



Trustees Financial Report To The Diocese of Eau Claire 2009 Convention

Trustees

<u>Name</u>	<u>Position</u>	<u>Home Parish</u>	<u>Term Ends</u>
Bishop Of Eau Claire	President (Ex Officio)	Christ Church, Eau Claire	Ex Officio
Jim Pelish	Chancellor (Ex Officio)	Grace Church, Rice Lake	Nov 2009
Gary Veldey	Vice President	Christ Church, La Crosse	Nov 2009
Bob Weathers	Secretary/Treasurer	Christ Church, La Crosse	Nov 2009
C R Hackworthy	Member	St Paul's, Hudson	Nov 2010
Don West	Member	Christ Church, Chippewa Falls	Nov 2010

Authority, Responsibilities, and Duties of the Trustees

The Trustees are a corporation separate from the Diocese of Eau Claire, Inc. Their authority, responsibilities, and duties are prescribed by the Constitution and Canons of the Diocese. Pertinent parts of these documents pertaining to the Trustees are reproduced in Appendix A.

Investment Strategy

To properly discharge their duty with respect to endowments, trusts, and bequests, the Trustees established two strategies. The first deals with how these funds are invested and the second with how they are administered for the benefit of the diocese.

- **Investment Strategy.** The Trustees use Trust Point, Inc (TPI), a trust company with over a billion dollars in assets operating in 38 states, to manage the diocese’s portfolio. The Trustees delegated TPI authority to allocate 50 to 65 percent of invested funds in equities and the remainder in bonds and other income producing securities. TPI makes the day-to-day decisions of what percent of invested funds is in securities and what is in fixed income instruments. Within the security portfolio, TPI determines the investment mix (large cap, small cap, international, and so on) depending on market conditions. The overall investment goal is capital preservation and generation of income. Modest capital appreciation is sought as a hedge against inflation.
- **Administrative Strategy.** In years past, the Trustees made loans, awarded grants, and distributed endowment principal to subsidize the diocesan budget. That practice was abandoned in the summer of 2008. Since then, the Trustees have distributed only net investment income. Management costs are apportioned between gross interest/dividend income and realized capital gains on a proportional basis. Net interest/dividend income is then distributed while capital gains are reinvested as a hedge against inflation. While this new strategy ended the past practice of invading principal, it has caused a significant decrease in the amount being distributed. The recession has also negatively impacted quarterly distributions. Nonetheless, this is a prudent investment approach that preserves principal and will, over time, see endowment principal grow as capital gains are reinvested. This, in turn, will lead to a growth in net income distributed in future years.

Debt Reduction Strategy

Eighteen months ago, about \$220,000 was owed to various funds administered by the Trustees.

<u>9/30/2009</u>	<u>12/31/2008</u>	<u>Balance Sheet Interfund Debt By Account</u>
\$ 90,850	\$ 29,264	19180 · Loaned To Diocese From Diocesan End Fund
\$ -	\$ 28,330	19190 · Loaned To Bundy Hall From Diocesan End Fund
\$ -	\$ 18,000	19210 · Loaned To Trustees From Dulaney Fund
\$ -	\$ 44,205	19220 · Loaned To River Falls From Dulaney Fund
\$ -	\$ 61,586	19250 · Loaned To Diocese By Trustees
\$ -	\$ 9,400	19260 · Loaned To Bundy Hall By Trustees
\$ -	\$ 10,066	19270 · Loaned To River Falls By Trustees
\$ -	\$ 1,000	29250 · Trustees Due Turtle Lake Property Fund
\$ -	\$ 18,000	29260 · Owed To End Fund By Trustees
<u>\$ 90,850</u>	<u>\$ 219,851</u>	Total Balance Sheet Interfund Debt By Account

This interfund debt accumulated as a result of loans being made to subsidize the operating expenses of the diocese, Bundy Hall, and River Falls Trinity as well as elsewhere in the diocese. Beginning in the summer of 2008, the Trustees have followed a strategy of converting excess property into cash and using that cash to retire debt. As of September 30, 2009, the Trustees are pleased to report that \$129,000 of this indebtedness has been retired.

The only outstanding interfund loan remaining is an unsecured non-interest bearing loan to the diocese for \$90,850. This amount is a combination of the \$29,264 loan to the diocese from the Diocesan Endowment Fund and the \$61,586 loan from the Trustees. As this loan is repaid, payments will be added to the Diocesan Endowment Fund and generate income in future years.

Property Sales

The Trustees are also charged with managing the property of the diocese. Working in conjunction with the Standing Committee, three properties have been sold and two more are for sale. As indicated previously, some of the proceeds from these sales were used to retire debt.

- **River Falls Trinity Sold.** The River Falls property was sold for \$225,000. The sale closed on July 23, 2008. A \$50,000 down payment plus a 5 year \$175,000 balloon note amortized at 7% per year were received. Monthly P & I payments are \$2,035.73. Payments are current. Here are the financial details of the down payment.

Sale Of River Falls Property Down Payment	
\$ 50,000.00	Down Payment
\$ (675.00)	Transfer Tax - Register of Deeds
\$ (337.50)	1/2 Abstract Fees
\$ (95.00)	1/2 Rental Weatherization
\$ (25.00)	1/2 DILHR Fees
<u>\$ (9.50)</u>	1/2 Recording Fees
<u>\$ 48,858.00</u>	Net Proceeds From Down Payment

The net down payment plus the first several monthly P & I payments were used to retire a \$54,270.05 debt of River Falls to the Endowment Fund. Several thousand dollars of expenses associated with the sale of this property were also paid from the same source. Funds in excess of the amount needed to retire the debt are retained in a River Falls Property Account.

