

Notes on 2021 Approved Operating Budget

From the Financial Services Committee (FSC)

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2021 Approved Operating Budget

Line Item View

The 2021 operating budget shown below was approved at Fall Sessions 2020. The 2020 Actual column was not part of the budget presentation but was added after the availability of the 2020 yearend report.

Since the approval of the budget, the Yearly Meeting decided that all 2021 sessions will be virtual. The highlighted lines are affected by this decision.

	2020 Budget and Actual			2021	
	Original Budget	Revised Budget	2020 Actual	Approved Budget	
Income					
Covenant Donations	430,453	400,000	440,797	430,000	
Outside Grants	64,000	64,000	65,000	64,000	
Contributions - Unrestricted	45,000	40,000	38,016	50,000	
Contributions - CYYA			1,230	20,000	
Contributions - ARCH	10,000	10,000	20,043	20,000	
Trust Fund Distributions	68,900	68,900	70,371	68,900	
Mortgage Payments	13,320	13,320	13,318	13,320	
Sessions	276,500	17,250	17,975	276,500	Note 1
Programs/Other	30,000	30,000	20,283	10,000	
Total Income	\$938,173	\$643,470	\$687,034	952,720	
Expense					
Personnel	438,200	430,700	432,961	513,000	Note 2
Office Support	49,700	50,500	41,609	58,000	Note 3
Administration	47,271	47,770	43,374	52,943	
Publications and Communications	22,500	22,500	16,254	16,000	
Sessions	263,350	11,200	2,294	267,900	Note 1
Contributions to Organizations	88,050	88,050	88,050	88,050	
Reps to Organizations	15,820	9,650	2,661	17,400	Note 4
Committees and Working Groups	26,740	24,240	9,615	18,575	
Programs/Other	5,950	5,950	964	10,000	
Total Expense	\$957,581	\$690,560	\$637,782	1,041,868	
Surplus/Deficit	(\$19,408)	(\$47,090)	\$49,252	(\$89,148)	
Operating Reserve	\$19,000	\$47,000		\$89,148	Note 5
Balanced Budget Surplus/Deficit	(\$408)	(\$90)		\$0	
Year End Operating Reserve			\$385,957	\$296,809	Note 5

Note 1: The income and expense lines include the cost of rooms at Silver Bay as the Yearly Meeting is now responsible for collecting the income and managing the reservations at Silver Bay. These costs will not be incurred in 2021.

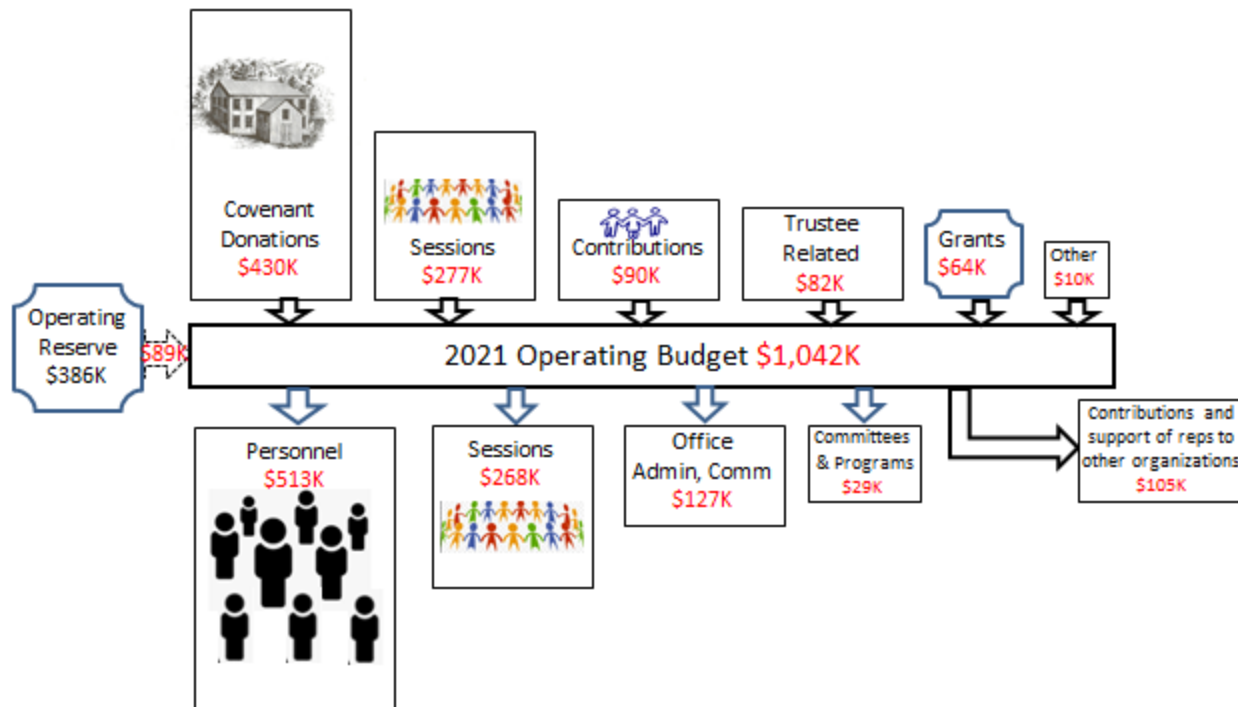
Note 2: This line included \$15,000 for staff travel on the assumption that sessions would be held in person.

Note 3: This line included \$10,000 for temporary staff support of summer sessions reservations management.

Note 4: It is expected that many board and section meetings will be virtual instead of in person in the first half of 2021 and that the FUM Triennial in Kenya will be postponed or be virtual.

Note 5: Assuming that the highlighted lines end below budget and the income is on budget, the projected 2021 deficit will be lower than budgeted while the operating reserve will end the year higher than budgeted.

Graphic View



Operating Budget Income Overview

Covenant Donations

Contributions from monthly meetings are the largest income line in the operating budget. Called Covenant Donations as meetings are asked to confirm the amount they plan to contribute.

