

**Presbytery of Southern Kansas Consent Agenda
August 13, 2019
First Presbyterian Church, Great Bend**

If you have questions about an item on this Consent Agenda, please contact the Moderator of that particular committee. Items may be removed from the Consent Agenda by contacting the PSK Moderator. (Note: Motions are highlighted in yellow)

A. Stated Clerk - Presbytery Meeting Minutes

1. **MOTION:** To approve the Presbytery meeting minutes for May 14, 2019, as found at www.pbysk.org
2. **MOTION:** Approve Docket for Presbytery Meeting – August 13, 2019 (Exhibit A)

B. Governance Ministry Team

1. **MOTION:** for PSK to accept the 2018 audit (performed by Morrow & Co.). Results received in office July 22, 2019 and reviewed/approved same date by the Governance Ministry team. (Exhibit B)

MOTION: to approve and file for audit:

- PSK Balance Sheet for June 2019 (Exhibit C)
- PSK Income/Expense Report for June 2019 (Exhibit D)
- PSK Reserve Funds Report for June 2019 (Exhibit E)
- PSK Cash Operating Balance Report for May 2019 (Exhibit F)

Exhibit A

**Presbytery of Southern Kansas
August 13, 2019
First Presbyterian Church, Great Bend**

Docket

9:00am	Worship
10:00am	Opening Business Declaration of a quorum, Seat corresponding members, Introduce first-time ruling elders, Appoint temporary committee, Welcome from host church, Approval of consent agenda
10:10am	Stated Clerk's Report
10:20am	Moderator's Report
10:25am	Nominating
10:30am	Church Orders
10:50am	Break
11:00am	Youth Council
11:15am	Mission Partnership
12:15pm	Report from Temporary Committee
12:20pm	Adjourn to Lunch

Exhibit B - Summary Results of the 2018 PSK Audit Performed by Morrow & Co.



ACCOUNTING FOR YOUR NEEDS™

INDEPENDENT AUDITORS' REPORT

To the Presbyterian Council and the Sub-Committee on Finance & Property
Presbytery of Southern Kansas, Presbyterian Church (U.S.A.), Inc.

We have audited the accompanying financial statements of the Presbytery of Southern Kansas, Presbyterian Church (U.S.A.), Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of December 31, 2018, and the related statement of support, revenue, and expenses - modified cash basis and statement of functional expenses - modified cash basis for the year 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 the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets - modified cash basis of the Presbytery of Southern Kansas, Presbyterian Church (U.S.A.), Inc. as of December 31, 2018, and its support, revenue, and expenses - modified cash basis for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

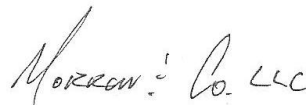
We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of net assets with purpose restrictions - modified cash basis and schedule II - schedules of expenses by source - modified cash basis is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with the modified cash basis of accounting. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matter

The 2017 financial statements were reviewed by us, and our report thereon, dated July 27, 2018, stated we were not aware of any material modifications that should be made to those statements for them to be in accordance with the modified cash basis of accounting as described in Note 1. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.



Morrow & Co., LLC
Wichita, Kansas

July 19, 2019

Exhibit C – PSK Balance Sheet June 2019

Presbytery of Southern Kansas

Statement of Financial Position

Balance Sheet

June 2019

	Year to Date Balance	Balance Last Month
Assets		
Cash, Savings, Petty Cash		
Cash		
Bank of West Checking	145,498.78	164,631.16
Bank of West Money Mkt	70,050.68	70,043.54
PILP Savings Account	7,328.58	7,315.80
Petty Cash	189.22	222.54
Cash, Savings, Petty Cash Totals:	223,067.26	242,213.04
Investments		
New Cov. Mutual Funds	585,403.68	567,779.75
PILP Cert. of Deposit	48,881.13	48,881.13
Stew./Jones/Griff. Endowment	8,178.22	8,178.22
Resources for Resale	(102.76)	(22.30)
Investments Totals:	642,360.27	624,816.80
Fixed Assets		
Office Building	119,694.38	119,694.38
Accum. Depr.-Bldg.	(86,351.81)	(86,351.81)
Office Equipment	14,133.28	14,133.28
Accum. Depr.-Office Equip	(14,133.28)	(14,133.28)
Computer Equipment	13,571.17	13,571.17
Accum. Depr.-Comp. Equip	(11,445.08)	(11,445.08)
Office Land	10,000.00	10,000.00
Sumner Cty. Farmland	102,000.00	102,000.00
Fixed Assets Totals:	147,468.66	147,468.66
Total Assets:	1,012,896.19	1,014,498.50

