

Sydney Central Coast Presbytery Presbytery Development Fund

Our Mission:

To be a Catalyst for generous, inclusive and courageous congregations

Our Vision:

A world transformed by vibrant, Christ-centred communities



**uniting
church**

Sydney Central Coast
Presbytery

Title	Presbytery Development Fund
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Policy Custodian:	SCC Treasurer
Applies to:	Assets under the custodianship of the Sydney Central Coast Presbytery.
Related Documents:	Synod Proceeds of Sales Policy

Preface

The Presbytery Development Fund exists to promote development of missional activity within the Presbytery, its congregations and the wider Church.

Sydney Central Coast Presbytery acknowledges that the funds and assets under the Presbytery's stewardship need to be cared for and used with utmost respect to the contributors and the wider work of the Church in and beyond the Presbytery of Sydney Central Coast. All money and assets of Presbytery have been provided by the work of the congregation members of the Presbytery and their predecessors.

The Presbytery and its member congregations need to continue to use these assets to maximise their impact and long term benefit of the Lord's work within the bounds of the Presbytery.

Annual levies and other regular income should cover the majority of the operations of the Presbytery. The 2017-2020 Strategic Plan includes a "Growth Fund" of at least \$10m to fund the mission and expansion of the Presbytery.

The "Growth Fund" will be known as the "Presbytery Development Fund" (PDF). The role of the PDF will be to support the Presbytery's Missional and growth functions and to support the congregations of the Presbytery in their mission. As the fund matures it may be able to support wider mission beyond the Presbytery.

Sydney Central Coast Presbytery is one of the most land rich Presbyteries in the nation and when the Presbytery inherits the custodianship of land and other assets of a congregation or other body the Synod, it is up to the Presbytery to use the asset for the greater good of the Kingdom.

Aim

The aim of the Development Fund is to finance mission development initiatives in the Presbytery and its member congregations and faith communities. As the Development Fund grows, it will be able to support mission outside the Presbytery beyond the current annual grant.

The Development Fund will be administered by the Treasurer and Business Committee, reporting quarterly to the Standing Committee and annually to the Presbytery with the annual accounts.

Funding Sources

It is proposed to use the current funds in the Presbytery's Capital Reserve, along with the Presbytery's share of future proceeds of sale to provide the capital for the Development Fund. Property transferred to the Presbytery from the closure of a congregation or change in custodianship can either be a Development Fund asset as is or the Presbytery's share of Sales Proceeds will be deposited into the fund.

Synod's Proceeds of Sale guide requires a consultation process between Synod, Presbytery and other parties be completed before the final proceeds of sale funds are distributed. Though the Proceeds of Sale policy calls for a consultation on future sales, unless a specific project is identified for the Presbytery's default position will be the sales policy's standard formula. 10% on the first 2m and 30% on the remaining amount. Should the Presbytery sell a property in parts, the whole proceeds will be counted as one transaction for the use of the formula.

Though the distribution negotiated with the other Synod bodies may be different it is expected that, barring the existence of a specific project or building for the sales proceeds to be spent on, that the Presbytery not push for a greater share than the standard formula.

Though the target of the fund is to earn 110% of income required by the "mission" related expenses of the Presbytery, the accumulation of funds should not be a bar to capital of the fund being transferred to projects that the Presbytery deems worthy.

Should it be agreed with the Synod Proceeds of Sale Guidelines a congregation could contribute proceeds of sale to the fund. Though the fund is not unitised, an agreed share of revenue could be channelled to a specific missional activity that is controlled or supported by that congregation.

Assets of the Fund

Assets of the Growth Fund shall include:

- An On Call account and Term Deposits held with UFS.
 - Where possible term deposits will be timed to mature in time to fund perceived future cashflow requirements.
- Presbytery proceeds of Sale Account held with UFS
- Manses, other than any manse linked to Operations staff, such as Artarmon being linked to the Presbytery Minister position. (eg. Artarmon manse provides rental to cover Presbytery minister's housing allowance, Pine St is currently used to house a minister of a Presbytery Faith Community)
- Other Real Estate controlled by the Presbytery (less any agreed proceeds sharing with the Synod)
- Deposits with Financial Services Ethical Investment Fund
- Other UFS Investments

Risk assets such as the UFS Ethical Investment Fund should make up no more than 30% of the assets of the fund.

Development Fund assets need not produce an income to be treated as an asset of the fund. A hall that provides a home for an outreach program is valuable to the development of the Presbytery's mission

even if it produces no income. Expenses for the maintenance of such a property will be paid for by the Development Fund.

The fund will not be a separate entity but will be reported separately in the Annual accounts presented to Presbytery from the 2018 Financial Year onwards, and the Treasurer will report quarterly to the Standing and Business Committees.

It will be consolidated with other Presbytery accounts in the Annual Financial Return.

Authorisation of Expenditure

Presbytery Mission Fund Expenditure will be initially authorised by the full Presbytery meeting when the budget for the next financial year is passed.

Additional one off expenditures of up to \$25,000 can be authorised by the Business or Standing Committees. One off expenditures up to \$50,000 can be authorised by a joint motion of Business and Standing Committee, whilst any larger unbudgeted expenditures will require authorisation of a meeting of Presbytery where notice of the expenditure has been available to members at least 2 weeks before the meeting.

Rather than splitting where expenditure is paid from, the Fund will transfer money to the Presbytery's operating accounts when and where necessary. For Example, the PDO salary will continue to be paid from the operating accounts of the Presbytery, but the Fund will sufficiently "top up" the operating account to cover these expenses.

Larger transactions such as the Rural Ministry Grant will be paid directly from the Fund At Call account.

Ministry Stipends

A ministry stipend includes a house or housing allowance. A manse saves the presbytery rent required to pay for a ministry position. If a ministry agent is living in their own home, then the rent received from a manse owned by the Presbytery would offset the costs of paying for the minister's housing allowance. In the case of a manse used by the Synod or other Church body, the rent received should cover the cost of the ministry position. This is an inflation linked investment in the future ministry requirements or the Church.

Use and Distribution of Assets

The Presbytery has the ultimate control of the Development Fund assets. It can therefore transfer assets as cash or property to Congregations and mission initiatives as seen fit. For example if a new Faith Community were to become a congregation, the Presbytery may distribute a property from the fund to assist.

Cash may also be withdrawn to assist in the purchase of land and buildings as the Presbytery sees fit. This may be either to help a new congregation or to assist in the mission of an existing congregation.

Distribution of assets to a Congregation, Faith Community or the like will require a vote of Presbytery.

Management of the Fund

The fund will be managed by the Treasurer and the Presbytery's authorised bank account signatories. They can set up and close new UFS accounts for the fund.

Investments in other assets, such as the UFS Ethical Investment Fund and Real Estate will require appropriate approvals from Business Committee, Standing Committee and the Presbytery.

The Treasurer will report quarterly to the Standing Committee on the performance of the fund and to the Presbytery as a part of the Accounts and Budget presentations.