Sessions

NYYM holds three sessions each year for the body to gather together. The Yearly Meeting is responsible for collecting the income and managing the reservations for summer sessions at Silver Bay. Under the pay-as-led system, some attendees contribute more than the cost of the accommodations while others pay less. The income from sessions is generally sufficient to cover the direct costs of sessions.

Trustee Related

The Yearly Meeting Trustees manage the assets of several invested trust funds. The sources of the funds are bequests and other contributions from Friends and income from the sale of properties. Some of the funds are designated for specific uses; others are undesignated and can be used for any purpose. Trust funds created from the sale of properties are undesignated and can be used for any purpose. This category includes:

- Distributions from Yearly Meeting trust funds that are undesignated or that have a designation consistent with operations.
- Surcharge for administrative expenses, like bookkeeping and insurance, for all the trust funds.
- Income from a mortgage from the sale of a laid down Meeting property.

This category also includes a distribution of about \$4000 from a trust fund under the care of New York Quarter.

Contributions

In addition to covenant donations from monthly meetings, Friends and Meetings contribute individually. Contributions can be for overall operating expenses or can be designated for ARCH (Aging Resources, Consultation, and Help) staff and programs or for CYA (children, youth, and young adults) staff and programs.

Outside Grants

The Yearly Meeting applies for grants and receives funding from other organizations to help support specific areas of operations. The current grant is from the Friends Foundation for the Aging (FFA) and covers a portion of the operating expenses for ARCH (Aging Resources, Consultation, and Help) program.

Other Income

While sessions are the major gatherings sponsored by the Yearly Meeting, there are several other programs and gatherings led by staff and committee volunteers. Some of the program expenses are offset by contributions from attendees.

Operating Reserve

The operating reserve is the accumulation of cash from years when the Yearly Meeting had a surplus and the reduction of cash from years when the Yearly Meeting had a deficit. As a general guideline, the reserve should be sufficient to cover three months of expenses if there were no additional income during that period.

Operating Budget Expense Overview

Personnel

This is the major operating expense and includes staff salaries and benefits.

The Yearly Meeting staff includes the general secretary and six additional staff members.

The major increase in the 2021 budget is related to support for children, youth, and young adults.

- At Summer Sessions 2018, the Personnel Committee recommended a full-time staff position to support children, youth and young adults and directed FSC to include that funding in the 2019 budget.
- In September 2019, the Yearly Meeting hired an interim part-time Young Adult Field Secretary funded through year end 2019 within the existing personnel budget. That funding was continued into 2020.
- At Fall Sessions 2020, the Yearly Meeting approved the 2021 operating budget with a \$100,000 allocation to continue the funding for the Young Adult Field Secretary and to significantly increase support for children, youth, and young adults.

Office Support, Administration, and Communications

This category includes rental for the New York City office, office equipment, bookkeeping services, insurance, publications like the newsletter Spark, and the Yearly Meeting website.

Support of Other Organizations

There are three categories of organizations supported in the operating budget.

- Related Organizations – Oakwood and Powell House direct contributions. Support for named representatives to Powell House in the Powell House Committee budget.
- Affiliated Associations of Quaker Organizations – Friends United Meeting (FUM), Friends General Conference (FGC), and Friends World Committee on Consultation (FWCC). Support includes direct contributions and expenses of named representatives.
- State Council of Churches organizations: New York and New Jersey direct contributions.

Committees and Programs

Much of the work of the Yearly Meeting is done by volunteers working within the committee structure. The budget allocations are primarily for modest travel and related expenses. The cost of programs is generally offset by contributions from those attending the programs.

Operating Budget Process

The Financial Services Committee (FSC) is responsible for preparing the budget. These are the steps:

- Gather information about projected expenses from Yearly Meeting committees, general secretary and staff, and minutes adopted by the Yearly Meeting.
- Vet the expense requests for rationale and consistency with previous expenses and prepare budget notes to document the expense. The requestor approves the notes; FSC does not judge the request.
- Solicit input on income from monthly meetings, committees, staff, and Trustees.
- Prepare a draft budget and budget notes for review at *Budget Saturday*, a meeting open to all.
- Make changes as necessary given the discussion at *Budget Saturday*.
- Propose the budget at a business meeting during Fall Sessions.

Friends approve the budget OR a process for an interim budget is triggered so that Yearly Meeting functions can continue until a new budget is approved.

Expenses

Personnel

Yearly Meeting Staff

- The General Secretary oversees the work of the Yearly Meeting staff, serves on financial services, fundraising, sessions, meetings for discernment, and personnel committees, and provides support to monthly meetings in the areas of leadership, conflict, spiritual gifts, visitation, and more. This is a full-time position.

The Yearly Meeting includes the following office staff: (all are part time positions)

- The Associate Secretary supervises office staff, manages most office functions and assists the NYYM committees and monthly meetings. This position transitioned to part-time in 2020.
- The Administrative Associate maintains the records and handles all the financial transactions.
- The Communications Director produces the weekly online newsletter, the printed SPARK newsletter, and other communications about the spirit moving across the Yearly Meeting.
- The Digital Communications Director maintains the website and facilitates the use of online tools to support the committees and meetings doing the work of social justice and spiritual renewal.

The Yearly Meeting includes the following staff supporting direct outreach:

- The ARCH Director, a full-time position manages the ARCH (Aging Resources, Consultation, and Help) program which supports NYYM Friends through a network of part-time staff paid about 10 hours a month and assisted by several volunteer ARCH Visitors.
- The Young Adult Field Secretary supports young adults with spiritual community. Offerings include workshops, retreats, a mentorship program, and virtual worship along with opportunities for community and fellowship. In 2019 and 2020, this was an interim part-time position.

Expense	2020 Original Budget	2020 Revised Budget	2020 Actual	2021 Approved Budget
Personnel				
Staff Salaries	347,000	347,000	352,669	414,000
Medical and Pension Benefits	41,000	41,000	44,303	51,000
Other Wage Related Expenses	34,200	34,200	33,644	32,000
Staff Development	1,000	1,000	466	1,000
Staff Travel	15,000	7,500	1,880	15,000
Total Personnel	\$438,200	\$430,700	\$432,961	\$513,000

CYYA Allocation

Since the original proposal by the Personnel Committee at Summer Sessions 2018 for the Yearly Meeting to hire one fulltime person, with a three-year commitment to that funding, the Yearly Meeting experienced the advantages of a more flexible way of staffing.

