

# THE FIRST PRESBYTERIAN CHURCH IN PHILADELPHIA

## 2022 ANNUAL REPORT

### Pastor's Report

As with many of our officers who submit items for this report, I went back to previous years' reports to see what needs to be written. I was struck by how much Covid-19, and our adaptations to the pandemic, shaped what was done at the church, and what we wrote about our common life together.

However, I don't want to write about the pandemic this year. Yes, we are still seeking to understand the effects of these past few years on our common life. Yes, there are aspects to how we do church that are permanently changed. Yes, we have to consider what parts of our past need to be "blessed and released" as our recent officers' retreat facilitator said. That's all true.

But, I'm much more interested in what we're going to be doing going forward. So, I did indulge in reviewing annual reports that I wrote in 2018 and 2019. I know we aren't going back, but I wanted to remember what it was like to write those reports.

Here's what I gleaned from those messages: Our life together was suffused with a sense of *gratitude*. And the more I have thought about that, the more I realize that at the most basic level, what it means to be church is unchanged. It is still to live a life marked out by gratitude for everything God has done for us.

And so, in this space, I want to express my profound gratitude. I am grateful to our staff, who work tirelessly for the good of this place: Andrew, Sue, Jerry, Patti, Donna, Carrie, and all of our musicians, and also those staff members who are no longer part of our day-to-day operations, but nonetheless contributed deeply. And I am grateful for all of our officers: for the elders who govern us, and the deacons who care for us. Particularly this year, I give thanks to God for the service of Heather, Cynthia, George, Stella, and Morgan, who are concluding their service on Session this year, and to Natalie and Lester, who are concluding their service as deacons. Likewise, I am grateful to God to those whose service continues, and to those who will be elected in this meeting. And I am grateful for everyone who ushers, and helps with fellowship hour, and serves on committees. You all love this congregation, and it makes it such a joy to be your pastor.

As I say every year, *peruse* these pages. Give thanks to God for what binds us together, and what we have done in the name of Christ. And when we've given thanks, let's look ahead. Think of where God is calling you to serve the church of Jesus Christ this year. Let's see what God is calling us to do, and let's do it!

*Dr. Baron Mullis, Pastor*

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**Annual Meeting of the Congregation  
March 5, 2023**

1. **Call** The Reverend Dr. Baron Mullis
2. **Constituting Prayer**
3. **Appointment of Clerk/Establishment of Quorum** Susy Christensen, Clerk of Session
4. **Notification of Distribution of Annual Report**  
(Copies available upon request)
5. **Q&A on Financial Reports** Reggie Amoa  
Treasurer's Report 2022, electronically distributed 3/2/23  
2023 Budget Highlights, electronically distributed 3/2/23  
Endowment Report, electronically distributed 3/2/23
6. **Report of the 2022 Officer Nominating Committee** Carolyn Crego, Chair  
Nominees for the Class of 2026 (unless otherwise indicated):

<i><b>Elders:</b></i> Natalie Amoa Craig Boddorff Carolyn Bavington (2025) Brian Chu Dave Huting Phil McMunigal (2025) Evelyn Schwartz Allan Schimmel (2024) Frances Tate	<i><b>Deacons:</b></i> Lauriaselle Afanador Gary Christensen Elaine Hanby Jack Melvin Dan Seekins Chase Stewart (2024)
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7. **Election of At-Large Members of the 2023 Nominating Committee**

<i><b>At-large Members:</b></i>	SommerAnn McCollough Anita McLarin Lester Morris Emily Roan
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8. **Motion to adopt amended and restated Bylaws** Susy Christensen  
(Electronically distributed 3/2/23)
9. **Changes to the Pastor's Terms of Call** Cynthia Decrucq
10. **Adjourn with Closing Prayer** Dr. Mullis

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**THE SESSION****Susy Christensen, Clerk**

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We have endured many challenges over the past few years but we have weathered the new landscape well, thanks be to God. As you will see from the following reports, much work has been done during the past year that allowed us to continue to move forward as a body of Christ.

The Policy Review Task Force (Susy Christensen, Rebecca Melley, Jon Rogers, Elaine Rothbauer and Allan Schimmel) is looking to wrap up their work this year so that there is a complete set of up-to-date policies for our church. There was a special task force comprised of Cynthia Decrucq, Morgan Klinzing and Shellie Unger, who worked with an attorney to update our bylaws. Thanks to this team for completing this arduous task.

In June, the Session examined and approved for ordination and installation the new classes of elders and deacons and elected the corporate officers of the church: Heather Coyne, President; Craig Boddorff, Treasurer; and Susy Christensen, Secretary.

We welcomed 17 new members in 2022: Al Barron, Martha Barron, Joselyn Basden, David Cardy, Jennifer Cardy, Danielle Fine, John Parron, Gillian Slee, David Wilson, Patty Hart Wilson, Elizabeth Schmitt, Ben Seigel, Russ Palmer, Elizabeth Stanley, Elaine Hanby, Harriet Hill, and Mark Mitchell. We celebrated three infant baptisms. But with joys can also come sadness and we said goodbye to several of our members as they joined the church triumphant: Bill Eberhardt, Margarite Vallery, Bob Cole, Ada Allen, Jerry Vallery, Ginnie Mesibov, and former longtime member and friend of FPCP John Witmer.

Reports from committees of Session follow which will give details into the work of the Session and the life of our church in 2022.

