

Report to Presbytery

The Money Book

As of

December 31, 2008

**Listing all non-budget funds owned by the Presbytery,
their sources, uses, balances and restrictions**

Permanently Restricted – Can Never Spend, invest only

Temporarily Restricted – Can only spend on specific purposes

Unrestricted – Can spend on any church purpose, can be board designated

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FUND A

Presbytery Operations

Accumulated Reserve Fund

Current Policy: “On recommendation of the trustees, it was voted that at the end of each year, the floor of the reserve account {of the budget} shall be established at 60% of the total General Assembly and Synod Assessments for the succeeding year.”
Approved by Presbytery 1/23/1973

The purpose of a minimum amount in the reserve fund is to fund the cash flow of the Presbytery.

Reserve Fund Balance 1/1/2008		136,885.79
Addition: 2008 Depreciation reimbursement	10,021.61	
Deduction: 2008 Budget Operations Deficit	-27,469.14	
Reserve Fund Balance 1/1/2009		119,438.26
2009 General Assembly Per Capita	83,037	
2009 Synod Per Capita	<u>50,768</u>	
Total Assessments	133,805	
Reserve Minimum @ 60%		<u>80,283.26</u>
Reserve Fund Amount Available for Use		39,155.26

This account is only available to fund the cash flow, provides up-front cash for equipment purchases, and has been used to balance the budget when absolutely necessary. Equipment purchases have been refunded through equipment depreciation expenses over the life of the equipment.

FUND A (Cont'd)

New Initiatives Reserve Fund

This fund was established with Recommendations #14 and #15 of the New Mission Priorities Plan adopted by Presbytery in 2007.

Recommendation #14

“That the Presbytery of WNY designate annual amounts (as reflected in the proposed budget) for new initiative reserves for the years 2007 through 2010. Further recommend that the new initiative reserves be established on a trial basis through 2010, at which time the Presbytery would re-evaluate to determine if it becomes an ongoing budget line item, consistent with Presbytery’s strategy for accountability as defined on page 5 of the Mission Priorities document.

New Initiatives are defined as:

- Impacts the Presbytery of WNY as a whole or impacts a regional grouping of multiple churches
- Advances mission priorities adopted by the Presbytery of WNY
- Has a defined duration of time
- Ultimate authority to approve funds rests with the Presbytery
- Recommending and creating new initiatives is the responsibility of the Evaluation Committee”

Recommendation #15

“That the Presbytery of Western New York designate a portion of the first year’s new initiatives reserves to improve communications throughout the entire Presbytery. Such improvements shall be made after consultations with the church of the Presbytery to determine what changes of hardware, software or approaches would be of actual value in improving communications to and from the Presbytery offices and between churches.”

Fund Use:

2007			
	Deposit to Fund	\$48,000.00	
	Uses	0	
	Balance 12/31/2007		\$ 48,000.00
2008			
	Deposit to Fund	\$74,733.00	
	Uses		
	New Web Site Setup, operation	\$ 2,608.94	
	New Pby Office Acctg/Data Base software	\$ 4,144.00	
	Balance 12/31/2008		\$115,980.06
2009	Budgeted deposit amount is \$50,525.		

FUND B

Program Funds

Church Growth Fund

This fund is under review by the Congregational Transformation Ministry Team, new guidelines will be provided in 2009. Old policy guidelines are listed below.

On the recommendation of the Committee approved by General Council, Presbytery unanimously adopted the following policy:

Church Growth Fund Policy

As Christians we are called to share the gospel of Jesus Christ. The purpose of the Church Growth Fund is to challenge congregations to formulate a vision for reaching those who have not yet experienced the power of the Risen Christ, and to equip congregations with the resources to create new ministries that effectively proclaim Christ's grace and draw people into the faith community of the church. This fund is available for planting new churches, and for resourcing existing congregations so that they may be reborn into a stronger, more powerful witness to Christ in their own communities.

