

**Stated Meeting ~ Presbytery of Geneva
Tuesday September 16, 2014
First Presbyterian Church, Elmira, New York**

MINUTES

The Presbytery of Geneva held a duly-called Stated Meeting on Tuesday September 16, 2014 at the First Presbyterian Church of Elmira, New York.

WE GATHER IN GOD'S NAME

Convening

Moderator the Rev. Cheryl Peeples called the meeting to order at 10:00 a.m., a quorum being present. The Moderator offered the opening prayer.

Introductory Business

(Clerk Pro-Tem)

The Moderator welcomed the Rev. Val Fowler, stated clerk of the Presbytery of Genesee Valley, and stated clerk pro-tem of the Presbytery of Geneva.

(Approval of Docket)

The presbytery VOTED to approve the final docket for the September 16, 2014 stated meeting. By vote, the original docket was revised by replacing the verbal report from General Assembly Commissioners with a report of the Stated Clerk Nominating Committee. The printed report of GA commissioners was provided to the presbytery. [See **Attachment C**]

(Corresponding Members)

The presbytery VOTED to enroll the following persons as Corresponding Members:

The Rev. Val Fowler (Presbytery of Genesee Valley / Honeoye Falls, NY)

The Rev. Jim Renfrew (Presbytery of Genesee Valley / Byron, NY)

The Rev. Victor McCusick (Presbytery of Utica)

The Rev. Bronwen Boswell (Presbytery of Western New York)

The Rev. Kirianne Weaver Riehl (Presbytery of Albany)

(New Commissioners / Guests)

The presbytery welcomed the new elder commissioners and guests from the following congregations:

Sodus Arkport Seneca Falls Spencer Waterloo

The presbytery welcomed guests present for the meeting

(Tellers)

The Moderator appointed the following persons as tellers for the meeting:

Teaching Elder Deb Lind-Schmitz

Teaching Elder Glenn Kennedy

The presbytery VOTED to grant privilege of voice to those who are making or participating in reports.

(Minutes)

The presbytery VOTED to approve the Minutes of the Stated Presbytery meeting, held on June 7, 2014; and the called Presbytery meeting, held on June 24, 2014 at the First Presbyterian Church of Penn Yan, NY.

(Welcome by Host Church / Resolution of thanks)

Betsey Crimmins welcomed the presbytery on behalf of the host congregation. She noted that next year is the congregation's 220th anniversary, and that the church has been instrumental in founding six congregations in the area, in addition to participating in the development of schools and a college in

Sapporo, Japan. The congregation has sent 100 persons to Iona, Scotland for spiritual retreat (including the opportunity for every high school student to make a trip to Iona.)

The presbytery VOTED to approve a Resolution of Thanks to the host congregation to be written by Kris Alling.

ROLL

Teaching elders (37):

David Ashby	Steven Jewell	Marjory Roth
Kirk Baker	Timothy Johnson	Russ Roth
Joanne Bartel (HR)	Glenn Kennedy	Deb Lind Schmitz
Fred Coffman (HR)	James Kerr	A. J. Tierson
Betsey Crimmins	David Kilgore	David Vanwangen
Ellen Donnan	Jonathan Knight	Diane Walker
Russell Duncan	Amy Loving	Kathleen Waters
Nancy J. Farrell	Paul Malles	Sarah West
Janice Fitzgerald	James Moore	Jane Winters
Deb Grohman	Leah Ntuala	James Yao
Gail Heimberger	Lucinda O'Leary	Nancy Meehan Yao
Cynthia Huling Hummel	Cheryl Peebles	
Susan Husted	Richard Price	

Teaching Elders Excused:

Beverly Karr-Lyon
Banu Moore

Elder Commissioners from Congregations (28):

Arkport – Beth Haines He
Bath – Kathleen Swan
Bellona – Jane Hansen
Canandaigua – Ron Fulle
Corning – Kirk Allen
Elmira, First – Rehana Stanley
Elmira, Lake Street – Alice Kain
Elmira, North – Jeff Richards
Geneva – Ellen Reynolds, Ed Frick
Hammondsport – James Walling
Hector – Susan Rocholl
Horseheads – James Zearfoss
Huron – Lois Wafler
Junius – Kristi Ward
Lodi – Martha Cherwak
Marion – Connie Franks
Naples – Joann Braun
Ovid – Roberta S. Morris
Palmyra – Philip R. Opdycke
Phelps – Nan Clark
Romulus – Connie Hilbert
Seneca Falls – Robert Seem
Seneca #9 – Pamela Ells
Sodus – Tracey Fox
Spencer – C. Thomas Bailey
Waterloo – Joyce Yost
Watkins Glen – Karen Rhodes
Wolcott – Carol Merrell

Elder Commissioners Excused:

Dundee – Marie Ritter
Trumansburg – Virginia Miller

Commissioned Ruling Elders (3):

Priscilla Andrews
Steve Beals
Joy Novack

Additional Ruling Elder Commissioners (3):

Kris Alling (General Assembly Commissioner)
Micah Beck (General Council)
Dick Schied, CRE (General Council, Chair)

Corresponding Members (voice, no vote):

The Rev. Val Fowler, Presbytery of Genesee Valley
The Rev. Jim Renfrew, Presbytery of Genesee Valley
The Rev. Victor McKusick, Presbytery of Utica
The Rev. Bronwen Boswell, Presbytery of Western New York
The Rev. Kirianne Weaver Riehl, Presbytery of Albany

Guests (13):

Robin Kerr Wilson, Arkport
Maury Tigner, Ithaca First
Don Braun, Naples
James Robinson, Bath
Donna Colvin, Pulteney
Charles Yost, Waterloo
Barbara Dove, Elmira Lake Street
Mark Stover, Arkport
Regie Stover, Arkport
Bob Andrews, Camp Whitman Operating Team
Barbara Scudder, Bath
Carol Limner – Ovid (Presbyterian Women)
Virginia Champlain (Synod Representative)

Total Voting members present:

Teaching elders	37
Ruling elder commissioners	28
Lay Pastors	3
Voting Elder Commissioners	3
Total	71

Registered Guests	13
Corresponding Members	5

WE HEAR THE WORD OF GOD

The presbytery joined together in a time of worship. The service focused on building and restoring community. Centered on the story of Elijah and the widow of Zarephath, worshipers were encouraged to reflect on the intersections between the Scripture text and relationships within the Presbytery of Geneva. Using small pieces of clay provided at each table, worshipers were invited to create a jar (pot) and envision with what they would fill the pot to pour into the life of the presbytery. The community gathered around the Lord’s Table for communion, served by intinction.

WE RESPOND TO THE WORD OF GOD

STATED CLERK PRO-TEM

The stated clerk noted that the booklets for the Proposed Amendments to the Constitution have been received, and delivered to this presbytery meeting.

The deadline for reporting actions of the presbytery is **June 15, 2015**. However, to facilitate the printing of the new *Book of Order* the Office of the General Assembly has encouraged a report by **May 15, 2015**. The Council will need to determine when and how presbytery action will be taken. It is the clerk's responsibility to report the results. Should there be a new stated clerk by that time, the clerk pro-tem will ensure that the new clerk has all the resources to complete this task, and others that may be necessary.