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**THE BOARD OF DEACONS****Natalie Amoa and Jean Witmer, Co-moderators**

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The Deacons are delighted that they can serve the Church community in person this last year. We meet by zoom every month, but most of you see us around in Old Buttonwood Hall on Sundays.

We prepare communion and refreshments for the Celebration Service and refreshments for Fellowship Hour. Our ministry in this role is to provide our church members and friends an opportunity to socialize and build relationships.

We enjoy sponsoring special events, the Ice Cream Social, Welcome Brunch, Advent Brunch, Mardi Gras, and Easter Brunch to name a few.

Behind the scenes we contact the fifteen or so members and friends on the Congregational Care Report by making calls and sending cards.

We send special Christmas Cards to all members and friends of the Church. The beautiful painting on the card is graciously donated by artist and Deacon João Magalhães.

We are always ready to serve at funerals, baptisms, weddings and other social events as needed.

The Deacons also organize all the welcoming and ushering duties. Would you like to join us in this ministry? It's a great way to welcome old friends and meet new people.

Looking forward in the year ahead the Deacons continue to plan events to enhance the spiritual and social life of our vital Church community. We thank you for your continued support and appreciation.

The Adult CE Committee organized its 2022 programming by the Seasons of the Christian year. Ordering our lives in this way offers us a way to deepen our faith as we journey in accordance with the life of Christ and the events of salvation. The theme of Seasons of the Christian year keeps us centered in Christ and proclaims the story of our faith. We explored the following:

▶ **A Season of Change: New Conversations in the New Year** (January and February)

To begin the new year, the CE Committee hosted a social justice study based on Eddie S. Glaude, Jr.'s book *Begin Again: James Baldwin's America and its Urgent Lessons for Our Own*. Ken Ross led the study on Wednesday evenings via Zoom.

In February, Interfaith month, the Reverend Dr. Margaret Somerville gave an interfaith spiritual practices series on Wednesday evenings via Zoom. The class format was experiential, and attendees participated in the practices.

▶ **A Season of Reflection and Renewal: Lent and Eastertide** (March, April, May)

The Reverend Barbara Chaapel led a three-part Wednesday evening Lenten Series, "Listening to the Parables of Jesus." The series allowed all participants to interact and grow from the experience.

After Easter and marking Earth Day on April 22, a three-session climate change book club featured Katharine Hayhoe's book *Saving Us: A Climate Scientist's Case for Hope and Healing in a Divided World*. FPC member Doug O'Malley, Director of Environment New Jersey, led challenging conversations and inspired attendees to develop their climate change action plans.

▶ **A Season of Discipleship: Challenges of the Christian Life** (September and October)

Dr. Mullis' five-part sermon series on The Lord's Prayer included talk-back discussions immediately following the Service in the MacColl Room and via Zoom. The Committee supported the talk-back sessions and established a new hybrid option for Committee programs to run concurrently in-person and virtually.

▶ **A Season of Longing and Expectation: Advent and Christmas** (November and December)

Continuing with the theme of prayer: the Committee presented a four-part series, "Communion with God: Exploring Personal Practices of Prayer" on Wednesday evenings beginning October 26. Each week a member of the FPC clergy presented different aspects of prayer and shared their prayer practices.

To kick off our prayer study, the Reverend Ken Ross provided a brief historical overview, touching on how prayer was a problem in the Reformation and how it emerged as a traditional Protestant discipline. He shared the denomination's collections of prayers and their use for everyday and personal prayers. The Reverend Barbara Chaapel shared her contemplative prayer practices, including silence, breath prayer, connecting with God in nature, music, poetry, and placing others in God's presence. The Reverend Jerry Foote shared her pastoral care visits and experiences. She discussed the prayers she uses for crisis care and ongoing personal care for individuals and their families. Dr. Baron Mullis shared a "how-to" approach in the final class. He presented guidelines for creating intercessory and pastoral prayers and led an exercise in which attendees wrote prayers in small group sessions

For Advent, Barbara Chaapel led a virtual series on Wednesday evenings: "Beginning in Darkness: A Class for the Season of Advent." Advent begins the church's liturgical year and is the season that

*(Adult CE, continued from page 4)*

anticipates and awaits the coming of Christ into the world. The theme of the series recognizes that the world Jesus was born into centuries ago and the world Christ enters today can be very dark. We all know the darkness of tribal politics, environmental degradation, racial injustice, and human suffering brought on by war, poverty, and disease. The Christ of Advent does not turn away from this darkness but is born into it. The hope and light of the world begin in darkness.

The members of the Adult CE Committee are Barbara Chaapel, Carol Cook (Co-Chair), Mac McLarin, George Nutty (Co-Chair), Diane Rogers, Ken Ross, and Dr. Baron Mullis (ex officio).

## **CHILDREN’S CHRISTIAN EDUCATION**

**Crystal Reeck, Chair**

Children’s Christian education at First Church is in something of a liminal space. While we as a congregation have committed to calling an Associate Pastor who will work in children’s ministry, we are relying heavily upon our volunteers for quality programming for our children.

In our Celebration! worship, each week brings a festive service in which our youngest members connect with each other and God. We were fortunate to have the Rev. Megan LeCluyse and Dr. Baron Mullis leading us in worship and Andrew Senn leading our music program. Karen Marston frequently provides wonderful messages for the children tied to the scripture lesson for the day. We wished Rev. Megan LeCluyse farewell at the end of the year, after leading our Celebration service for many years, and we look forward to welcoming an associate pastor in the coming year. Our children are very involved in the Celebration! service, and we only look for their opportunities to increase as we develop our programming.

