries so that we do not become complacent with what for many is our core experience of church.

- Our Good Friday service was transformed with the choir performing St. Mark’s Passion by Hayes/Bach/Kaiser, celebrating the Passion by unifying message with music.
- Our two Sunday morning services were combined into one service in February, so that we might proceed to our annual meeting as one body.
- Our Theme Team brought creative, theological dressing of the sanctuary to more dates, including Martin Luther King Day (with scales of justice), All Saints Day (with photographs of loved ones who have gone before us) and Pentecost (with flame-colored ribbons streaming from lights, evocative of the Holy Spirit).
- We celebrated in quietude a Day of Reflection during Lent, including *Lectio Divina* worship, communal hymns in the chancel, and a prayerful luncheon celebrated largely in silence.
- The Group Spiritual Direction continued throughout the summer months, and during Advent invited participants to lead on alternate weeks.
- We instituted a more organized approach of facilitating weddings and funerals at our church, helping to ease the burden on clergy and staff.
- Fundraising began for Songs Overseas – a series of Evensong services and dinners that provides for the opportunity to be a choir-in-residence at Truro Cathedral in Cornwall, England in August 2017.

Throughout this period our attendance did not falter. Attendance levels in 2016 averaged 174 per Sunday for both services combined, and Easter saw record-high attendance at all three services: 28 at the 7am, 52 at the 9am, and 341 at 11am. The Lord is risen indeed!

Experimentation keeps us energized and engaged. It is not a reaction to fixing something that is broken, but a desire to reach beyond the norm, to excel. We are delighted by new ideas that invite reflection and conversation, and allow us to continually refocus on our purpose.

The members of the Worship Committee are Jen Johnson (chair), Jesse Garner, Barbara Chaapel, Megan LeCluyse, Andrew Senn, Jen Hsiung, Owen Robbins and Anita McLarin.

Therefore, I urge you, brothers and sisters, in view of God’s mercy, to offer your bodies as a living sacrifice, holy and pleasing to God—this is your true and proper worship. Do not conform to the pattern of this world, but be transformed by the renewing of your mind. Then you will be able to test and approve what God’s will is—his good, pleasing and perfect will.

Romans 12:1-2

Missions Committee**Beverly Cowart, Chair**

The goals of the Missions committee are two-fold: (1) To effectively utilize gifts from our congregation to provide financial support to organizations that reach out to show Christ's love to those in need, both locally and internationally, and (2) To provide our congregation with opportunities to engage directly in those efforts.

In that context, we arrange Minutes for Missions to apprise the congregation of mission partners and opportunities, schedule specific volunteer activities, investigate and reach out to potential new mission partners, and make decisions about continuing support for past partners. The following is a summary of some of that activity in the past year.

- **Minutes for Missions:** Eight Minutes for Missions, addressing primarily local, but also international mission work, were arranged.
- **Volunteer opportunities:** A dozen volunteer opportunities were organized, including work days with Urban Tree Connection (UTC) and the West Philadelphia Repair Initiative of Habitat for Humanity, casserole blitzes for the University City Hospitality Coalition (UCHC), a walk for Camp Sojourner and a protest for Heeding God's Call Against Gun Violence. Our youth group was also involved in the volunteer opportunities with UTC and UCHC.
- **Outreach to new local missions:** In the past year we have met with and visited several local missions that we believe offer opportunities for our congregation to extend its outreach to the community, including Norris Square Neighborhood Project and a new urban start-up church, Beacon Presbyterian.
- **Monetary support for local missions:** We provided support to a variety of local organizations that serve our community, including (in addition to those already mentioned), The Community College of Philadelphia (in the form of scholarships), Reading Buddies, Wintershelter, The Village, MANNA, the Penn Christian Association, Kirkwood Camp, The Arc of Philadelphia, and John Gloucester House/Raising Successful Sons.
- **International Missions:** A particular burden on our hearts in the past year has been the plight of refugees and the persecution of Christians in the Middle East. We have sought to bring this crisis home to our congregation through prayer, an adult forum presentation by individuals who had worked in the Syrian refugee camps, and the showing of a film made by a local Episcopalian priest about the dire straits in which Iraqi Christians find themselves. We have also provided financial support through Presbyterian Disaster Assistance (PDA) for the Middle East and Stand with Iraqi Christians.

We continue to seek ways to engage with Urban Mosaic's faith-based work in the slums of Mexico City, and have provided support for a Community Healthcare worker there.

Finally, in recognition of the humanitarian crisis in Haiti following Hurricane Matthew, we provided directed support to PDA's ongoing disaster relief program there.

The members of the Mission Committee are Beverly Cowart (Chair), Susan Davis, Jesse Garner, Bruce Rapsher, Clark Royle, Suellen Smith, Joseph Watts, and Jim Wilson.