- **Bundy Hall Land Parcel Sold.** Here are the financial details of the sale of the 13 acre Bundy Hall parcel. The sale closed on July 29, 2008.

Sale Of 13 Acre Bundy Hall Parcel	
\$107,500.00	Contract Sales Price
\$ (5,375.00)	Realtor's Commission
\$ (4,048.07)	Survey - Stevens Engineers, Inc
\$ (323.00)	Title Insurance - Guaranty Title Services, Inc
\$ (322.50)	Transfer Tax - Register of Deeds
\$ (250.00)	Appraisal Fee, 13 Acre Parcel - Ellefson Appraisal
\$ (80.00)	Attorney Fees - Andrew Law Offices S.C.
\$ (75.00)	Closing Fee - Guaranty Title Services, Inc
<u>\$ (46.00)</u>	Overnight Delivery Charge - Guaranty Title Services, Inc
<u>\$ 96,980.43</u>	Net Proceeds From Sale Of 13 Acre Bundy Hall Parcel

A portion of the proceeds from the sale of this property was used to retire Bundy Hall's \$37,730 debt to the Trustees. The residue from the sale of this property is being retained by the Trustees to defray marketing/staging costs associated with the sale of the remainder of the property and/or any of Bundy Hall's capital repair or maintenance needs.

Bishop's Condo Sold. Here are the financial details of the sale of the Bishop's Condominium. The sale closed on April 24, 2009. Net proceeds from this sale are invested in a fund for benefit of the Episcopate. Net interest income and dividends are distributed to the diocese quarterly for support of the Episcopate.

Sale Of Bishop's Condo

\$189,900.00	Contract Sales Price
\$ 37.33	Condo Fee Proration
\$ (9,495.00)	Realtor's Commission
\$ (569.70)	Transfer Tax - Register of Deeds
\$ (465.00)	Title Insurance - Guaranty Title Services, Inc
\$ (162.42)	Special Assessment - City of Eau Claire
\$ (102.51)	Final Water & Sewer Bill
\$ (75.00)	Attorney Fees - Vinopal Law Office
<u>\$ 179,067.70</u>	Net Proceeds From Sale Of Bishop's Condo

Bundy Hall Complex For Sale. With the agreement of the Trustees, Standing Committee, Executive Council, and Bundy Hall Board, Bundy Hall has been listed For Sale with a Menomonie realtor. Asking price is \$1,375,000. Work is underway to relocate the Columbarium as well as determine if other churches are interested in any of the religious and/or historical furnishings on the property. As indicated earlier, funds from the sale of the Bundy Hall 13 acre parcel have been retained to stage the property in preparation for its sale. When sold, the remaining indebtedness of Bundy Hall (about \$40,000 to the diocese, not the Trustees) will be retired from the net proceeds of the sale.

Altoona St Luke For Sale. St Luke's is a small wood frame church on a modest lot in Altoona, a suburb of Eau Claire. It is vacant. It has been listed For Sale with an Eau Claire realtor. Asking price is \$47,900.

Committee Of 1000 Loans

Three loans totaling \$15,000 are outstanding. Two of the three loans (\$12,900 and \$600 respectively) are current. The third loan (\$1,500) was made to Altoona St Luke about 20 years ago. This loan will be retired from the net proceeds of the sale of Altoona St Luke.

Loans Due Endowment Accounts

Three loans totaling \$232,277 are due Endowment Accounts. \$161,677 is still owed on the sale of River Falls Trinity, \$69,600 is owed on a 2006 loan by Owen St Katherine's from their Endowment Fund, and \$1,000 is owed on the sale of the Turtle Lake property 5 years ago. All loans are administered by the Trustees. The Owen loan is eight months in arrears but is expected to be current by year end. Payments on the other two loans are current.

Loaned From Endowment Accounts

As reported earlier, the diocese borrowed \$90,850 from the Diocesan Endowment Fund during this decade to fund operating expenses. It is a non-interest bearing loan. No payments have been received. When the debt is repaid, proceeds will be added to the Diocesan Endowment Fund.

Travel Reserve

In years past, the Diocesan Budget made contributions to various Travel Reserve Accounts. This practice was suspended in 2009. The only expenditure from these accounts was about \$24,000 for Diocesan Deputies to attend General Convention.

As of September 20, balances in these Travel Reserve Accounts are: Election of A Bishop (\$48,609), Episcopal Youth Event (\$1,416), General Convention (\$5,412), Lambeth (\$11,558), and Triennial (\$10,043).

Trustees Balance Sheet

The Trustees Balance Sheet is shown in two formats.

