

# **Report to Presbytery**

## **The Money Book**

As of

**January 1, 2012**

**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 1/1/2011		88,312.57
Addition: 2011 Budget Operations Surplus	1,886.73	
Deduction: Transfers to Equipment And Building Funds		
Reserve Fund Balance 12/31/2011		90,199.30
2012 General Assembly Per Capita	77,611.	
2012 Synod Per Capita	<u>46,239</u>	
Total Assessments	123,850.	
Reserve Minimum @ 60%		<u>74,310.00</u>
Reserve Fund Amount Available for Use		<b>15,899.</b>

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 purchase expenses have been refunded through equipment depreciation expenses (transferred to Equipment & Building Funds) over the life of the asset.

## 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 churches 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	Budget and technology use		<u>-36,836.70.</u>
	Balance 12/31/2009		\$ 79,143.36
2010	Budgeted and technology use for 2010		<u>- 38,000.00</u>
	Balance 12/31/2011		\$ 41,143.36
2011	use – none		0
	Balance 12/31/2011		\$ 41,143.36

# **FUND B**

## **Program Funds for Transformation**

### **Congregational Transformation Fund Grant Application Process**

#### **Summary of Fund Purpose**

The Congregational Transformation Fund is to be used in support of a comprehensive plan for the strategic transformation of the mission and ministry of a particular church or group of churches or for the planting of new churches in the Presbytery of Western New York. It may also be used by the Presbytery's Congregational Transformation Ministry Team (CTMT) to fund participation in events, workshops and seminars which will educate and train members of the Presbytery of Western New York in various aspects of church transformation and church planting.

#### **Application process**

Applications to this Fund for grants shall be made according to the standard approval process set forth in the policies of the Presbytery of Western New York.

#### **For CTMT projects**

The CTMT shall apply directly to the Presbytery of Western New York Board of Trustees with a proposal for use of the funds.

The Trustees shall recommend funding based on fiscal feasibility, availability of monies and responsiveness to the purposes of the fund.

#### **For a church, group of churches, or new church project**

Applications by churches or a new church project team shall be made first to the CTMT. The CTMT shall forward its recommendations based on responsiveness to the purposes of the fund to the Presbytery of Western New York Trustees.

The Trustees shall recommend funding based on fiscal feasibility, availability of monies and responsiveness to the purposes of the fund.

#### **The application**

- The Session or church planting team must submit a plan describing the overall vision of what God is calling members to do and to be in their particular setting. The CTMT will assist with the development of this plan in order to facilitate this process.
  - a. The plan should articulate ways in which this proposal fits with the overall mission of the church.
  - b. The plan should include clear, specific strategies for transformation or planting and the goals which are to be achieved.

- The congregation seeking funding shall demonstrate its own financial commitment to its transformation goals by presenting a budget including an amount designated as the congregation's portion of the project.
- Before funds are disbursed, a church planting team or a church's Session and its pastor and the CTMT shall agree to a covenant which outlines specific responsibilities for the proposed project.
- Funds may be disbursed as a single, one-time grant or may be provided over a period of no more than three years.
  - When a multi-year grant is awarded, the Session or planting team shall provide annual financial and project results reports to the CTMT. No funds will be disbursed until the previous year's reports have been received.
  - When a single-year grant is awarded, the Session or planting team shall provide financial and project results reports to the CTMT within 18 months after the disbursal of funds.
- Capital projects and ongoing salary support shall not ordinarily be considered for funding.
- Transformation grants ordinarily shall not exceed \$15,000.

Fund Balance Available for use 12/31/11 284,601.55

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.)

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## Adult Education Fund

The Adult Education Fund is available for

- adult education events through the Discipleship and Nurture Team,
- for sponsorship or speakers at Presbytery Events (through Council) and
- for continuing education matching grants through the Committee on Ministry.

### **Unrestricted Principal, Designated Income**

Unrestricted Fund Balance 12/31/11 24,966.1

# 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 12/31/2011

Permanently Restricted Principal Funds	45,659.70
Temporarily Restricted Capital Gains	13,011.14

### 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 12/31/2011**

Permanently Restricted Principal Funds	41,772.79
Temporarily Restricted Capital Gains	10,984.97
Temporarily Restricted Income Fund	2,522.25

**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 12/31/2011**

Permanently Restricted Principal Funds	0.
Temporarily Restricted Capital Gains	0.
Unrestricted Funds	105,264.82

**Campership Fund**

Unrestricted Campership Funds available for distribution in 2012	11,443.41
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## 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	60,000.
In 2011	17,364.
In 2012	balance available for budget support through approximately 2014

This fund was reviewed after the economic crisis in 2008. No changes were implemented.

#### Unrestricted Principal, Unrestricted Income

##### Fund Balances 12/31/2011

Permanently Restricted Principal Funds	0.
Temporarily Restricted Capital Gains	0.
Unrestricted Funds	54,698.62

## 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 unrestricted return generated by this fund will be transferred to the Fund for the Future for support of the operating budget.

**Fund Balances 12/31/2011**

Permanently Restricted Principal Funds	8,573.30
Unrestricted Capital Gains	0
Unrestricted Funds	0

## 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 12/31/2011

Permanently Restricted Principal Funds	13,294.35
Temporarily Restricted Capital Gains	4,242.11
Temporarily Restricted Accumulated Income	0

**USE:** This fund had been used up until 2008 to support the annual budgeted amounts to the three Native American Churches in the Presbytery. Those churches are no longer part of the budget and this fund 's use will need to be addressed by Trustees in 2012.

## 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 12/31/2011

Permanently Restricted Principal Funds	37,216.00
Temporarily Restricted Capital Gains	9,828.48
Temporarily Restricted Accumulated Income	3,865.17

**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 12/31/2011

Permanently Restricted Principal Funds	5,526.08
Temporarily Restricted Capital Gains	2,110.93
Temporarily Restricted Accumulated Income 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 called for:

In 2008	11,280.	
In 2009	24,000.	
In 2010	35,000.	
In 2011	35,000.	– revised amount @ 4.5% - 10,849, used \$4,534.
In 2012	10,687.	– @ 4.5% to support the operating budget

After the economic crisis in 2008, Trustees revised their use of the fund, limiting it to 4.5% of the total fund balance for the operating budget.

### Permanently Restricted Principal, Temporarily Restricted Income

#### Fund Balances 12/31/2011

Permanently Restricted Capital Funds	30,050.61
Temporarily Restricted Capital Gains	207,434.94
Temporarily Restricted Accumulated Income 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 12/31/2011**

Permanently Restricted Principal Fund	42,042.15
Temporarily Restricted Accumulated Income	2,485.30

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	65,000.
In 2011	60,000. – revised plan at 4.5% = \$40,898, used \$25,291
In 2012	41,515.

In 2010, because of the changing economic conditions, the two new field staff positions were eliminated at year end. The Trustees will include 4.5% of the prior years ending balance as a revenue stream in the operating budget.

Fund Balance 12/31/2011 922,561.19