



# WELCOME!

## Congregation Conversation Transition Update

Wednesday, October 20 and  
Sunday, October 24, 2021

# Agenda

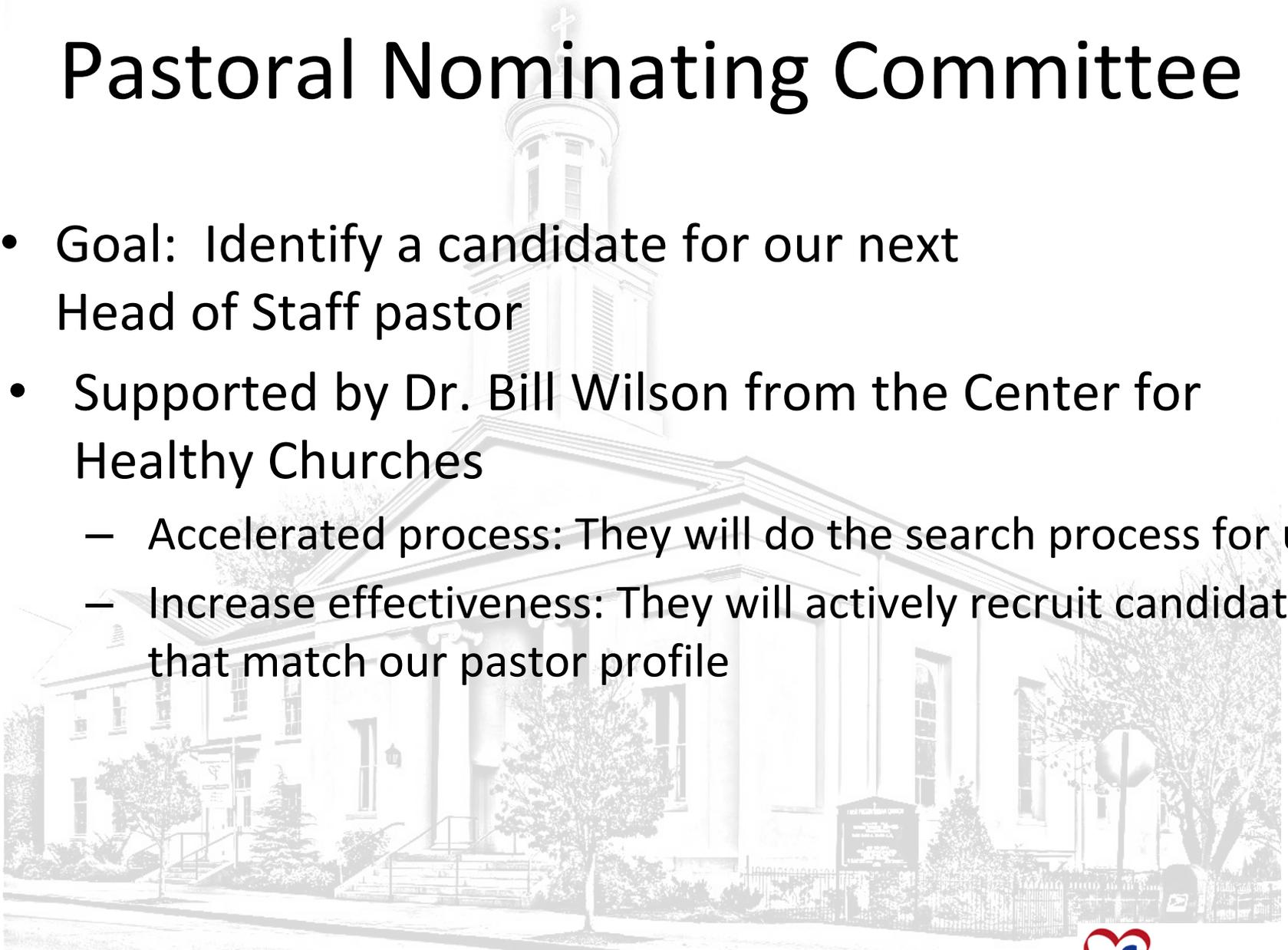
- Pastoral Nominating Committee Update  
*Debbie Shyrock and Chris Menan*
- Transition Objective “Identity” Update  
*PJ Dakes*
- Transition Objective “Infrastructure” Update  
*Doug Sherman, Jennifer Carle, Becky Gamble, Caroline Cupp, Bob Smith, Glenn Burkland, Beth Congdon-Martin, Scott Gamble*
- Transition Objective “Communications”  
*Kathy Westhafer*
- Three separate Q & A sessions are scheduled throughout the presentation



# Progress Update for the Pastoral Nominating Committee

# Pastoral Nominating Committee

- Goal: Identify a candidate for our next Head of Staff pastor
- Supported by Dr. Bill Wilson from the Center for Healthy Churches
  - Accelerated process: They will do the search process for us
  - Increase effectiveness: They will actively recruit candidates that match our pastor profile