SYNOD ADMINISTRATIVE REVIEW COMMITTEE

The Moderator introduced the members of the Synod Administrative Review Committee:

(Committee Members Present for this Meeting)

The Rev. Bronwen Boswell (Presbytery of Western New York)

Bronwen serves as Presbyter of Discipleship, Communication and Transformation for the Presbytery of Western New York

The Rev. Victor McKusick (Presbytery of Utica)

Victor is currently between pastorates. He has just served a year as Moderator of the Presbytery of Utica, and is now Moderator of Presbytery Coordinating Council.

The Rev. Jim Renfrew (Presbytery of Genesee Valley)

Jim is the pastor of First Presbyterian Church, Byron, NY. He currently is chair of the Presbytery Council and also is convener of the presbytery's Vision & Strategy Ministry Team. He has a wealth of experience working with small congregations (urban and rural) and with conflicted churches. He is a trained consultant for Natural Church Development. He is also a mandolin and fiddle player, and has occasionally teamed with our clerk pro-tem in presenting music.

(Other Members of the Committee)

Elder Hezekiah Simmons (Presbytery of Genesee Valley)

Heze is a Ruling Elder and Member of First Presbyterian Church, Pittsford, NY. He is currently the Chief Financial Officer of Monroe County Community College

Elder Karen Pryor (Presbytery of Genesee Valley)

Karen is a member of Third Presbyterian Church, Rochester, NY. She has served the presbytery as Treasurer, Interim Presbytery Leader, and as a member of the presbytery's Vision & Strategy Ministry Team.

The Rev. Lynnete Sparks (Presbytery of Genesee Valley)

Lynnete is currently Interim Associate Pastor for Mission and Outreach at Third Presbyterian Church, Rochester, NY. She is the convener of the SARC.

Elder Nancy Sprenkle (Presbytery of Genesee Valley)

Nancy is a member of First Presbyterian Church, Pittsford, NY. She has served the presbytery as moderator and as chair of the Presbytery Council.

(Introduction of the Special Administrative Review Committee - SARC)

The Council of the Synod of the Northeast established a Special Administrative Review Committee (SARC) to review the operations and procedures at the Geneva Presbytery. A SARC shall study and recommend action to the Council that established it. It is important to make the distinction between a SARC and an Administrative Commission. An Administrative Commission takes the reins and actually governs in the place of a council. On the other hand, a SARC in reviewing, studying, and recommending, is there to support the governing body.

Therefore, we the members of the Geneva Presbytery SARC see our role as walking alongside the Presbytery in this time of transition. Our purpose is not to dictate to you, but to be with you, as the Presbytery establishes its "best practices." Our hope is that we can offer a sense of healing and hope, while you, the Presbytery, establish policies and procedures, and your vision for the future.

The SARC hopes to give a report, complete with recommendations to the Synod Council by the end of the year. However, we are aware that the report may take longer to produce, and that we can be of further assistance to the Presbytery beyond the beginning of the year.

We have already spoken to council, and are in the process of setting up interviews to learn more about recent events. You too can help us in our work. An e-mail address has been set up for you to communicate with the members of the SARC. The e-mail is sarc@synodne.org. This is a confidential e-mail. Only members of the SARC will read these messages. Your correspondence with us will not be shared with anyone except among the members of the SARC. We want to assure you of the confidential nature of all that you share with us via this e-mail address.

SYNOD COUNCIL

Virginia Champlain presented a report of the Synod Council, who met on July 21, 2014. The Synod approved the Synod Administrative Review Commission (SARC) for our presbytery. The Synod approved the position and job description of the Synod Leader, and nominated the Rev. Harold Delhagen to a four-year term; which nomination was approved. A Synod Networker and a Synod stated clerk will be reported to the October Synod Assembly. She reported the grants given throughout the Synod.

The 500th anniversary of the birth of John Knox will be celebrated during the October Synod Assembly, along with the Scots Confession.

The Synod Council will now be known as the Synod Mission and Ministry Commission. This is the last year of annual Synod Assemblies; in the future they will be held biennially, with a Big Tent event in the non-assembly years.

At the end of the October Assembly, the Rev. David Ashby will conclude his term as Synod Moderator.

STATED CLERK SEARCH COMMITTEE

The Rev. Leah Ntuala presented a report of the Stated Clerk Search Committee. The Committee will work according to the following parameters:

- **Formulate** the call based on the January 2012 Job Description for the Presbytery of Geneva Stated Clerk, with amendments. **[See Attachment A for the Job Description]**
- To post this job listing within our own Presbytery, with the Synod, and with the neighboring presbyteries: Cayuga-Syracuse, Genesee Valley, Susquehanna Valley, and Western NY. Stipulate the Stated Clerk position to be ¼ time (10 hours/week). With listed salary of \$11,726, and travel reimbursed at the IRS rate.

The Personnel Committee will consider adding to the Job Description the provision that the stated clerk will oversee the Annual Statistical Reports.

LUNCH

The presbytery recessed for lunch, prepared and hosted by members and friends of First Presbyterian Church, Elmira. The Rev. Betsey Crimmins offered grace for the meal.

The presbytery thanked the hosts from First, Elmira. Kris Alling read the Resolution of Thanks:

Thank you to Betsey Crimmins and your group of pleasant, capable parishioners as well as others from presbytery, who assisted in welcoming us to Elmira. Your program and lunch were thoughtful and delicious. We appreciate your hospitality. Thank you so much for making this presbytery meeting memorable.

CAMP WHITMAN

Elder Tom Bailey presented the report of Camp Whitman. He described the formation and work of the Operating Team for Camp Whitman. The Team will be working to secure a new Director, in light of the resignation of Rhonda Everdyke.

- 2014 was a huge success, with the largest number of Pine Population (disabled adults) in Camp Whitman's history.
- Statistics

Geneva:	181	(2013, 220)
Genesee Valley:	73	(2013, 75)
Out of Bounds:	48	(2013, 67)
- The reductions are greatest in the graded programs, and Operating Team will be looking at that.
- The following persons served as Volunteer Chaplains:
 - The Rev. Colin Pritchard (Victor)
 - The Rev. Russell Duncan (Lyons)
 - The Rev. Leah Ntuala (Seneca Falls)
 - The Revs Jim and Nancy Yao (Hector/Lodi and Hammondsport)
 - The Rev. Carrie Mitchell (Pittsford)
- The Camp Staff included 17 youth from the Presbytery of Geneva and 7 from the Presbytery of Genesee Valley.
- In 2014 Camp Whitman was able to re-engage with Cameron Community Ministries (Rochester, NY) for campers to attend as they had in the past, with the help of camperships. This season, two campers came from Cameron with the support of camperships from the Presbytery of Genesee Valley. Cameron hopes that even more campers will attend next year.
- Rural and Migrant Ministries (RMM) enjoyed their second overnight stay this season as a closing of their own summer youth program. Some of these children have never been canoeing, or have never had an opportunity like Camp Whitman. RMM hopes to continue this ministry partnership next year.
- Camp Whitman is fully compliant with all Department of Health (DoH) regulations.

GENERAL COUNCIL

Elder Dick Schied, CRE presented the report of the General Council.

Actions Presented as Information

The General Council VOTED to:

(Presbytery Meeting Dates)

1. **Approve** the following dates for upcoming stated meetings of the presbytery:
 - November 15, 2014 –Watkins Glen
 - January 27, 2015 – Penn Yan
 - March 14, 2015 -- Palmyra
 - May (date TBD) -- Bath
 - September (date TBD) – Lyons

(Resignation / Rhonda Everdyke)

2. **Accept** the resignation of Rhonda Everdyke.