- Page 8 shows the Balance Sheet in a “Collapsed” form that lets you see the “big picture”.
- Pages 9 through 16 show it in an “Expanded” form that provides significantly more detail. The following comments pertain to the “Expanded” Balance Sheet.
 - ✓ **30020 - Camp Horstick.** \$1,180 in Summer Camp Scholarships were awarded to diocesan youth. Retained income was transferred to **38130 - Camp Horstick** to achieve higher yield.
 - ✓ **30060 - Care Of The Aged - Special Aid.** This balance was transferred to **38170 - Care Of The Aged - Special Aid** to achieve higher yield.
 - ✓ **30080 - Bishop's Discretionary Fund.** Oversight of the Bishop's Discretionary Fund rests with Executive Council. While the Episcopate is vacant, disbursements are authorized by the Standing Committee. At the direction of the Standing Committee, income normally distributed to the Bishop's Discretionary Fund is being retained. Funds have been transferred to **38190 - Bishop's Discretionary Fund** to achieve higher yield.
 - ✓ **30090 - Clergy Car Fund.** \$3,500 was distributed from the Clergy Car Fund to support the ministry of diocesan clergy. This fund is financed by a line item in the diocesan budget. Diocesan policy prescribes how benefits accrue and are disbursed.
 - ✓ **30250 - Continuing Education.** \$3,535 was distributed to support a diocesan clergy's PhD pursuit. \$640 was used to support a Diocesan Clergy Conference.
 - ✓ **30260 - Helen Trane Hood Emerg Fund.** \$80 was disbursed to assist diocesan clergy with dental expenses. Diocesan policy prescribes how benefits are disbursed.
 - ✓ **30270 - Sarah K Torrance Educational.** \$500 was sent to a seminarian in 2009.
 - ✓ **30280 - Committee Of 1000.** \$37,441 remains in the corpus of this fund and is available to be loaned under diocesan policy. As loans are repaid, payments are re-deposited to this account. \$3,900 was repaid in 2009.
 - ✓ **30320 - Jessie Ball DuPont.** The residue (\$67,500) in this account at the beginning of 2009 has been transferred to St John's Sparta. This grant supports St John's Outreach Ministry to the Hispanic community (Lugar de Reunion). The third and final installment (about \$60,000) of this three year grant is expected by year end. Grant accountability documents are prepared by St John's.

- ✓ **30350 - Haiti.** \$7,100 has been forwarded to support the diocese's outreach ministry to Haiti.
- ✓ **30590 - Special Offerings In Transit.** \$424 was forwarded to a jail ministry, \$173 to UTO, and \$210 to Nashotah House.
- ✓ **30650 - Travel Reserve.** These are reserve funds used to elect a bishop as well as attend conventions and conferences. The only disbursement from these accounts was \$24,000 to attend General Convention. In years past, these accounts were supported by line items in the diocesan budget. Contribution to these reserve funds was suspended in the 2009 Diocesan Budget. Current fund balances as of September 30 are: Election of A Bishop (\$48,609), Episcopal Youth Event (\$1,416), General Convention (\$5,412), Lambeth (\$11,558), and Triennial (\$10,043).
- ✓ **38020 - Boyd Williams Estate.** This fund was created upon the death of Boyd Williams in 1948. He left one-third of the residue of his estate to the Trustees of the Diocese "for the purpose of carrying on the Missionary program of the church." Only the income is to be used. Net income is distributed to the diocese quarterly.
- ✓ **38030 - Dulaney Memorial.** This fund was established prior to the beginning of the Diocese by Mary Dulaney. It is to be used specifically for the support of the Episcopate. Net income is distributed to the diocese quarterly.
- ✓ **38040 - Endowment Fund.** This fund began in 1928 as a development fund. It has been added to over the years by bequests. Income is to be used for Diocesan Missionary purposes. Net income is distributed to the diocese quarterly. This fund is owed \$90,850 by the diocese.
- ✓ **38050 - Episcopate.** This fund originated with a diocesan wide capital funds drive in 1968. Bequests have been added to it from time-to-time. Income is to be used to support the Episcopate. Net income is distributed to the diocese quarterly.
- ✓ **38100 - Bertha Trengrove.** This fund originated with a bequest from Ms Trengrove. It was originally to be used for such purposes as directed by the Bishop. The 1967 Diocesan Convention passed a resolution that this fund and any additions thereto be designated irrevocably for Bundy Hall and that only the income can be used. Net income is distributed to Bundy Hall quarterly.
- ✓ **38170 - Care Of The Aged - Special Aid.** This fund is made up of several bequests to the Diocese for the care of the aged. The income is used to help the elderly remain in their own home. Net income is retained until needed.
- ✓ **38200 - Esther Keith Memorial.** This fund was created by a bequest from Mr. A J Keith in 1972 in memory of his wife. Income is to be distributed to the Bishop's Discretionary Fund. Per instructions from the Standing Committee, income is being retained while the diocese is without a bishop.
- ✓ **38210 - S Coleman Bishop Discretionary.** The Diocese was a beneficiary in the will of Susan B Coleman. In December, 1981, \$20,000 was received. And \$5,000 was added in January 1982. Only interest from this fund can be used. It is restricted to the Bishop's Discretionary Fund. Per instructions from the Standing Committee, income is being retained while the diocese is without a bishop.
- ✓ **38220 - Continuing Education.** This fund was created for clergy and laity in the Diocese from the Venture In Mission campaign in the early 1980s. The initial deposit was \$15,000. Only the interest can be used. Net income is retained until needed. Diocesan policy prescribes how the fund is administered.
- ✓ **38230 - Helen Trane Hood Emerg Fund.** In December 1981, \$4,000 was received from Helen Trane Hood. Per her request, only interest from this fund can be used for emergency medical care for the clergy of the Diocese. Net income is retained until needed. Diocesan policy prescribes how the fund is administered.

- ✓ **38240 - Sarah K Torrance Educational.** This fund was established by Bishop Wilson with monies given in memory of Sarah M. Torrance, the first ECW President. It was originally restricted to providing financial support for men studying for Holy Orders. It was subsequently expanded so that if there are no male recipients, awards can be made to women. In 1980, the Bishop's Educational Fund was combined with this fund. Awards are made by the bishop. Net income is retained until needed.
- ✓ **38250 - Francis James Library.** This fund was established by a bequest to provide visual aids for the Diocesan Library. These aids are used throughout the Diocese. Net income is retained until needed.
- ✓ **38330 • Funds Held For Others.** Endowment funds from around the diocese are pooled together to make up this account. Net income is distributed quarterly to member congregations on a pro rata basis. Although a small congregation could not afford professional management if they invested on their own, such advice is practical once diocesan assets are pooled.