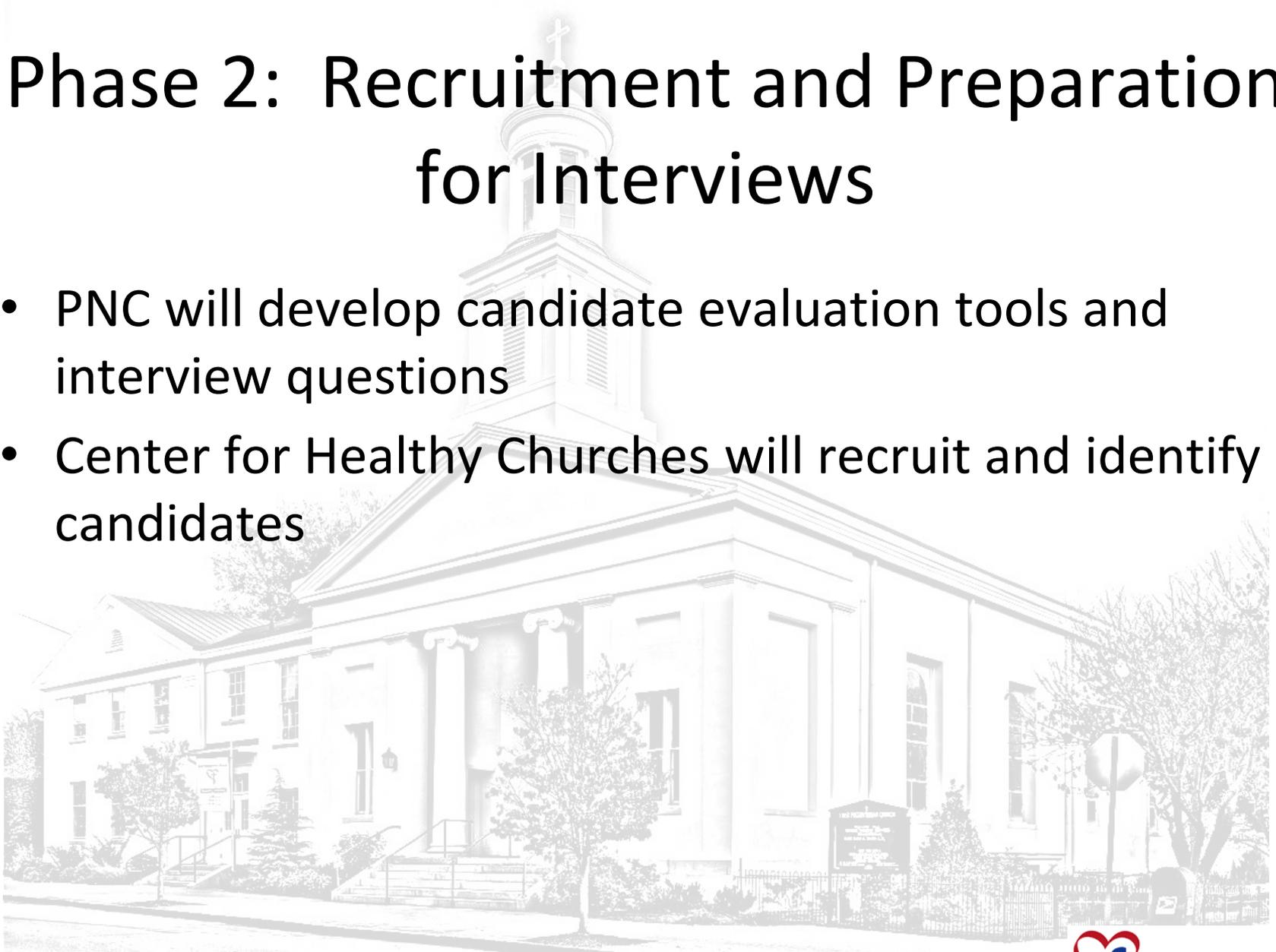


# Phase 1: Preparing for Outreach

- Orientation with Presbytery and Bill Wilson: Oct. 30
- Identifying the top characteristics for a new pastor (input from Aug. 1 Congregational Conversation meeting and from Session)
- Finalizing the Congregational Profile, Pastor Profile, and Ministry Information Form (MIF)
- Decide on form and viability of outreach plan

# Phase 2: Recruitment and Preparation for Interviews

- PNC will develop candidate evaluation tools and interview questions
- Center for Healthy Churches will recruit and identify candidates

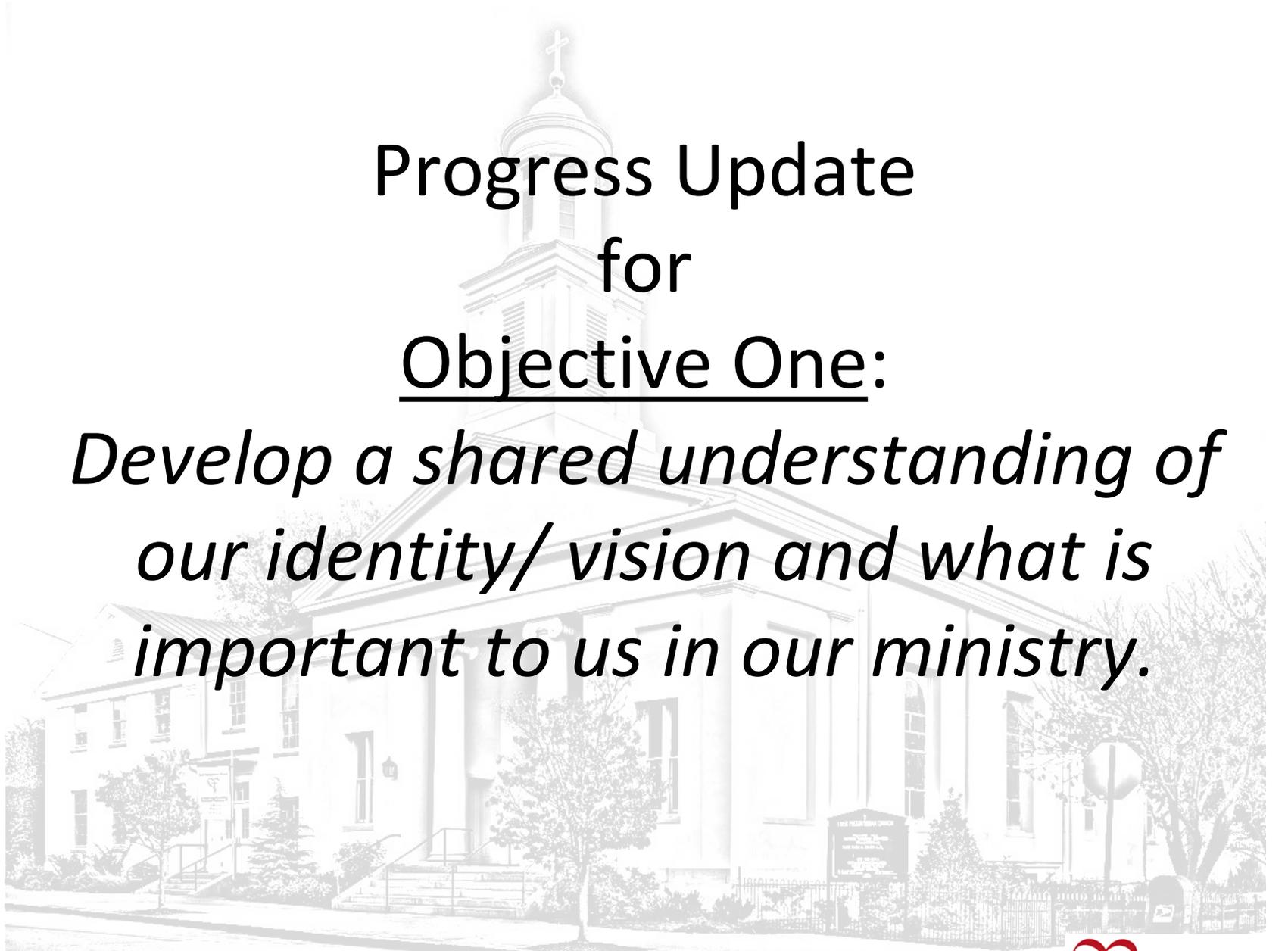


# Phase 3: Interview and Decision

- Receive website with candidates
- Conduct interviews using profile, scorecards, and handbook
- Negotiate the offer (salary range and package offered by Session)
- Prepare for introduction to the congregation for approval

# The PNC

- Chris Menan and Debbie Shyrock, Co-Chairs
- PJ Dakes
- Molly Dolan
- Ellen Endslow
- Beth Farcht
- Brooke Gamble
- Carmelo Ortiz
- George Zumbano



Progress Update  
for  
Objective One:

*Develop a shared understanding of our identity/ vision and what is important to us in our ministry.*

# Our Vision

Part of the work to prepare for our search for our next pastor has been to clarify our vision: Who are we as a church and what are the themes that make us “First Pres”?