(Former Presbytery Executive / Severance)

3. **Extend** for one week the financial terms of the severance for the former Presbytery Executive, to bring the terms to the end of this year.

Items Presented for Presbytery's Action

Upon recommendation of the General Council regarding an item that came after the General Council's most recent meeting, the presbytery VOTED to:

(Geneva / Capital Campaign)

1. **Approve** the request from The Presbyterian Church, Geneva, NY to engage a \$250,000 capital campaign.

(General Council / Authorization)

2. **Authorize** the General Council to act on behalf of the presbytery between now and the November 15, 2014 stated meeting of the presbytery.

Time of Conversation

The presbytery engaged in conversation regarding the Council's leadership in moving forward from recent events in the life of the presbytery. The Chair and members of the General Council shared activities accomplished recently, and future plans for leading the presbytery in renewal.

The Moderator led the presbytery in prayer.

BUDGET & FINANCE

The Rev. Jim Yao, Treasurer offered thanks and appreciation to those congregations who have continued faithfully to support the work and ministry of the presbytery He presented the report, in four parts:

(Results of the 2013 Audit)

The 2013 Audit was conducted by Heveron & Company, fulfilling the requirements of the *Book of Order* for an annual full financial review. The full *Audit Report and Opinion* is included as **Attachment B**.

The Management Report has been presented to the General Council, who VOTED to approve placing the full audit report and the management report on the presbytery web site. The main focus of the Management Report is the controls regarding credit cards. The presbytery is fully supporting the FBI forensic audit of the presbytery's finances.

(2014 Year-to-Date Financial Report)

The presbytery received the 2014 Financial Report as of July 31, 2014, summarized as follows:

<u>Category</u>	<u>July 31, 2014</u>	<u>2014 Budget</u>
Presbytery Receipts		
Per Capita	153,551.08	278,740.00
Presbytery Mission	121,270.61	283,106.84
Other Presbytery Receipts	8,839.89	33,635.00
Total Presbytery Receipts	\$283,661.58	595,481.84
Camp Whitman Receipts		
Camper Fees	97,883.00	107,500.00
Other Donations	58,001.79	65,300.00
Total Camp Receipts	\$155,884.79	\$172,800.00
TOTAL GIVING AND OTHER RECEIPTS	\$439,546.37	\$768,281.84
Ministry & Mission Expenditures		
Total Personnel	179,437.13	317,014.49
Total Mission	42,175.39	116,700.00
Total Operations	55,750.44	162,084.11
Total Presbytery Expenses	\$277,363.26	\$595,798.60
Camp Whitman Expenses		
Total Summer Salaries	24,444.12	94,700.00
Total Program Expenses	22,253.03	29,250.00
Total Operating Expenses	19,322.24	25,750.00
Total Support Expenses	15,421.21	23,100.00
Total Camp Whitman Expenses	\$85,240.60	\$172,800.00

TOTAL MINISTRY & MISSION EXPENSES	\$362,603.86	\$768,598.60
Surplus / (Shortage)	\$76,942.51	(\$316.76)

Per capita income is tracking well, on a monthly basis. The July surplus moved toward an August shortage of about \$15,000.00. The projected \$70,000 deficit will likely be accurate.

(Report of the 2015 Budget)

There is no 2015 presbytery budget, because there are too many questions, particularly regarding staffing and salaries.

<u>Category</u>	<u>2015 Projected</u>	<u>2014 Budget</u>
Presbytery Receipts		
Per Capita	264,000.00	278,740.00
Presbytery Mission	240,000.00	283,106.84
Other Presbytery Receipts	3,100.00	33,635.00
Total Presbytery Receipts	\$507,100.00	595,481.84
Camp Whitman Receipts		
Camper Fees	107,500.00	107,500.00
Other Donations	65,300.00	65,300.00
Total Camp Receipts	\$172,800.00	\$172,800.00
TOTAL GIVING AND OTHER RECEIPTS	\$679,000.00	\$768,281.84
Ministry & Mission Expenditures		
Total Personnel	340,945.49	317,014.49
Total Mission	99,600.00	116,700.00
Total Operations	159,709.16	162,084.11
Total Presbytery Expenses	\$600,254.65	\$595,798.60
Camp Whitman Expenses		
Total Summer Salaries	94,700.00	94,700.00
Total Program Expenses	29,250.00	29,250.00
Total Operating Expenses	25,750.00	25,750.00
Total Support Expenses	23,100.00	23,100.00
Total Camp Whitman Expenses	\$172,800.00	\$172,800.00

(Report of Designated Accounts)

The Treasurer reported concerning the presbytery-approved plan for restoring the Designated Funds to their original status, by “paying ourselves back” over a 20-year period, after years of borrowing from ourselves. He is working to secure accurate balances for the designated funds. He shared that he sees the way clear, and that he sees light, even if it may at times seem dim.

PERSONNEL COMMITTEE

The Rev. Deborah Grohman, Chair, presented the report of the Personnel Committee.

The Committee spent time in July, working on effecting the dissolution of the relationship with the Executive Presbyter; and in August regarding the resignation of Rhonda Everdyke, and the terms of that dissolution.

NOMINATING COMMITTEE

The Rev. Leah Ntuala presented the report of the Nominating Committee.

Upon recommendation of the Nominating Committee the presbytery VOTED to elect the following persons:

Camp Whitman Board – Rebecca Cowan
Synod Commissioner – Donna Colvin

The Nominating Committee seeks suggestions for presbytery committee positions. All suggestions will be gratefully received and reviewed by the Committee. Persons may also self-refer for particular opportunities for service. Special consideration will be given for persons in churches with members not currently serving on committees, and for persons who may increase the presbytery's diversity.

Nominating Committee contact information:

E-mail: nominating@presbyteryofgeneva.org

Land mail: First Presbyterian Church of Seneca Falls
23 Cayuga Street, Seneca Falls, NY 13148

The Committee will be calling to ask for suggestions.

COMMITTEE ON MINISTRY

(Items for Presbytery's Information)

The Committee on Ministry VOTED to:

(Membership in the Presbytery)

1. **Welcome** the Rev. Yu (Daniel) Zhao into membership in the Presbytery of Geneva.

2. **Approve** changing the status of the Rev. Joelle Davis to Member-at-Large, effective January 1, 2015.

(Newark / the Rev. Kirk Baker)

3. **Approve** the extension of the contract between the session of Park Presbyterian Church, Newark, NY and the Rev. Kirk Baker, with an increase to 5/8 time.

(Ithaca / the Rev. Kirianne Weaver Riehl)

4. **Approve** the call of the First Presbyterian Church, Ithaca, NY to the Rev. Kirianne Weaver Riehl as Pastor, effective September 17, 2014, at the following terms:

Cash Salary	34,290.00
Housing Allowance	30,000.00
Total Effective Salary	\$64,290.00

Other Allowances	3,710.00
Board of Pensions benefits	
Reimbursable Expenses (vouchered)	500.00
Continuing Education	4,000.00
Mileage Reimbursement (IRS rate)	3,000.00

Vacation: one month, including 4 Sundays

Study Leave: two weeks, including 2 Sundays

This call satisfies the AA/EEO requirements of the Presbyterian Church (USA)

5. **Request** transfer of membership for the Rev. Weaver Riehl from the Presbytery of Albany to the Presbytery of Geneva, effective September 17, 2014.