The past year saw several fun events. At Easter we hosted an Easter egg hunt and distributed goodies to the children. With the start of the church’s anniversary celebration year, we took a tour around the building to learn more about its history and artistry. In Advent, we hosted a series of events—creating cards for our homebound members, making ornaments, and decorating cookies. Our children remained engaged and interested in church.

We encourage everyone to visit the Celebration! service from time to time in order to get to know the youngest members of our congregation.

## **FACILITIES COMMITTEE**

**Heather Coyne and Carolyn Crego, Co-chairs**

Energy use, user comfort and safety, and technology remain the top priorities of the Facilities Committee.

### **► Technology**

We have a steady contingent of congregants who engage with First Church remotely with the use of livestream and video-conferencing technology. Minor modifications have been made to enhance the user experience, like the addition of a second microphone to the MacColl room for improved audio.

After more than a year of planning, the Church migrated to a new, web-based, Church Management Software called Realm. (See the Realm Implementation Team Report.) A BIG thanks to the Congregation for engaging with this new software and a HUGE thanks to the Software Taskforce for making this happen.

Session has also transitioned records management from Dropbox to Google Drive. All users with

*(see Facilities on page 6)*

an fpcphila.org email address are able to access Google Drive based on their committee reporting.

► **Utilities**

As utility costs remain in flux, the Committee regularly reviews monthly water and energy use and rates. With close tracking, issues like leaky toilets and faucets are repaired before they become a costly nuisance. In addition to the tracking of utility rates, the Committee continues to look for energy-saving opportunities. Additional insulation was installed in the second floor attic of Old Buttonwood Hall in late 2022. This should improve user comfort, thus lowering heating bills. There have been unexpected repairs to the sanctuary and basement heating and controls systems; our mechanical techs continue to review and maintain these systems.

In 2023, be on the look-out for more information about FPC's involvement in the District 2030 Philadelphia program. This voluntary program will connect us to other local owners to share ideas and information about reducing energy usage. We invite anyone who is interested to reach out to the Facilities Committee.

► **User comfort, safety, and building use**

After supply chain and staffing issues delayed the 21<sup>st</sup> Street and Chancellor Street door replacement, the work was finally completed in Spring 2022. In addition to better functioning door hardware, there is now a key fob system for access. The security access software was upgraded at the same time.

We continue to open our doors to member and outside organizations. Programs in 2022 included the Soul Shots Portrait Project exhibition, concerts, and weekly use by our mission partners. The Committee will update the building use policy in 2023 to provide consistent guidance.

Other projects planned for 2023 include exterior masonry and roofing repairs near Baron's office, replacement of the organ's software operating system, repainting the Chancellor Entrance overhang, and a continued study to determine the feasibility of provide cooling in the Sanctuary.

Thank you! This work could not be done without a dedicated team of volunteers and support from the congregation and staff.

The members of the Facilities Committee are Heather Coyne and Carolyn Crego, Co-chairs; Jeannie Boehner, Karl Miller, Jen Gay, and Sue Riemann.

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**REALM IMPLEMENTATION TEAM**

**Mac McLarin, Chair**

First Presbyterian Church is now fully live on the ACS Realm software!

► **What is Realm?**

ACS Realm is a cloud-based software package designed specifically for churches. While it is crucial for church "back office" functions like managing membership, giving, communications, and finances, the big change for FPC is that Realm is designed for everyone in the church. And Realm includes a smartphone app called Realm Connect, which means that you can now interact with your church community using your computer or smartphone once you download the app.

► **Why did we make this change?**

Our previous software package, Shepherds Staff, was working well but showing its age. The

*(see Realm on page 7)*

*(Realm, continued from page 6)*

biggest challenge for FPC was that Shepherds Staff was designed to be used only by those physically present in the church building--just not a practical approach these days.

► **How did we transition to the new ACS Realm system?**

It's been quite a journey. The committee took 14 months for the selection process, reviewing twenty different software packages that were then narrowed down to six semi-finalists and then to two finalists. The committee selected ACS Realm as our new church management software in December 2021. Session approved this choice a few weeks later.

Then the work began to learn how to fit what we do at FPC (and more importantly what we need to do) into Realm? There were new terms to remember – Committees became Groups, Deacons, Ushers, Fellowship Helpers became Volunteer Teams. Many of you were subjects in our test Realm system in the spring of 2022 so we could see what worked and what didn't work. In August, with expert guidance from Realm headquarters we were able to load our membership (~1700 records) and giving data (current and 10-year history) directly from our old software system into Realm.

We spent the month of September sorting out the intricacies of Realm and accomplishing some membership data maintenance tasks. We rolled out Realm to the congregation in October. Many of you will remember receiving those emails inviting you to join the Realm online community.

In January 2023, we successfully completed the full transition when we transferred the church accounts and began using Realm's accounting system.

► **Why should I use Realm?**

Today, part of our ministry in Jesus Christ is (and must be) virtual. We have church members who can no longer come to church but instead worship through our weekly live stream and participate otherwise using Zoom. While there is nothing like in-person fellowship, Realm allows us to strengthen all church connections—virtual and in-person. Everyone can be connected from anywhere at any time, right from our computers and mobile devices. Realm can help everyone in the life of our church by supporting the healthy relationships essential to our church's mission.

