



# Third Presbyterian Church

*Seeking the Light*



“So if anyone is in Christ, there is a new creation: everything old has passed away; see, everything has become new! All this is from God, who reconciled us to himself through Christ, and has given us the ministry of reconciliation; that is, in Christ God was reconciling the world to himself, not counting their trespasses against them, and entrusting the message of reconciliation to us.”

2 Corinthians 5:17-19

“God the Holy Spirit fulfills the work of reconciliation in human life. The Holy Spirit creates and renews the church as the community in which people are reconciled to God and to one another. The Spirit enables people to receive forgiveness as they forgive one another and to enjoy the peace of God as they make peace among themselves. In spite of their sin, the Spirit gives people power to become representatives of Jesus Christ and his gospel of reconciliation to all.”

Confession of 1967,  
Presbyterian Church (U.S.A.)

# Third Church Staff

*(Persons listed below served during some portion of 2016)*

(2001) John Wilkinson, Pastor

(2008) Martha C. Langford, Associate Pastor for Congregational Care

(2013) Lynette K. Sparks, Associate Pastor for Outreach and Evangelism

(2001) Rebecca D'Angelo-Veitch, Coordinator of Children's Ministry and Congregational Life

(2007) Jane S. Carden, Youth Ministry Coordinator

(1991) Peter A. DuBois, Director of Music/Organist

(2014) Mary Ann Rutkowski, Associate Director of Music

(2014) Caroline Robinson, Assistant Organist

(1998) Roderic P. Frohman, Pastor Emeritus

(2015) Ernest F. Krug, Parish Associate

(1993) Carol D. Foster, Church Business Administrator

(2007) Lisa Cramer, Assistant to Church Business Administrator

(1999) Cindy Mark, Office Administrator/Volunteer Coordinator

(2016) Quillette Jones, Pastoral Administrator

(2006) John Pilato, Lead Sexton

(1999) Joey Becerril, Sexton

(2015) Scott Berthold, Sexton

# Report of the Clerk

During 2016, the Session met 13 times. In addition to hearing regular reports from committees, approving baptisms, and receiving new members, highlights and major actions by Session through the year included:

## January

- Joint meeting with the Deacons.
- Heard about plans for celebrating the 25<sup>th</sup> anniversary of Dining Room Ministry.

## February

- Joint meeting with the Trustees.
- Approved the 2016 budget of \$1,376,535.

## March

- Heard a report on the status of the 2016 stewardship campaign.

## April

- Met with the Commissioning Class and approved their acceptance as members of the church.
- Authorized the ordination and installation of elders and deacons on May 1.

## May

- Received the Annual Statistical Report.
- Welcomed new Elders to Session.
- Learned that the Second Mile Campaign received more than \$36,000 in contributions.
- Approved discontinuing the Living Waters Wednesdays service.

## June

- Elected Chris Bensch as Clerk of Session and Jan Chisholm as Treasurer for one-year terms.
- Approved the communion schedule for 2016-2017.

## September

- Approved Sunday School teachers for 2016-2017.
- Recognized the formation of new teams of communion servers.

## October

- Received reports from the members of the program staff.
- Heard an introduction to the annual stewardship campaign.

## November

- Received a report on the success of the East Avenue Grocery Run.
- Authorized a sabbatical leave for the Rev. Martha Langford for June-August 2017.

## December

- Received a report from Joint Budget & Finance on the 2017 budget and upcoming financial challenges.

## **Third Church Membership**

12/31/2015	1223
12/31/2016	1225

## **Baptisms performed in 2016: 7**

- Kamilla Marie Ehmann
- Gemma Kim Ehmann
- Nora Kelly Ehmann
- Margaret Randolph Schafrath
- Karissa Rae Kulik
- Colin Czadzeck
- Ruth Sylvestre\*

\* Adult

## **New Members Received: 26**

## **Commissioning Class Members Received: 5**

- Alexander Bishop
- Trevor Gauronski
- Zachary Gauronski
- Jason Lipari
- Julia Wisbey