The approved 2021 budget allocated additional funding for staffing and programs that support children, youth and young adults. The general secretary, working with the Personnel Committee, is authorized to determine the optimal staffing structure to meet the goals laid out in the 2018 minute.

Staff Travel

The budget for staff travel was reduced in 2020 due to the cancellation of in-person meetings. The approved 2021 budget assumed that staff travel would resume in 2021 at the previous level. **Now that the 2021 plan is that all sessions will be virtual, this line will likely end the year below budget.**

Medical and Pension Benefits

In 2019, the cost of medical benefits decreased because of about \$8,000 refund from the insurance company for excess premiums paid in past years. In 2020, the cost of medical benefits was again offset by an \$8,000 refund from the insurance company for excess. This was a two year adjustment and no refund is expected in 2021.

Employees with a job description of 30 hours or more a week, receive 100% coverage for the employee and 50% coverage for a spouse. Employees eligible for Medicare receive a stipend to offset increased costs.

All permanent employees are eligible for the pension plan; the Yearly Meeting matches up to 5% of employee contributions. The budget for pension benefits increased in 2020 as part-time employees now participate in the plan.

Staff Salaries

Year	COLA	Salary Increase
2017	0.3%	3%
2018	2.0%	2%
2019	2.8%	2%
2020	1.6%	2%
2021	1.3%	2%

The Yearly Meeting strives to provide an annual cost of living adjustment (COLA) to the salaries of permanent staff. The Personnel Committee recommended a 2% pay increase for 2021 as a forward-looking adjustment reflecting urban cost increasing. The recommendation followed a discussion where Friends living in New York City noted they had already seen rising costs for food, transportation, and other living expenses. The recommended 2% increase is included in the 2021 baseline budget. It applies to all permanent staff.

Supplemental Staff Funding

Some of the personnel expenses are offset by income designated for specific programs.

ARCH Funding

ARCH expenses are partially offset by an annual grant from the Friends Foundation for the Aging (FFA), by contributions to the Aging Concerns Fund, and by distributions from a Yearly Meeting invested trust fund designated for support of aging concerns. Some income is also received from ARCH programs and publications.

	2019 Actual	2020 Actual	2021 Budget
Aging Concerns Fund	22,685	20,043	20,000
FFA Grant	64,000	64,000	64,000
Margaret Dietrich Fund	4,602	4,573	4,500
Total ARCH support	\$91,287	\$88,616	\$88,500

At the end of the year, the total operating cost of the aging concerns work is determined. The total cost in excess of grants and distributions to support the aging concerns work and contributions for ARCH products and services is then deducted from the Aging Concerns Fund. If the fund balance is not sufficient to cover the excess cost, the remaining cost is covered as a normal operating expense. If the fund balance exceeds the excess cost, the balance over the excess cost remains in the fund.

CYYA Funding

In the fall of 2020, the Yearly Meeting approved the establishment of a fund to help offset the expenses related to support of children, youth, and young adults. Individuals and meetings can contribute to this fund. At the end of the year, the total operating cost of the CYYA staff and programs is determined. The total cost is then deducted from the CYYA fund. If the fund balance is not sufficient to cover the total cost, the remaining cost is covered as a normal operating expense. If the fund balance exceeds the total cost, the excess over the total cost remains in the fund.

	2020 Actual	2021 Budget
CYYA Fund	1,230	20,000

Ministry Funding

Distributions from invested trust funds designated for ministry are directed to the operating budget in support of the work of the staff. The 2020 amount of the distribution was about \$2500. The trust funds are Jesse Haines, Nathaniel Smith, and Women's.

Administration

These are the expenses related to the office in NYC under a rental agreement with New York Quarterly Meeting which owns the building. This category also includes insurance and other administrative expenses.

	2020 Budget	2020 Actual	2021 Budget
Administrative Expenses	13,500	9,597	17,500
Liability Insurance	11,407	10,806	11,569
Rent and Utilities - 15th St Office	22,863	22,972	23,874
Total Administrative	\$47,770	\$43,374	\$52,943

The Administrative Expenses line includes about \$8,000 in credit processing fees related to online contribution expenses. Some of this expense is offset by contributions when donors opt to pay the fees.

The Administrative Expenses line also includes communications infrastructure such as phone, internet, Zoom and web hosting. It also includes postage, office supplies, office volunteer support and miscellaneous expenses associated with running an office.

Trustees designate a portion of the distributions of the invested trust funds as a fair share of the administrative costs of managing the investments: expenses like bookkeeping and liability insurance.

Office Support

	2020 Budget and Actual			2021
	Original Budget	Revised Budget	2020 Actual	Approved Budget
Office Support				
Office Equipment & Support	3,500	3,500	3,557	4,000
Temporary Staff/Consultants	15,000	15,000	\$2,818	22,000
Bookkeeping Service	31,200	32,000	35,233	32,000
Total Office Support	\$49,700	\$50,500	\$41,609	\$58,000

The Office Equipment & Support line includes monthly software licenses and related computer equipment.

The Yearly Meeting uses a bookkeeping service to keep the accounts in QuickBooks and create checks. The service also manages the employee payroll.

The Temporary Staff/Consultants line varies as needed.

- The Standard Operating Procedures consultant was funded by a transfer from the Trustee Reserve Fund in 2019 and the work is still ongoing.
- The Programs for Children line supported several initiatives in 2020; the line is not funded in 2021 pending a decision on overall additional CYA support.
- The website consultant allocation is for assistance with the upgrade to a simpler and more widely used platform like WordPress; security support on the current platform is being phased out. The new platform will enable multiple people to post to the website and eliminate the current process which flows through a single person.
- The Summer Sessions Support line is for temporary staff to handle logistics for summer sessions. These had been previously handled by the associate secretary who has transitioned to part-time. **Now that the 2021 plan is that summer sessions will be virtual, this line will likely end the year below budget.**

	2020 Budget	2020 Actual	2021 Budget
Temporary Staff/Consultants			
Summer Sessions Support			10,000
Consultant – Standard Operating Procedures	5,000		3,000
Consultant – Programs for Children	5,000		
Consultant – Outreach	3,600		
Consultant – Database			3,000
Consultant – Website			5,000
Other	1,400		1,000
Total Temporary Staff/Consultants	\$15,000		\$22,000

Publications and Communications

These are the expenses incurred in producing and distributing the SPARK newsletter, the Handbook, the Yearbook, the Advance Reports sent before summer sessions, and Faith and Practice. This line does not include the cost of the Digital Communications Director or the Communications Director.