# Visioning Process: What we did

Congregational  
Survey

Leadership/Staff  
Retreat

Congregational  
Conversation -  
August

Working draft of  
vision themes –  
Session still  
refining



# Visioning Process: What's next

- Working draft will be used in our search for a new pastor
- We will work with it in various ways over the next 6-9 months as we organize our ministries and continue our transition work, collecting feedback along the way.
- When our new pastor comes on board we'll revisit it, refine it, finalize wording and determine how to comprehensively incorporate it into our ministries and outreach

# Our Vision: Working Draft

Through worship and a shared faith that unites us, we strive to reflect God's love in our community and to live as a body of people who care for one another as Christ cares for us.

## **Reflecting God's love in our community**

We imitate Christ by serving our neighbors with compassion and respect. Through individual relationships and transforming unjust systems, we answer God's call to be salt and light in West Chester and beyond.

## **Building the Body of Christ**

We seek to follow Christ by nurturing meaningful relationships with one another. Through a shared faith that unites us in our diversity, we are one worshipping body made of smaller groups that sustain, comfort, and challenge us throughout all the stages of life.



Progress Update  
for  
Objective Two:

*Develop a strong infrastructure to support our ministries, including an updated staffing model, a facility plan and a sustainable budget.*

# Updated Staffing Model

- Where we were three to four years ago
- Staffing progress
- Staffing for vision
- Improving processes between the Personnel and Finance committees



# Three to four years ago ...

- We were borrowing from our reserves / investments to balance the budget for many years before
- Personnel budget was more than 80% of the operating budget; typical church personnel budget is 50% to 60% of total operating budget
- High percentage of personnel costs relative to the overall budget was due to significant decreases in membership and pledging over the past 20 years
- Session formed a Staff Restructuring Committee to help First Pres balance the budget by reducing personnel budget by \$150,000

# Three to four years ago ...

- To meet that goal, painful changes were made that directly and indirectly affected all staff members
- Pastoral staff saw a 5% reduction in overall compensation with no planned increases in compensation since
- Non-pastoral staff saw a decrease in pension contributions to levels more consistent with other U.S. workers; medical reimbursements were eliminated to match current standards
- Several staff positions were eliminated or not filled after resignations / retirements

# For the past two years...

- First Pres has been able to balance the budget by keeping budgeted costs flat (no increases) and not taking funds from reserves / investments
- We've been able to start "paying back" some of the reserves / investments depleted over the years
- Currently, the Personnel budget is between 67% and 73% depending on considering received PPP funds, transition/ interim costs, and other costs not associated with a typical year at First Pres; 67% is unhealthy and 73% is heading back to where we were when significant changes had to be made
- We need to be vigilant about keeping personnel costs in line with available funds while maintaining a staffing model that meets the vision and needs of First Pres

# Staffing Progress

- Personnel matters and staffing have been hectic and challenging with the pandemic and the departure of Greg Stovell
- First Pres is now fully staffed for the current level of programs and services, except for a new senior pastor
- We have a strong, talented group of individuals that make up our staff and we appreciate their good work