6. **Appoint** the Rev. Weaver Riehl as Moderator of the session of First Presbyterian Church, Ithaca, NY, effective September 17, 2014.

(Bath / the Rev. Stanley Bhasker)

7. **Approve** the call of the First Presbyterian Church, Bath, NY to the Rev. Stanley Bhasker, effective October 1, 2014, at the following terms:

Cash Salary	32,100.00
Housing Allowance	17,500.00
Medical Deductible (vouchered)	1,100.00
Total Effective Salary	\$50,700.00

Retirement savings	5,400.00
SECA offset	4,208.00
Board of Pensions benefits	
Travel & Prof. Expenses (vouchered)	2,082.00
Professional Development	1,000.00
Mileage Reimbursement (IRS rate)	

Vacation: one month, including 4 Sundays
 Study Leave: two weeks, including 2 Sundays
 Sick leave according to the Church Manual

This call satisfies the AA/EEO requirements of the Presbyterian Church (USA)

8. **Request** transfer of membership for the Rev. Bhasker from the Presbytery of Huntingdon to the Presbytery of Geneva, effective October 1, 2014.

9. **Appoint** the Rev. Bhasker as Moderator of the session of First Presbyterian Church, Bath, NY, effective October 1, 2014.

(Administrative Commission to Install / the Rev. Deborah Lind-Schmitz)

10. **Appoint** the following persons as an Administrative Commission to Install the Rev. Deborah Lind-Schmitz as pastor of The Presbyterian Church, Geneva, NY on August 16, 2014:

- The Rev. Cheryl Peeples, Moderator
- The Rev. Suzanne Otterbacher
- The Rev. Nancy Meehan Yao
- The Rev. James Yao
- The Rev. Amy Loving
- Elder Rick Bley

11. **Dismiss** the Administrative Commission with thanks upon completion of the Service of Installation.

(Naples / the Rev. Karl Warrington)

12. **Approve** the request for the dissolution of the pastoral relationship between the Naples Federated Church, Naples, NY and the Rev. Karl Warrington, effective August 11, 2014.

13. **Change** the membership status of the Rev. Warrington to member-at-large, effective August 11, 2014.

(Prattsburgh / Elder Don Peek, CRE)

14. **Approve** the request to dissolve the contract between the First Presbyterian Church, Prattsburgh, NY and Commissioned Ruling Elder Don Peek.

Items for Presbytery's Action

The presbytery VOTED to:

(Arkport / the Rev. Steven Jewell)

1. **Approve** the request for the dissolution of the pastoral relationship between the First Presbyterian Church, Arkport, NY and the Rev. Steven Jewell, effective October 15, 2014. A member of the congregation spoke to the ministry of the Rev. Jewell to the First Presbyterian Church, Arkport, NY.

2. **Approve** the transfer of the Rev. Steven Jewell to the Presbytery of Mid-Kentucky, effective October 15, 2014.

(Board of Pensions / Call to Health)

The committee *again* encourages all Teaching Elders (and any other participants in the Board of Pensions Medical Benefits Program) to **answer the Call to Health**. When you participate in Call to Health by completing specific health actions from October 1, 2013, through September 30, 2014, you will have your individual and family deductibles for 2015 reduced to 1.0 percent of effective salary (as determined by salary range and subject to the medical participation minimum and maximum). For members who do not participate, 2015 deductibles will be 1.5 percent of effective salary." For more information about the Call to Health, please visit:

<http://www.pensions.org/AvailableResources/BookletsandPublications/Documents/MED-625.pdf>

COMMITTEE ON PREPARATION FOR MINISTRY

The Rev. Nancy Yao, Chair reported that the Committee on Preparation for Ministry has completed the annual consultations. Everyone remains under care, so there is no action to be taken.

PRESBYTERIAN WOMEN

Carol Limner reported concerning Presbyterian Women. Presbyterian Women enjoyed a wonderful day of inspiration at Camp Whitman, with attendance from many churches. She highlighted three things;

1. Reminder of the Thank Offering (a long tradition of Presbyterian Women). The national goal for 2014 is \$900,000 for thirty projects in 2015.
2. The Presbyterian Women's Churchwide Gathering will be June 18-21, 2015 in Minneapolis, MN. The theme is "One Body." Presbyterian Women encourage congregations to sponsor persons from their church, to attend the event.
3. Kentucky Presbyterian Women have produced a second Christmas CD, *Legacy: Christmas*. Proceeds will support Living Waters Worldwide and the Women's Birthday Offering. CDs will be available for sale during the November presbytery meeting.

MISSION FUNDING

The Rev. Jane Winters presented the report concerning mission funding. The Mission Funding Report is on the presbytery website. Many of the applications were incomplete. Due to the lateness of the committee beginning work, the committee chose to ignore the reality that some applications lacked session endorsement—trusting that the applications in fact received appropriate endorsement—in service to supporting mission activities.

The Committee asks that next year the applications be submitted by the deadline, and with all required documents (especially the session endorsement).

"Two Cents a Meal" grants will be sent in the coming week. All requests were funded.

NEW WORSHIPING COMMUNITIES

(Chinese Koinonia / Administrative Commission)

The Fellowship is seeking new pastoral leadership, and is seeking in concert with the presbytery a process to become officially a part of the presbytery. Last Sunday's worship included the Service of Baptism for four adults.

(Fusion on Fire)

Elder Priscilla Andrews, CRE presented the report concerning *Fusion on Fire*, Project #1360, 1001 New Worshiping Communities.

Fusion on Fire was birthed by Lake Street Presbyterian Church out of the need for an alternative service to address the diverse inner city residents in Elmira. The traditional reformed worship service on Sunday morning was not attracting the multiracial families living near the 150 year old church. Under the leadership of Juhura Shazer, an hour long Saturday night contemporary service is attracting 85-125 intergenerational worshipers praising God. The music is a combination of praise and gospel hymns led by a praise team. The worship leaders consisting of 10 members meets mid-

week to prepare for the next service. A weekly Bible study of 20-30 is studying the Book of Ephesians (studied Acts in the spring and summer.) More combined activities and worship services are being planned between the two worshipping communities to enhance the Body of Christ in the heart of the city of Elmira.

Priscilla Andrews, Interim CRE
Juhura Shazer, Fusion on Fire Preacher
Elmira Lake Street Presbyterian Church
lakestprchurch@stny.rr.com

(Mercy Place New Church Development)

There was no report.

(S² Report)

There was no report.

ADDITIONAL MINISTRIES HAPPENING IN THE PRESBYTERY

Members of the presbytery shared events and ministries happening throughout the presbytery, prompting one person to remark, "Whatever has happened in the recent past, there is a LOT of ministry and mission happening in our presbytery, and God is alive among us." Leah Ntuala told the presbytery that such events can now be shared and accessed on the presbytery website: <http://presbyteryofgeneva.org>.

CLOSING

The presbytery VOTED to adjourn the meeting. Val Fowler offered the closing prayer/benediction: a song by Janis Ian, *Joy*.

The lyrics of the song are printed with permission of the author:

I wish you roses in the spring, flowers on the wing,
Fireflies that sing your name.
I wish you flowers in the grass. I wish you memories that last;
Shelter from the passing rain.
I wish you joy. I wish you joy. I wish you joy.

