

The Presbytery of Susquehanna Valley Revolving Loan Procedures

- 1) Download Revolving Loan form via the website, or contact Office Administrator at 967-8012 for the form.
- 2) Check the Presbytery calendar for finance committee meeting dates and submit in advance of meeting.
- 3) The request to borrow loans must have session approval.
- 4) Submit with the form the following items:
 - a. Prior year's annual report
 - b. Current year's budget
- 5) Mail forms to Finance Subcommittee chair.
- 6) The Financial Subcommittee will review the forms & request and make a recommendation to council.
- 7) Council will then take action on the item. This can either be an approval, a request for more information, a disapproval, or a recommendation to Presbytery.
- 8) Depending on the action:
 - a. If Council acts on behalf of Presbytery and approves – a check is cut.
 - b. If council requires additional information – a finance Subcommittee member will call the church for that information.
 - c. If Council acts on behalf of Presbytery and disapproves – a letter outlining the reason will be sent to the church.
 - d. If Council recommends Presbytery action – the matter will be voted on at the next Presbytery assembly

Note: Council may act on behalf of the Presbytery if the request is made more than 28 days preceding a Presbytery meeting or if time is of the essence. (See PSV By-Laws 6.5)

- 9) If loan is approved and check cut an amortization schedule and promissory note is prepared for the church treasurer to sign. The promissory note details the terms of the loan.

THE PRESBYTERY OF SUSQUEHANNA VALLEY

12 Whitney Way, Bainbridge, NY 13733

(607)967-8012 fax: (607)967-8018

REVOLVING LOAN FUND

APPLICATION

Attached please find one form to be completed by your church in applying for moneys from the Revolving Loan Fund.

Return this form to the Presbytery to the attention of Council's finance sub-committee.

The Finance Committee will review your church's request and make a recommendation to Council. If this recommendation is favorable then the Council will forward the application for action at the Presbytery Assembly for final disposition.

Appropriate members of your congregation may be asked to meet with the Council during the review.

Normally loans are limited to \$20,000. Currently the annual interest rate is 1/4% below the prime rate. Payments are ordinarily made on a monthly or semi-annual basis. Limit of five (5) years.

Qualifying churches normally will be engaging their congregation in study and discussion of this matter; will have a plan for repayment, including a funding campaign, if necessary; and are encouraged to contribute at least 10% of their current operating budget to Presbyterian mission work (or will form a plan for reaching that % within two-three years).

09/30/08

Application for Revolving Loan Fund Moneys

Name of Church:

Mailing Address:

Name of Pastor(s):

Name of any other contact person or persons with whom we should be in touch. Please supply address and phone number.

Amount Requested: _____

Please describe the nature of the project for which this amount is being requested. It is generally helpful to include the rationale and plans for execution. If this project is to make physical changes in your property please attach the plans and specifications for this project.

How will this project improve/promote the wider mission of the church?

If you are not contributing at least 10% of your current operating budget to Presbyterian mission work (Per Capita, General Mission, Special Offerings, Designated Mission), please detail a plan for reaching that % in two-three years.

If this application is supplemental to an existing loan or is a renegotiation of an existing loan please supply complete information on the existing loan.

Are you anticipating loans from Synod or any other source? If so, please detail.

Please outline your proposed plan of repayment.

Please include a copy of your current annual budget and a copy of your last annual financial report, including savings, reserve, trust and endowment accounts.

Date of Session approval of this request: _____

Please attach any additional remarks which you think would be helpful to those who review this application.

REVOLVING LOAN FUND

PROMISSORY NOTE

We, the _____ Presbyterian Church, have received a _____ Dollar (\$_____) unsecured loan from the revolving loan fund of the Presbytery of Susquehanna Valley to be issued on _____.

We promise to pay this loan back at the rate of \$_____ monthly and/or quarterly beginning _____. The interest to be charged will be _____% (1/4 % below prime). An amortization table is attached. At any time additional payments may be made to reduce the principal without penalty.

If, before the final payment is made, the congregation is dissolved, leaves the denomination or the property is sold, the remaining principal with interest to that date will fall due.

Date:_____

Name (signature)_____ (President, Treasurer, or Secretary of Corporation)

Witness to signature_____ Please print name_____

Presbytery of Susquehanna Valley Representative_____ Please print name/Title_____