# Organization Chart



Executive  
Pastor/Acting  
Head of Staff

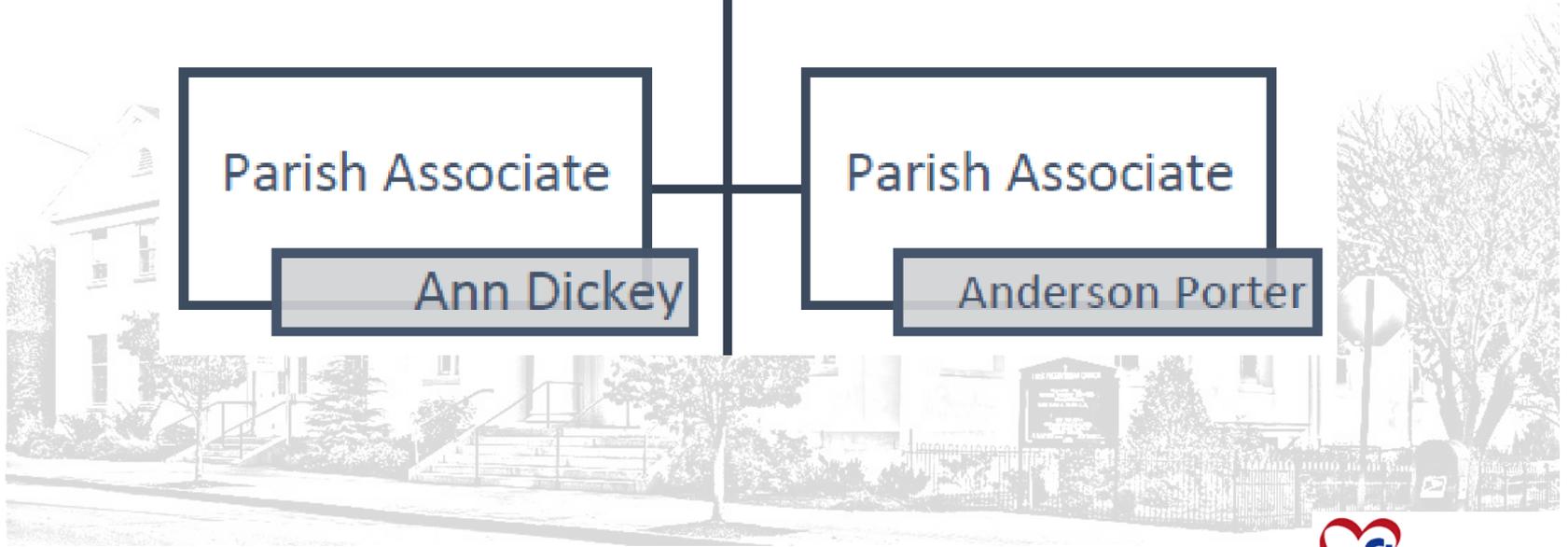
Caroline Cupp

Parish Associate

Ann Dickey

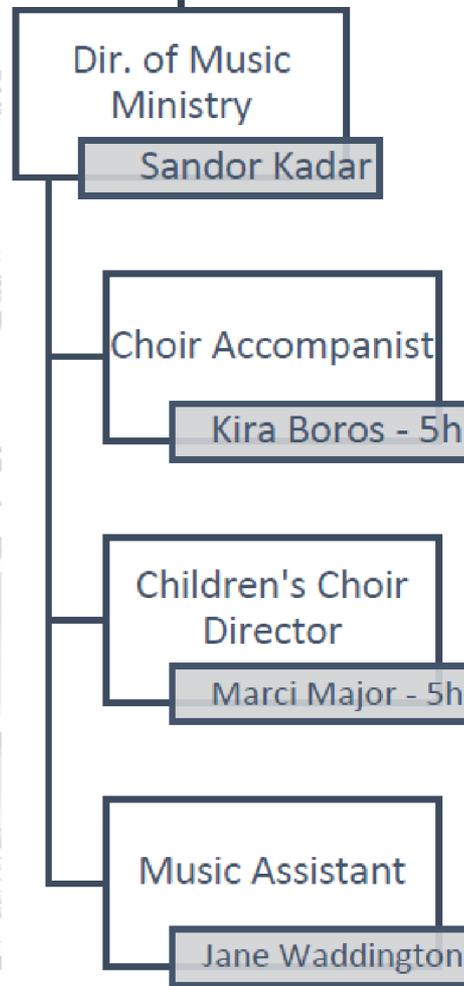
Parish Associate

Anderson Porter



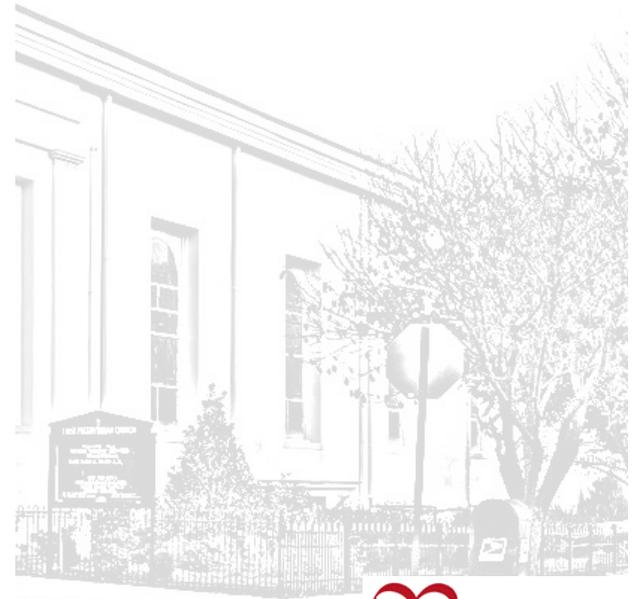
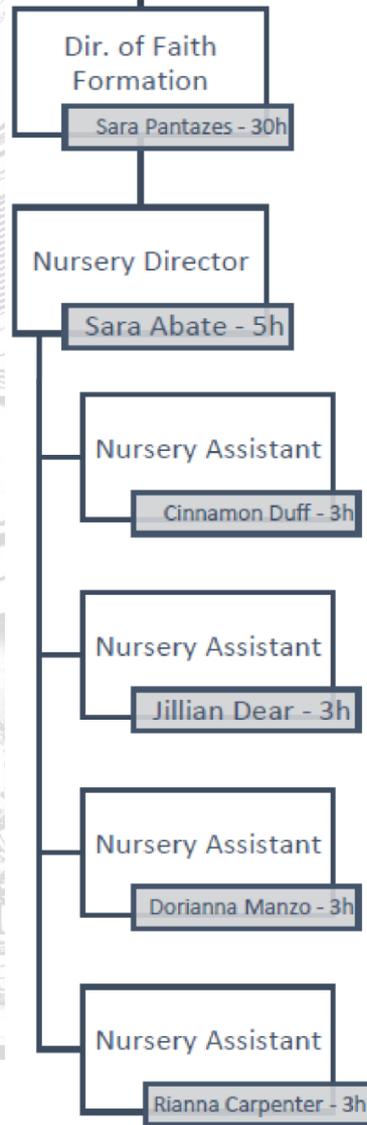
# Organization Chart

