

Capital Fund Policy

All funds derived from the sale of church property shall be applied to the Capital Fund, and all expenditures from the Capital Fund shall be authorized by the Trustees of the Presbytery for the maximum benefit of the Presbytery as a whole.

The Trustees of the Presbytery are responsible for protecting and preserving the property and assets of the Presbyterian Church (U.S.A.) on behalf of the Presbytery of Philadelphia as a whole. In order to provide for the maintenance and preservation of capital assets within the Presbytery a Capital Fund has been established and is maintained under the stewardship of the Trustees.

The Capital Fund is an important asset of the Presbytery as a whole.

1. It is the primary source for capital expenditures on property owned by the Presbytery, including the former Third Church in Chester (now Chester Eastside Ministries), the former Grace Church on Manton St., in Philadelphia (now John Gloucester House), Kirkwood Camp in Stroudsburg, Presbyterian House at 2200 Locust St., and other properties that fall under the responsibility of the Presbytery.
2. It is the source for grants and loans to churches throughout the Presbytery that do not have the financial strength to fund or collateralize borrowing for essential capital projects such as roof repairs and boiler replacements.
3. It is a source of capital and collateral for new church development projects.
4. It is a capital reserve that enables the Presbytery to meet significant unforeseen or emergency events that from time to time arise.
5. Through the allocation of its investment income to the Mission Operating Budget it is also a meaningful source of funds to support the ministry, mission and programs of the Presbytery.

The principal source of funds for the Capital Fund is derived from the proceeds from the sale of Presbytery property. A significant source of the funds comes from the sale of property of dissolved churches. It is through such funds that the Presbytery is able to invest in structural repairs and capital equipment, to maintain its properties in a safe and insurable condition, to preserve the value of its assets, to provide investment in property and construction loans for new church development, and to contribute income to the Mission Operating Budget.

Any action to withdraw funds from the Capital Fund to support ministry or programs, beyond those already directed to the Mission Budget, will result in an erosion and eventual exhaustion of the Presbytery's most important fiscal asset.

At present the maximum balance of the Capital Fund will be \$2,250,000 with funds exceeding this amount to be transferred to the Operating Equity Fund.