## **Weddings Performed in 2016: 8**

## **Members Deceased in 2016: 21**

- Ellen E. VanOcker, January 31
- Jean Hart, February 4
- Thomas W. Bracken, April 5
- Homer Marple, April 6
- Evelyn Roland, April 17
- Janice Northrup, April 30
- Erin Gibbons Humphrey, June 19
- Emily S. "Ammy" LaBudde, July 30
- Olive B. "Brownie" Hoffman, August 11
- Ethel Ann Moden, September 16
- Louise S. Geiser, September 26
- Mary Lou Branch, October 4
- Mary Forrest Garber, October 22
- Joyce E. Wunderlich, October 29
- Elizabeth Montello, November 1
- Carolyn S. Kerr, November 6
- Robert T. Norton, November 7
- Paul W. Griffith, November 22
- Pauline C. "Polly" Anderson, November 24
- Marlene Kron "Molly" Duerr, December 2
- Lorraine H. Nitzman, December 26

## **Gifts totaling \$6,363 were given in memory of:**

- James Chisholm
- The Rev. Kenneth Wilkinson
- Frank Parsons
- Ellen VanOcker
- Harry Grace
- Dr. & Mrs. Collins Carpenter
- The Rev. William Holmquist
- Thomas Bracken
- Katharine Pleune Davis
- Janice Northrup
- Christopher Ragus
- The Rev. Dr. Zane Bollinger
- Emily LaBudde
- Olive Hoffman
- Mr. & Mrs. Robert J. Muir
- Mary Forrest Garber
- Calvin & Mary Garber
- Robert Norton
- Pauling Anderson
- Marlene Duerr
- Christopher Mould

Endowment Fund deposits during 2016 totaled \$59,258; included in this total are bequests of \$52,521 and special gifts of \$1,200. Bequests were received from Olive Hoffman, Carolyn Kerr, Evelyn Roland and Charles Joseph Wright; special gifts were received from Bonny Claxton and John Wilkinson, Eric Moore and Rusty and Jeanette Olson.

Christopher Bensch, Clerk of Session

# Report of the Treasurer

One of my duties as treasurer is to analyze the church's monthly operating fund financial statements, which are prepared by Carol Foster, our Church Business Administrator. These statements show the church's monthly and year-to-date income and expenses, and compare them to budget estimates. My task in this report is to make the same analysis for the year 2016.

Our main source of operating fund income is from pledges, income from which is credited when pledges are actually paid. As I've explained in my reports in previous years, every year our annual Stewardship campaign solicits pledges from church members to provide income for the next year's operating budget (gross pledges). Every year a portion of this gross pledge amount is not paid, due to death or change in circumstance of the pledger ("shrinkage"). The amount budgeted for current year pledges, therefore, is a "best guess" of gross pledges minus "shrinkage" (net pledges).

This net pledge income is broken down into two categories — current year (2016) and prior year (2015). By year end 2016, we received \$845,457 of current year pledge income, which was slightly higher than our budget goal of \$842,400.

Some of our other income categories also showed better-than-expected results. We received \$9,043 of prior-year pledge income, which was ~6.4% higher than our budget goal of \$8,500. Income of \$23,350 from contributions with no pledge was more than 37% higher than our budget goal of \$17,000. However, income from Sunday plate offering was less than expected — receipts of \$13,275 were 17% lower than our budget goal of \$16,000.

Our "Meals with a Meaning" fundraiser was not held in 2016. Since we had budgeted \$8,000 in projected income from that event, there was a negative impact on our operating budget.

The East Avenue Grocery Run realized net income of nearly \$22,000, which was used to fund hunger programs within Third Church and other programs in the Rochester community.

We also conducted a Second Mile campaign in hopes of raising \$20,000 to supplement the operating budget. The congregation was extremely generous, and the amount raised by year-end was \$37,338.

In June 2016 the decision was made to improve the way in which we manage our cash flow. Our "usable" cash was held in a Vanguard account that produced very little interest income. We decided to use some of those funds to cover our expenditures for the remainder of the year, which enabled us to not take the third and fourth quarter imputed income withdrawals of \$158,835 from our endowment.

For the operating budget as a whole, income from all sources totaled \$1,217,295. However, that amount doesn't reflect the \$158,835 used from the Vanguard account to replace funds not withdrawn from the endowment. When that adjustment is made, income from all sources totaled \$1,376,130.

On the expense side of the ledger, actual expenditures totaled \$1,366,233, which was \$10,302 less than anticipated. We continue to be grateful to all of the committees for their continued good financial management.