► **What about Giving?**

Realm gives you complete control over your giving. Giving should be easy, and Realm places giving right in the palm of your hands using your computer or smartphone app. You may set up recurring gifts, view your giving history, and make changes at any time. Realm automatically records all electronic gifts and adds them to your giving record making it easy for you to give, and easy for our Financial Office to track.

Currently 120 of us have joined the FPC Realm community; our goal is to get more of our community to join so that we can take full advantage of Realm's functionality. Are you part of our Realm online community? Contact a Realm team member or the church office for help.

The Realm Implementation Team is Craig Boddorff, Jen Gay, Laura McMunigal, Mac McLarin (Chair), Sue Riemann, and Patti Sassoli.

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**MEMBERSHIP & EVANGELISM COMMITTEE**

**Shellie Unger & Larry Slagle, Co-Chairs**

The Membership & Evangelism Committee (M&E) exists to welcome visitors and newer attendees and encourage and integrate them into the life of the church. One of the goals of this ministry is to facilitate the membership process to add new members to the First Presbyterian family. Though the last three years have presented unusual circumstances, the First Presbyterian family continues to care and support one another, and grow.

2022 continued to be a year of adjusting to post pandemic life. The committee continued to provide oversight for fellowship/affinity groups. Of note was the faithful execution of consistent weekly program offerings for our Twenties and Thirties group (T&Ts), under the outstanding leadership of Annie LeCluyse (until her departure this year); weekly meetings were a mixture of safely-distanced outdoor gatherings and virtual meetings. The Women of Wit and Wisdom were able to gather for “Tea and Art” in September where Jean Witmer showed slides of painting and sculptures done by women artists. The Band of Boomers organized the African American History Walking tour in March and was able to resume its popular Christmas Party in December. Our LGBTQ+ fellowship (fpcQ) had a joint happy hour with the T&Ts in November and its members have regular informal gatherings for fellowship.

Due to the efforts of Baron Mullis, First Church is welcoming new members; the Session accepted 17 new members in 2022. And we have a new members class scheduled for March 2023.

Looking into 2023 with growing hope, we are grateful for the sustaining grace and love of our fellowship. We approach the new year with a renewed commitment to creatively nurture our visitors and new members and to provide opportunities for deeper engagement and welcome into the First Church family. We have planned a resumption of our “We are Glad You Are Here” reception at the home of William Swoope on April 19, 2023.

Members of the M&E Committee are Diane Rogers, Gui Carvalho, Kayla Krystek, Suellen Smith, Richard Unger, and William Swoope, and the committee is fortunate to have Dr. Baron Mullis as our staff liaison.

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**MISSIONS COMMITTEE**

**Jordana Woodford, Chair**

2022 was a dynamic year, giving us all the chance to reevaluate our priorities and embrace the changes ahead by reexamining past practices and looking for ways to improve on them. The past year helped us redefine the meaning and intentional effort we pour into our church and our community at large. Along with Karl Miller, Chris Tibbs, Lester Morris and Crystal Reeck, the Missions Committee welcomed two new valuable members, Dan Seekins and Gillian Slee. Additionally, we celebrated Ina Mexhitaj becoming a co-chair alongside Jordana Woodford.

In a post-pandemic era, we recognized the challenges of engaging a congregation in volunteer activities and have been busy collaborating on various events meaningful to our community. As such, the Missions Committee continued to support both new and long-standing partners. We have helped prep garden beds to be ready for the spring at Urban Tree Connection and provide a space and volunteer opportunities to assemble meal kits for Philadelphia families experiencing food insecurity through Zia.

This year, we have collaborated with various groups to provide activities for the whole

*(see Missions on page 9)*



*(Missions, continued from page 8)*

congregation to participate. For example, the Lenten and Advent Donation Drives were a success, as the congregation filled boxes with supplies from diapers and onesies to tee-shirts and planting seeds. All the contributions were delivered to some of our mission partners, including Maternity Care Coalition, Urban Tree Connection, and Philly House with a warm welcome. At the beginning of Lent, the Missions Committee supported an alternative spring break trip for students from Howard University, who joined the church for fellowship. In April, First Church hosted the opening reception and month-long portrait exhibition in collaboration with Souls Shot Portrait Project, a group that links artists and family and friends of victims of gun violence and provides a venue for them to tell their story. The Delaware Valley Legacy Fund, in collaboration with the Missions Committee hosted a special LGBTQ+ history program, where participants traveled from the Rosenbach Library to the church via a historical tour that highlighted the contributions from the LGBTQ+ community, followed by a reception at the church.

Additionally, the Missions Committee continued the tradition of participating in the application review process for students from Community College of Philadelphia applying to the scholarships funded by First Presbyterian Church, who sent out heartwarming letters of gratitude to the committee. The awardees are invited this year to introduce themselves to the congregation and be part of our fellowship.

After a thorough and thoughtful grant application review, the Missions Committee is humbled to support twenty-four mission partners, three of which are new partners, including Episcopal Community Services (ECS) Mission Meals and Market, Health Ministries, and William Way, which are going to great lengths to provide support for marginalized and disadvantaged groups in our community.

The Missions Committee is finding new ways to highlight the work that our mission partners engage in by frequently inviting partner representatives to speak to our congregation through Minute for Mission for 2023, having designated committee members serving as liaisons for First Presbyterian Church and our partners, by making the congregation aware of volunteer opportunities and keeping track of events, and by being intentional about merging those volunteer opportunities with the Children's and Adult Christian Education committee for more cross-committee involvements.