Buffington Trust

The Trustees also manage the Buffington Trust. It was established by the Will of Ms Fannie E. Buffington about 60 years ago. She wanted her Trust to provide housing for low income elderly. As of this writing, the Trust is valued at about 1.4 million dollars. Several years ago, an investment was made in HeatherWood, an assisted living facility in Eau Claire. Some of that investment has now been repaid. In 2009, the Trustees bought a 4 plex in Altoona to provide affordable housing to low income elderly as Ms Buffington wished.

Pages 17 and 18 show the Buffington Trust Balance Sheet and page 19 is the Operating Statement.



Bob Weathers
Treasurer
Trustees of The Episcopal Church in The Diocese of Eau Claire
November 6, 2009

Trustees Collapsed Balance Sheet

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
10000 · Trustees Restricted Funds	180,053	258,828	-78,775
10080 · Endowment Acct At TPI At MV	<u>1,624,018</u>	<u>1,245,590</u>	<u>378,428</u>
Total Checking/Savings	<u>1,804,071</u>	<u>1,504,418</u>	<u>299,653</u>
Total Current Assets	1,804,071	1,504,418	299,653
Fixed Assets			
17000 · Fixed Assets At Insured Value	<u>38,585,740</u>	<u>38,870,546</u>	<u>-284,806</u>
Total Fixed Assets	38,585,740	38,870,546	-284,806
Other Assets			
19000 · Committee Of 1000 Loans	14,991	18,891	-3,900
19040 · Loans Due End Accounts	232,277	243,686	-11,409
19160 · Loaned From End Accounts	90,850	120,799	-29,949
19240 · Loaned From Trustee Accounts	<u>0</u>	<u>81,052</u>	<u>-81,052</u>
Total Other Assets	<u>338,118</u>	<u>464,428</u>	<u>-126,310</u>
TOTAL ASSETS	<u><u>40,727,929</u></u>	<u><u>40,839,392</u></u>	<u><u>-111,463</u></u>
LIABILITIES & EQUITY			
Liabilities			
Long Term Liabilities			
29000 · Due Committee Of 1000	14,991	18,891	-3,900
29040 · Loan Proceeds Due End Accounts	232,277	253,865	-21,588
29180 · Owed To End Accounts	90,850	120,799	-29,949
29260 · Owed To End Fund By Trustees	<u>0</u>	<u>18,000</u>	<u>-18,000</u>
Total Long Term Liabilities	<u>338,118</u>	<u>411,555</u>	<u>-73,437</u>
Total Liabilities	338,118	411,555	-73,437
Equity			
30000 · Restricted Funds	180,053	311,702	-131,649
38000 · Endowment Acct At TPI	1,624,018	1,245,589	378,429
39400 · Property At Insured Value	<u>38,585,740</u>	<u>38,870,546</u>	<u>-284,806</u>
Total Equity	<u>40,389,811</u>	<u>40,427,837</u>	<u>-38,026</u>
TOTAL LIABILITIES & EQUITY	<u><u>40,727,929</u></u>	<u><u>40,839,392</u></u>	<u><u>-111,463</u></u>

Trustees Expanded Balance Sheet

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
10000 - Trustees Restricted Funds			
10010 - Trustees Checking	4,766	33,788	-29,022
10020 - Trustees Acct At TPI At MV			
10030 - Book Value			
10040 - Cost	175,769	225,040	-49,271
10060 - Retained Income	-482	0	-482
Total 10030 - Book Value	<u>175,287</u>	<u>225,040</u>	<u>-49,753</u>
Total 10020 - Trustees Acct At TPI At MV	<u>175,287</u>	<u>225,040</u>	<u>-49,753</u>
Total 10000 - Trustees Restricted Funds	180,053	258,828	-78,775
10080 - Endowment Acct At TPI At MV			
10090 - Book Value			
10100 - Cost	1,735,060	1,608,177	126,883
10110 - Realized Cap Gains (Losses)	-24,382	-23,247	-1,135
10120 - Retained Income	32,238	18,263	13,975
Total 10090 - Book Value	<u>1,742,916</u>	<u>1,603,193</u>	<u>139,723</u>
10130 - Unrealized Cap Gains (Losses)	-118,898	-357,603	238,705
Total 10080 - Endowment Acct At TPI At MV	<u>1,624,018</u>	<u>1,245,590</u>	<u>378,428</u>
Total Checking/Savings	<u>1,804,071</u>	<u>1,504,418</u>	<u>299,653</u>
Total Current Assets	1,804,071	1,504,418	299,653
Fixed Assets			
17000 - Fixed Assets At Insured Value	<u>38,585,740</u>	<u>38,870,546</u>	<u>-284,806</u>
Total Fixed Assets	38,585,740	38,870,546	-284,806
Other Assets			
19000 - Committee Of 1000 Loans	14,991	18,891	-3,900
19040 - Loans Due End Accounts			
19050 - Loans Due Funds Held For Others	69,600	72,480	-2,880

