

Terms of Reference: reDevelopment Assistance Fund

Approved March 8, 2022.

Purpose

The Waterloo-Wellington Presbytery reDevelopment Assistance Fund within the Development Fund makes loans available to congregations for capital projects including purchase or lease of land or real estate, building extension and/or improvement. This Terms of Reference document outlines the process for application, approval and repayment of loans from the reDevelopment Assistance Fund. A grant or a partial grant could also be provided as deemed appropriate through Presbytery approval based on a recommendation from a Presbytery member.

Source of Funds

At the beginning of January 2022, the Development Fund was subdivided into four component Funds which includes the reDevelopment Assistance Fund. 50% of the Development Fund and 50% from the net proceeds from the sale of future Presbytery assets and will be transferred into the reDevelopment Assistance Fund as per Recommendations approved in the minutes of the Nov. 9, 2021 WW Presbytery Zoom Meeting.

Existing loans to congregations within the Presbytery which were outstanding prior to January 2022 will become part of the this new reDevelopment Fund. Money received from the repayment of these loans and any new loans will be credited to the reDevelopment Fund.

Administration

The loan application process will be administered by the Property and Finance Team, with oversight by the Business Committee, of the Waterloo-Wellington Presbytery. The Team can then review and assess loan applications and recommend action to Business Committee. All loan requests must have the support of the congregation's Session. Capital projects must be for properties owned by the Presbytery.

The Presbytery has the right to grant or refuse requests based on:

- 1) terms of the Fund
- 2) priorities of the Presbytery of Waterloo-Wellington
- 3) availability of funds
- 4) discernment of the Property and Finance Team and Business Committee

Conditions of Disbursement

Loans will be interest free and repayable in annual or bi-annual payments of 10% on a fixed date, normally over a 5 year term, but no longer than 10 years. The payment schedule will be outlined in the loan contract. Negotiations between the congregation, the Property and Finance Team and the Congregational Response Team will be required for the designation of a term greater than 5 years. During these negotiations, information including the amount of the loan, financial documents and the development of a repayment plan will be the basis for the decision on the terms' end date.

Any loan request exceeding 50% of total church assets (which excludes the church property) will require dialogue with the Property and Finance Team prior to submitting the formal loan request. No loan shall be granted that exceeds the total assets of the congregation.

The loan application must contain the documents listed in section A and will be reviewed based on the evaluation criteria listed in section B. A checklist for the application documents can be found in Appendix

A. This information is based on the Finance and Property Committee Procedures document dated November 10, 2020.

Loan Application Guidelines

In Requesting a loan from Presbytery of Waterloo-Wellington, each congregation must include the following documents and information:

1. A loan request letter including total project costs and amount requested. This includes extract of Session minutes and (if appropriate) congregation meeting minutes approving the project.
2. Income and Expense Statement, along with Balance Sheet for latest fiscal year end, with highlights noted for restricted or reserve funds.
3. Current year data to the month end before the application date, including Income and Expense Statement along with Balance Sheet.
4. Projection of Current and Long-Range Financial needs at least through the payback period of the loan.
5. A written report, outlining projected Goals and Vision of the congregation, and showing how the purpose of the request relates to the goal(s).
6. Building related applications will include drawings or sketches with an explanation of changes.
7. Have any other grant or loans been received or applied for or being planned to apply for?
 8. Specific standing committees may request additional information from a congregation, including a financial viability review and analysis.

Evaluation Criteria

- 1) Does the current request seem realistic in terms of current goals and forecasted income?
- 2) Do the Long-range needs seem realistic versus reality of past years?
- 3) Do the projected goals and vision of the congregation warrant an investment of the amount requested? The Property and Finance Team will work with the Congregational Response Team to assess this criteria.
- 4) Does the present financial position of Presbytery allow for approval of the pending loan requests?
- 5) Do amounts requested fall under specific budgets set by Presbytery ?
- 6) Does the congregation have unused funds of its own. The Property and Finance Team will only consider approving loans when congregations have used their own undesignated funds?
- 7) Specific standing committees may use additional evaluation criteria, specific to the Funds Terms of Reference and eligibility criteria.

