

REPORT OF THE COMMITTEE ON PROPERTY & FINANCE

FOR Action:

1. The Committee recommends and Presbytery Council concurs that Presbytery approve putting the Colton Church property up for sale. The property consists of 9,167 square feet of building and 1.63 acres of land. The property was appraised in December 2007, at \$1.6 million by the Benefiel Appraisal Service of San Bernardino.

FOR INFORMATION:

1. The Colton Church will be reroofed at the cost of \$32,500. Heavy leaks occurred during the recent rainfalls. In order to protect the value of the property, we determined this expense was necessary.
2. Prior to advertisement to the general public, we are offering for sale to any interested parties within the Presbytery, a Schulmerich set of hand bells valued on the open market for approximately \$5,000. The set consists of 25 bells (G through G octave) and was the property of the Colton congregation. The Administrative Committee anticipated asking \$3,500. If a church within the Presbytery was interested, the price could be lowered to \$2,500. The bells are currently stored in the Presbytery office.
3. For the past 6 months, the Committee has sought information and proposals from 3 different insurance companies in hopes of crafting an approach that would offer comparable or better coverage at a more attractive price than any of the individual churches were currently receiving. Several obstacles stood in our way. Covenant Presbyterian Insurance Program (CPIP) because of the recent change in its broker no longer had long term records for its own use. CPIP currently insures most of the churches within the Presbytery. It continues to offer several unique features that make it hard to compete against. It has a 100 million dollar per occurrence per church property loss feature. However, Lloyds insurance carriers that actually provide the coverage are no longer willing to accept the low valuations that had kept the policy prices lower despite rising replacement costs. CPIP is in process of appraising properties over the next several years to rectify this situation. Heffernan who currently insures at least 4 of our churches seemed uninterested in working with us without more specific detailed information than we were unable to supply. Church and Casualty that carries Church Mutual insurance exclusively with whom a number of churches have their Workman's Comp insurance were very cooperative and tried hard to provide a competitive price. They are willing to work with us and will phase in price increases over the next 3 years in order to make any transition easier. However, they are unable to match the 100 million dollar property loss feature. They, however, appear to offer the most personalized service and have a much larger operation through Church Mutual than does CPIP. Because CPIP has still not firmed up its price structure and its connections with Lloyds for the coming year, we were unable to do any actual price comparisons with Church Mutual. Heffernan is an unknown at this point. What the Committee can offer individual churches is to consult with the members or employees of your church when you receive your renewal policies to provide the benefit of what we have learned during this process, such as some newer items to be covered and some recommended amounts of coverage. However, it remains incumbent upon those responsible that all property is updated and that all special needs are identified by each church for their specific property.