To the Presbytery of Santa Fe

Report of the Special Administrative Review Committee for First Presbyterian Church, Raton

The SARC was appointed on June 7, 2018. During this time we have requested and received documentations regarding the issues under our as designated from the Coordinating Team, met with the pastor, Rev. John McGarey and communicated with him in person, by phone and email; met with the Session of FPC, Raton; and communicated with the clerk of the Session by email.

Our findings and recommendations regarding the issues listed in the authorizing letter are as follows:

A. Authorizing resolution adopted by Coordinating Team – June 7, 2018
   1. Irregularities and delinquencies of session and session moderator related to finances, personnel and property
   2. Listen, review, study and recommend actions as appropriate for the health and strength of the congregation
   3. Action is initiated in the spirit of accountability for the life and mission of the congregation and the mission and ministry of the presbytery
   4. Specific issues:
      a. Financial reporting [including annual financial review (audit) of church finances and potential excessive use of church cash reserves for operating expenses to the presbytery
      b. Regular conduct of congregational life including annual congregational meetings, congregational nominating committee, management of assets including endowments and church properties, financial reports and required corporate reports to governmental agencies
      c. Personnel, including justification of full-time pastoral position; training and supervision of church secretary; treasurer/ bookkeeper and volunteers

The SARC finds that, though there were a few of years in which annual financial reviews were not completed, this has been corrected and the documentation has been received by the SARC. The SARC finds, however, that since Rev. John McGarey was called as a full-time pastor there has been an excessive use of reserve funds each year resulting in the depletion of those funds of over $147,000 with no plan in place or in contemplation to reduce the use of said funds. In fact, the Session is laying the groundwork to begin expending funds that had been previously restricted by the Session for mission, as well as money to be gained from the sale of property.
Training of church secretary and treasurer/bookkeeper has been sporadic, but no more so than is typical in a very small congregation. There have been no annual reviews of either the staff or the pastor that have been documented; again, not unusual in small congregations.

The SARC can find no justification for a full-time pastoral position in this congregation. We find no evidence of growth in either the ministry or the membership of the congregation, in fact, both have become smaller in the past four years. FPC, Raton participated in New Beginnings, developed a plan for a tutoring ministry to a local school, however when that school moved across town that plan was dropped and no action was taken to update the plan or to develop or implement any other outreach strategy. Quite frankly, with an “able-bodied” congregation of five, any such strategy would be quite limited.

The Commission on Ministry deals with several small congregations on the cusp between full and part time pastors. The chair of the SARC notes that when a congregation falls below 80 members it is rarely able to support a full-time call in its annual budget. As this congregation has continued to shrink, it is consistently in the red every month, up to an average of $40,000 annually. Additionally, this brings up the risk of the IRS inurement prohibition which forbids “the use of the income or assets of a tax-exempt organization to directly or indirectly unduly benefit an individual or other person that has a close relationship with the organization or is able to exercise significant control over the organization.”

The chair of the SARC was meeting with FPC, Raton when they received the bequest which allowed them to change Rev. McGarey’s call from part-time to full-time. The statement was repeatedly made that this was in an effort to provide the pastor with more time for outreach to grow the congregation in numbers, stewardship and outreach. The SARC finds no evidence that this has been the case.

Additionally, SARC has requested an opportunity to meet with the congregation to provide our recommendations. This request has been unnecessarily delayed, with the pastor claiming that it will not be possible prior to a (requested) financial review, falsely claiming that the SARC had implied misappropriation of funds. Although several communications were given explaining that such was not the case and that we needed to meet with the congregation expeditiously, this has not been done.

Therefore the SARC for FPC, Raton respectfully recommends that the Presbytery of Santa Fe appoint an Administrative Commission for FPC, Raton with the full power and authority of the Presbytery of Santa Fe to take necessary action to inquire into and settle the difficulties therein.

This report is provided with respect by the SARC for FPC, Raton

Rev. Richard Safford, chair
Rev. Virginia Bairby
RE Beth Miller
RE Toby Montoya
Rev. Katie Palmer