Designated gifts must be segregated from gifts given to the congregation for its general purposes, such as plate offerings. Restricted funds must be used for the purposes specified.

Distribution of Funds

Once approved, the Property and Finance Team will communicate with the congregation that applied for the loan. The Presbytery Treasurer will forward the funds requested by the congregation.

Expectations after Receiving a Loan

At the conclusion of the project (construction or other), the congregation will provide a report to the Property and Finance Team indicating the project has been completed.

Evaluation of the reDevelopment Fund

The Presbytery of Waterloo-Wellington will conduct a review of the Fund and its terms of reference on the third anniversary of the Fund or as needed. Since the Fund began in January of 2022, the review will take place in (same month) of 2025.

Appendix A

Waterloo Wellington Presbytery reDevelopment Loan Application Check List

Congregation name _____

Application Date _____

- 1 _____ A loan request letter, including:
 _____ Total project costs and amount requested.
 _____ Extract of Session minutes and (if appropriate) congregation meeting minutes approving the project.

- 2 _____ Fiscal Year End Financial Statement for the past two years
 _____ Income and Expense Statement
 _____ Balance Sheet
 _____ Details of all accounts identifying restricted or reserve funds.

- 3 _____ Current year's YTD to the month end before the application date
 _____ financial statements
 - including Income, Expenses and Current financial position (Assets and Liabilities)

- 4 _____ Projection of Current and Long-Range Financial needs at least through the payback period of the loan.

- 5 _____ A written report, outlining projected Goals and Vision of the congregation.
 _____ Include how the purpose of the request relates to the goal(s).

- 6 _____ Building expansion related applications will include:
 _____ drawing or sketches, details of Contractor, Engineering Firm, Project Manager
 _____ an explanation of proposed changes

- 7 _____ A List all other all other loans / grants or funding applied for or proposed sources for other funds.

- 8 _____ Additional items as requested.

Terms of Reference: reEmergency Financing and Repair Fund

Approved March 8, 2022.

Purpose

The Waterloo-Wellington Presbytery reEmergency Financing and Repair Fund within the Development Fund makes loans available to congregations for emergency equipment replacement or building repairs and revenue shortfalls. A grant or a partial grant could also be provided as deemed appropriate through Presbytery approval based on a recommendation from a Presbytery member. A maximum of \$50,000 will be allocated to each reEmergency loan.

Source of Funds

At the beginning of January 2022, the Development Fund was subdivided into four component Funds which includes the reEmergency Financing and Repair Fund. 20% of the Development Fund and 20% from the net proceeds from the sale of future Presbytery assets will be transferred into the reEmergency Financing and Repair Fund as per Recommendations approved in the minutes of the Nov. 9, 2021 WW Presbytery Zoom Meeting.

Money from the repayment of new reEmergency short term loans will be credited to the reEmergency Fund.

Administration

The loan application process will be administered by the Property and Finance Team, with oversight by the Business Committee of the Waterloo-Wellington Presbytery. The Property and Finance Team will review and assess loan applications and recommend action to Business Committee. All loan requests must have the support of the congregation's Session. Funds must be for properties owned by the Presbytery.

The Presbytery has the right to grant or refuse requests based on:

- 1) terms of the Fund
- 2) priorities of the Presbytery of Waterloo-Wellington
- 3) availability of funds
- 4) discernment of the Property and Finance Team and Business Committee

Conditions of Disbursement

Essential Emergency Repairs are those which are considered to impact the health, and or safety requirements of those using the building, place the building or property at risk, or violates building codes, and therefore requires immediate attention in order to avoid additional damages and or costs.

Congregational emergency funding is restricted to essential, non-deferrable expenses including, if appropriate:

- Staff wages and other employment expenses.
- Payments for regularly scheduled obligations, including payments under agreements necessary to maintain the property, licenses, or permissions necessary to operate.
- Loans will cover repairs such as those not covered by insurance.