I hope the wind is at your back, keeping you on track;
And that you never lack for love.
I hope you walk beside your heart, even in the dark,
Guided by the stars above.
I wish you love. I wish you love, I wish you love.

And wherever you may roam, out there on your own
Home is just a heart away.
I wish you joy. I wish you joy. I wish you joy.

[The song is on YouTube: type "Janis Ian Joy"]

Attest: Val Fowler, Stated Clerk Pro-Tem

ATTACHMENT A
The Presbytery of Geneva
Stated Clerk – Job Description

TITLE:

Stated Clerk

STATUS:

Salaried, Exempt

PURPOSE:

To record the transactions of the Presbytery, keep its rolls of membership and attendance, preserve its records carefully, and furnish extracts from them when required by another governing body of the church; to serve as official correspondent within and between the Presbytery and other governing bodies of the church; and to fulfill other rolls/tasks as outlined in the *Book of Order*.

ACCOUNTABILITY:

The Stated Clerk is employed by The Presbytery of Geneva and is accountable to the Presbytery through the General Council's Subcommittee on Personnel.

REPORTS TO:

The Presbytery of Geneva through its Subcommittee on Presbytery Personnel.

JOB RESPONSIBILITIES, TASKS AND PERFORMANCE RESULTS EXPECTED:

A. Function: Stated Clerk

Percentage of time spent: **100%**

B. Tasks

1. The Stated Clerk shall serve according to the provisions of the *Book of Order* and the Manual of Administrative Operations for the Presbytery of Geneva, including preparation of dockets, reports, addendums, supplements, and minutes for all stated and special meetings of presbytery.
2. With the General Council, the Stated Clerk will procure adequate facilities for each meeting of presbytery.
3. The Stated Clerk will serve as parliamentarian at all presbytery meetings.
4. The Stated Clerk shall perform the following additional duties:
 - a. Serve as an ex-officio member and secretary of General Council with voice but not vote.
 - b. Attend staff meetings and work in consultation with the Executive Presbyter, Moderator of Presbytery, and Chair of General Council.
 - c. Serve as secondary signatory for investment funds of the Presbytery.
 - d. Staff the presbytery Permanent Judicial Committee and facilitate all matters related to judicial process
 - e. Staff the Committee on Ministry as secretary.
 - f. Resource the Committee on Preparation for Ministry and other committee as
 - g. Receive and process all reports and official correspondence with other governing bodies (Sessions, Presbyteries, Synods, and General Assembly) requiring action by the Presbytery), and respond to inquiries for interpretation of the *Book of Order*.
 - h. Maintain Membership Rolls of Teaching Elders, Candidates, CRE's, Certified Christian Educators, and Associate Certified Christian Educators.
 - i. Preserve all official records of Presbytery, giving extracts when requested to do so.

- j. Be responsible for the review process of Session minutes and church registers.
 - k. Present the presbytery minutes for review to the Synod on an annual basis.
 - l. Receive information from churches seeking to perform capital improvements in excess of 25% of their annual budget and recommend action to the Presbytery.
 - m. Approve regular requests for laboring within or outside the bounds of the presbytery for weddings and funerals.
 - n. Perform other duties as requested or assigned by the Executive Presbyter or General Council.
5. The Presbytery may elect a Temporary Clerk or clerks to serve during the meeting to assist the Stated Clerk. They shall be nominated by the Stated Clerk and shall perform duties subject to the direction of the Stated Clerk.

C. Performance meets expectations when:

- ❖ Calls to the meetings of Presbytery and preliminary dockets are posted at least ten (10) days prior to the meeting.
- ❖ Reports and additional materials for Presbytery meetings are posted at least three (3) days prior to the meeting.
- ❖ Minutes of General Council meetings and the Committee on Ministry are distributed to members no later than two (2) days following the meeting.
- ❖ Minutes of Presbytery Meetings are available no later than one (1) week following the meeting.
- ❖ Information for the electronic newsletter is given to the Director of Communications no later than the Tuesday of each week it is distributed.
- ❖ Updates for the Office of the General Assembly are done within one (1) week following any action taken for changes.
- ❖ Requests for approval of capital issues for the churches are approved by the General Council and the Presbytery at the meeting following the request.
- ❖ Requests for permission to labor within or outside the bounds are approved within one (1) week of receiving the request.
- ❖ Records for Teaching Elders and churches are maintained on a regular basis.
- ❖ The schedule for meetings of the Presbytery is distributed no later than the September meeting of the year preceding the meetings.
- ❖ Training for Investigative Committees and the Permanent Judicial Commission happen in a timely manner.
- ❖ Requests for information are responded to within two (2) business days of the request.
- ❖ Requests for assistance from other staff members are completed within two (2) working days of the request unless another deadline is given.

EVALUATION

In addition to ongoing feedback from the members of the Presbytery, there is an annual review and evaluation of performance completed by the Subcommittee on Personnel of General Council.

EMPLOYMENT TERMS:

The Presbytery shall elect the Stated Clerk to serve a term of three years, or a term recommended by the Stated Clerk Search Committee, and s/he shall be eligible for re-election. This is a part-time position at ten hours per week. The position is in accordance with The Presbytery of Geneva Personnel Policies and Procedures. The employee must maintain confidentiality at all times. The Presbytery of Geneva is an Equal Opportunity Employer. This is a salaried, exempt position.

SKILLS, KNOWLEDGE AND ABILITIES NEEDED:

- I. **Must possess demonstrated effective skills in the following areas:**
 - ❖ Ordination as a Ruling or Teaching Elder in the Presbyterian Church (U.S.A.)

- ❖ Collegial work style
- ❖ Administrative skills
- ❖ Organization
- ❖ Attention to details
- ❖ Computer literacy
- ❖ Effective oral and written communication

II. Knowledge and Abilities

- ❖ Ability to work collegially with others
- ❖ Ability to delegate appropriately
- ❖ Ability to relate effectively to the variety of pastors, officers, and members of the Presbytery and its sixty churches
- ❖ Working knowledge of Parliamentary Procedure and *Roberts Rules of Order*
- ❖ Working knowledge of the PCUSA *Book of Order*, especially as it relates to life in the local church.
- ❖ Experience with and working knowledge of Presbyterian systems
- ❖ Ability to work independently and under pressure
- ❖ Professional appearance, ethical conduct and ability to maintain confidentiality

[January 2012/amended August 2014]

ATTACHMENT B – AUDIT REPORT

**PRESBYTERY OF GENEVA
FINANCIAL STATEMENTS
December 31, 2013**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors Presbytery of Geneva Rochester, New York

We have audited the accompanying financial statements of the Presbytery of Geneva (a religious corporation), which comprise the balance sheet as of December 31, 2013 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally

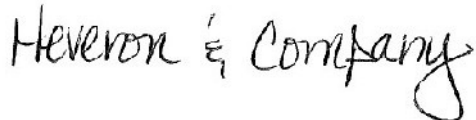
accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Presbytery of Geneva as of December 31, 2013 and its cash flows, changes in net assets and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Heveron & Company
Certified Public
Accountants