In summary, subtracting our expenditure total of \$1,366,233 from our adjusted income total of \$1,376,130 yielded an income surplus of \$9,897. This net surplus was used as part of a carryover to the 2017 operating budget.

Our endowment fund had an investment return of 0.8% for the fourth quarter of 2016. Following imputed income withdrawals of \$158,834 and contributions totaling \$59,249, the market value of the endowment fund as of December 31 was \$5,282,092, compared to the value of \$4,991,677 at year-end 2015. We continue to be grateful for Rusty Olson's leadership and the help and guidance of the Investment Committee in the management of our endowment fund.

Third Church has much to be thankful for. We are especially blessed to have outstanding financial management provided by Carol Foster. Looking ahead, 2017 promises to be a year filled with both challenges and exciting opportunities for growth.

Jan Chisholm, Treasurer

# Contributions & Expenditures for Outreach

## Contributions Received for Outreach-Related Programs - 2016

One Great Hour of Sharing	\$ 5,407
Presbyterian Homes	757
Peace & Global Witness	1,294
Christmas Joy	2,526
Japan/Ecuador earthquakes disaster relief	870
West Virginia flooding disaster relief	909
Louisiana flooding disaster relief	1,163
Hurricane Matthew disaster relief	2,305
Christmas Baskets	8,194
Pastors' Emergency Fund	8,426
Food Cupboard	1,106
Dining Room Ministry	551
East Avenue Grocery Run individuals' donations	9,468
Souper Bowl of Caring	2,124
Pentecost	904
Heifer Project	1,000
Urban Presbyterians Together school support	100
Kihumo Parish	240
Katrina hurricane relief	400
General hunger programs	4,506
Cameron Community Ministries	468
Tutoring programs, including Gift of Books	1,764
Presbyterian Disaster Assistance	15
The Corner Place	200
ROC the Day (for human service programs)	285
RAIHN @ Third	1,980
General Outreach programs	500
<b>Total</b>	<b>\$ 57,462</b>

## Grant Income

### Glover-Crask Charitable Trust

Food Cupboard	\$ 2,500
Price Rite	
Food Cupboard	355
Genesee Valley Council on the Arts	
The Corner Place	5,000
First Unitarian Church	
Great Schools for ALL	16,041
<b>Total</b>	<b>\$ 23,896</b>

## Outreach Expenditures - 2016

General Assembly	\$ 10,000
Synod	670
Presbytery	56,330
Theological Education Fund	200
Theological Seminaries	700
Greater Rochester Community of Churches	400
Kihumo Partnership	(8)
World Peacemaking & Mission	755
RAIHN @ Third	1,402
Hurricane Relief	537
The Corner Place	31,797
Tutoring--School No. 35	12,325
Tutoring--School No. 3	10,757
Tutoring--East High	2,502
Third Church Food Cupboard	18,810
Dining Room Ministry	9,943
Cameron Community Ministries	400
Christmas Baskets	3,703
Outreach Discretionary	
BRIDGE homeless shelter	600
School No. 35 fund for Tavarion's family	600
NEXT Church	200
Genesee Area Campus Ministries	200
Calvary-St. Andrew's food pantry	200
Vacation Bible School	169
Faith for a Fair NY	153
Faith in Action dinner	120
Miscellaneous	178