The repayment of loans will be made in full within 5 years. Repayment of emergency financial assistance will commence within one year, with a plan to reduce the loan with the assistance of the Congregational Response Team, develop a plan for the restructuring of the congregation. Emergency funding for essential congregational expenses will be provided, where the congregation does not have access to a line of credit or have the necessary amount available in other church funds.

Fifty per cent of all loans for repairs or equipment replacement costs will be funded by the congregation.

The loan application must contain the documents listed in section A and will be reviewed based on the evaluation criteria listed in section B. A checklist for the application documents can be found in Appendix A. This information is based on the Finance and Property Committee Procedures document dated November 10, 2020.

A. Loan Application Guidelines

In Requesting a loan from Presbytery of Waterloo-Wellington, each congregation **must include** the following documents and information:

- 1) A loan request letter including total project costs and amount requested. This includes extract of Session minutes and (if appropriate) congregation meeting minutes approving the project.
- 2) Income and Expense Statement, along with Balance Sheet for latest fiscal year end, with highlights noted for restricted or reserve funds.
- 3) Projection of Current and Long-Range Financial needs at least through the payback period of the loan.
- 4) Building related applications will include drawings or sketches with an explanation of changes, if applicable.
- 5) Have any other grant or loans been received or applied for or being planned to apply for?
- 6) Specific standing committees may use additional information from a congregation, including a financial viability review and analysis.

B. Evaluation Criteria

- 1) Does the current request seem realistic in terms of current goals and forecasted income
- 2) Do the Long-range needs seem realistic versus reality of past years
- 3) Do the projected goals and vision of the congregation warrant an investment of the amount requested? The Property and Finance Team will work with the Congregational Response Team to assess this criteria.
- 4) Does the present financial position of Presbytery allow for approval of the pending loan requests.
- 5) Do amounts requested fall under specific budgets set by Presbytery.
- 6) Does the congregation have unused funds of its own. The Property and Finance Team will only consider approving loans when congregations have used their own undesignated funds.
- 7) Specific standing committees may use additional evaluation criteria.

Restricted funds must be used for the purposes specified. Documentation for this restriction must be maintained in the congregation's records.

Distribution of Funds

Once approved, the Property and Finance Team will communicate with the congregation that applied for the loan. The Presbytery Treasurer will forward the funds requested by the congregation.

Expectations after Receiving a Loan

At the conclusion of the issue requiring funds, the congregation will provide a report to the Property and Finance Team indicating the issue has been resolved.

Evaluation of the reEmergency Fund

The Presbytery of Waterloo-Wellington will conduct a review of the Fund and its terms of reference on the third anniversary of the Fund, or as needed. Since the Fund began in January, 2022, the next review will take place in (same month) 2025.

Appendix A

Waterloo Wellington Presbytery reDevelopment Loan Application Check List

Congregation name _____

Application Date _____

- 1 _____ A loan request letter, including:
 - _____ Total project costs and amount requested.
 - _____ Extract of Session minutes and (if appropriate) congregation meeting minutes approving the project.

- 2 _____ Fiscal Year End Financial Statement for the past two years
 - _____ Income and Expense Statement
 - _____ Balance Sheet
 - _____ Details of all accounts identifying restricted or reserve funds.

- 3 _____ Current year's YTD to the month end before the application date
 - _____ financial statements
 - including Income, Expenses and Current financial position (Assets and Liabilities)

- 4 _____ Projection of Current and Long-Range Financial needs at least through the payback period of the loan.

- 5 _____ A written report, outlining projected Goals and Vision of the congregation.
 - _____ Include how the purpose of the request relates to the goal(s).

- 6 _____ Building expansion related applications will include:
 - _____ drawing or sketches, details of Contractor, Engineering Firm, Project Manager
 - _____ an explanation of proposed changes

- 7 _____ A List all other all other loans / grants or funding applied for or proposed sources for other funds.

- 8 _____ Additional items as requested.

Terms of Reference: reGeneration Fund

Approved March 8, 2022

Purpose

The Waterloo Wellington Re-Generation Fund within the Development Fund makes grants available to congregations and congregational leaders within The Presbytery of Waterloo Wellington to support initiatives which will help to revitalize and renew congregations to continue the ministry of Christ.