Rochester, New York
August 19, 2014

**PRESBYTERY OF
GENEVA BALANCE
SHEET**

December 31, 2013

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 53,016
Pledges Receivable	65,170
Inventory	1,670
Prepaid Expenses	<u>6,450</u>
 Total Current Assets	 <u>126,306</u>

Property and Equipment

Buildings and Improvements	1,035,162
Land	889,000
Vehicles and Boats	63,685
Furniture and Equipment	7,000
Computer Software	6,300
Less: Accumulated Depreciation and Amortization	<u>(149,027)</u>
 Net Property and Equipment	 <u>1,852,120</u>

Other Assets

Investments	95,97
3	
Beneficial Interest in Life Income Charitable Gifts	<u>9,428</u>
 Total Other Assets	 <u>105,401</u>

TOTAL ASSETS	\$
<u>2,083,827</u>	

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable

\$
120,702

Current Portion of Long Term Debt

6,110

Total Current Liabilities

126,81

2

Long-Term Debt

131,250

Total Liabilities

258,062

Net Assets

Unrestricted

Operations

1,501,639

Board Designated

78,280

Total Unrestricted

1,579,919

Temporarily Restricted

245,846

Total Net Assets

1,825,765

TOTAL LIABILITIES AND NET ASSETS

\$

2,083,827

**PRESBYTERY OF GENEVA
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2013**

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
<u>Support and Revenue</u>			
Presbytery General Mission	\$ 259,346	\$ 106,693	\$ 366,039
Presbytery Per Capita	287,070	-	287,070
Camp Whitman	143,899	-	143,899
Realized/Unrealized Gain on Investments	7,266	-	7,266
Camp Store Sales	3,104	-	3,104
Less: Cost of Goods Sold	(6,895)	-	(6,895)
Other Income	839	-	839
Releases from Restrictions	<u>131,237</u>	<u>(131,237)</u>	<u>-</u>
 Total Support and Revenue	 <u>825,866</u>	 <u>(24,544)</u>	 <u>801,322</u>
<u>Expenses</u>			
Program Expenses:			
Camp Whitman	357,737	-	357,737
Presbytery Missions	458,938	-	458,938
Supporting Services:			
Presbytery Operations	<u>151,834</u>	<u>-</u>	<u>151,834</u>
 Total Expenses	 <u>968,509</u>	 <u>-</u>	 <u>968,509</u>
 Deficit of Support and Revenue Over Expenses	 (142,643)	 (24,544)	 (167,187)
 Net Assets - Beginning of Year	 1,722,562	 268,269	 1,990,831
 Change in Interest in Life Income Charitable Gifts	 <u>-</u>	 <u>2,121</u>	 <u>2,121</u>
 Net Assets - End of Year	 <u>\$ 1,579,919</u>	 <u>\$ 245,846</u>	 <u>\$ 1,825,765</u>

PRESBYTERY OF GENEVA
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2013

	Camp Whitman	Presbytery Missions	Presbytery Operations	Total
Salaries and Wages	\$ 170,348	\$ 120,212	\$ 40,931	\$ 331,491
Employee Benefits	45,930	58,934	24,831	129,695
Payroll Taxes	10,809	7,627	2,597	
	<u>21,033</u>			
Total Payroll and Related Costs	227,087	186,773	68,359	
	482,219			
Missions - Other	-	105,195	-	105,195
Per Capita	-	71,254	-	71,254
Missions - Session Endorsed Projects	-	50,747	-	50,747
Depreciation and Amortization	36,485	3,544	2,246	42,275
Travel and Conferences	300	24,225	14,203	38,728
Supplies and Office Expense	16,321	-	20,156	36,477
Food Expense	21,028	-	1,234	22,262
Professional Fees	2,775	-	16,996	19,771
Insurance	14,190	-	5,458	19,648
Missions - Presbytery Committees	-	14,550	-	14,550
Repairs and Maintenance	10,037	-	1,530	11,567
Other Expenses	8,537	-	2,030	10,567
Utilities	6,620	-	3,807	10,427
Interest Expense	-	-	9,246	9,246
Employee Development	1,505	-	5,455	6,960
Vehicle Maintenance	5,379	-	-	5,379
Small Equipment	4,973	-	80	5,053
Synod Mission Expense	-	2,650	-	2,650
Marketing	2,500	-	-	2,500
Bad Debt Expense	-	-	1,034	1,034
Total Expenses	<u>\$ 357,737</u>	<u>\$ 458,938</u>	<u>\$ 151,834</u>	<u>\$ 968,509</u>

PRESBYTERY OF GENEVA
STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2013

Cash Flow From Operating Activities

Deficit of Support and Revenue Over Expenses	\$ (167,187)
Noncash Expenses, Revenues, Losses and Gains:	
Depreciation and Amortization	42,275
Net Realized/Unrealized Gain on Investment	(7,266)
Bad Debt Expense	1,034
Decrease/(Increase) In:	
Pledges Receivable	(12,069)
Inventory	3,394
Prepaid Expenses	(739)
Increase/(Decrease) In:	
Accounts Payable	115,072
Deferred Revenue	<u>(100)</u>
Net Cash Flow Used By Operating Activities	<u>(25,586)</u>

Cash Flow From Investing Activities

Purchase of Property and Equipment	<u>(6,300)</u>
Cash Flow Used By Investing Activities	<u>(6,300)</u>

Cash Flow From Financing Activities

Payments on Long Term Debt	<u>(6,687)</u>
Cash Flow Used By Financing Activities	<u>(6,687)</u>

Net Decrease in Cash and Cash Equivalents (38,573)

Cash and Cash Equivalents - Beginning of Year 91,589

Cash and Cash Equivalents - End of Year \$ 53,016

Supplemental Disclosures

Cash Paid During The Year For:

 Interest \$ 9,246

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Presbytery of Geneva (the Presbytery) was founded in 1805. The mission of the Presbytery is formally stated: The purpose of the Geneva Presbytery is to empower and help its local congregations to organize for mission in obedience to the Lordship of Christ, thus fulfilling their unique ministry of sharing the Gospel, by placing the entire resources of the congregation effectively in the service of Christ.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the Presbytery reports information regarding its financial position and activities according to the existence and nature of donor restrictions in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. There were no permanently restricted net assets at December 31, 2013.

The Presbytery also records contributions received as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions.

The following are descriptions of the Presbytery's net asset classifications:

Unrestricted:

Operations: Undesignated resources that are available for the general support of the Presbytery's operations.

Board Designated: Resources that the Board has earmarked for purposes other than general operations. Board designated net assets consisted of the Lauter gift and amounted to \$78,280 at December 31, 2013.

Temporarily Restricted Net Assets: Temporarily restricted net assets result from contributions where use by the Presbytery is subject to donor's restrictions that expire with the passage of time or by actions of the Presbytery. Temporarily restricted net assets consisted of the following at December 31, 2013:

Camp Whitman	125,568
Presbytery General	26,800
Partnership with Presbytery of Caribe	20,713
Two-Cents-A-Meal	16,277
Study Leave	11,910
Other Programs	11,343
Beneficial Interest in	
Life Income Charitable Gifts	9,428
Presbytery Supported Missions	9,400
Lay Pastors Seminars	8,925
Hay Grant	5,482
Total Temporarily Restricted Net Assets	<u>\$ 245,846</u>

When donor restrictions from prior years expire, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions

Contributions are recorded at the time of receipt or when evidence of a non-conditional promise to give has been received. Promises subject to conditions are not recorded as income until those conditions have been met. Contributions that are expected to be received in future years are recorded at their present value. Contributions are recorded as unrestricted unless they are subject to donor restrictions, or are required to be used or expected to be received in future years.