We are grateful that the church has provided continued support to represent First Presbyterian Church and our missions and are hopeful that through these intentional efforts 2023 will be an even more exceptional year for First Presbyterian Church congregation to support our community.

## **PERSONNEL COMMITTEE**

**Cynthia Decrucq, Chair**

2022 was a year of reflection on and reconsideration of staffing patterns that best support FPCP's on-going witness not only at the corner of 21<sup>st</sup> & Walnut but also in the greater Philadelphia area and the community at large. The simultaneous resignations of the Reverend Megan LeCluyse, Celebration Team lead, and Annie LeCluyse, Young Adult team lead, coupled with the already existing vacancy for Minister for Family and Faith Formation, created when Sarah Weisiger left in June 2020, afforded the Personnel Committee the opportunity to give thoughtful consideration to long-term needs especially as related to those areas of ministry. Because the workload associated with those three vacancies totaled 30 hours a week, nearly a full-time position, Personnel recommended to Session and Session

*(see Personnel on page 10)*

*(Personnel, continued from page 9)*

approved the creation of a full-time associate minister position with a congregational life focus. A five-member search committee, Becky Yep, chair, Rebecca Melley, Jennifer Boyd, Elaine Hanby, and Larry Slagle, has been named to review resumes, conduct preliminary interviews, and recommend candidates to Session and the Committee. The Reverend Jerry K. Foote continues to provide exemplary service in her role as Minister for Congregational Care. Carrie Pease provides childcare each week in the nursery.

In other staffing news, Nicholas Butler, our part-time sexton of nearly 6 years, left at the end of December to pursue his true calling in theatre. Chase Stewart, a regular worshipper and friend of FPCP, stepped up as our temporary part-time sexton while the Committee, again, reviews the scope of this position. Finally, the Committee continues to search for nursery caregivers.

A listing of positions open for employment at First Church is available on our website: [fpcphila.org/employment-opportunities](http://fpcphila.org/employment-opportunities).

Members of the Personnel Committee are Bill Swoope, Rebecca Melley, Stella Tsai, and Cynthia Decrucq, chair.

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## **RISK MANAGEMENT**

**Morgan Minturn, Chair**

Over the past year, the Risk Management Committee finalized the 2021 financial compilation performed by our outside accounting firm, Kreischer Miller. We have also benefited from Kreischer Miller's expertise as FPC transitions its financial reporting software from Shepherd's Staff to Realm. We continue to conduct our internal audit each year to confirm our internal processes align with recommended practices provided by the Presbytery of Philadelphia.

With respect to insurance, we have continued with our policies sponsored by the Presbytery of Philadelphia and issued by Church Mutual Insurance, and our worker's compensation policy with AmTrust.

Thanks to the Audit Committee members (Karl Miller and Stephen Krystek) and Elaine Rothbauer for all of their assistance over the past year! We invite anyone who is interested in participating in our work to reach out and join the committee.

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## **STEWARDSHIP & BUDGET**

**Reggie Amoa & Fraz Thomas, Co-Chairs**

During 2022, Reginald "Reggie" Amoa and Frazar "Fraz" Thomas both assumed the role of Co-Chair of the Stewardship & Budget committee (S&B Committee), as Mac McLarin stepped down from his former role of Co-Chair to facilitate the Church's migration to its new management and community networking software application, ACS Realm (Realm).

Our committee is excited about Realm and the features available to increase the efficiency and transparency of our financial and accounting functions. As some members of the congregation may already be aware, the transition from Shepherds Staff, our legacy management software system, coincided with the approval by the Audit Committee and the Session of an accounting change to a single fund financial reporting system. While timely, this change was not driven by the switch to Realm but rather approved to simplify the Church's bookkeeping. Specifically, certain interfund payables and receivables created to track payments within our three main funds that were ultimately

*(see S&B on page 11)*

(S&B, continued from page 10)

funded by the Endowment Fund and, to a lesser extent, surpluses generated by our Operating Fund have been eliminated. The elimination of this interfund accounting addresses the \$689,378 account receivable from the Endowment Fund to the Operating Fund, and the \$3,495 receivable from the Operating Fund to the Capital Fund. As noted earlier, these accounts always functioned as an accounting mechanism to track the church's money and its use for the church's facility. The S&B committee notes that this accounting change does not affect the financial performance of the church or the committee's ability to analyze our reliance on the Endowment.

As Co-Chairs, Reggie and Fraz, lead efforts to organize and advance the mission of the S&B Committee with ardent support from the committee's members. At its core, the S&B Committee seeks to ensure that First Presbyterian Church in Philadelphia (FPCP) has the ability to provide adequate funding for its mission and programs for years to come.

### ► **Operating Performance**

In many respects 2022 was a return to "normal" as our church programming and worship reflected in-person gatherings and events that we were all more accustomed to prior to COVID-19. To kick things off, while total operating cash inflows were down approximately 7.0 percent from 2021, we are happy to report better than anticipated results with inflows totaling approximately \$964,420 or \$30,540 ahead of the 2022 budget (+3.3%). The annual giving campaign and income from the church's endowment and other investments continue to be the major sources of our operating cash inflows. Designated offerings were below forecasts while certain miscellaneous income exceeded budget supporting our 2022 results.