The fund will also support New Church Plants.

Preamble

The Latin phrase *semper reformanda* - usually translated "always reforming" - is the widely known slogan of the Reformed tradition.

We believe that reformation/renewal/revitalization in our lives and congregational life is driven by God's agenda as revealed in Scripture, not ours.

As a reformed church, we rely on the truth and inspiration of Scripture for God's guidance into the future - a future that we approach with wonder and anticipation, knowing God is with us.

Embarking on revitalization/renewal of congregational life, we don't believe that we can:

- *Manage or*
- *Organize or*
- *Manipulate* the congregation towards change

Revitalization/renewal is a ministry where we find rest in God who revitalizes/renews and builds the congregation and involves us in it. This premise relieves us of the tension created within us when we try to revitalize/renew and build the congregation and believe God only lends a hand. Renewal leads believers to see what God sees.

Questions asked when we embark on the renewal and revitalization journey:

- Who are we?
- Who is our neighbour?
- What breaks your heart?
- Why are we here in ... (name your location – town or city)?
- What is God calling us to be and do?
- What time are we in? (How does 2022 differ for example from 1972 or any other time in the past)
- Who do we say Jesus is?

"Where there is no vision, the people perish." (Proverbs 29:18)

Vision must start with someone, and that someone is often the minister.

Though ministers often take the initiative, the vision is refined and improved by others who come to share in the vision, expanding and developing it in ways impossible for ministers to achieve on their own.

What is the passion behind the project/renewal?

While it is true that without vision the people perish - it is also true that without passion vision becomes a management tool, a way to organize. Passion fuels the fire of renewal. We can teach skills; we can facilitate vision; we can't teach passion.

Source of Funds

An initial capital investment of \$630,000 will be set aside inside the Development Fund of the Presbytery with the interest on the investment to be used to provide grants.

30% of all future transfers to the Development Fund will be allocated to the Re-Generation Fund as additional income producing capital.

To ensure the availability of funds in the future, the fund will be based on an endowment model. An endowment fund invests the capital, and it remains invested, with the interest income earned distributed in the form of grants as per its terms of reference.

The treasurer will submit the available amount of interest for disbursement to the Renewal Team on a quarterly basis.

Should a portion of the interest income not be disbursed to congregations, it will be re-invested as further capital to maintain or increase future income.

Conditions of Disbursement

1. Congregational initiatives should try to be in line with the sentiments expressed in the preamble - *Questions asked when we embark on the renewal and revitalization journey*.
2. Congregations are encouraged to consult with Canadian Ministries and explore their New Beginnings programs (<https://presbyterian.ca/canadian-ministries/new-beginnings/>) and also to connect with Cyclical PCC <https://presbyterian.ca/cyclicalpcc/> . Congregations that are considering doing something new through the PCC might be well served by a coach or mentor to support them in the process.
3. Congregations can also connect with facilitators of their choice to assist in the renewal/ revitalization initiative.
4. It is understood that projects funded by the Re-Generation Fund will contribute to the Presbytery's and the Denomination's understanding and experience of ministry and/or mission.
5. Initiatives must be linked to the life of a worshipping community
6. Initiatives should not come from an individual, but there should be a team in place to support and implement the project.
7. Applications for renewal projects ready to be implemented must be received annually by September 1.
8. Disbursement will be on a first come first serve basis, depending on the availability of funds, the recommendations of the Renewal Team, and, ultimately, the approval of Presbytery.

9. Implementation dates need to be available before the first grant will be available to the applicant congregation.
10. Costs associated with renewal projects will be considered for funding by the Renewal Team.
11. Applications retroactive to January 1, 2022 will also be considered up to November 1, 2022.
12. A grant can be terminated because of failure to implement the project specified in the application. In such a case, the funds are to be returned to the Re-Generation fund.
13. New Church plant applications can be submitted at any point during the year. The discernment process for a new church plant will take up much more time than a renewal or revitalization application of a local congregation.