\$ 163,643

STATEMENT OF INCOME AND EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>Over/ (Under) Budget</u>
<b>INCOME</b>			
Pledges-Current Year	\$ 845,457	\$ 842,400	\$ 3,057
Pledges-Prior Year	9,043	8,500	543
Contributions with no pledge	23,350	17,000	6,350
Plate Offering	13,275	16,000	(2,725)
Per Capita Contributions	9,205	9,500	(295)
Memorial Contributions	1,270	1,000	270
Hunger Ministry Contributions	7,358	5,500	1,858
Christmas Basket Contributions	3,703	2,500	1,203
Other Outreach Program Contributions	1,638	2,000	(362)
Music Program Contributions	35	25	10
Second Mile Contributions	37,338	20,000	17,338
In-Kind Contributions	4,774	4,000	774
Miscellaneous Income	2,255	2,000	255
Vanguard Dividend	882	150	732
Building Use Income	2,392	5,000	(2,608)
Day Care Rent	27,400	27,200	200
34 Meigs Contribution	12,600	12,600	0
Hunger Ministry: East Avenue Grocery Run	21,795	28,000	(6,205)
Other Income Sources	365	8,400	(8,035)
Designated Endowment Income	49,065	49,065	0
Endowment Income	42,671	201,506	(158,835)
Music Endowment Income	6,328	6,328	0
Building Endowment Income	53,101	53,101	0
Prior Year Carryover	41,995	41,995	0
Income Total	<u>1,217,295</u>	<u>1,363,770</u>	<u>(146,475)</u>
<b>EXPENSE</b>			
Personnel	862,127	868,000	(5,873)
Finance	14,410	14,500	(90)
Building	184,957	185,000	(43)
Office	41,218	40,000	1,218
Per Capita	36,535	36,535	0
Children's Ministry	2,039	2,500	(461)
Youth Ministry	10,859	12,000	(1,141)
Adult Spiritual Formation	2,429	2,500	(71)
Worship, Music & Arts	34,395	35,000	(605)
Congregational Fellowship	1,207	1,000	207
Evangelism & Membership	3,177	3,500	(323)
Board of Deacons	1,603	1,500	103
Session Fund	485	1,000	(515)
Outreach	163,643	167,000	(3,357)
More Light	2,375	2,500	(125)
In-Kind Expenses	4,774	4,000	774
Expense Total	<u>1,366,233</u>	<u>1,376,535</u>	<u>(10,302)</u>
<b>NET INCOME (EXPENSE) FOR THE YEAR</b>	<b>\$ (148,938)</b>	<b>\$ (12,765)</b>	<b>\$ (136,173)</b>
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# THIRD PRESBYTERIAN CHURCH

## ALL FUNDS BALANCE SHEET DECEMBER 31, 2016

	Operating Fund	Donor- Designated Fund	Board- Designated Fund	DEC 2016 TOTAL	DEC 2015 TOTAL
<b>Assets</b>					
Cash and cash equivalents	\$ 397,619			\$ 397,619	\$ 597,949
Short-term investments	136,237			136,237	0
Pledges receivable (annual stewardship)	22,094			22,094	22,094
Reserve for pledges receivable (annual)	(22,094)			(22,094)	(22,094)
Pledges receivable (Second Mile)	0			0	
Reserve for pledges receivable (Second Mile)	0			0	
Pledges receivable (capital campaign)	27,364			27,364	42,920
Reserve for pledges receivable (capital)	(27,364)			(27,364)	(42,920)
Other receivables	48,630			48,630	12,160
Investments		\$ 769,903	\$ 2,439,353	5,282,092	4,991,677
			Donor Music Building Third Century		
		1,227,036	91,819		
		1,046	753,981		
Due from Operating Fund			(19)	1,027	775
Land and improvements	345,462			345,462	345,462
Building and improvements	6,185,770			6,185,770	6,164,445
Equipment	1,550,271			1,550,271	1,539,104
Columbarium	109,611			109,611	109,611
Art and historical treasures	50,000			50,000	50,000
Accumulated depreciation	(4,225,283)			(4,225,283)	(4,069,472)
<b>TOTAL ASSETS</b>	<b>\$ 4,598,317</b>	<b>\$ 1,997,985</b>	<b>\$ 3,285,134</b>	<b>\$ 9,881,436</b>	<b>\$ 9,741,711</b>
<b>Liabilities</b>					
Pledges paid in advance	\$ 193,999			\$ 193,999	\$ 145,746
Per capita paid in advance	5,264			5,264	4,630
Accounts payable	204,378			204,378	89,636
HSBC loan payable	0			0	0
Due to Board-Designated Fund	(19)			(19)	(19)
Due to Donor-Designated Fund	1,046			1,046	794
<b>Total Liabilities</b>	<b>404,668</b>			<b>404,668</b>	<b>240,787</b>
<b>Fund Balances</b>					
Memorial Fund	9,321			9,321	8,885
Fixed Assets Fund	4,015,831			4,015,831	4,139,150
Capital Campaign (net)	149,994			149,994	150,060
Other funds	147,442			147,442	148,382
Fund Balance	(128,939)	\$ 1,997,985	\$ 3,285,134	5,154,180	5,054,447
<b>Total Fund Balances</b>	<b>4,193,649</b>	<b>1,997,985</b>	<b>3,285,134</b>	<b>9,476,768</b>	<b>9,500,924</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,598,317</b>	<b>\$ 1,997,985</b>	<b>\$ 3,285,134</b>	<b>\$ 9,881,436</b>	<b>\$ 9,741,711</b>