The Church Growth Fund is created by the unification of three existing funds:

1. The **New Church Development Fund**, represents the balance from capital campaigns of 1956 and 1964. The funds were intended "to be used to develop new congregations and church buildings."
2. The **Church Redevelopment Fund**, Established in 1981 with a transfer from New Church Development, was intended for the redirection of a congregation's ministry in light of changing needs and circumstances. Redevelopment was a planned effort to increase the effective ministry, was a collaboration between a Session and Presbytery.
3. The **Church Strategic Development Fund**, created in 1995 in connection with revised Mission and Goal Statement, made possible grants to the churches to fund redevelopment/revitalization projects/programs designed to strengthen the work, ministry and witness of congregations.

Application to this Fund for grants shall be made according to the standard approval process set forth in the policies of the Presbytery. Application shall be made first to the Committee on Growth for Congregational Ministries. Upon approval by this committee, the application will be forwarded to the Presbytery Trustees for their action. Upon the Trustees' approval, the application will be presented to the entire Presbytery for its final approval. The general criterion for approval of grants from these funds is their use in support of a strategic, comprehensive plan for the mission and ministry of a particular congregation.

SPECIFIC CRITERIA FOR APPROVAL:

- a. The Session must submit a mission plan, giving the congregation's overall vision of what God is calling them to do and to be in their particular setting. The Committee on Growth of Congregational Ministries will be available to assist the Session in the development of such a mission plan.
- b. The application should articulate ways in which this proposed new ministry will fit in the overall mission of the church. It shall include clear, specific strategies for that mission, and the goals they hope to attain.
- c. The ministry program seeking funding should include enabling the church to reach those who have not experienced the love and grace of Jesus Christ.
- d. The congregation seeking funding shall demonstrate its own financial commitment to the new ministry program by providing matching funds. Ordinarily, these matching funds will be no less than 25% of the total required.
- e. Funds may be disbursed as a single, one-time grant, or as a three-year grant. In no case shall a grant be awarded for more than a three-year period.
- f. In cases where a multi-year grant is awarded, the Session shall provide annual reports to the Committee on Growth of Congregational Ministries. Such annual report shall set forth the financial records of the grant's use, and an account of the new ministry program. Any subsequent year's portion of the grant shall not be disbursed until the Committee on Growth of Congregational Ministries has received and approved the annual report.
- g. In cases where a single-year grant is awarded, a representative of the Committee on Growth of Congregational Ministries shall contact the church six months and one year after the grant is disbursed, in order to insure that the funds are being used in accordance with their intent.
- h. The maximum grant awarded will be in the amount of \$30,000, except in the case of a New Church Development project.
- i. Capital projects will ordinarily not be considered for funding. Exceptions may be granted where there is a clear relation between the capital project and a particular outreach ministry.
- j. Ongoing salary support shall ordinarily not be considered for funding.
- k. These funds may be used as seed money for a New Church Development Project.

Fund Balance Available for use 12/31/08 210,839.75

Fund also owns depreciated property at cost basis 1,457.27
(This 5 acre property is located at 1890 Rice Road across from the entrance to Elma Meadows Golf Course, market value could be as much as \$200,000. Property was purchased in the 1970's with intent to build a new church at this site.)

FUND B (Cont'd)

Program Funds

Adult Education Fund

The Adult Education Fund is available for adult education events through the Discipleship and Nurture Team, for national speakers at Presbytery Events (through Council) and for continuing education matching grants through the Committee on Ministry.

Unrestricted Principal, Designated Income

Unrestricted Fund Balance 12/31/08

22,075.89

FUND C

Program Support Funds

Campership Endowment Fund

This fund was originally established by Presbytery in November 1990.

1. This fund is set up to provide camping, and then educational opportunities for the youth of the Presbytery of Western New York.
2. Only the prior year's interest [*total return*] can be used. On an "as needed" basis, this interest will be transferred to the "Campership Fund".
3. Up to 25% of the principal can be used annually for Camperships, on an emergency basis, but only after an affirming vote of 75% of all Discipleship and Nurture Ministry Team (D&NMT) members held under the two meeting rule. It will require the concurrence of the Board of Trustees of Presbytery.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	44,329.70
Temporarily Restricted Funds	10,372.76

Christian Camping/Retreat and Education Endowment Fund

The fund was established by the Comprehensive Five-Year Plan for the Duffield Presbyterian Center in 1992.