Distribution of Funds

Once approved, 80% of the grant amount will be disbursed upon notice from the applicant that the project is ready to begin.

The remaining 20% of the grant amount will be disbursed upon receipt of a final report.

Expectations after Receiving a Grant

A report including a summary of the project and key insights that could be helpful to other congregations will be submitted to the Renewal Team within two months after the project has been completed.

This enables congregations' stories to be shared.

Administration

The grant application process will be administered by the Renewal Team on behalf of the Presbytery of Waterloo Wellington.

All grant requests must have been approved by the Session of a congregation in the Presbytery.

The Presbytery has the right to grant or refuse requests based on:

1. Terms of the fund
2. Priorities of the Presbytery of Waterloo Wellington
3. Viability of the congregation
3. Availability of funds
4. Discernment of the committee

Terms of Reference: The Campus Student Ministry Fund

Approved September 14, 2021

Preamble:

The Campus Student Ministry Fund provides grants to Campus Ministries within the bounds of the Presbytery of Waterloo-Wellington (including but not limited to University and College Chaplaincies, Christian ministries working with students on University and College campuses, and congregations doing intentional ministry with University and College students.)

Grants to the Ecumenical Guelph Chaplaincy and the Post-Secondary Student grants program will be included in the Campus Student Ministry Fund.

Terms of Reference:

The Presbytery will announce at the March meeting of the Presbytery each year how much grant money will be available for distribution. Applications are to be received by May 15 of a given year. The Renewal Team will bring recommendations to the Presbytery for approval of grants at the June meeting.

Up to 10% of the fund can be spent in a 12-month period of July 1 to June 30.

Congregations wishing to access the fund to do their own intentional ministry with University and College students must contribute at least 25% of the project's budget.

Applications will include:

1. A two-sentence statement of the purpose of the ministry.
2. A 250-word description of the activities the ministry undertakes to live out that purpose.
3. Two stories of the impact the ministry has had in the community gathered around the ministry or in the lives of individual students.
4. A budget for the ministry, along with the amount being asked for.
5. All applications, including those from Chaplaincies and other non-congregational Campus ministries, require a letter of endorsement from a Session within the Presbytery.

If the Presbytery determines the Campus Ministry Fund is no longer effective the remaining funds will be placed in the Ministry Initiative Fund.

Terms of Reference: The Presbytery Trust Fund

(amended June 2004)

1. This Trust Fund, hereby known as the Presbytery of Waterloo-Wellington Trust Fund, is established to assist in meeting compassionate and benevolent need in the event of disability, illness or the necessity of pastoral care among the Presbytery's servants within the bounds of the Presbytery of Waterloo-Wellington.
2. The Trust Funds will be managed by the Presbytery through the Fund's Trustee. The Trustees will disburse the Fund's assets on instruction of the Pastoral Relations sub-committee of the Presbytery. Requests for use of the funds should be made through the Pastoral Relations sub-committee.
3. Premiums are to be submitted to the Presbytery Treasurer annually. These cheques are due May 1 of each year. Premiums shall be established annually by the Trustees.
4. Trustees shall be elected for a 3 year term and be eligible for two successive terms, after which they must retire. A retired trustee is eligible for election after a 3 year period has passed. The Trustees shall be:
 - . a minister
 - . a representative elder
 - . an elder with insurance experience.
5. Trustees shall be named and noted at the time committees of Presbytery are struck each year.
6. Premiums shall be accumulated to a maximum capitalization of \$20,000, at which time the premium will be waived. When the fund drops to \$16,000, premiums will be re-introduced to restore the fund to \$20,000; the premium rate will be determined through consultation between the Trustees and the Presbytery.
7. Changes in the Terms of the Trust Agreement can be made by Notice of Motion at any time and on the approval of two-thirds of those present at a duly called meeting of the Presbytery.
8. The Trustees are competent to invest the monies of the Fund in such a way as to obtain a reasonable rate of return. They shall submit a yearly audited financial statement and report to Presbytery.
9. The Fund shall be reviewed annually by the Trustees.