Liabilities**Payables**

Donations Payable	0.00	5,139.76
Theo. Ed. Payable	135.42	570.84
Payables Totals:	135.42	5,710.60

General Assembly Payables

GA Missions	2,576.17	3,509.43
GA Per Capita	4,869.02	2,475.03
Christmas Joy	450.00	240.00
Directed Missions	90.00	90.00
One Great Hour	3,820.53	10,975.69
Pentecost	918.80	208.00
General Assembly Payables Totals:	12,724.52	17,498.15

Synod Payables

Synod Missions	585.50	797.60
Synod Per Capita	1,463.92	701.57
Synod Payables Totals:	2,049.42	1,499.17

Payroll Payables

FICA WH Tax	476.66	499.26
Medicare WH Tax	111.50	116.78
Federal WH Tax	367.00	371.00
State WH Tax	125.00	130.00
Payroll Payables Totals:	1,080.16	1,117.04

Total Liabilities:

15,989.52	25,824.96
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Net Assets**Net Assets**

Net Assets	191,943.91	191,943.91
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Dedicated Accounts

Without Donor Restrictions	0.00	0.00
With Donor Restrictions	738,689.61	741,509.38
Dedicated Accounts Totals:	738,689.61	741,509.38

Current Period Changes to Net Assets	66,273.15	55,220.25
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Total Net Assets:

996,906.67	988,673.54
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Total Liabilities & Net Assets:

1012896.19	1014498.5
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Exhibit D – PSK Income/Expense Report June 2019

	Current Month Actual	YTD Actual	YTD as % of Annual Budget	Annual Budget
Income				
Presbytery Income				
Per Capita Receipts Totals:	9,214.49	95,128.92	50.58	188,062.00
Shared Mission Giving Totals:	11,709.92	71,922.41	49.6	145,000.00
Interest on Investments Totals:	2,320.80	2,617.88	74.8	3,500.00
Youth Council Events Totals:	0.00	315.00	0	0.00
Presbytery Income Totals:	23,245.21	169,984.21	50.51	336,562.00
Income Totals:	23,245.21	169,984.21	50.51	336,562.00
Expense				
Ministry Teams/Comm.				
Administrative Commissions Totals:	0.00	0.00	0	250.00
Church Orders Min. Team Totals:	195.34	1,902.21	54.35	3,500.00
Cong. Resources Min. Team Totals:	3.80	357.44	5.96	6,000.00
Meetings of Presbytery Totals:	0.00	478.40	15.95	3,000.00
Mission Partnership Min. Team Totals:	6,027.76	9,027.76	39.47	22,875.00
Perm. Judicial/Investigate Comm. Totals:	0.00	0.00	0	500.00
Presbytery Coordinating Team Totals:	0.00	531.22	37.94	1,400.00
Support of WMW Camp Totals:	5,000.00	30,000.00	50	60,000.00
Ministry Teams/Comm. Totals:	11,226.90	42,297.03	43.37	97,525.00
Salaries & Related Exp.				
Presb. Administrator Salary Totals:	0.00	0.00	0	3,731.00
Stated Clerk Salary Totals:	2,060.00	12,360.00	50	24,720.00
Stated Clerk Prof. Expenses Totals:	51.96	51.96	2.28	2,280.00
Admin. Assistant salary Totals:	3,006.54	19,542.51	50	39,085.00
Admin. Assist. Pension/Medical Totals:	1,821.61	10,929.66	50	21,860.00
Bookkeeper Salary Totals:	837.62	6,132.42	35.36	17,345.00
Payroll Expenses Totals:	294.08	1,964.12	45.5	4,317.00
Salaries & Related Exp. Totals:	8,071.81	50,980.67	44.98	113,338.00
Operational				
PSK Office Expenses Totals:	1,858.63	11,360.88	44.99	25,250.00
Legal/Audit Expenses Totals:	0.00	0.00	0	4,000.00
Other PSK Expenses Totals:	40.00	60.00	24	250.00