1. The purpose is to provide Christian camping and/or education opportunities for Presbyterians in Western New York.
2. It is the intent to "build up" the endowment fund so as to provide an ongoing source of financial support for said purpose. Therefore, the following guidelines shall be used by the governing body in making decisions to expend monies from the endowment fund:
 - a. Insofar as possible, the annual draw from the fund shall not exceed the amount of growth in the fund during such time period (whether such gain is from interest, dividends or capital gain) less the increase in the consumer price index. During said time period, so that the balance of the fund increases at a rate commensurate with the rate of inflation without taking into account new contributions to the fund.

- b. If necessary, and upon an affirmative vote of 75 percent of all Discipleship and Nurture Ministry Team (D&NMT) members (using the two meeting rule) and with approval of the Board of Trustees of the Presbytery, additional monies may be taken from the endowment fund for good cause; provided, however, that in no event will monies be taken from the fund such that the fund falls below its historic dollar value which is the sum of the values of assets at the time they are given to the endowment fund.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	40,556.79
Temporarily Restricted Funds	0.

Camping and Retreat Fund

This fund was created from the first \$100,000 of net proceeds from the sale of the Duffield property in Delevan, NY in 2008. Presbytery adopted the policy that this fund be used for future Presbytery camping and retreat ministries.

Unrestricted Principal, Unrestricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	0.
Temporarily Restricted Funds	0.
Unrestricted Funds	82,555.75

FUND D

Proceeds from Sale of Duffield Property

This fund represents the net proceeds from the sale of the Duffield Property after expenses and the \$100,000 deduction to establish a fund for future Camping and Retreat Ministries. Presbytery voted to include a portion of this fund in the operating budget between 2009 and 2012 to support the ministries of the field staff persons to support their work in the areas of youth, education, camping and retreat ministries. The schedule calls for:

In 2008	17,000.
In 2009	60,000.
In 2010	45,000.
In 2011	50,000.
In 2012	balance

Unrestricted Principal, Unrestricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	0.
Temporarily Restricted Funds	0.
Unrestricted Funds	152,522.61

FUND E

Trust Funds of the Presbytery

Presbytery General Fund

Henry Ward Memorial Fund:

Established in 1924 subject to the \$5,000 condition that “the principal to be held as a trust and the use of income thereof to be determined annually by said Presbytery” (Permanently Restricted Principal, Unrestricted Income).

Liska Stillman Memorial Fund:

Established in 1931 subject to the \$5,000 condition that the “principal of said sum be forever kept intact and the income alone used for the purpose and needs of Presbytery”. (Permanently Restricted Principal, Unrestricted Income).

General Trust:

Augmented from time to time, mostly from the \$38,772 bequest of Ela Shupp in 1974, balance from miscellaneous small bequests – including \$20,000 bequest from Margaret Keane in 1985. (Unrestricted Principal, Unrestricted Income).

Sloan Church Fund:

The First Presbyterian Church voted to dissolve on 12/31/95. Presbytery voted to deposit the net proceeds of \$14,627 to the Unrestricted General Fund.

Walden Church:

The Walden Avenue Presbyterian Church was dissolved 10/70. Net proceeds from sale: \$31,226. (Unrestricted Principal, Unrestricted Income).

USE: The Presbytery General Fund is subject to the 6% of principal and 25% of accumulated income formula for budgeting income into the annual Presbytery budget. In addition, another 25% of accumulated income is available in a fiscal year for emerging needs of the Presbytery.

Fund Balances 12/31/2008

Permanently Restricted Funds	8,539.32
Temporarily Restricted Funds	0
Unrestricted Funds	0

The unrestricted income generated by this fund will be transferred to the Fund for the Future.

Indian Trust Fund

The original amount was raised in 1898 through the efforts of three ministers to supplement the Board of Home Missions support of Indians. This fund was passed to the Trustees of Buffalo, to be held in trust, to invest in proper securities and use the income thereof under the direction of Presbytery for benefit of the Indians.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	12,907.35
Temporarily Restricted Funds	0
Unrestricted Funds	0

USE: This fund has been used to support the budgeted amounts to the three Indian Churches in the Presbytery.