Staff reporting to Caroline



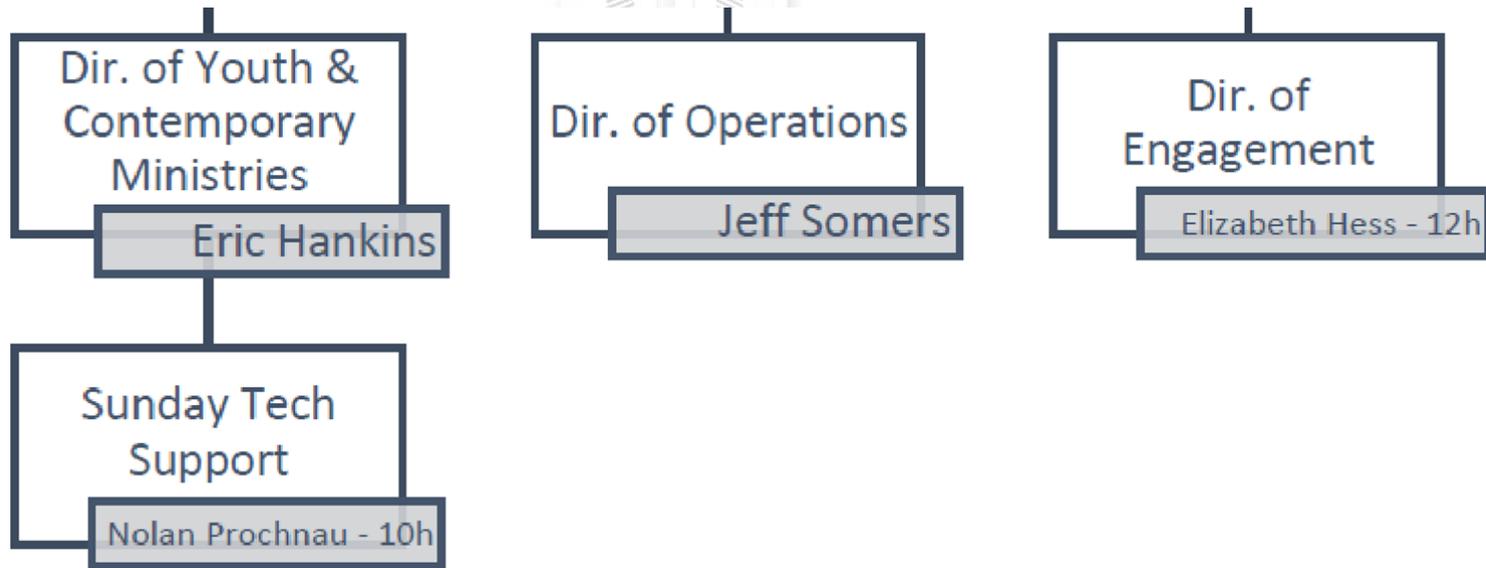
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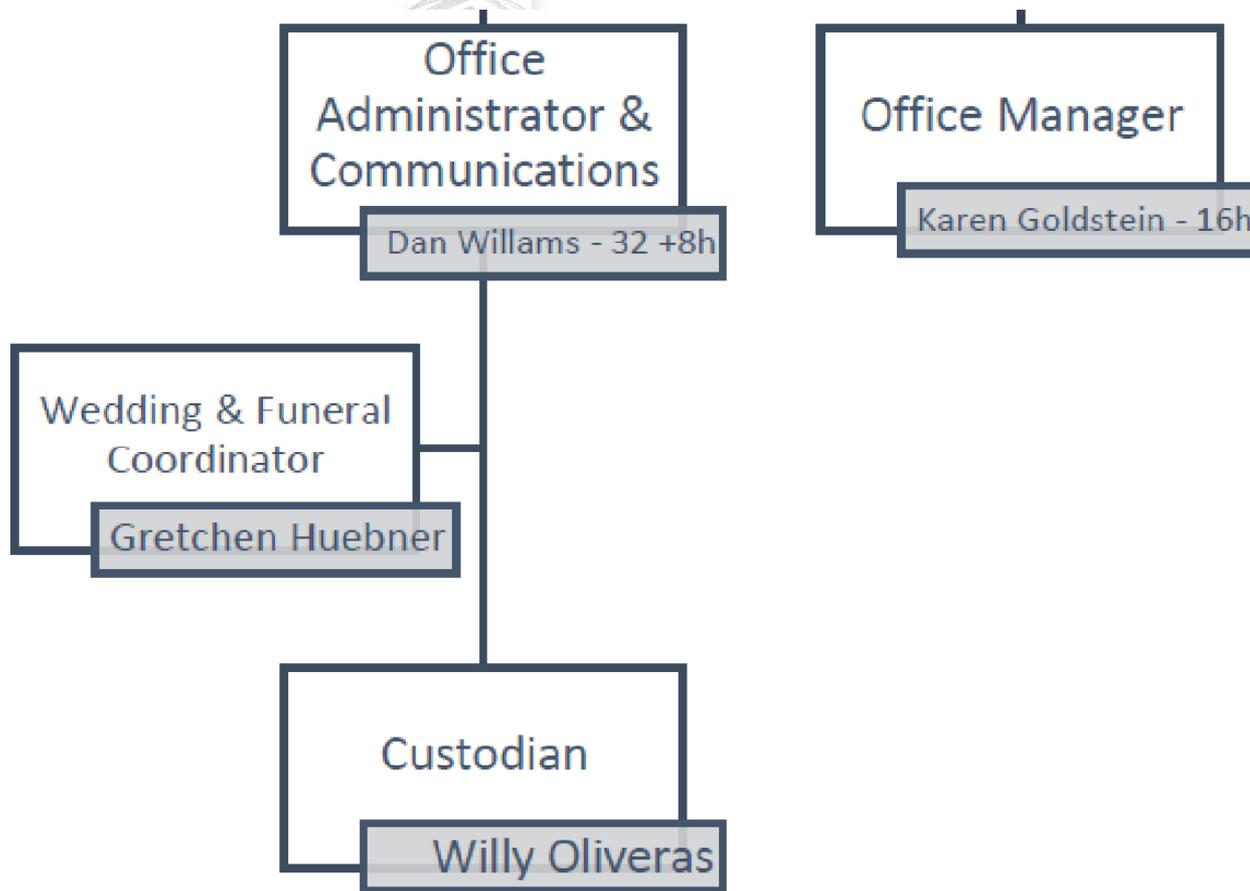
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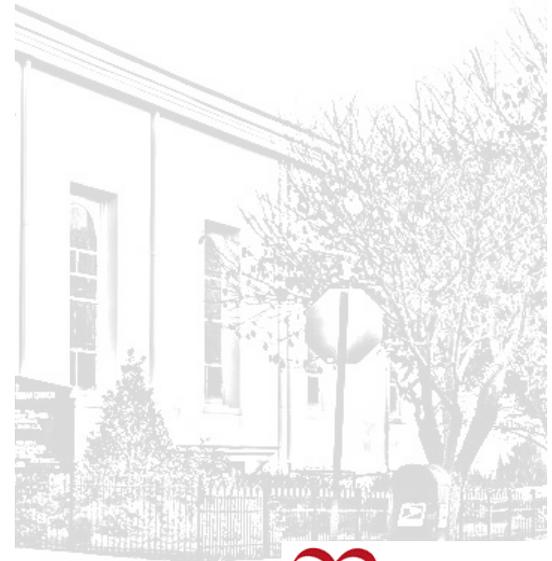
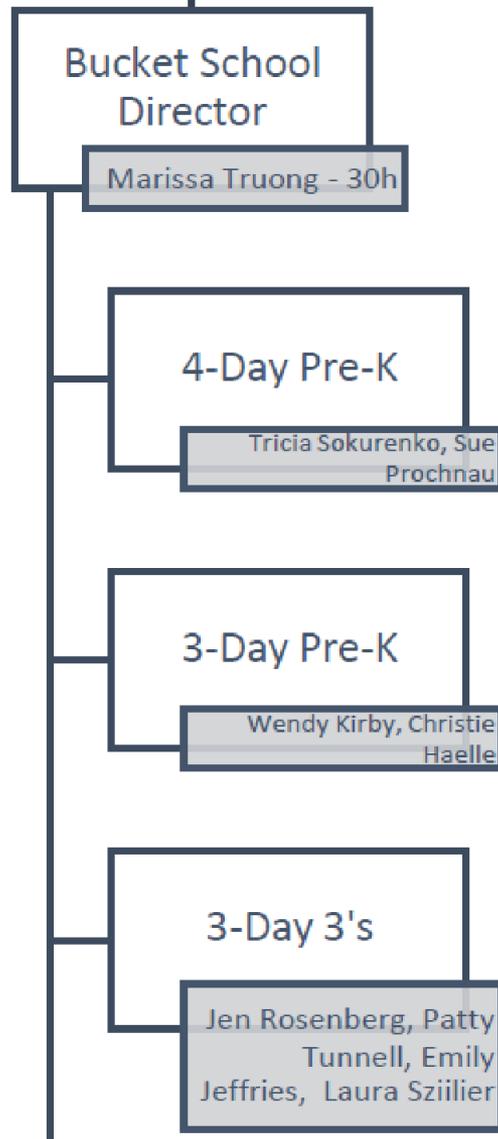
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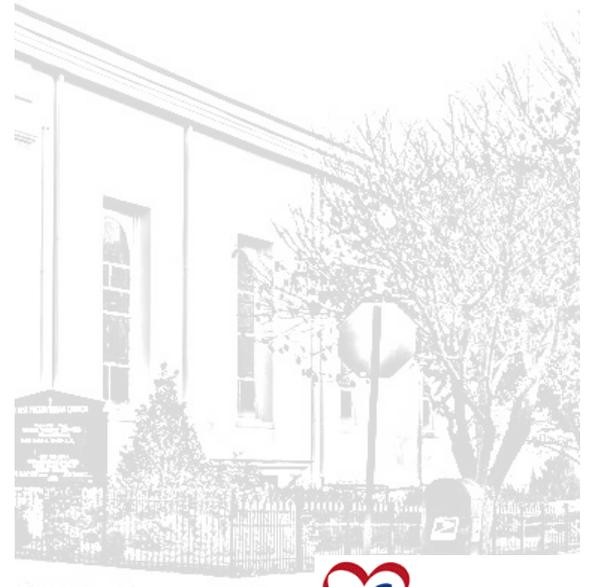
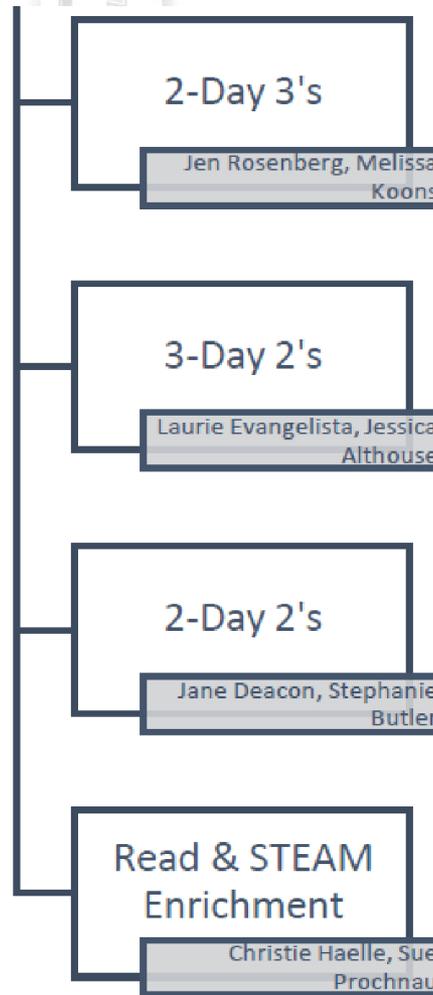
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Staff reporting  
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# Organization Chart