Marketing

Marketing costs are expensed as incurred.

Inventories

Inventories consist of items used at the camp store such as clothing and merchandise for sale, and are recorded at the lower of cost (determined on a first-in, first-out basis) or market.

Income Taxes

The Presbytery is qualified under Section 501(c)(3) of the Internal Revenue Code as a not-for-profit religious organization exempt from federal and state income taxes. Accordingly, no provision for income taxes is included in these statements.

Accounting standards require entities to disclose in their financial statements the nature of any uncertainties in their tax position. Religious organizations are exempt from filing income tax returns unless they have unrelated business income. All tax years since the Presbytery's inception are subject to examination by tax authorities, as the Presbytery is not required and has not filed any tax returns. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Presbytery does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties or interest.

The Presbytery is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

Pledges Receivable

Pledges receivable are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for, and if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected.

Management determined that no allowances were necessary at year-end.

Property and Equipment

Property and equipment are stated at cost. The Presbytery capitalizes property and equipment with a cost of over \$1,000 and an estimated life of at least three years. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets, as follows.

	<u>Years</u>
Buildings and Improvements	15-39
Furniture and Equipment	5
Vehicles and Boats	10

Depreciation expense amounted to \$41,225 for the year ended December 31, 2013.

Software

Software costs are being amortized on the straight line method over five years.

Amortization expense amounted to \$1,050 for the year ended December 31, 2013.

Determining Fair Value of Financial Assets and Liabilities

As defined in the accounting standards, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This applies to all assets and liabilities that are being measured and reported on the fair value basis. Accounting standards require new disclosures that establish a framework for measuring fair value and expands disclosure about fair value measurements.

This statement enables the reader of the financial statements to assess the inputs used to develop those measurements, by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Accounting standards require that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices and active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Cash and Cash Equivalents

Cash and cash equivalents include all cash on hand and in banks. The Presbytery considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Cash and cash equivalents consisted of the following at December 31, 2013:

Checking	\$ 34,863
Money Market	<u>18,153</u>
Total	<u>\$ 53,016</u>

Functional Expenses

The costs of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among Camp Whitman, Presbytery missions, and Presbytery operations.

NOTE 2 - RELATED PARTY TRANSACTIONS

The Presbytery has oversight of sixty-one area churches from which it receives per capita income. The Presbytery received total per capita income of \$287,070 for the year ended December 31, 2013.

NOTE 3 - COMMITMENTS

The Presbytery is the guarantor on a loan from the Presbyterian Church (USA) to the First Presbyterian Church of Ontario. The maximum liability under this guaranty is \$20,000 exclusive of interest, penalties, costs and fees. This agreement terminates on July 25, 2018.

NOTE 4 - INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair market value. Unrealized gains or losses on securities result from differences between the cost and fair market value of securities on a specified valuation date.

Investment securities are exposed to various risks, such as interest rate, market, economic conditions, world affairs and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Investments are held in investment funds managed by professional investment advisors. A summary of investments at market value at December 31, 2013 are as follows:

	Level 1	Level 2	Level 3	Totals
Money Market Funds	\$ 75,998	\$ -	\$ -	\$ 75,998
Equity	15,187	-	-	15,187
Bond Investments	-	2,651	-	2,651
Mutual Funds	2,137	-	-	
	<u>2,137</u>	<u>Totals</u>	<u>\$ 93,322</u>	<u>\$ 2,651</u>
	<u>\$ -</u>	<u>\$</u>	<u>95,973</u>	

NOTE 5 - RETIREMENT PLAN

The Presbytery contributes 11% of each eligible employee's compensation to a 403(b) Retirement Plan of the employee's choice. All regular lay employees and ordained employees are eligible. The Board of Pensions - Presbyterian Church USA administers the plan. For the year ended December 31, 2013, contributions to the plan by the Presbytery were approximately \$24,355.

NOTE 6 - DONATED SERVICES AND GOODS

The Presbytery receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America. During 2013, volunteers provided approximately 3,000 hours of service serving on various committees.

NOTE 7 - LONG TERM DEBT

Long-term debt consists of the following at December 31, 2013:

Note payable to Community Bank, National Associate, originally in the amount of \$164,000. This note bears interest at a rate of 6.5% to be adjusted May 15, 2015 to a rate mutually acceptable to both parties. The note is secured by the property located at 2266 Route 54A in Penn Yan, New York. Principal and interest are payable in monthly installments of \$1,232. The note matures in May of 2018.	\$ 137,360
Less: Current Maturities	<u>6,110</u>
Long-Term Portion	<u>\$ 131,250</u>

Maturities of long-term debt for the years after December 31, 2014 are as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 6,519
2016	6,956
2017	7,421
2018	<u>110,354</u>
Total	<u>\$ 131,250</u>

NOTE 8 - TRUST HELD BY THIRD PARTIES

Beneficial Interest in Life Income Charitable Gifts

The Presbytery is a beneficiary under a trust held by a third party. Under the terms of the related trust agreement, annual distributions will be made to the donor based on a fixed percentage. After the donor's death, the trust assets will be transferred to the Presbytery. The Presbytery's beneficial interest in the trust is measured at the present value of the expected future cash flows from the trust's assets, using a discount rate of 4%.

NOTE 9 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 19, 2014, which is the date the statements were available for issuance.

Auditors' Communications

July 2, 2014

Dear General Council Members:

This letter is intended only for the board and those responsible for management and governance. It includes key findings and recommendations from our recently-completed audit. Although we do have some internal control observations, we did not perform an examination of your internal control that would allow us to give an opinion on the adequacy of your controls. We welcome and encourage your response.

Those charged with management and governance are responsible for:

- safeguarding your assets,
- ensuring that your resources are used as directed by funders, donors, and as required by charities laws and your own articles of incorporation,
- assuring that you are complying with laws, regulations, contracts and grants associated with your funding,
- properly recording and reporting results of operations and account balances, and
- proper business practices, operating procedures, documentation and controls.

Our audit was designed to help you with those responsibilities, and is also designed and intended to help you to benchmark your administrative operations to best practices.

Our Responsibilities to You

As part of our audit, we are required to inform you of significant deficiencies and material weaknesses in your controls that we become aware of.

Controls are procedures, policies, and responsibilities that you put in place to make sure that appropriate transactions take place and are reported properly on your financial statements. Examples of controls are timely billing for services you perform, ensuring proper payments are received and recorded, and measures to prevent overpayment of payroll or vendors.

Control deficiencies result when proper procedures are not in place to assure that appropriate transactions are carried out, recorded and reported properly.

Significant deficiencies are control deficiencies or combinations of control deficiencies that are less severe than material weaknesses, yet important enough to merit attention by those charged with governance.

Material weaknesses are significant deficiencies or combinations of significant deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

The Role of Internal Controls

Internal controls include ethics and standards set by management, analysis of risks to achieving your objectives, approvals, authorizations, verifications and reconciliations, effective communications, and monitoring/assessing your performance over time. They help in several ways, including:

- They may protect the organization and its employees from false accusations and investigations.
- They are an effective method of catching unintentional errors.
- They are required by many funding sources.
- Systems with strong internal controls can produce more reliable data.
- Good internal controls make accounting systems more efficient.
- Good internal controls help assure that assets are used according to your mission.