Faith and Practice helps ground us in our faith. Spark and the weekly emails publicize and promote witness activities across the Yearly Meeting. Minutes and reports from NYYM business meetings and committees are distributed via the Advance Reports before summer sessions and the Yearbook compiled after summer sessions. Copies of the Yearbook, sent to every meeting and everyone serving on a committee, includes personal contact information that is not stored on the Yearly Meeting website. The Yearly Meeting website includes digital versions of all of the publications.

	2017	2018	2019	2020	2020	2021
Publications & Communications	Actual	Actual	Actual	Budget	Actual	Budget
NYYM Publications	12,842	20,334	14,771	17,500	16,254	16,000
ARCH Publications	-	-	-	5,000		
<i>Total Publications & Communications</i>	\$12,842	\$20,334	\$14,771	\$22,500	\$16,254	\$16,000

Contribution for Faith & Practice	\$1,589	\$2,272	\$1,281		\$310	
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The ARCH publications expense is related to design and printing of documents supporting the ARCH program. These costs are partially offset by contributions for the publications. The additional expense for ARCH publications was funded by a transfer of \$5,000 from the balance in a fund under the care of the Committee for the disbursement of the Mosher Fund. The committee was laid down in 2019.

The 2018 expense was higher than normal due to a large printing of Faith and Practice.

Supplemental Income for Publications

The publications expense is offset by about \$4,000 in annual distributions from trust funds under the care of the Yearly Meeting trustees designated for printing and distributing documents in support of Friends testimonies. The trust funds are the Henry H Mosher and Edward Underhill funds.

Sessions

The Yearly Meeting holds three sessions each year for the body to gather together in person: spring weekend, summer week, and fall weekend. Because of Covid-19, the Yearly Meeting canceled Spring Sessions 2020; Summer Sessions 2020 and Fall Sessions 2020 were held as virtual meetings.

For the past several years, summer sessions have been held at the YMCA Silver Bay Association on Lake George. Junior Yearly Meeting (JYM) is the gathering of children and teens at summer sessions.

The 2021 budget assumed that Summer Sessions 2021 would be held in person with selected virtual participation and that attendance would be similar to 2019. **Now that the 2021 plan is that all sessions will be virtual, the Silver Bay Contract: Stays lines will not be used. It is expected that the other lines in the Sessions budget will more closely match the 2020 expenses.**

The Yearly Meeting had a contract with Silver Bay for 2019 to 2021. Silver Bay waived the contractual obligations for 2020 and 2021 and moved the deposit to the 2022 contract.

Beginning in 2022, spring sessions will be hosted by Oakwood Friends School. Fall Sessions will be virtual meetings through Fall Sessions 2023; this will be reviewed for 2024.

The income from sessions has generally been sufficient to cover the direct costs of sessions. However, staff time, staff travel, and staff stays are not included in the expenses shown below. The Sessions budget also does not include the cost of temporary staff to handle logistics for summer sessions. This expense is shown under the Temp/Consultant line under Office Support on page 7.

Sessions	2017 Actual	2018 Actual	2019 Actual	Original 2020 Budget	Revised 2020 Budget	2020 Actual	2021 Budget
Summer Sessions Expenses							
Summer Sessions Program	8,263	46,151	10,153	8,500	4,250	1,112	8,500
Junior Yearly Meeting Program	13,818	15,574	11,686	15,000	-	-	15,000
Bible Study & Worship	670	1,000	700	950	950	300	1,000
Silver Bay Contract: Stays			227,988	228,000	-	-	228,000
Summer Sessions Income							
Registration and Contributions	20,887	20,133	46,362	47,000	10,000	17,630	47,000
Stays			214,656	215,000	-	-	215,000
Summer Surplus/Deficit	\$ (1,863)	\$(42,592)	\$ 10,490	\$ 9,550	\$ 4,800	\$ 16,218	\$ 9,500
Fall/Spring Program Expense	10,161	27,134	12,710	5,000	2,500	97	10,000
Registration & Meals Income	11,394	14,166	14,984	14,500	7,250	345	14,500
Fall/Spring Surplus/Deficit	\$ 1,233	\$(12,968)	\$ 2,274	\$ 9,500	\$ 4,750	\$ 248	\$ 4,500
Sessions Committee	1,520	2,543	2,414	3,500	2,500	285	3,000
Junior Yearly Meeting Planning	740	1,614	2,335	2,400	1,000	500	2,400
Committee Expense	\$ 2,260	\$ 4,157	\$ 4,749	\$ 5,900	\$ 3,500	\$ 785	\$ 5,400
Total Sessions Income	\$32,281	\$34,299	\$276,002	\$276,500	\$17,250	\$17,975	\$276,500
Total Sessions Expense	\$35,171	\$94,015	\$267,988	\$263,350	\$11,200	\$2,294	\$267,900

The 2018 increase in summer sessions expense was due to a new contractual agreement with Silver Bay that required a \$40,000 deposit to reserve space. This deposit is essentially a prepaid expense and will be applied to the cost incurred in the last year of the contract.

The 2018 increase in spring and fall sessions expense was associated with the chosen venues for the meetings.

The significant increase in 2019 income and expense for summer sessions was because the Yearly Meeting was responsible for collecting the income and managing the reservations at Silver Bay. 2019 was also the first year that the Yearly Meeting implemented pay as led for summer sessions; some paid more than the cost of the accommodations while others paid less. NYYM was able to cover the total cost with the income received.