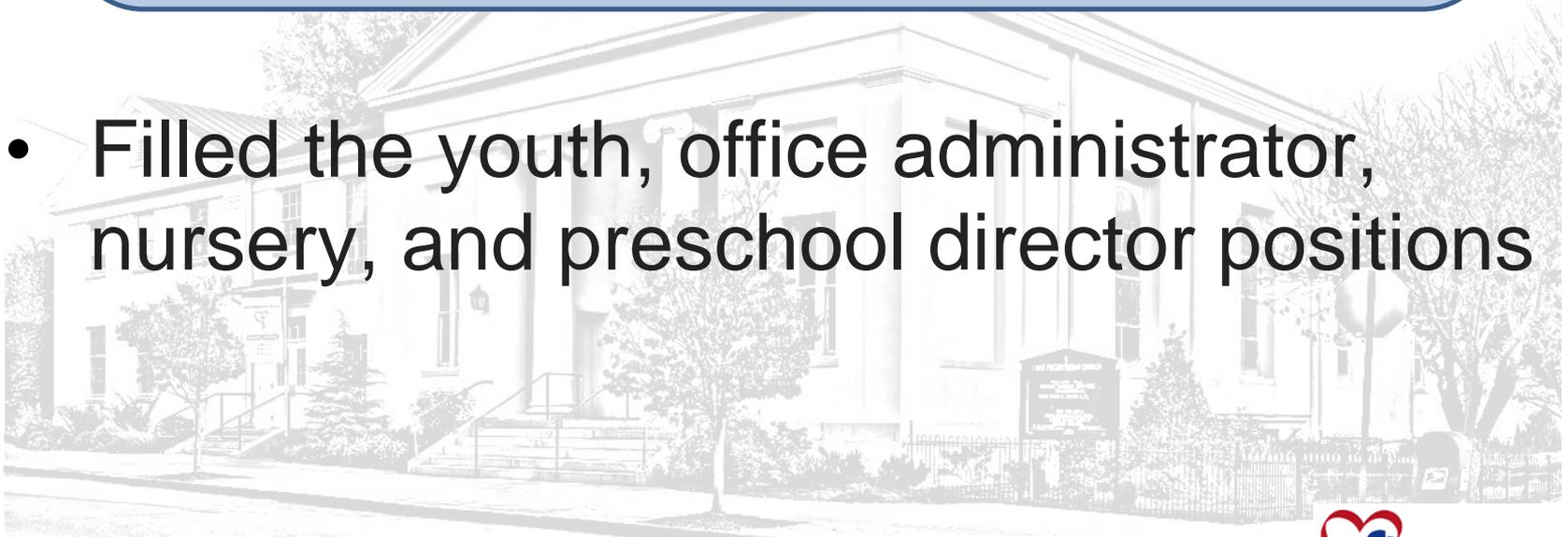
Staff reporting  
to Marrison (cont.)



# Staffing for Vision: Goal 1

Stabilize our staffing by filling essential roles that were vacant and critical for day-to-day operations.

- Filled the youth, office administrator, nursery, and preschool director positions



# Staffing for Vision: Goal 2

Work with finance to make sure that we're paying our current staff fairly while at the same time bringing the percentage of our budget spent on staff down.

- Getting an accurate view of budget vs. actual spending on staff
- Ensuring that personnel has clarity into what is being spent on staff salaries and benefits
- Not filling/rethinking vacated positions
- Increasing revenue by maximizing the use of our church building and rental properties, developing the Legacy Endowment Fund, and improving stewardship practices

# Staffing for Vision: Goal 3

## Staffing to work toward our vision

- How our current staff are deployed will not meet the challenges of the next decade of ministry
- Next HOS will have their own ideas of how to maximize the impact of our current staff and think about hiring in the future
- We recognize that we're still mid-pandemic in many ways and don't know what programming, especially for children and youth, will look like in 2022 and beyond

# Staffing for Vision: Goal 3

Staffing to work toward our vision

- Right now the staff are in experimental mode, trying a number of approaches to engage the congregation
- In the months to come they'll have a better idea of where to invest time and which programs can be retired

# Improving Processes Between Personnel and Finance

- Committees to meet quarterly to exchange information
- Finance to continue to keep Personnel informed with month-to-date and year-to-date expenses compared to the budget
- Personnel to share staff changes (considerations for staff additions, compensation changes, resignations, retirements, etc.) with Finance

# Finance Update

- YTD September Financials 2021
  - Income \$907,000 - \$30,000 under budget
  - Expenses \$845,000 - \$104,000 under budget
- Annual Fund October 17 – 31
  - Theme - Sailing Forward
  - Pledge Cards or Online
  - Hoping for 5% Increase
- Investments
  - Matthew 25 and COVID Relief Special Giving
    - Raised \$164,000 for Matthew 25 and COVID Relief 2019-2021
    - Distributed \$107,000
    - Mission Endowment Fund currently \$90,000
  - Endowment Fund Program In Development
    - Policy Document Completed
    - Legacy Giving Team in Development
    - Initial Funding \$1,535,000
  - General Investment Fund
    - Policy Document Completed
    - Includes Remaining Investment Funds (\$300,000)



Time for Questions ...

