**Agenda: Budget, Property & Finance Committee**

**1:30 – 3:00 PM, Wednesday March 27, 2024**

**Location: Via Zoom**

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| **Membership/Attendance** | **Present** | **Absent** | **Excused** |
| Cunningham, Paul (2026) | **X** |  |  |
| Davis, Winnie (2025) | **X** |  |  |
| Graham, Cindy (2025)  | **X** |  |  |
| McColl, Emily (2024) |  |  | **x** |
| Rauch, Jim (2024) | **X** |  |  |
| Shaw, Karla (2026) | **X** |  |  |
| Simpson, Willie (2026) | **X** |  |  |
| Vacancy (2024) |  |  |  |
|  |  |  |  |
| Sean Chow (non-voting) | **X** |  |  |
| Sedgwick, Jennifer (non-voting) | **X** |  |  |
| Shenk, Kari (non-voting) | **X** |  |  |
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This meeting was via Zoom.

**Opening Prayer** Paul opened the meeting with prayer at 1:32 p.m.

**Next meeting: Rescheduled for May 1, 2024.**

 **Approval of Routine Items**

 **November, January, and February minutes were approved unanimously**.

**Reports**

A) Executive Director Report

*1. South Sudanese:* Sean has met with the steering committee and William Tut to help them understand that their deficit issues stem from property related expenses. An agreement has been made, given that Presbytery owns the property and there are expected changes in the near future with affordable housing etc., that next year the Presbytery will take over the property responsibility. Margaret Walls and Lyn Lloyd-Smith are working with SSAPF to reach a point of self-sustainability going forward.

2. Real estate task force has been working on MOUs. These will be coming soon.

3. Young Nak, Korean congregation at Linda Vista, has officially applied to be admitted to the presbytery. This will be a slow process. Next steps: ad hoc committee to determine the process including discussions with them about why they want to join. Eventually an Administrative Commission would be created to carry out the process.

*4.* Gonzalo Salinas, CRE at Iglesia, has requested financial assistance to attend the Synod conference for Hispanic pastors in June 2024. **After discussion the following motion was M,S,P.
 Motion: To approve the use of up to $1000 of the Ethnic and Minority Ministries grant to pay for registration and airfare for the Synod conference for Gonzalo Salinas.**

B) BPF Chair Report

*1. Approval via e-vote of parking lot lights repair at Orange Ave for $1697.50*

*2. Negotiations of current Verizon tower at Ulric continue. They have redline document from Maurice and are looking them over. Contact person is Lynne Rush: lynne.rush@verizon.com*

**Action Items & Discussion**

1. Financials Reports and Discussion

Kari clarified that the year-to-date budgeted per capita numbers are the total projected divided by 12 and that past trends of when churches pay is not factored into this calculation. The expected recommendation from the auditor that we stop carrying the full assessment of GA and Synod per capita as income/accounts payable and return to treating strictly as a pass through was also discussed. This will be a decision for the next budgeting cycle.

ERC update, Kari had followed up with them earlier this year, it is in process but may take up to a year which would be June 2024.

1. Approval of Cell Tower Lease at Chula Vista Presbyterian Church

The Lease has been red-lined by an attorney. Chula Vista is happy with it**. A motion to approve the lease was made. M,S,P.**

1. Vine Preschool (Ulric St Campus)

Oscar to joined us via Zoom at 2 PM

Conversation with Oscar III about possibly extending the lease an additional 10 years (currently 13 left on the lease). Committee would like to work on determining the future plans of the property prior to making a decision on this proposal. Oscar agreed to continue his conversation with Jere and Noel at Ebenezer, then left the meeting. **Paul will follow up with Jere and Noel and will invite Greg Bostrom as the chair of the AC and Sean as the contact with Young Nak to discuss long range plans for the property including all the various leases. Following that conversation La Jolla/Ebenezer will make a recommendation to BPF.**

1. Discussion of Palabra de Vida Lease on Ulric Street

Currently no lease. Will be part of the conversation above in item 3. Paul will report back to BPF if a new lease is needed.