Conversely, operating cash outflows in 2022 increased 7.0 percent from 2021 due to higher expenses in our worship and congregational need categories. However, it is important to note that these expenses came in under our 2022 budget, representing approximately \$85,676. Supporting our financial performance, major expense categories, including clergy, building expenses, worship were markedly lower reflecting staffing changes, worship and music program related expenses, and utilities and interest expenses. Owing to your many gifts, we recorded a surplus in 2022 of \$77,744 (compared to a planned deficit of \$38,473).

With inflation on the rise, the S&B Committee will continue to work with various committee heads to prudently manage expenses and mitigate discretionary spending when possible.

### ► **Endowment Performance**

Our endowment stood at \$8.4 million at the end of 2022 (down ~18% from 2021) and continues to focus on providing support in three main areas: (i) the operating budget, (ii) the capital budget, and (iii) the repayment of the mortgage principal for our two outstanding loans which, as of the current year end report, are outstanding at \$2.2 million combined with total principal repayment estimated at approximately \$127,000 for 2023. We continue to target approximately 3.5 percent, 1.0 percent, and 1.3 percent of the endowment respectively to each of these three areas. That said, we also acknowledge that the capital and PILP principal repayments estimates are subject to fluctuation based on the future FCAMP (Facilities Conditions Assessment and Maintenance Plan) for Terms 2 and 3 projected for 2024 and 2030, respectively.

The S&B Committee, in concert with the Endowment Committee, remain committed to the

(see S&B on page 12)

analyzing the annual draw and installing appropriate guard rails to give the Session sufficient information to approve annual budgets. Our investment manager, Vanguard, provides additional professional guidance and feedback to help us make informed decisions with respect to our projections of the potential growth of the endowment over its perpetual investment horizon. While markets have been volatile in 2022, we understand that Vanguard's 10-year global equity return expectations are 2.25 percentage points higher than they were at this time last year. From a U.S. investor's perspective, Vanguard's Capital Markets Model projects higher 10-year annualized returns for non-U.S. developed markets and emerging markets than for U.S. markets.

In light of these discussions, our return expectations for 2023 remains modest. That said, there is nothing modest about our Endowment and we are so blessed to have it and mostly for your charitable gifts and for the bequests that continue to ensure our survival for many years to come. The Endowment Committee will seek to improve its oversight over the Church's stewardship of these funds by formalizing our Endowment Policy and Guidelines in the near future.

► **Annual Giving**

The theme of this year's annual giving campaign was "Renewal and Reconnection." We chose this theme to reflect not just the resumption of in-person gatherings in the wake of the pandemic, but our congregation's commitment to reinventing itself in the face of change both cultural and structural. Pledging has remained strong, with the congregation generously committing to a total of \$475,706 (from 98 pledges) for 2023. As we look forward into 2023 and beyond, the session has again committed itself to a bottom-up approach to setting annual budgets that take a realistic account not just of the church's current financial position but realistic expectations of growth and performance over the next twenty years.

► **Looking Ahead to FY23 and Beyond**

The FCAMP design and project plan lays the foundation and outlook for maintaining (program is only maintenance, no upgrades) the church's building through and potentially beyond 2030. The study was commissioned in 2017 by the Joint Capital Planning & Building Management Committee with a fifteen-year plan expected to address building improvements over three terms.

Scope includes masonry and roofing repairs and replacement, restoration and replacement of window frames and window sashes, replacing mechanical systems for heating and cooling. With this much to plan for, the Facilities Committee continues to partner closely with the S&B Committee to not only keep us informed of the priorities but also spending that stems from unforeseen emergencies. As a result of these plans, and also with the peak of the pandemic now in our rear view, we expect to see some of these projects take shape and increase our capital spending over the next couple of years.

In conclusion, I would like to extend sincere appreciation to all our members for their commitments of time and talents to the S&B Committee. Fraz Thomas (Co-Chair), Heidi Artigue, Craig Boddorff, Heather Coyne, Dave Huting, Mac McLarin, Gary Christensen, Patti Sassoli, and Dr. Baron Mullis (ex officio).

We welcome new members all the time. If the mission of the S&B Committee is something that interests you, please contact one of the co-chairs.

**WORSHIP COMMITTEE****Evelyn Schwartz and Stella Tsai, Co-chairs**

In 2022, the worship services at First Presbyterian Church continued to be spiritually enriching thanks to the leadership of Rev. Dr. Baron Mullis, Rev. Megan LeCluyse, Andrew Senn, our choir, and our talented guest liturgists.

Here are a few of the noteworthy highlights of 2022.

- On Ash Wednesday we offered two services of reflection and for imposition of ashes.
- On Easter Sunday we resumed communion by intinction. Disposable communion kits are still available if congregants are uncomfortable or unable to come forward.
- Music continues to play an integral part of our services under the direction of Andrew Senn and with his mastery of the organ and the talents of our choir and other musicians. The Sunday after Easter we were enraptured by their world-class performance of The Messiah (Part III).
- On July 31<sup>st</sup> we had a hymn sing followed by an ice cream social during fellowship hour.
- While Dr. Mullis was away for the month of August, we were pleased to have Rev. Barbara Chaapel, Rev. Margaret Somerville and Rev. Jerry Foote as guest preachers.
- In September Dr. Mullis began a five-part sermon series on the Lord's Prayer. Following each sermon, he moderated a discussion of the sermon in the MacColl room.
- In October we commemorated the 150<sup>th</sup> Anniversary of our church building with a service of scriptures and hymns from the October 13, 1872 service of dedication.
- On Reformation Sunday Andrew Senn led the congregation and choir in the Catechism Hymns of Martin Luther.
- November 20<sup>th</sup> saw the return of the Blessings of the Animals Service.
- The list of special services in December included a Service of Lessons and Carols for Advent, the Service for The Longest Night, two services on Christmas Eve: Celebration! Service at 4 PM and a Service of Lessons and Carols for Christmas at 9 PM. The month concluded with a Lovefeast on Christmas morning which included hymns, a special Moravian blessing, cider, and traditional cakes.