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
19070 - Loans Due Designated Funds			
19080 - Sale Of Turtle Lake	1,000	1,000	0
Total 19070 - Loans Due Designated Funds	<u>1,000</u>	<u>1,000</u>	<u>0</u>
19090 - Trustees Segregated Funds			
19150 - River Falls Trinity Sale - Prin	161,677	170,206	-8,529
Total 19090 - Trustees Segregated Funds	<u>161,677</u>	<u>170,206</u>	<u>-8,529</u>
Total 19040 - Loans Due End Accounts	232,277	243,686	-11,409
19160 - Loaned From End Accounts			
19170 - Loaned From Diocesan End Fund			
19180 - Loaned To Diocese	90,850	29,264	61,586
19190 - Loaned To Bundy Hall	0	28,330	-28,330
Total 19170 - Loaned From Diocesan End Fund	<u>90,850</u>	<u>57,594</u>	<u>33,256</u>
19200 - Loaned From Dulaney Fund			
19210 - Loaned To Trustees	0	18,000	-18,000
19220 - Loaned To River Falls	0	44,205	-44,205
Total 19200 - Loaned From Dulaney Fund	<u>0</u>	<u>62,205</u>	<u>-62,205</u>
19230 - Trustees Due Turtle Lake Prop	0	1,000	-1,000
Total 19160 - Loaned From End Accounts	<u>90,850</u>	<u>120,799</u>	<u>-29,949</u>
19240 - Loaned From Trustee Accounts			
19250 - Loaned To Diocese	0	61,586	-61,586
19260 - Loaned To Bundy Hall	0	9,400	-9,400
19270 - Loaned To River Falls	0	10,066	-10,066
Total 19240 - Loaned From Trustee Accounts	<u>0</u>	<u>81,052</u>	<u>-81,052</u>
Total Other Assets	<u>338,118</u>	<u>464,428</u>	<u>-126,310</u>
TOTAL ASSETS	<u><u>40,727,929</u></u>	<u><u>40,839,392</u></u>	<u><u>-111,463</u></u>
LIABILITIES & EQUITY			
Liabilities			
Long Term Liabilities			
29000 - Due Committee Of 1000	14,991	18,891	-3,900

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
29040 · Loan Proceeds Due End Accounts			
29050 · Due Funds Held For Others			
29060 · Sale Of Owen Rectory	69,600	72,480	-2,880
Total 29050 · Due Funds Held For Others	69,600	72,480	-2,880
29070 · Due Designated Funds			
29080 · Sale Of Turtle Lake	1,000	1,000	0
Total 29070 · Due Designated Funds	1,000	1,000	0
29090 · Trustees Segregated Funds			
29150 · Sale Of River Falls Trinity			
29160 · Principal	161,677	175,000	-13,323
29170 · Interest	0	5,385	-5,385
Total 29150 · Sale Of River Falls Trinity	161,677	180,385	-18,708
Total 29090 · Trustees Segregated Funds	161,677	180,385	-18,708
Total 29040 · Loan Proceeds Due End Accounts	232,277	253,865	-21,588
29180 · Owed To End Accounts			
29190 · Owed To Diocesan End Fund			
29200 · Owed By Diocese	90,850	29,264	61,586
29210 · Owed By Bundy Hall	0	28,330	-28,330
Total 29190 · Owed To Diocesan End Fund	90,850	57,594	33,256
29220 · Owed To Dulaney Fund			
29230 · Owed By Trustees	0	18,000	-18,000
29240 · Owed By River Falls	0	44,205	-44,205
Total 29220 · Owed To Dulaney Fund	0	62,205	-62,205
29250 · Trustees Due Turtle Lake Prop	0	1,000	-1,000
Total 29180 · Owed To End Accounts	90,850	120,799	-29,949
29260 · Owed To End Fund By Trustees	0	18,000	-18,000
Total Long Term Liabilities	338,118	411,555	-73,437
Total Liabilities	338,118	411,555	-73,437

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
Equity			
30000 · Restricted Funds			
30010 · Assets In Transit	0	-458	458
30020 · Camp Horstick			
30030 · Bishop Horstick Memorial	0	6,378	-6,378
30040 · Charles F White Camp Horstick	0	372	-372
30050 · DeHaven Scholarship	0	134	-134
Total 30020 · Camp Horstick	0	6,884	-6,884
30060 · Care Of The Aged - Special Aid	0	6,828	-6,828
30070 · Clergy Support			
30080 · Bishop's Discretionary Fund	0	1,412	-1,412
30090 · Clergy Car Fund	9,224	10,898	-1,674
30250 · Continuing Education	2,587	6,410	-3,823
30260 · Helen Trane Hood Emerg Fund	6,036	5,996	40
30270 · Sarah K Torrance Educational	2,177	2,369	-192
Total 30070 · Clergy Support	20,024	27,085	-7,061
30280 · Committee Of 1000	37,441	33,224	4,217
30290 · Diocesan Altar Guild	4,150	4,159	-9
30300 · Francis James Memorial Library	0	920	-920
30310 · Grants			
30320 · Jessie Ball DuPont	-40	67,503	-67,543
Total 30310 · Grants	-40	67,503	-67,543
30350 · Haiti			
30360 · Computers	937	937	0
30370 · Crafts	232	232	0
30380 · Outreach	5,871	6,098	-227
30390 · Scholarships	0	0	0
Total 30350 · Haiti	7,040	7,267	-227
30400 · Millenium Development Goal	1,585	1,448	137
30410 · Office Equipment Reserve	0	-103	103
30420 · Mission Development	-372	-205	-167
30430 · Property Fund	32,493	34,991	-2,498

Trustees Expanded Balance Sheet (Cont'd)