1. B Street Lease Update –

In its current state it is missing several necessary components. It was brought up that as this is a presbytery owned property it is ultimately the Presbytery, not Iglesia, that is entering into the lease and needs to be the signer. Karla also mentioned that the RTF has verbiage that should be in any lease of presbytery owned property that allows early termination of the lease if the property is to be repurposed. **Cindy will continue to work with Iglesia to iron those out and report back to RTF.**

1. Community Housing Works @ Orange Avenue

Working on the MOU, we have hired an attorney to write one that we can use for as a template for multiple projects. Two separate ones being written one for Community Housing Works projects and one for other groups.

1. Memorandum of Understandings with ministries/churches that meet on properties where the Presbytery holds title.

Rob Hanna has drafted one that is being reviewed by RTF. There are no current MOUs in place per Kari.

1. Update on Presbytery Financial Policies Revisions

**Paul will forward the first draft to the committee members for their comments. Responses should be sent to Sean by 4/15/24.**

1. Real Estate Task Force

No additional updates*.*

**OTHER OUTSTANDING/OLD BUSINESS**

1)From Maurice: An observation from today’s Presbytery meeting and looking at the 2023 budget. Sheets 10 & 10.5 of the November report are for Cyclical and performance to its budget. The Presbytery approved the 2024 budget today, including the SSAPF and New Day budgets. There was no Cyclical budget. Does that mean that the Presbytery now has a single budget, the one proposed by BP&F? You will recall we added the SSAPF and New Day investment funds and any budgeted drawdown as income and their respective shortfalls as expenses. If that’s true, it will be the first time in my memory that we have a single, consolidated budget for all money that flows through the Presbytery accounts. If Cyclical no longer has a budget, the fiscal sections of that chapter of the Manual of Administrative Operations need to be deleted and the BP&F chapter needs to be updated to reflect the new alignment of budgets. Just a little item that really should be done in time for approval at the February Presbytery meeting.

2)Future: Dedicated Funds – Emily McColl will develop a presentation for Presbytery to publicize the origins/restrictions of the funds and to promote usage by Presbyters. Jim will request docket time for presentation. Perhaps a written brochure? Perhaps space on the Presbytery website?

Emily feels that she was asked to stop work on this, per Cindy. **Jennifer will follow up with Kari about the possibility that it was because there was going to be an effort to unrestrict several of the funds and that would change the information that needed to be presented.**

3)On Hold: Lease agreement between Logos Korean Church of San Diego and Palisades Presbyterian Church.

There is a document in progress but has stalled out. **Cindy will ask Emily if she will reach out to Cassie to get it back on track.**

4.)Preliminary discussion on approval process for lease agreements. See information from Manual of Operations below. **Cindy will take the presbytery owned property items off the list she had created and send the list of what must be included in church owned property leases for review.** Recommendation is that once these items are met, it is on the congregation to determine all other aspects of the lease. Vote at the May 1 meeting.

5)Ulric Street cell tower lease on hold

6)Mt. Soledad – rental of the house on the property. Delete from docket

7)Urban Life - Interested in using Orange Ave as their base? Delete from docket

**Reports/Updates/Back burner issues:**

**Lease Agreements**

From Presbytery Manual of Operations, Chapter 16, Standing Rules:

G. Property Transactions

1. Change in Property Holding

a. When a particular church desires to change in any manner the holding of any real property, which includes the purchasing, selling, leasing, or acquisition of property, the borrowing of money for any purpose, the granting of easements, or major changes in grading or topography, it must submit its request to the BP&F Committee for its review and referral to the Presbytery for approval (see BoO G-4.02).

b. A particular church shall not purchase, sell, lease, mortgage or otherwise encumber any of its real property and it shall not acquire real property without the written permission of the Presbytery transmitted through the session of the particular church (see BoO G-4.0206).

c. All property held by and/or for a particular church is held in trust for the use and benefit of the PC (USA) (see BoO G-4.0203).

**Presbytery Property Status**

* *New Day (PUM)* –
* *Orange Avenue* –
* *B Street/ Iglesia Presbiteriana Emmanuel* (Maurice) –
* *Linda Vista / Ulric Street*
* *Euclid Avenue/Southeast* -
* *Mt. Soledad*

**Jim closed the meeting in prayer 2:59 p.m.**