**THIRD PRESBYTERIAN CHURCH  
2017 BUDGET**

	<u>2016 Budget</u>	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>% CHANGE</u>
<b>Income:</b>				
Gross Pledges	\$ 864,000		\$ 882,200	2.11%
-Shrinkage	21,600		22,055	2.11%
Net Pledges-Current Year	842,400	\$ 845,457	860,145	2.11%
Second Mile Campaign	20,000	37,338	33,600	68.00%
Pledges-Prior Year	8,500	9,043	8,500	0.00%
Contributions with No Pledge	17,000	23,350	17,000	0.00%
Plate Offering	16,000	13,275	15,000	-6.25%
Subtotal of above	<u>903,900</u>	<u>928,463</u>	<u>934,245</u>	3.36%
2017 Pledges Received After Feb 21, 2017			10,000	
Per Capita Contributions	9,500	9,205	9,500	0.00%
Memorial Contributions	1,000	1,270	1,200	20.00%
Hunger Ministry	5,500	7,358	6,000	9.09%
Christmas Baskets	2,500	3,703	3,500	40.00%
Other Outreach Programs	2,000	1,638	1,500	-25.00%
Music Program Contributions	25	35	0	-100.00%
In-Kind Contributions	4,000	4,774	4,500	12.50%
Miscellaneous Income	2,000	2,255	2,200	10.00%
Vanguard Dividend and realized/unrealized gains/(losses)	150	882	1,000	566.67%
Building Use Income	5,000	2,392	2,400	-52.00%
Day Care Rent Income	27,200	27,400	27,400	0.74%
34 Meigs Contribution	12,600	12,600	12,600	0.00%
Hunger Ministry - Grocery Run (Net Income)	28,000	21,795	20,000	-28.57%
Other Income Sources	8,400	365	8,400	0.00%
Endowment Income (see Explanatory Note below)	310,000	151,165	319,500	3.06%
Subtotal of above	<u>1,321,775</u>	<u>1,175,300</u>	<u>1,363,945</u>	3.19%
Prior Year Carryover	41,995	41,995	29,000	-30.94%
Total Income	<u>\$1,363,770</u>	<u>\$1,217,295</u>	<u>\$1,392,945</u>	2.14%
<b>Expense:</b>				
Personnel & Child Care (reflects 2% compensation increase)	\$ 868,000	\$ 862,127	\$ 879,548	1.33%
Finance	14,500	14,410	14,000	-3.45%
Building	185,000	184,957	185,000	0.00%
Office	40,000	41,218	42,180	5.45%
Per Capita	36,535	36,535	37,485	2.60%
Children's Ministry	2,500	2,039	2,500	0.00%
Youth Ministry	12,000	10,859	10,400	-13.33%
Adult Spiritual Formation	2,500	2,429	2,615	4.60%
Worship, Music & Arts	35,000	34,395	37,195	6.27%
Congregational Fellowship	1,000	1,207	1,200	20.00%
Evangelism & Membership	3,500	3,177	4,000	14.29%
Board of Deacons	1,500	1,603	1,625	8.33%
Session Fund	1,000	485	1,000	0.00%
Outreach - Denomination	67,000	67,000	67,000	0.00%
Outreach - All Other	100,000	96,643	101,000	1.00%
More Light	2,500	2,375	2,500	0.00%
In-Kind Expenses	4,000	4,774	4,500	12.50%
Total Expense	<u>\$1,376,535</u>	<u>\$1,366,233</u>	<u>\$1,393,748</u>	1.25%
<b>Income Minus Expense</b>	<b>\$ (12,765)</b>	<b>\$ (148,938)</b>	<b>\$ (803)</b>	<b>\$ 17,213 Dollar Change</b>
Endowment Income Explanatory Note (a): This represents the budgeted endowment income that was intentionally not drawn from the endowment. We used existing cash reserves that have generated very little interest, which has allowed the endowment to accrue more growth and earnings.			<u>\$ 158,835</u> (a)	
<b>Adjusted Income Minus Expense</b>	<b>\$ (12,765)</b>	<b>\$ 9,897</b>	<b>\$ (803)</b>	