November 6, 2009
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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
30590 - Special Offerings In Transit			
30600 - Episcopal Relief & Development	0	20	-20
30620 - Prison Ministry	0	424	-424
30630 - Seminary Support	0	210	-210
Total 30590 - Special Offerings In Transit	0	654	-654
30650 - Travel Reserve			
30660 - Election Of A Bishop	48,609	48,713	-104
30670 - Episcopal Youth Event	1,416	1,419	-3
30680 - General Convention	5,412	29,331	-23,919
30690 - Lambeth	11,558	11,583	-25
30700 - Triennial	10,043	10,064	-21
Total 30650 - Travel Reserve	77,038	101,110	-24,072
30710 - Trustees Fund	694	20,395	-19,701
Total 30000 - Restricted Funds	180,053	311,702	-131,649
38000 - Endowment Acct At TPI			
38010 - Income To Diocesan Budget			
38020 - Boyd Williams Estate	90,480	78,103	12,377
38030 - Dulaney Memorial	291,572	169,511	122,061
38040 - Endowment Fund	48,784	74,505	-25,721
38050 - Episcopate	119,102	88,711	30,391
38060 - Memorials - Unrestricted	2,296	1,798	498
38070 - Rebecca Moody	5,342	4,616	726
Total 38010 - Income To Diocesan Budget	557,576	417,244	140,332
38080 - Income To Bundy Hall			
38090 - Bell Enclosure	1,063	899	164
38100 - Bertha Trengrove	75,045	64,850	10,195
38110 - St John's Chapel	508	429	79
Total 38080 - Income To Bundy Hall	76,616	66,178	10,438
38120 - Designated Funds			
38130 - Camp Horstick			
38140 - Bishop Horstick Memorial	39,757	28,095	11,662
38150 - Charles F White Camp Horstick	19,760	17,238	2,522
38160 - DeHaven Scholarship	4,471	3,853	618
Total 38130 - Camp Horstick	63,988	49,186	14,802

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
38170 · Care Of The Aged - Special Aid	40,048	28,203	11,845
38180 · Clergy Support			
38190 · Bishop's Discretionary Fund			
38200 · Esther Keith Memorial	7,989	5,577	2,412
38210 · S Coleman Bishop Discretionary	<u>34,783</u>	<u>28,169</u>	<u>6,614</u>
Total 38190 · Bishop's Discretionary Fund	42,772	33,746	9,026
38220 · Continuing Education	19,404	16,745	2,659
38230 · Helen Trane Hood Emerg Fund	7,120	6,144	976
38240 · Sarah K Torrance Educational	<u>12,152</u>	<u>10,487</u>	<u>1,665</u>
Total 38180 · Clergy Support	81,448	67,122	14,326
38250 · Francis James Library	<u>1,893</u>	<u>826</u>	<u>1,067</u>
38260 · Property Fund	<u>110,385</u>	<u>96,858</u>	<u>13,527</u>
Total 38120 · Designated Funds	297,762	242,195	55,567
38330 · Funds Held For Others	1,624,018	1,245,589	378,429
39400 · Property At Insured Value			
39410 · Ashland St Andrew's	2,264,600	2,264,600	0
39420 · Bayfield Christ Church	424,500	424,500	0
39430 · Bundy Hall			
39440 · Assembly Classroom			
39450 · Building	272,522	263,306	9,216
39460 · Personal Property	<u>56,234</u>	<u>54,332</u>	<u>1,902</u>
Total 39440 · Assembly Classroom	328,756	317,638	11,118
39470 · Boy's Dorm			
39480 · Building	187,917	181,562	6,355
39490 · Personal Property	<u>38,805</u>	<u>37,493</u>	<u>1,312</u>
Total 39470 · Boy's Dorm	226,722	219,055	7,667
39500 · Caretaker's Dwelling			
39510 · Building	111,635	107,860	3,775
39520 · Personal Property	<u>6,870</u>	<u>6,638</u>	<u>232</u>
Total 39500 · Caretaker's Dwelling	118,505	114,498	4,007

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
39530 - Chapel			
39540 - Building	134,988	130,423	4,565
39550 - Personal Property	<u>28,119</u>	<u>27,168</u>	<u>951</u>
Total 39530 - Chapel	163,107	157,591	5,516
39560 - Conference Center			
39570 - Building	866,678	837,370	29,308
39580 - Personal Property	<u>230,644</u>	<u>222,864</u>	<u>7,780</u>
Total 39560 - Conference Center	1,097,322	1,060,234	37,088
39590 - Girl's Dorm			
39600 - Building	236,007	228,026	7,981
39610 - Personal Property	<u>26,717</u>	<u>25,814</u>	<u>903</u>
Total 39590 - Girl's Dorm	262,724	253,840	8,884
39620 - Swimming Pool	106,870	103,257	3,613
39630 - Tool Shed			
39640 - Building	6,108	5,701	407
39650 - Personal Property	<u>5,726</u>	<u>5,532</u>	<u>194</u>
Total 39630 - Tool Shed	<u>11,834</u>	<u>11,233</u>	<u>601</u>
Total 39430 - Bundy Hall	2,315,840	2,237,346	78,494
39660 - Chippewa Falls Christ Church	2,654,300	2,654,300	0
39670 - Chippewa Falls St Simeon's	601,900	601,900	0
39680 - Clear Lake St Barnabas	846,600	846,600	0
39690 - Conrath Holy Trinity	695,900	695,900	0
39700 - Diocese of Eau Claire			
39710 - Altoona St Luke's			
39720 - Building	93,100	93,100	0
39730 - Personal Property	<u>19,100</u>	<u>19,100</u>	<u>0</u>
Total 39710 - Altoona St Luke's	112,200	112,200	0
39740 - Bishop's Residence			
39750 - Building	0	356,600	-356,600
39760 - Personal Property	<u>0</u>	<u>6,700</u>	<u>-6,700</u>
Total 39740 - Bishop's Residence	0	363,300	-363,300

