

Sydney Central Coast Presbytery Funding Policy

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	Funding Policy
Creation date	31/08/2017
Version	Draft for Approval
Last Revised	31/08/2017
Approved by	
Approval Date	

The funding of the Presbytery comes from levies paid by the member congregations and the return on investments controlled by Presbytery. Previously funding came from Synod, however this has not been available for a number of years due to financial strain, though it shows signs of being available in the future.

This policy splits the Presbytery's income and expenditure into three sections. Operations, Mission and Custodianship.

Operations covers the general workings of Presbytery. Mission refers to the efforts to grow mission throughout the Presbytery, both through strengthening congregations, the relationships between congregations and other mission initiatives throughout the Presbytery. Custodianship relates to the programs and properties under Presbytery's banner that are for the benefit of other groups, for example Faith Communities and property held for sale.

Item 1.4 of the Synod 2016 Proceeds of Sale policy calls for "all Congregations, Presbyteries and Synod to establish Mission Plans which include how property held supports mission". Holding onto property or the proceeds of sale should promote mission.

The Presbytery's 2017 Strategic Plan calls for the establishment of a "growth fund" of at least \$10m. Based on the budget and 5 year plan approved by the May 2017 Presbytery meeting. Ideally this fund will grow to cover the Mission costs of the Presbytery out of earnings, however in the short term it will require the use of Capital to meet the Presbytery's Mission Goals.

The Fund will be referred to as the Presbytery Development Fund (PDF) as it is to support the mission development of the Presbytery, it's congregations and the wider Church.

The Presbytery cannot use the same funding for maintaining the Presbytery as we expect our Congregations to not use capital to fund items like ministerial wages.

Items related to Operations of the Presbytery:

- Office and Admin Expenses
- Professional Services
- Upkeep of Manses in use for Presbytery and Synod staff
- Operating Staff Salaries (eg. Presbytery Secretary)
- Presbytery Minister

Items related to Mission of the Presbytery:

- Mission Seed Funding
- Training and Lay Development
- Presbytery Development Officer
- Any other Missional Staff
- Operation of the Presbytery Development Fund
 - transfers in and out of the PDF
 - Upkeep of property used to generate rental income
 - Investment Fees

Items related to Custodianship:

- Upkeep of properties held for sale

- Faith Communities such as One Heart
- Assets held essentially in trust for Congregations/Synod/Synod Agencies
- Grants to other Presbyteries etc

Operations are the ongoing expenses of running the Presbytery. For that reason Operations should be funded out of the regular year to year income of the Presbytery. The majority of Operations income will come from the annual congregational levies paid by congregations of the Presbytery. Other income comes from manse rent interest on operating accounts and other general income.

Manses, whether in use as a manse or as a rental property should be linked to a ministry placement. The manse will either provide a home for the ministry agent or provide rent to offset the agent's housing allowance. In the case of manses rented to other agencies of the Synod the income should cover the cost of the housing allowance.

Currently using this logic the Presbytery is a Manse short, with one manse rented to Synod, another being used by One Heart. There is currently not a third manse for the Presbytery Development Officer position, meaning the Presbytery needs to rent a manse. If a separate manse were to be available due to congregational closure, the Presbytery should consider holding it, even if it is not to be lived in by a Presbytery agent, the rent should offset the cost of rent and act as a hedge against future rental inflation.

Should the Presbytery have more manses than agents, then the additional manse can be treated as a rental property investment within the PDF.

The PDF will be initially seeded by the \$2,300,000 from the SCCP Capital Reserve Account. Proceeds of any future Presbytery property sales will be directed to the fund unless another missional objective is identified in the sales consultation between the Presbytery, UME, Congress and the Synod.

If a congregation were to fold, the consultation team would have the option of recommending moving manses and other assets into the development fund without selling if that is deemed to be the best result for Presbytery.

Property in the development fund can also be moved out and transferred to congregations and new mission initiatives.

If the Presbytery were to add another operating position similar to the Presbytery Minister's position, a manse could be moved out of the fund and into the operating assets of the Presbytery.

Until the fund grows it will be necessary to use capital as well as earnings to fund the mission priorities of the Presbytery.

Operating Assets should be, in the most part, kept separately to not confuse with Fund Assets. Income from operating assets pay for operating expenses. For instance the Synod rental payment for the Artarmon Manse covers the home allowance of the Presbytery Minister. Operating cash will be stored in the SCCP Working account and a new Cash Management Account.