The Celebration! Service continues to be a vibrant family friendly service of music, prayer, and fellowship. Communion is served each Sunday.

This past year we had three Baptisms, four weddings and four memorial services.

All our traditional services and special services are now available via live stream for those who are not able to attend in person. We are very grateful to Patti Sassoli and her efforts to make this work each week.

Finally, we bid a fond farewell to Rev. Megan LeCluyse who left in December. Rev. LeCluyse was an intrinsic part of our services and church life, and we will miss her.

The worship committee meets virtually the first Monday of every month. The committee members in 2022 were Rev. Barbara Chaapel, Dave Huting, Rev. Megan LeCluyse, Anita McLarin, Dr. Baron Mullis, Owen Robbins, Andrew Senn, William Swoope, Evelyn Schwartz (Co-chair) and Stella Tsai (Co-chair).

**Operating Budget Summary**

<b>2021 &amp; 2022 Operating Budget Results and 2023 Operating Budget</b>							
<b>INCOME - Totals</b>	<b>2021</b>			<b>2022</b>			<b>2023</b>
	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>
General Giving	\$ 495,783	\$ 610,193	123%	\$ 489,015	\$ 495,260	101%	\$ 523,500
Designated Offering	\$ 3,000	\$ 3,134	104%	\$ 5,450	\$ 3,963	73%	\$ 4,200
Investment Income	\$ 398,561	\$ 407,188	102%	\$ 432,668	\$ 448,409	104%	\$ 437,210
Other	\$ 7,246	\$ 15,497	214%	\$ 6,746	\$ 16,787	249%	\$ 4,246
<b>TOTAL INCOME</b>	<b>\$ 904,590</b>	<b>\$ 1,036,012</b>	<b>115%</b>	<b>\$ 933,879</b>	<b>\$ 964,419</b>	<b>103%</b>	<b>\$ 969,156</b>
<b>EXPENSES - Totals</b>	<b>2021</b>			<b>2022</b>			<b>2023</b>
	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>
Clergy & Presbytery	\$ 280,866	\$ 258,315	92%	\$ 289,659	\$ 270,221	93%	\$ 308,718
Financial Services	\$ 4,800	\$ 7,398	154%	\$ 5,000	\$ 4,000	80%	\$ 5,800
Worship & The Arts	\$ 151,255	\$ 121,893	81%	\$ 162,323	\$ 148,324	91%	\$ 172,101
Congregational Needs	\$ 27,750	\$ 10,353	37%	\$ 31,200	\$ 19,364	62%	\$ 30,710
Christian Education	\$ 15,583	\$ 7,952	51%	\$ 15,324	\$ 8,040	52%	\$ 15,000
Office	\$ 103,864	\$ 96,618	93%	\$ 109,803	\$ 101,057	92%	\$ 110,035
Building	\$ 259,003	\$ 224,389	87%	\$ 256,947	\$ 228,806	89%	\$ 254,020
Mission & Benevolence	\$ 94,200	\$ 97,360	103%	\$ 97,450	\$ 94,763	97%	\$ 98,700
Miscellaneous	\$ 4,750	\$ 4,348	92%	\$ 4,646	\$ 12,101	260%	\$ 4,750
<b>TOTAL EXPENSE</b>	<b>\$ 942,071</b>	<b>\$ 828,626</b>	<b>88%</b>	<b>\$ 972,352</b>	<b>\$ 886,676</b>	<b>91%</b>	<b>\$ 999,834</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ (37,481)</b>	<b>\$ 207,386</b>	<b>-553%</b>	<b>\$ (38,473)</b>	<b>\$ 77,743</b>	<b>-202%</b>	<b>\$ (30,678)</b>

**Endowment Budget Summary**

<b>2022 Endowment Budget Results and 2023 Endowment Budget</b>				
<b>INCOME</b>	<b>2022</b>			<b>2023</b>
	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>
Bequests & Memorial Gifts	\$ -	\$ 53,843	-	\$ -
Interest - Money Markets	\$ 659	\$ 579	88%	\$ 700
Investment Gain	\$ 205,505	\$ -	0%	\$ 167,815
<b>TOTAL INCOME</b>	<b>\$ 206,164</b>	<b>\$ 54,422</b>	<b>26%</b>	<b>\$ 168,515</b>
<b>EXPENSE</b>	<b>2022</b>			<b>2023</b>
	<b>Budget</b>	<b>Actual</b>	<b>%</b>	<b>Budget</b>
Operational Support	\$ 322,968	\$ 322,968	100%	\$ 327,510
Capital Support	\$ 87,078	\$ 55,464	64%	\$ 220,800
PILP Principal	\$ 123,278	\$ 121,471		\$ 126,567
Advisor Fees	\$ 30,000	\$ 30,000	100%	\$ 30,000
Investment Loss	\$ -	\$ 1,521,088		\$ -
<b>TOTAL EXPENSE</b>	<b>\$ 563,324</b>	<b>\$ 2,050,991</b>	<b>364%</b>	<b>\$ 704,877</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ (357,160)</b>	<b>\$ (1,996,569)</b>	<b>559%</b>	<b>\$ (536,362)</b>