John Duff Scholarship Fund

The funds were derived from the Walden Avenue Church (dissolved 10/70) in memory of the generosity of the John R. Duff estate. The principal is to be kept intact and invested. The income is to be used for scholarships for students who are pursuing a church vocation.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	36,132.00
Temporarily Restricted Funds	228.94

USE: The Presbytery budgets an amount annually for Committee on Preparation for Ministry to disburse to students under care of the Presbytery of Western New York. This fund is available only for scholarships. The total amount of accumulated gains plus the earned income during any given year is available; however, a budgeted amount is presented that's equal to approximately one year's expected needs.

John Duff Flower Fund

The funds were derived from the estate of John R. Duff of the Walden Avenue Church (dissolved 10/70). The fund is to provide \$100 per year of income to be used by the Women's Association of Third Presbyterian Church of North Tonawanda to provide for flowers and care of the Duff family graves at Acacia Park Cemetery. Balance of income over and above \$100 is to be transferred to the Duff Scholarship Fund at year's end. The purpose of this fund will discontinue in the year 2022, and the principal will become part of the Duff Scholarship Fund.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	5,365.08
Temporarily Restricted Funds	1,602.03
Unrestricted Funds	0

USE: \$100 budgeted for the Women's Association of Third Presbyterian Church of North Tonawanda for Memorial Day preparation of the family graves and care during the summer.

Presbytery of Niagara Trust Fund

This fund, the principal of which is held intact, was shared jointly by the Presbytery of Western New York and the Presbytery of Genesee Valley until the court allowed a division of the fund in 1988. "The fund is to be administered by the Trustees for the benefit of the churches of Niagara County" Funds have been used to support the mission work of the Presbytery in Niagara County, provided a grant to Colonial Village. In 2008 Presbytery voted to include a portion of this fund in the operating budget between 2009 and 2012 to support the ministries of the field staff persons to support their work with Niagara County Churches. The schedule calls for:

In 2008	11,664.
In 2009	24,000.
In 2010	25,000.
In 2011	35,000.
In 2012	35,000.

Permanently Restricted Principal, Temporarily Restricted Income

Fund Balances 12/31/2008

Permanently Restricted Funds	29,175.61
Temporarily Restricted Funds	187,475.90
Unrestricted Funds	0.

Harry W. Richmond Memorial Fund

This permanently restricted fund was created at the Presbyterian Foundation by Mrs. Harriet Diggs Richmond of Seattle, Washington in 1995, with an addition in 1999, in loving memorial of her husband. Income from this fund is to be “used by the Presbytery for its work with and ministry to needy persons.”

Fund Balances 12/31/2008

Permanently Restricted Fund Balance	37,475.63
Temporarily Restricted Fund Balance	2,704.96

Presbytery approved including the revenue from this fund in the operating budget to help support the Outreach Ministry Team’s projects.

FUND F

Fund for the Future

This fund is the result of the Recommendations in the Structure Realignment Document, Recommendation #19 *“That the Trustees of Presbytery in consultation with the Stewardship and Finance committee review and make a recommendation to Presbytery regarding redesignating existing presbytery designated funds to widen the income stream. “ [to the budget].* The fund was established in 2007 upon the transfer of the unrestricted funds within Fund E per Presbytery action on May 22, 2007. The Fund was initially made available by written application for specific purposes that reflect current and future needs. The yearly draw would not exceed 5 percent of the previous year’s ending balance, except by a 2/3 vote of the Board of Trustees. In 2008, the Trustees recommended and Presbytery approved the redirected use of this fund to supplement the annual operating budget to support the two new field staff positions as approved by the New Structure, Staffing, Budget and Mission Priorities document. The schedule calls for:

In 2008	12,500.
In 2009	60,000.
In 2010	60,000.
In 2011	65,000.
In 2012	60,000.

Fund Balance 12/31/2008

610,035.48