Trustees Expanded Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
39770 · Diocesan Office	52,800	52,800	0
Total 39700 · Diocese of Eau Claire	165,000	528,300	-363,300
39780 · Eau Claire Christ Church	6,714,200	6,714,200	0
39790 · Hayward Ascension	869,800	869,800	0
39800 · Hudson St Paul's	2,017,300	2,017,300	0
39810 · La Crosse Christ Church	8,345,900	8,345,900	0
39820 · Mauston St John's	712,000	712,000	0
39830 · Menomonie Grace Church	870,700	870,700	0
39840 · New Richmond Sts Thomas & John	592,000	592,000	0
39850 · Owen St Katherine's	1,125,000	1,125,000	0
39860 · Park Fall St Margaret's	561,200	561,200	0
39870 · Phillipps Our Savior's	307,800	307,800	0
39880 · Rice Lake Grace Church	1,648,900	1,648,900	0
39890 · Sparta St John's	1,062,000	1,062,000	0
39900 · Spooner St Alban's	943,600	943,600	0
39910 · Springbrook St Luke's	441,600	441,600	0
39920 · Superior St Alban's	1,186,600	1,186,600	0
39930 · Tomah St Mary's	1,218,500	1,218,500	0
Total 39400 · Property At Insured Value	<u>38,585,740</u>	<u>38,870,546</u>	<u>-284,806</u>
Total Equity	<u>40,389,811</u>	<u>40,427,837</u>	<u>-38,026</u>
TOTAL LIABILITIES & EQUITY	<u><u>40,727,929</u></u>	<u><u>40,839,392</u></u>	<u><u>-111,463</u></u>

Buffington Balance Sheet

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
10000 · Checking	15,106	440	14,666
10010 · TPI Acct At MV			
10020 · Bonds, Equity, & Cash			
10030 · Book Value	1,105,834	1,447,688	-341,854
10040 · Unrealized Cap Gains (Losses)	-44,191	-324,085	279,894
Total 10020 · Bonds, Equity, & Cash	<u>1,061,643</u>	<u>1,123,603</u>	<u>-61,960</u>
10050 · HeatherWood Investment			
10060 · Equity Investment			
10070 · Cost	155,520	155,520	0
10080 · Unrealized Cap Gains (Losses)	-96,911	-96,911	0
Total 10060 · Equity Investment	<u>58,609</u>	<u>58,609</u>	<u>0</u>
10090 · Loans			
10110 · Loan Nr 1	0	21,000	-21,000
10120 · Loan Nr 2	0	6,500	-6,500
10130 · Loan Nr 3	0	9,000	-9,000
10140 · Loan Nr 4	0	15,000	-15,000
Total 10090 · Loans	<u>0</u>	<u>51,500</u>	<u>-51,500</u>
Total 10050 · HeatherWood Investment	<u>58,609</u>	<u>110,109</u>	<u>-51,500</u>
10150 · Real Estate			
10160 · Altoona Twin Oak Dr 4 Plex	290,000	0	290,000
Total 10150 · Real Estate	<u>290,000</u>	<u>0</u>	<u>290,000</u>
Total 10010 · TPI Acct At MV	<u>1,410,252</u>	<u>1,233,712</u>	<u>176,540</u>
10170 · Holstein Property Management	1,469	0	1,469
Total Checking/Savings	<u>1,426,827</u>	<u>1,234,152</u>	<u>192,675</u>
Total Current Assets	<u>1,426,827</u>	<u>1,234,152</u>	<u>192,675</u>
TOTAL ASSETS	<u><u>1,426,827</u></u>	<u><u>1,234,152</u></u>	<u><u>192,675</u></u>

Buffington Balance Sheet (Cont'd)

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	<u>Sep 30, 09</u>	<u>Dec 31, 08</u>	<u>\$ Change</u>
LIABILITIES & EQUITY			
Equity			
30000 · Buffington Trust Equity	1,422,434	1,234,152	188,282
30010 · Escrow Accounts			
30020 · Altoona Twin Oak Dr 4 Plex	<u>3,166</u>	<u>0</u>	<u>3,166</u>
Total 30010 · Escrow Accounts	<u>3,166</u>	<u>0</u>	<u>3,166</u>
Net Income	<u>1,227</u>	<u>0</u>	<u>1,227</u>
Total Equity	<u>1,426,827</u>	<u>1,234,152</u>	<u>192,675</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,426,827</u></u>	<u><u>1,234,152</u></u>	<u><u>192,675</u></u>

Buffington Operating Statement

November 6, 2009
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	<u>Jan - Sep 09</u>
Income	
40000 · Rental Income	
40010 · Altoona Twin Oak Dr 4 Plex	
40020 · Security Deposit Liability	200
40030 · Rent	5,580
40040 · Condo Fee	95
Total 40010 · Altoona Twin Oak Dr 4 Plex	<u>5,875</u>
Total 40000 · Rental Income	5,875
40050 · TPI Investment Income	<u>15,895</u>
Total Income	<u>21,770</u>
Expense	
60000 · Rental Expense	
60010 · Altoona Twin Oak Dr 4 Plex	
60020 · Management Fees	525
60030 · Office Supplies	7
60040 · Postage & Delivery	3
60050 · Maintenance & Repair	5,394
60060 · Sales Tax/Labor	7
60070 · Labor	5,084
60080 · Grounds Maintenance	1,428
60090 · Gen Maint Supp	594
60100 · Electricity	163
60110 · Water & Sewer	201
Total 60010 · Altoona Twin Oak Dr 4 Plex	<u>13,406</u>
Total 60000 · Rental Expense	13,406
60120 · Real Estate Closing Costs	
60130 · Altoona Twin Oak Dr 4 Plex	<u>834</u>
Total 60120 · Real Estate Closing Costs	834
60140 · TPI Management Fees	4,688
60170 · Buffington Board Expense	<u>1,615</u>
Total Expense	<u>20,543</u>
Net Income	<u><u>1,227</u></u>