General Observations

Our general observations are that:

- We have become aware of a matter that we consider to be a material weakness. It is described on the following page.
- Your record-keeping system is appropriate for your financial recording and reporting needs, including allocation of revenue and expense to various programs.
- Record-keeping appears to be done in a timely, complete and conscientious manner.
- The attitude of management regarding the importance of proper systems and controls seems appropriate.
- We did not have disagreements with management in connection with our audits or difficulties in performing the audits, and, to our knowledge, management did not consult with other CPAs about audit issues.
- We did not become aware of fraud or illegal acts, and there were no significant financial statement adjustments or unusual transactions.
- No material accounting adjustments were left unrecorded.
- There were no major changes in accounting policies and procedures, or in estimating for things such as the useful lives of equipment items, bad debts or functional allocations.

Control Deficiencies

Because of the magnitude of potential misstatements, the following is considered a material weakness.

- During the audit, we found that credit card transactions and employee reimbursements for the Executive Presbyter were either not approved by an independent person, or were approved by a staff person. We recommend that senior executive credit card purchases and expense reimbursements be reviewed by a board member to ensure these transactions are proper business expenses. We understand that this began in 2014. Although no instances of fraud were detected during our testing of credit card expenses, we did note several expenses that could be considered inappropriate, such as local restaurant and fast food purchases, and applications for the tablet. You should create guidelines on what type of purchases are deemed acceptable or unacceptable business expenses.

The following control deficiencies are not considered significant deficiencies or material weaknesses:

- Unused checks should be kept in a locked and secure area to prevent theft and unauthorized use. Additionally, only those persons authorized to prepare checks should have access to the check stock.
- You should have procedures to verify and document that invoices have been reviewed before payment. This will reduce the possibility of improper payments. A rubber stamp like the following can help:

checked for accuracy _____
 post to account _____ no
 sales tax included _____ approved
 for payment by _____ paid-ck
 # _____

Recordkeeping

- You currently have funds classified as endowments, however, your research of these funds have not found any documentation to support that they are permanently restricted endowment funds. You should document your research and classification of these funds as temporarily restricted, instead of permanently restricted through approval and a board resolution. In addition, your temporarily restricted funds exceed your total cash, investments, and receivables at year end. We understand that you are aware that restricted funds were spent on operations in prior years and are working to pay back these funds with current earnings over the next several years. You should also consider whether funds were spent appropriately, but were not released from restrictions. If this occurred, you should document these expenses and formally approve to

release these funds.

Policies and Documentation

- You should have a written conflict of interest policy for all employees and board members. Such a policy identifies procedures for dealing with board members or other insiders as providers of services. The absence of such a policy can allow improper practices or lead to allegations of improper activities. With a policy in place you can carry on appropriate business transactions according to approved practices. Nonprofit best practices in this area include having conflict of interest statements signed each year.
- We understand that there is a whistleblower policy through the Presbytery. This policy should be reviewed with staff annually to remind them of the policy. Communications from employees have been identified as the most effective internal control by the American Institute of CPAs and by the Association of Certified Fraud Examiners, so you should encourage these communications.
- We recommend that you plan for unexpected events. Planning can be done by a committee whose members would be responsible for: 1) identifying ways to minimize the possibility of casualties (for example, through computer security, insurance and risk management), 2) minimizing the impact of any casualty or disaster with procedures, such as maintaining an up-to-date list of employee cell phones and contact persons, and 3) speeding the recovery from a casualty with procedures, such as identifying alternative computer and operating facilities.

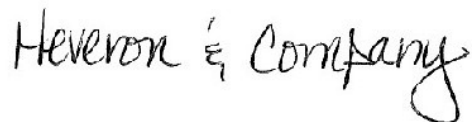
Information Technology Observation

- You should have a policy manual that documents your computer backup, security and anti-virus procedures. Policies to protect and control the flow of electronic information are very important for your record-keeping and reporting purposes, and for protecting important donor information. Written policies reduce the possibility of misunderstandings and help assure that proper procedures are consistently followed. Some of the items that should be in your policy manual include:
 - * the process and schedule for backups and how they will be documented, as well as verification of backups,
 - * computer and Internet use, including what limitations or restrictions you wish to put on employees' use of the Internet, e-mail access, and use of the computer for non-business purposes. It should also state that employees should have management approval before downloading or installing any programs or applications,
 - * policies and procedures to follow when employees leave or are terminated. This should include immediately disabling access rights, passwords, and email accounts. Also, administrative passwords should be changed if the person had any administrative rights.
 - * User passwords should be changed on a regular basis. A good policy to follow is to change them every 90 days. Passwords should be set to meet security standards with at least 8-12 characters and contain a capital letter, lowercase letter, number, and special character.
 - * With technology becoming more mobile these days there are many devices out there that employees use to access network and company information. These devices should be checked and proper security measures taken before they can access any company information. It is very easy for these devices to be compromised if the proper security measures are not put in place.

This communication is intended solely for the information and use of management, the general council, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

The recommendations in this letter are necessary for us to fulfill our responsibilities. Please let us know if you have any questions about our recommendations or how to implement them.

Sincerely,



Heveron & Company CPAs

ATTACHMENT C

REPORTS OF COMMISSIONERS TO THE 221ST GENERAL ASSEMBLY (2014 – Detroit, MI)

Kristin T. Alling, Ruling Elder Commissioner

It was both exciting and exhausting to be able to represent our Presbytery at the 21st General Assembly June 14 – 21, 2014. I loved every minute of the amazing week. We worked hard. Most days started at 8:30 or 9 am and went to 8:30 at night and sometimes much later. At least the committee work was divided into various areas so you did not have to be knowledgeable in all things discussed. But you wanted to be! There were so many people there over 300 each TEC (Teaching Elder Commissioners) and REC (Ruling Elder Commissioners) each with a vote on all issues. 150 or more YAD (Youth Advisor Delegates) and many other representatives of other faiths and interests as well as the public. The YADs and other delegates voted but only as an advisory vote for the TEC and REC vote. One of the fascinating happenings was the serving of communion to this vast audience. I don't know about your church but we struggle to serve less than 90 members in an expedient yet reverent manner. They served over 1000 and did it right. I was impressed with the number of folks who had differing views and could express those views in an intelligent polite manner. They did not reduce the floor to screaming even when the hot button items were discussed. The appropriate rotations of pros and cons were respected and listened to.

Reflection on the GA Rev. James W. Kerr

Detroit was not frightening
Where we convened
Worship uplifting
The fellowship real
Yet an uncomfortable feel

Youth cried for action
"The future is theirs"
This was believed
As wisdom was scarce
And we raced to the dance

I sat in my silence
Technology buzzed
As we plowed through the docket
Getting things done, getting things done
Political action begun

Our churches are bleeding
Members are fleeing

As boldly we're shouting
What Dems are announcing
Does Jesus speak clearly
Of drones and divestment?
Yet scarcely a prayer
Was said in his name

I sat in my silence
In my grief and my sadness
Can others inform
The world of this platform?
And what needs said
That only we can say?
Jesus is Lord
Does this message bore?

Still I'm not frightened
Just wounded and tired
Still I seek Jesus
In a left leaning assembly