Committees and Working Groups

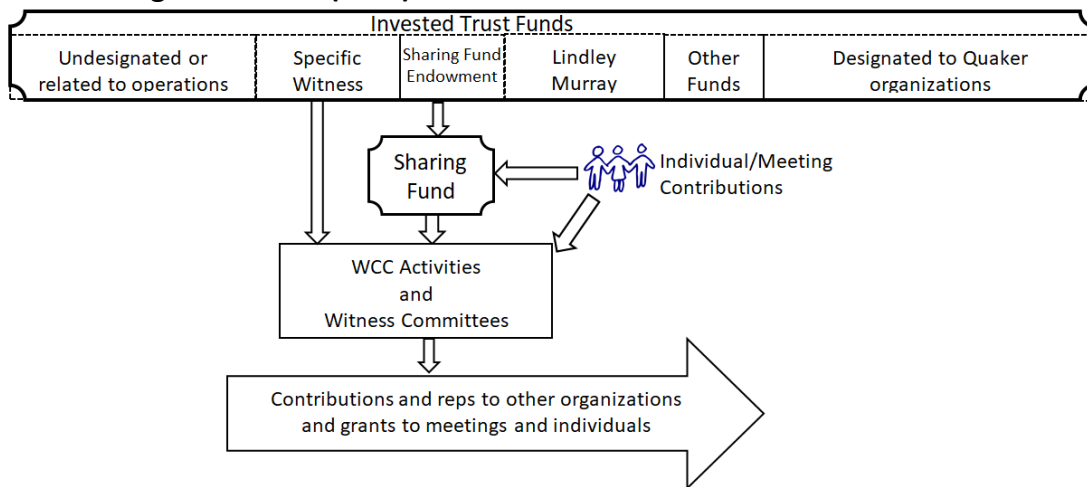
Much of the work of the Yearly Meeting is done by volunteers working within the committee structure. The budget allocations are primarily for modest travel and related expenses. The actual travel expenses are typically lower than the budget as many Friends do not request reimbursement of their expenses.

The Yearly Meeting is organized by sections which coordinate the work of related committees and working groups. The allocation for the coordinating committees covers the expenses of the coordinating committee and the committees and working groups under the care of the coordinating committee that do not submit a separate request. Committees are typically set up to address continuing work; task groups and working groups are set up for specific work and then laid down when that work is complete.

- The General Services section oversees the committees responsible for administration such as Personnel, Communications, Sessions, Financial Services, and Development.
- The Ministry section oversees the committees and working groups that care for the spiritual life of the Yearly Meeting. This section also sponsors programs such as the Pastor's conference, the Bible Study at summer sessions, and the Spiritual Nurture Working Group. The Committee to Revise Faith and Practice is no longer funded separately under the 2021 budget; instead it is funded as part of the coordinating committee expense.
- The Witness section administers the Sharing Fund and includes the committees that support witness activities. The line item in the 2021 operating budget is used to support committee expenses not related to specific witness work.

	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget
General Services Coordinating Committee					
Coordinating Committee	300	49	300		300
NYYM Officers Expense	1,000		1,000		1,000
Aging Concerns Committee	775		775	4,852	775
Development Committee	2,900	2,729	7,500	3,100	5,000
	\$4,975	\$2,778	\$9,575	\$7,952	\$7,075
Ministry Coordinating Committee					
Coordinating Committee	1,000	590	1,000	285	1,000
Committee to Revise Faith and Practice	95		95		0
Ministry & Pastoral Care Committee	570		500	10	500
Powell House Committee	950	1,000	1,000	672	1,000
Youth Committee	950	98	1,000		1,000
Conflict Transformation Working Group	2,850	863	2,850	206	1,000
Outreach Working Groups	5,000		3,000	250	2,500
Spiritual Nurture Working Group	1,920	554	1,920		1,200
Task Group on Racism	950	744	1,000		1,000
	\$14,285	\$3,849	\$12,365	\$1,423	\$9,200
Witness Coordinating Committee					
Coordinating Committee	1,500	458	1,500	240	1,500
Sharing Fund Campaign Expense					
Donations to Others	3,000	3,000			
	\$4,500	\$3,458	\$1,500	\$240	\$1,500
Meeting for Discernment	\$800	\$788	\$800	\$0	\$800
	\$24,560	\$10,873	\$24,240	\$9,615	\$18,575

Witness Coordinating Committee (WCC) Income and Disbursements



The Sharing Fund supports the work of the Yearly Meeting's witness committees, of individual Friends and meetings pursuing special projects or leadings in witness, and of organizations that support Quaker witness.

The Sharing Fund is under the care of the Witness Coordinating Committee (WCC). Sharing Fund income is from:

- Contributions from individual Friends and Meetings, partly in response to a fund raising campaign
- Contributions from events at summer sessions
- Distributions from the Sharing Fund Endowment

WCC assigns percentages of the income from the Sharing Fund to the various witness committees, to the Witness Activities Fund used to support leadings of meetings and individuals, and to other organizations.

A portion of the Sharing Fund income is allocated for contributions to Alternatives to Violence and Right Sharing World Resources. In 2015, WCC added the Witness to the World line in the Sharing Fund allocation:

“to increase the amounts our Yearly Meeting is able to contribute to non-Quaker organizations whose missions we support, such as the National Campaign for a Peace Tax Fund, the National Religious Campaign against Torture, and the New York and New Jersey Councils of Churches. It is also used to support such Quaker organizations as American Friends Service Committee, Bolivian Quaker Education Fund, Friends Peace Teams, Quaker Earthcare Witness, and William Penn House.”

The individual witness committees provide grants and donations to individuals and organizations that are in keeping with the mission of the committee. The witness committees have multiple sources of income.