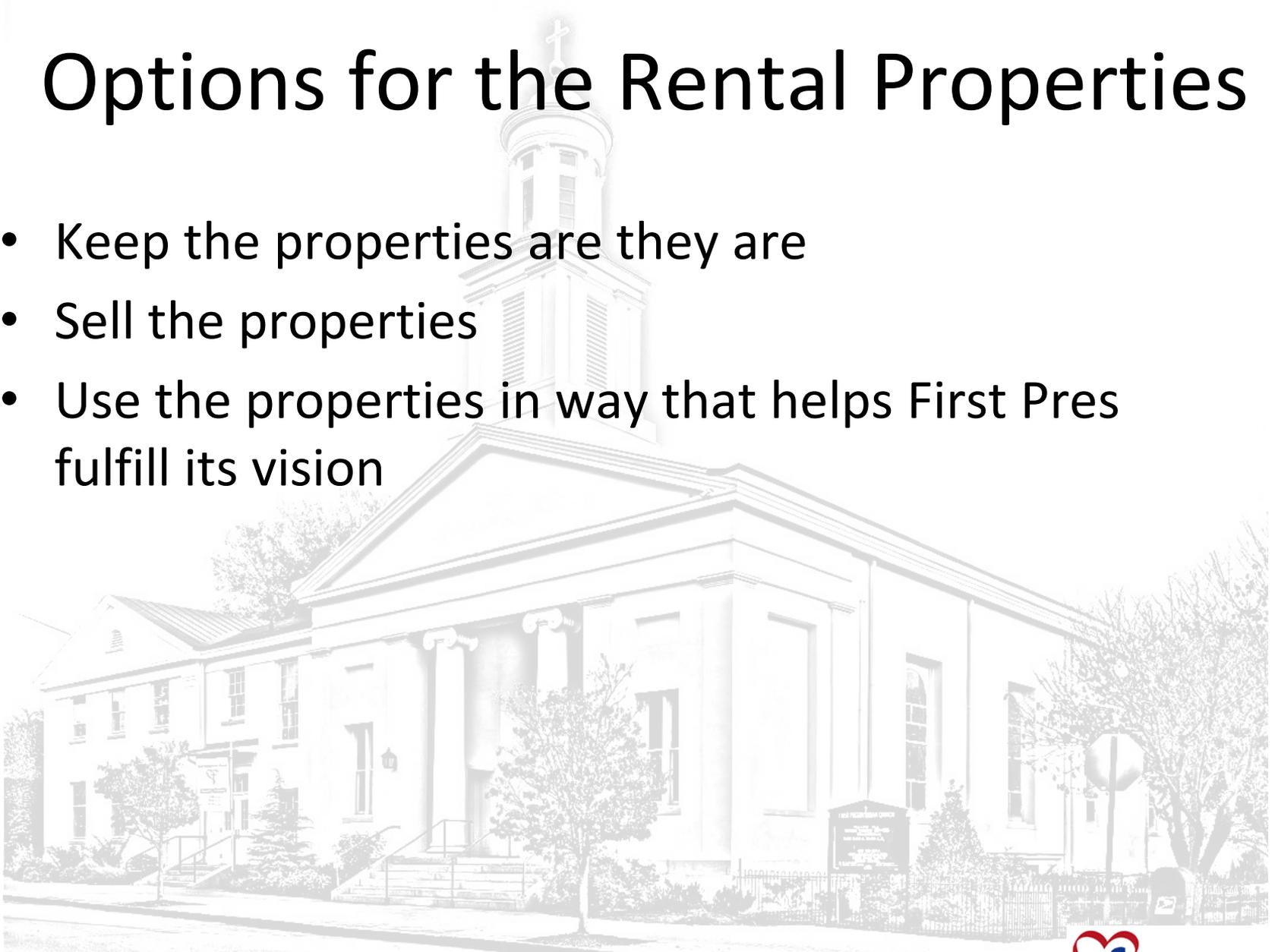


# Rental Properties Update

- Session established a committee to examine the church's rental properties at 122 and 126 Miner Streets to see how they fit into the First Pres vision
- 122 Miner Street has five rented apartments
  - Purchased Sept. 2007 for \$800K
  - Currently appraised for \$675K
  - Capital loss of \$125K
- 126 Miner Street currently leased to law offices
  - Purchased March 2006 for \$745K
  - Currently appraised for \$550K
  - Capital loss of \$195K
- Both properties provide some income to First Pres; 122 Miner Street apartments are rented at below-market value

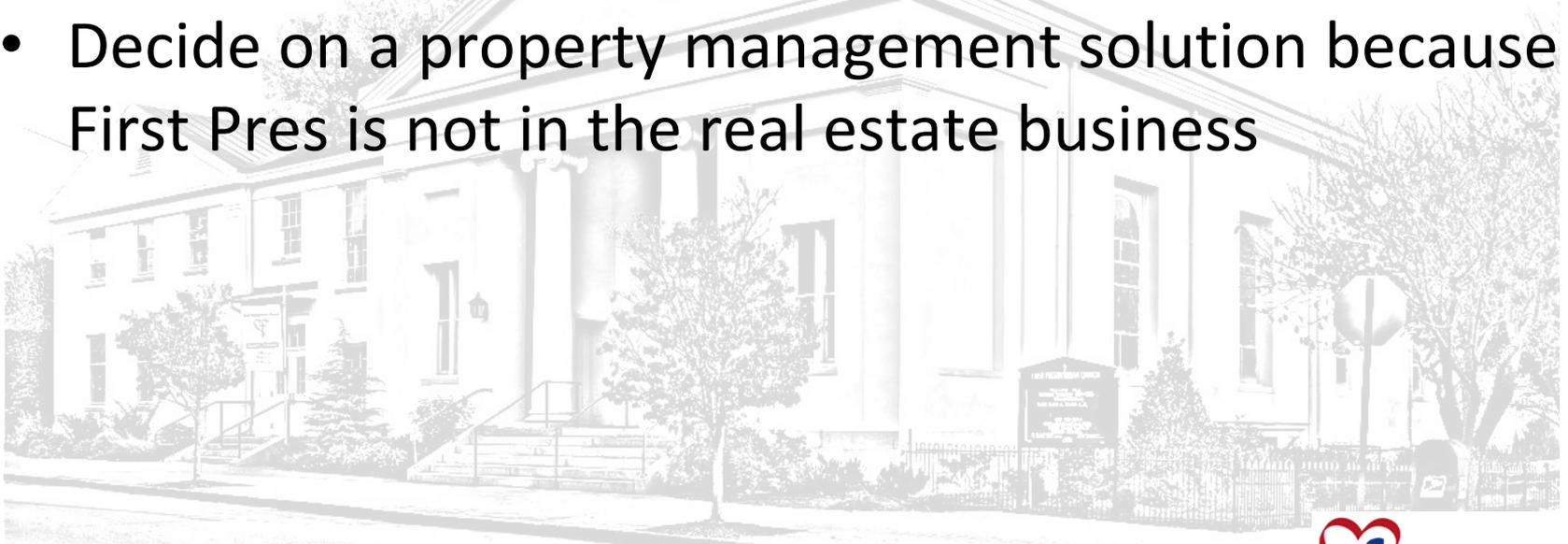
# Options for the Rental Properties

- Keep the properties as they are
- Sell the properties
- Use the properties in way that helps First Pres fulfill its vision