Operational Totals:	<u>1,898.63</u>	<u>11,420.88</u>	<u>38.71</u>	<u>29,500.00</u>
Denominational				
GA Per Capita Totals:	2,393.99	25,665.16	57.94	44,294.00
Synod Per Capita Totals:	762.35	8,339.05	59.12	14,105.00
GA Shared Missions Totals:	2,576.18	15,822.91	51.37	30,800.00
Synod Shared Missions Totals:	585.50	3,596.13	51.37	7,000.00
Denominational Totals:	<u>6,318.02</u>	<u>53,423.25</u>	<u>55.53</u>	<u>96,199.00</u>
Expense Totals:	<u>27,515.36</u>	<u>158,121.83</u>	<u>46.98</u>	<u>336,562.00</u>
Income - Expense:	<u>(4,270.15)</u>	<u>11862.38</u>		<u>0</u>

Notes:

The YTD unrealized gain on New Covenant Mutual Funds of \$54,410.77 (\$39,087.72 1st qtr, \$15,323.05 2nd qtr) is not included in this report.

Exhibit E – PSK Reserve Fund Report June 2019

Presbytery of Southern Kansas

Reserve Funds						
Cong. Emergency Loan	97,276.22	0.00	0.00	0.00	0.00	97,276.22
Cong. Redevelopment	62,931.26	0.00	0.00	0.00	3,000.00	59,931.26
Disaster Damage PSK	4,879.43	0.00	0.00	0.00	0.00	4,879.43
Endowment Stew./Jones/Griff.	8,390.23	0.00	0.00	0.00	0.00	8,390.23
Inquirer/Candidate Support	20,253.34	0.00	0.00	571.00	350.00	20,474.34
Knox Land Lease	7,202.38	0.00	0.00	2,000.00	0.00	9,202.38
Mission Partnership & Support	17,781.97	0.00	589.48	3,000.00	2,132.01	18,649.96
New Church Development	56,809.05	0.00	0.00	0.00	0.00	56,809.05
Peacemaking	2,461.19	0.00	0.00	230.80	0.00	2,691.99
Schol. & Small Ch. Net. Events	3,000.00	0.00	0.00	0.00	0.00	3,000.00
Self Development of People	700.93	0.00	0.00	0.00	0.00	700.93
Small Church Reserve	23,083.53	0.00	0.00	493.91	0.00	23,577.44
Trustee Capital	236,874.57	0.00	2,230.29	59,518.83	10,117.40	286,276.00
Video Conf. Technology	22,162.63	0.00	0.00	0.00	0.00	22,162.63
Visioning	7,513.93	0.00	0.00	0.00	0.00	7,513.93
Youth Triennium	17,177.17	0.00	0.00	20,760.00	22,783.35	15,153.82
Sumner Cty Farm Land Appraisal	102,000.00	0.00	0.00	0.00	0.00	102,000.00
Reserve Funds Totals:	690,497.83	0.00	2,819.77	86,574.54	38,382.76	738,689.61
Presbytery of Southern Kansas Totals:	690,497.83	0.00	2,819.77	86,574.54	38,382.76	738,689.61
Total for selected dedicated accounts:	690,497.83	0.00	2,819.77	86,574.54	38,382.76	738,689.61

Exhibit F – PSK Cash Operating Balance May 2019

Presbytery of Southern Kansas

Cash Operating Balance

As of May 31, 2019

Cash & Cash Equivalents:

Petty Cash	222
Bank of West Checking	164,631
Bank of West Money Market	70,043
Total Cash	234,896

Short Term Investments:

Savings Account at PILP	7,316
New Covenant Mutual Funds	567,780
Presbyterian Investment CD	48,881
Total Short Term Inv.	623,977

TOTAL ASSETS 858,873

Less Liabilities: 25,825

Less Reserve Funds:

Congregational Emergency Loan	97,276
Congregational Redevelopment	59,931
Disaster Damage	4,879
Inquirer/Candidate Support	20,474
Knox Land at Belle Plaine	9,202
Mission Partnership	19,239
New Church Development	56,809
Peacemaking	2,692
Sch. & Small Church Network Events	3,000
Self Development of People	701
Small Church Reserve	23,577
Trustee Capital	288,506
Video Conferencing	22,163
Visioning	7,514
Youth Triennium	15,154
Total Reserve Funds	631,117

Cash Operating Balance as of 5/31/19 201,931