- Allocation of a portion of the Sharing Fund Income
- Contributions and grants designated for the work of a specific committee
- Distributions from invested trust funds designated to the specific focus of the witness committee

WCC Income

	2002	2010	2015	2016	2017	2018	2019	2020	
WCC Income	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
Sharing Fund Campaign Contributions	\$51,344	\$41,266	\$27,359	\$23,134	\$36,737	\$27,058	\$25,077	\$23,487	Note 1
Sharing Fund Endowment Distributions			\$25,728	\$20,768	\$20,994	\$20,768	\$20,467	\$20,336	
Designated Trust Fund Distributions					\$28,489	\$26,577	\$26,192	\$29,300	Note 2
Other Designated Income					\$3,079	\$3,806	\$1,588	\$4,929	Note 3
	\$81,493	\$68,114	\$69,910	\$78,854	\$89,299	\$78,209	\$73,324	\$78,052	

- Note 1:** Contributions from individual Friends and Meetings to the Sharing Fund and contributions from events at summer sessions; from 2017 to 2019, about \$2200 per year.
- Note 2:** The NYQM Designated Trust Fund Distributions in 2017 included a one-time addition of \$1623.
- Note3:** Other income includes designated contributions to specific witness committees. NY Quarter contributes about \$1000 annually to Barrington Dunbar.
- Notes 2&3:** The actual amounts for years prior to 2017 are not easily available from the accounting system.

Sharing Fund History

Prior to 1972: Independent Committee Fund Raising

There were several large active witness committees. Some committees operated independently with their own treasurer and bank accounts. Committees did independent fund raising from the Yearly Meeting members and meetings. Some committees, like the Peace and Social Action Program, had their own staff and office space.

1972: Sharing Fund Committee Established Under the Care of the Financial Services Committee

The goal was to replace the separate witness committee appeals with one consolidated appeal. Witness would be financed by the Sharing Fund while all other operational expenses would remain in the operating budget. The overhead expenses of the appeal were included in the appeal goal. The expenses included bookkeeping and office support as well as the costs of the appeal mailing and a brochure.

Committees receiving income from the Sharing Fund agreed to refrain from directly soliciting contributions from Yearly Meeting members and meetings. Committees continued to receive income from unsolicited contributions and from grants and trust fund distributions.

1990: Sharing Fund Committee Moved to WCC

The coordinating committees were established in the late 1970s. At that time, the witness committees were organized under the care of the Witness Coordinating Committees (WCC). In 1990, the Sharing Fund sub-committee was transferred from Financial Services to WCC. Powell House, which had been funded from the Sharing Fund proceeds, was moved to the operating budget.

2011: Sharing Fund Endowment

The Yearly Meeting received a bequest in 2009 and another in 2010, both designated for the Sharing Fund. The contributions were invested under the care of the Trustees in a fund named the Sharing Fund Endowment.

WCC Operating Budget Allocation

	2010		2015		2018		2019		2020		2021
WCC Operating Budget	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Section/Appointee/Committee	\$5,160	\$2,185	\$1,200	\$354	\$4,000	\$786	\$1,500	\$458	\$1,500	\$240	\$1,500
Sharing Fund Campaign Expense	\$2,300	\$2,298									
Donations to Others			\$1,600	\$2,323	\$3,000	\$3,000	\$3,000	\$3,000			
	\$7,460	\$4,483	\$2,800	\$2,677	\$7,000	\$3,786	\$4,500	\$3,458	\$1,500	\$240	\$1,500

Sharing Fund Campaign Expense

From the start of the Sharing Fund appeal in 1972 until 2005, the appeal expenses were paid out of the proceeds to the appeal. In 2005, at the recommendation of the Yearly Meeting audit committee, the interest on the separate money market account that held the appeal cash was credited to operations to simplify banking and bookkeeping. In a possibly related decision, the 2005 operating budget included \$2500 to cover the sharing fund appeal expenses. In 2014, the allocation for the sharing fund appeal was removed from the operating budget.

Donations to Other Organizations

The 2020 and 2021 budgets include support for FUM, FWCC, FGC, Oakwood Friends School, Powell House, and the New York and New Jersey state council of churches organizations. The 2020 and 2021 budgets do not include any allocation for WCC designated donations to organizations. Prior operating budgets included an allocation for WCC and also included direct contributions to other Quaker organizations.

Section/Appointee/Committee Expenses

Financial assistance to attend meetings of outside organizations not currently supported in the operating budget comes out of the Named Representatives allocation of the Sharing Fund, for example, attendance at the annual FCNL meeting by the named FCNL representatives. Prior operating budgets had included an allocation for appointees to these organizations.

Programs/Other

Programs/Other Expense

While sessions are the major gatherings sponsored by the Yearly Meeting, there are several other programs and gatherings led by staff and committee volunteers.

Program Expense	2020 Budget	2020 Actual	2021 Budget
ARCH Programs	200	153	200
Young Adult Programs	2,000		2,000
Youth Programs	2,000	178	2,000
Pastor's Conference	1,250		1,250
Mosher Books to Prisons	500	632	500
Miscellaneous Expenses			4,050
Total Program/Other Expense	\$5,950	\$964	\$10,000

In addition to the budgeted program expense, the 2021 budget includes an additional allocation for miscellaneous expenses – those that are not known at the time the budget is approved.

Program/Other Income

Some of the program expenses are partially offset by contributions from attendees. This income is budgeted as a general estimate as it is difficult to predict for any given program.

Program Income	2018 Actual	2019 Actual	2020 Budget	2020 Actual	Approved Budget
ARCH Programs	\$4,735	\$1,534		\$3,131	
Young Adult Programs	\$430	\$398		\$500	
Conflict Transformation Workshops	\$4,810	\$5			
Pastor's Conference	\$120				
Total Program Income	\$10,095	\$1,937		\$3,631	\$2,500
Contribution for Faith & Practice Books	\$2,272	\$1,281		\$310	
Closed Funds	\$511		\$5,000	\$5,168	
Bequest			\$7,500	\$7,567	
Miscellaneous Income	\$5,565	\$11,363	\$12,500	\$3,606	\$7,500
Total Program/Other Income	\$18,443	\$14,581	\$25,000	\$20,283	\$10,000

Support of Other Organizations

Related Organizations – Under the Care of NYYM (Oakwood and Powell House)

Oakwood Friends School

The Yearly Meeting names a majority of the members of the board of the school. The school receives contributions from several sources within the Yearly Meeting.