Appendix A

Trustees Authority, Responsibilities, And Duties

ARTICLE IX (Of The Constitution) Of the Trustees of The Episcopal Church in The Diocese of Eau Claire

Section 1. The Corporation known as "**The Trustees of The Episcopal Church in the Diocese of Eau Claire**" is hereby empowered and may take and hold title to all land and other property belonging to the Diocese and its aided Congregations except for current operating funds needed by the Diocese of Eau Claire, Inc., for the purposes and the manner hereinafter specified by the Canons of the Diocese. In addition, said Corporation is entrusted with, and shall have charge of all endowment funds of the Diocese now provided, with any addition which may accrue from any investment thereof. Said Corporation may for investment purposes only take charge of and manage endowment, trust, bequest and other monies belonging to any Congregation in the Diocese upon the approval of the Vestry of the Congregation placing the funds. Such funds shall be subject to management charges in the same manner as Diocesan endowment funds and all net income earned on the same shall be remitted to the Congregation owning the same.

Section 2. At each Convention there shall be elected two persons, communicants in good standing, to serve as **Trustees of the Diocese**; and the persons so elected shall serve for a period of two years.

Section 3. The four **Trustees** thus elected together with the Bishop and Chancellor shall serve as a six-man Board of Directors of said Corporation but in case of a tie vote the chancellor's vote shall not be counted. The Bishop shall serve as President ex officio of the Corporation and a Secretary and Treasurer shall be elected from among the four elected Trustees by said Trustees. Three members present, two of whom shall be elected members, shall constitute a quorum for transacting all business.

Section 4. All Trust funds in the custody of said Corporation shall be invested in the manner prescribed by law for the investment of trust funds.

Section 5. The **Trustees** shall present to each Convention a report showing the funds and properties owned by said Corporation which report shall be printed in the Journal. They shall keep a complete and accurate record of the titles of all real estate held by the Corporation and a record of all insurance coverage on property owned thereby.

Section 6. The **Trustees** as Directors and Officers of said Corporation shall have no power to permit any property or funds thereof to be conveyed, encumbered or to be used for any other purposes than that for which such property or funds were given, secured or bequeathed, except when authorized by the Bishop acting with the approval of the Standing Committee. When so authorized, on behalf of said Corporation they may transfer or convey or pay or dispose of such property or funds subject to any trust which may have been charged upon such property or funds. Any such action shall in every case be reported to the next following Convention. The **Trustees** shall have no power to use, or allow to be used, any funds or property belonging to said Corporation to be used for any commercial business.

Canon 9: Of the Diocese of Eau Claire, Inc.

Section 1. The Convention shall perform for the corporation known as the Diocese of Eau Claire, Inc., the functions usually performed by the membership of such a corporation, no body of members having been provided for in the Articles of Incorporation of said corporation so as to allow the Convention to so act.

Section 2. Said corporation shall be the operating entity of the Diocese of Eau Claire. All apportionments shall be paid to it by the Congregations of the Diocese, and the corporation known as **The Trustees of the Episcopal Church in the Diocese of Eau Claire** shall pay to it such endowment and trust fund income as is designated to defray the expenses of the Diocese.

Section 3. Said corporation may accept gifts, devises and bequests of both real and personal property. Unless the giver specified otherwise, gifts other than cash needed for the day to day operations of the Diocese shall be transferred to the corporation known as **The Trustees of the Episcopal Church in the Diocese of Eau Claire** for investment.

Canon 26: Of Burial Grounds

Section 9. Burial grounds in Lake View Cemetery, Eau Claire, Wisconsin, owned by the corporation known as **The Trustees of The Episcopal Church in the Diocese of Eau Claire** shall be used for the burial of clergy and members of their families who wish to be buried there, and lots in said cemetery held by said corporation in its capacity as Trustee of the Trust created under the will of Fannie E. Buffington, Deceased, are to be used for the burial of persons who have been beneficiaries of said Trust and wish to be buried there.

Canon 28: Of the Organizing of Congregations

Section 5. The title to real estate given to or purchased by an aided Congregation shall be vested in the Corporation known as "**The Trustees of The Episcopal Church in the Diocese of Eau Claire**", and all trust funds, endowments, or undesignated bequests secured for the benefit of the aided Congregation shall be deposited with the Trustees of the Diocese.

Canon 33 Of the Reduction and Dissolution of Congregations

Section 4. When any congregation shall have been dissolved, its name shall be stricken from the roll of congregations, all of its records shall be forwarded to the Diocesan Office, and the title to all its property, real and personal, including money, shall forthwith vest in the corporation known as **The Trustees of The Episcopal Church in the Diocese of Eau Claire**.

Canon 39: Of the Funds of the Diocese

Section 1. All income accruing from the Dulaney Memorial Fund after the deduction of necessary administrative expenses shall be remitted to the Treasurer of the Diocese of Eau Claire, Inc., by the **Trustees**, and shall be applied to the support of the episcopate and to such other purposes as the Convention shall determine.

Section 2. All income accruing from the Endowment Fund attributable to funds belonging to **The Trustees of The Episcopal Church in the Diocese of Eau Claire** shall be remitted to the Treasurer of the Diocese of Eau Claire, Inc., by the said Trustees, and shall be applied to diocesan purposes as directed by the Annual Convention and Executive Council.

Canon 44: Of General Regulations Regarding Records and Reports

Section 2. A complete and accurate record of the titles of all real estate held by **The Trustees of The Episcopal Church in the Diocese of Eau Claire**, together with a similar record of all insurance policies, shall be kept by some competent person designated by the Trustees of the Diocese.