# Keeping the Properties as they Are

- Keep the five apartments rented
- Consider raising the rent to near market rate or market rate
- Consider passing through the utilities costs to renters
- Decide on a property management solution because First Pres is not in the real estate business



# Selling the Properties

- Sell one or both properties
- Could get appraised or higher price
- Money from sale could be used for general operating, mission, or invested
- Would not allow for First Pres expansion at current location
- Selling would simplify property management issues



# Selling the Properties

- We would lose the income the properties generate
- We would lose staff parking and green space for the Bucket School (behind these properties)
- We would lose any future use of the buildings
- We would lose the possibility of an increase in the properties' value
- We would lose an opportunity to serve our community ...

# Facts About Housing in West Chester

- About 500 people experience homelessness every day
- About 900 experience homelessness over a year
- Many of the homeless in West Chester qualify for and have housing vouchers
- Very few landlords accept vouchers
- There is a sustainable supply of renters with vouchers
- West Chester is a very desirable location due to job opportunities and available transportation

# How the Properties Can Help First Pres Fulfill its Vision

The committee thoroughly researched a third option for the rental properties.

- Explored several local nonprofit organizations working with Chester County to help low-income and homeless persons afford market-rate rental apartments by providing vouchers
- Renter pays 30% of their income to landlord
- County pays the balance by direct deposit to landlord
- If the renter has no income, County pays the total

# How the Properties Can Help First Pres Fulfill its Vision

More details about the voucher program ...

- Apartments are inspected initially and then every 2 years to ensure safety and fair rent
- Landlords sign a 1-year lease and are not committed to renting again for vouchers
- County screens renters using background checks
- Landlords decide who will rent using information from the County and nonprofit partners
- County provides funds for security deposit if needed

# How the Properties Can Help First Pres Fulfill its Vision

Renters in the voucher program want to be good tenants.

- They don't want to risk eviction because affordable housing in West Chester is scarce
- If evicted they have to wait 5 years before reapplying



# Recommendation for First Pres Rental Properties

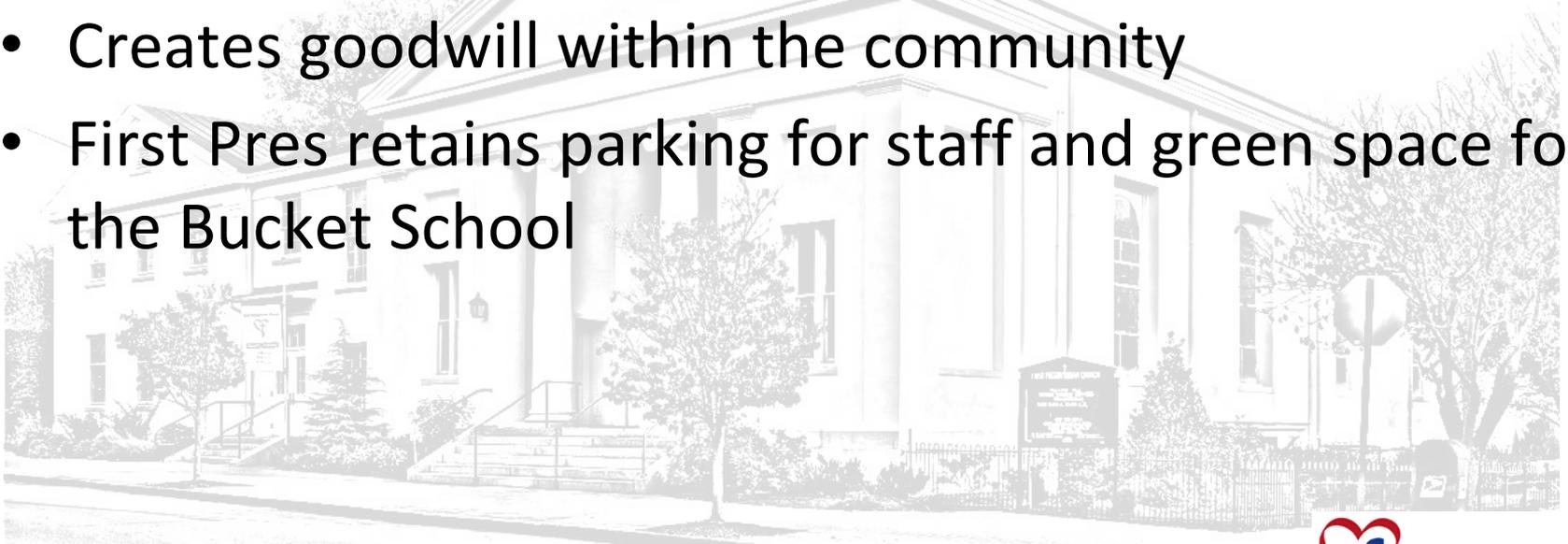
Keep the lease agreement for 126 Miner Street with the current law offices tenants.

- Monthly rent is \$5,530 capped with 2% annual increase
- Property is leased through Nov. 2023; tenants have option for another 5-year lease through Nov. 2028
- Tenant pays all utilities
- First Pres has no cancellation cause

# Recommendation for First Pres Rental Properties

Consider the voucher program for the 122 Miner Street apartments.

- Aligns with the First Pres vision
- Provides about 60% more rental income
- Creates goodwill within the community
- First Pres retains parking for staff and green space for the Bucket School



Time for Questions ...



# Leadership Structure Review Committee

- Recommended by Nominating Committee
- Approved by Session
- Purpose: Consider the current structure of Session and Trustees and make recommendations to enhance effectiveness



# The Team

- Nominating Committee representatives
  - Beth Congdon-Martin
  - Scott Gamble
- Trustee representative
  - Liz Single
- Session representative
  - TBD



Progress Update  
for  
Objective Three:

*Create a culture of trust, transparency and healthy communication that fosters deep relationships and enables the work to be a catalyst for love in our community.*

# Communication

First Pres leaders are committed to improving communications. We have implemented:

- Regular Congregational Conversations with different approaches
- After Session meetings, post “important information for the congregation to know”
- Periodic letter from the pastor with highlights of what’s happening
- Contact names and phone / email in communication
- Issued raw notes and full survey results along with summaries and full results from Aug. 1 Congregational Conversation
- Offer discussion with those who have concerns

Time for Questions ...