- Direct allocation in the operating budget
- Distributions from donor designated trust funds
- Grants from the Lindley Murray trust fund
- Grants from funds under the care of Witness committees

Oakwood Friends School	2016	2017	2018	2019	2020	2021 Budget	
Operating Budget	\$0	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	
NYYM Trust Funds	\$65,059	\$58,651	\$58,021	\$57,600	\$53,539	\$53,500	2021 Estimate
Lindley Murray	\$6,000	\$6,600	\$6,000	\$6,000	\$6,000	\$6,000	2021 Estimate
	\$71,059	\$70,551	\$69,321	\$68,900	\$64,839	\$64,800	

The allocation in the 2021 budget is the same as 2020. The expectation is that the trust fund distributions and Lindley Murray grants will be about the same as 2020. The Witness support is typically between \$2000 and \$4000 depending on student needs.

In 2013, Oakwood received a direct contribution of \$6000 in the operating budget. To address an expected deficit in 2014, the \$6,000 contribution was eliminated. Lindley Murray was asked to make up for this loss by providing an equivalent grant. In 2017, as a result of the redesignation of the Yearly Meeting trust funds, Oakwood lost \$10,400. The Oakwood line item in the operating budget was reinstated at \$5,300. Barrington Dunbar, which received an additional \$4,500 as a result of the redesignation, was asked to provide an additional \$4,500 in scholarships to Oakwood. Lindley Murray was asked to increase its contribution to Oakwood by \$600.

Powell House

Powell House is the conference and retreat center of NYYM and provides year-round programs for meetings and their members. These programs foster spiritual growth after the manner of Friends and work to strengthen the application of Friends' testimonies in the world. An important part of this is Powell House service to youth and to young adults. Powell House is critical to our work with these younger F/friends as individual meetings often lack the critical mass to make effective service to these individuals possible. The Powell House facilities are also available for monthly meeting retreats.

Powell House receives contributions from several sources within the Yearly Meeting.

- Direct allocation in the operating budget
- Distributions from trust funds under the care of the NYYM Trustees
- Grants from the Lindley Murray trust fund
- Fund raising events at summer sessions
- Contributions from Witness funds

Powell House	2016	2017	2018	2019	2020	2021	
Operating Budget	\$66,000	\$73,200	\$73,200	\$75,700	\$75,700	\$75,700	
NYYM Trust Funds	\$10,768	\$3,605	\$3,566	\$3,540	\$3,492	\$3,500	2021 Estimate
Lindley Murray	\$2,750	\$3,000	\$2,750	\$2,550	\$2,550	\$2,550	2021 Estimate
	\$79,518	\$79,805	\$79,516	\$81,790	\$81,742	\$81,750	

The allocation in the 2021 budget is the same as 2020. The expectation is that the trust fund distributions and Lindley Murray grants will be about the same as 2020. The annual contributions to Powell House from summer sessions events ranges from about \$2,000 to \$4,000.

In 2017, as a result of the redesignation of several invested trust funds, Powell House lost about \$7200. The 2017 operating budget made up for this loss. In 2018, the \$2500 increase to Powell House was in response to a request from MCC for a \$5000 increase – MCC reviewed their budget and provided cuts to other lines to partially fund this request.

Affiliated Associations of Quaker Organizations (FUM, FGC, FWCC)

NYYM is a member of the following associations of Quaker organizations: Friends United Meeting (FUM), Friends General Conference (FGC), and Friends World Committee on Consultation (FWCC).

From NYYM Summer Sessions 1973, Minute 57:

1. *Friends are thankful that we are a united Yearly Meeting affiliated with both Friends General Conference and Friends United Meeting. We remind our constituent meetings and individual Friends that they are all members of both larger organizations and we urge them to hold both in loving concern.*
4. *The New York Yearly Meeting representatives to Friends General Conference, Friends United Meeting, and Friends World Committee for Consultation are asked to meet together annually to consider New York Yearly Meeting's role in the world family of Friends.*

About FUM

From the website: *Friends United Meeting is composed of 37 Yearly Meetings/Associations and several ministry centers in Africa, the Caribbean, North America, and Palestine. We are a collection of Christ-centered Quakers, embracing thirty-seven Yearly Meetings and Associations, thousands of local gatherings and hundreds of thousands of individuals. Our purpose as Friends United Meeting is clear—we are called to connect the global community of Friends. Together we become a dynamic fellowship that is a vital witness to Christ's abiding presence and love for the most vulnerable. Grounded in Christ, we are called to serve God's creation.*

About FGC

From the website: *FGC is an association of local and regional Quaker organizations primarily in the United States and Canada. Founded in 1900, FGC has grown from a voluntary organization of seven Yearly Meetings, created to hold a "general conference" every other year, to an association of sixteen Yearly Meetings, supplemented with regional groups and individual meetings. FGC continues to sponsor an annual Gathering of Friends.*

About FWCC

From the website: *The Friends World Committee for Consultation fosters fellowship among all the branches of the Religious Society of Friends. In the Americas, the Quaker community extends from the Arctic to the Andes, spanning a rich diversity of regional cultures, beliefs and styles of worship. Answering God's call to universal love, FWCC brings Friends of varying traditions and cultural experiences together in worship, communications and consultation, to express our common heritage and our Quaker message to the world.*

Annual Contributions

Since 2014, the annual contributions to these organizations have been stable. Before 2014, the Yearly Meeting contribution was significantly higher. In 1972, the contribution to FUM and FGC from the operating budget was \$6000 each, equivalent to about \$35,000 each in 2020 dollars; the 1972 contribution to FWCC was \$1500.

	2000	2005	2007	2009	2010	2011	2012	2013	2014	2021
Friends General Conference (FGC)	10,000	9,000	8,000	7,000	6,800	6,106	6,310	5,000	2,500	2,500
Friends United Meeting (FUM)	10,000	9,000	8,000	7,000	6,800	6,106	6,310	5,000	2,500	2,500
Friends World Committee (FWCC)	4,500	4,500	4,000	3,500	3,400	3,105	2,871	2,000	1,000	1,000
FWCC Section of the Americas			150	150	150	150	127	150	300	300

In addition to the support in the operating budget, FUM receives about \$3,500 per year from the distributions of an invested trust fund designated for FUM missions that is under the care of the World Ministries Committee.

State Council of Churches Organizations

The Yearly Meeting is a member of two state Council of Churches organizations.

The contribution represents a proportional contribution to each organization.