## Capital Budget Summary

2022 Capital Budget Results and 2023 Capital Budget			
INCOME	2022		2023
	Budget	Actual	Budget
Donations from Congregation	\$ -	\$ 360	\$ -
Support from the Endowment	\$ 87,078	\$ 55,464	\$ 220,800
PILP Principal Support	\$ 123,278	\$ 121,471	\$ 126,567
Bequests	\$ -	\$ -	\$ -
Interest received from PILP Investment	\$ 2,504	\$ 1,385	\$ 3,000
<b>TOTAL INCOME</b>	<b>\$ 212,860</b>	<b>\$ 178,680</b>	<b>\$ 350,367</b>
EXPENSE	2022		2023
	Budget	Actual	Budget
Masonry Repair	\$ 5,000	\$ -	\$ -
Roofing Repair	\$ 12,000	\$ -	\$ 30,000
Professional Fees - All	\$ -	\$ -	\$ -
Capital - Miscellaneous	\$ -	\$ 8,570	\$ -
Door Replacement - 21 <sup>st</sup> Street	\$ 17,078	\$ 27,982	\$ -
Water Infiltration Remedy Buttonwood Hall	\$ 15,000	\$ 11,981	\$ -
Security Cameras	\$ 2,000	\$ -	\$ -
Repaint Chancellor St Canopy	\$ -	\$ -	\$ -
Livestreaming Capabilities	\$ -	\$ -	\$ -
MacColl Room AudioVisual Upgrades	\$ -	\$ 809	\$ -
Narthex Entrance Door Repair	\$ 15,000	\$ -	\$ 16,500
Basement Window Door Restore - Fees	\$ 16,000	\$ -	\$ -
Sanctuary Ventilation Study Fees	\$ 5,000	\$ 6,122	\$ 5,000
Sacristry Roof and Masonry - Fees			\$ 12,000
Sacristry Roof and Masonry - Construction			\$ 135,000
Old Buttonwood Attic Insulation			\$ 11,500
Old Buttonwood Window Treatments			\$ 800
Building Commemoration Committee			\$ 10,000
<b>TOTAL EXPENSE</b>	<b>\$ 87,078</b>	<b>\$ 55,464</b>	<b>\$ 220,800</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ 125,782</b>	<b>\$ 123,216</b>	<b>\$ 129,567</b>

## Summary of Activity in Designated Funds

CHRISTIAN EDUCATION FUND	
Beginning Balance as of 1/1/22	\$ 924
Special Programs	\$ 0
Ending Balance as of 12/31/22	\$ 924

CLERGY HOUSING FUND	
Beginning Balance as of 1/1/22	\$ 632,673
Investment Loss Share	\$(102,489)
Senior Minister Housing Allowance	\$ (24,000)
Ending Balance as of 12/31/22	\$ 506,184

HATFIELD CIRCUS FUND	
Beginning Balance as of 1/1/22	\$49,333
Investment Loss Share	\$ (7,992)
ending balance as of 12/31/22	\$ 41,341

CONCERTS@FIRST FUND	
Beginning Balance as of 1/1/22	\$ 17,379
Donations	\$ 779
Performer Payments	\$ (4,502)
Ending Balance as of 12/31/22	\$ 13,656

COLUMBARIUM FUND	
Beginning Balance as of 1/1/22	\$ (16,360)
Niche Payments	\$ 1,750
Ending Balance as of 12/31/22	\$ (14,610)

McCORMICK ORGAN FUND	
Beginning Balance as of 1/1/22	\$ 203,249
Investment Loss Share	\$ (32,954)
Instrument Maintenance	\$ (2,278)
Ending Balance as of 12/31/22	\$ 168,017

McCURDY MEMORIAL FUND	
Beginning Balance as of 1/1/22	\$ 4,079
Dividends Presbyterian Foundation	\$ 2,117
Special Musical Performance	\$ (3,600)
Ending Balance as of 12/31/22	\$ 2,596

MEMORIAL FUND	
Beginning Balance as of 1/1/22	\$0
Memorial Gifts	\$900
Transfer to Endowment	-\$900
Ending Balance as of 12/31/22	\$0

SCHNEIDER SPEAKERS FUND	
Beginning Balance as of 1/1/22	\$ 6,245
Designated Gifts	\$ 2,500
Ending Balance as of 12/31/22	\$ 8,745

MUSIC RESERVE	
Beginning Balance as of 1/1/22	\$ 775
Designated Gifts	\$ 250
Ending Balance as of 12/31/22	\$ 1,025

DESIGNATED OPERATIONAL USE FUND	
Beginning Balance as of 1/1/22	\$ 2,000
Gifts	\$ 15,320
Choir Tour Support	\$ (10,500)
Ending Balance as of 12/31/22	\$ 6,820

DESIGNATED CAPITAL USE FUND	
Beginning Balance as of 1/1/22	\$ 3,662
Ending Balance as of 12/31/22	\$ 3,662

## Select Balance Sheet Items as of December 31, 2022

Endowment Value	\$ 8,390,728
Endowment Encumbered Funds	\$ 715,543
Loans from PILP	\$ 2,133,168
PILP Investment	\$ 417,246