	2019	2020	2021
NJ Council of Churches	\$225	\$250	\$250
NYS Council of Churches	\$700	\$500	\$500

Appointees to Affiliated Associations of Quaker Organizations (FUM, FGC, and FWCC)

The Yearly Meeting names representatives to FUM, FGC, and FWCC. This affiliation gives the Yearly Meeting the opportunity to contribute to and learn from Friends throughout the world. The organizations specify the maximum allowable number of representatives based on the number of members in a Yearly Meeting.

FUM

The Yearly Meeting names two representatives to the FUM board which meets in Indiana twice a year in triennial years and three times a year in other years. Prior to 2021, the Yearly Meeting named three representatives; current NYYM membership numbers allow only two.

FGC

The Yearly Meeting can name up to 12 representatives to the FGC Central Committee which meets in the fall for a three day meeting; in 2020 there were 5 representatives. One representative is selected to represent NYYM at FGC Executive Committee, which meets two or three times a year at locations all over the country. Each representative is expected to serve on a subcommittee; subcommittees meet at least once a year.

The FGC Gathering is held annually; it is a spiritual nurture event and no business is conducted. As there is no role for a Yearly Meeting representative, no funding is provided in the operating budget to attend the event.

FWCC

The Yearly Meeting can name 5 representatives to FWCC based on the size of the current NYYM membership. FWCC organizes its work through four section offices and a world office; NYYM is a member of the Section of the Americas and the Northeast Region of the Section of the Americas (Philadelphia, New York, and New England Yearly Meetings, plus eastern Canada). Named representatives attend the regional, section, and world gatherings.

Regional meetings are held as led; the cost is included in the budget in the year in which the meeting will be held. NYYM is the host for the 2020 regional meeting but it will be held on-line so costs will be minimal.

Section meetings are held every other year and are provided in the provision funds.

Appointee Expense

The table below shows the 2021 estimated travel and related costs to attend the 2021 meetings of affiliated Quaker organizations. The table shows the costs if the meetings are held in-person.

Attend Board/Section Meetings	# of Reps	Average Cost	# of Meetings	Total Cost
FGC Central Committee	5	400	2	4,000
FGC Executive Committee	1	400	3	1,200
FUM Board	2	450	2	1,800
FWCC Northeast Regional Meeting	5	350	1	1,800

Appointee Budget

The 2021 budget provides the total cost for FGC, FUM, and FWCC appointees. The budget is for Yearly Meeting appointees to travel to the named meetings. While many representatives will pay for their own expenses and consider it a contribution, budgeting for full costs allows the Yearly Meeting to broaden and diversify representation.

Now that the 2021 plan is that many of these meetings will be virtual, the appointee expense lines will likely end the year below budget.

Attend Board/Section Meetings	2019 Actual	2020 Budget	2020 Actual	2021 Budget
FGC Committees	1,071	2,700	-	5,200
FUM Board	3,933	2,700	301	1,800
FWCC Regional Meetings	1,161	1,800	360	1,800
Total Appointee Budget	\$6,165	\$7,200	\$661	\$8,800

Provision for Gatherings Not Held Annually (FUM, FWCC)

An amount is set aside each year and held in reserve so there is sufficient money to support representatives in the year that the gathering is held. This supports smoother annual budgeting.

While many representatives will pay for their own expenses and consider it a contribution, budgeting for full costs allows the Yearly Meeting to broaden and diversify representation.

FUM Triennial

FUM holds a world-wide meeting every three years. The 2020 triennial was scheduled to meet in Kenya. The Yearly Meeting named six representatives to the 2020 triennial. FUM estimated the cost from the US at \$3,500 per attendee or a total cost of \$21,000. Funding was approved in the 2020 budget to provide for \$10,500, half of the total attendee cost.

The FUM Triennial planned for 2020 in Kenya was cancelled. There are tentative plans to hold the gathering in Kenya in the summer of 2021. Some costs had already been booked and it is anticipated that these reservations will be used in 2021 or reimbursed and added back into the triennial fund.

FWCC Section of the Americas Gathering

Section meetings are held every other year. The next meeting was scheduled for 2021 in Florida but it is currently scheduled to be a virtual meeting.

FWCC World Gathering

The next gathering is scheduled for 2024 in South Africa. The cost per attendee is about \$3,000 for a total cost of \$15,000 for 5 attendees. The World Gathering is not held every year; the current plan, according to the FWCC website, is not less than 3 years and not more than 10 years between gatherings. In a year in which there is a World Gathering, the Section of the Americas meeting is not held.

2021 Budget

The table below shows the estimated travel and related costs to attend the gatherings and the expected date and location of the gathering.

<i>Gatherings from Provision Funds</i>	Year	Location	Reps	Per Rep	Total Cost
FUM Triennial Fund	2021	Kenya	6	\$3,000	\$18,000
FWCC Section of the Americas	2021	Virtual	5		
FWCC World Gathering	2024	S Africa	5	\$3,000	\$15,000

The table below shows the 2021 budget provision.

Provision Funds	YE 2019 Balance	2020 Provision	2020 Expense	YE 2020 Balance	2021 Provision	2021 Available
FUM Triennial	2,330	2,000	2,540	1,790	6,200	7,990
FWCC Section Gathering	2,598	450	-	3,048	-	3,048
FWCC World Gathering	5,578	-	-	5,578	2,400	7,978

The 2020 budget decision was to pay for half of the estimated cost of attendance of named representatives at the FUM triennial at a cost per attendee of \$3,500 or a total allocation of \$10,500. There is now a more informed estimate of \$3000 per NYM attendee. The 2021 provision for the FUM Triennial restores the provision fund to the amount approved in 2020 which will provide more than half of the expenses of the attendees. Full support for representatives to the FUM Triennial requires an additional \$7,500.

If the FUM Triennial is not held in-person in 2021, the budgeted amount will not be transferred to the fund.

The 2021 provision for the FWCC World Gathering is one-fourth of what is needed to have about \$15,000 available in the fund for use in 2024 assuming this is the same budget allocation in 2022, 2023, and 2024. This will cover the total cost for 5 attendees.

There is no need for a 2021 provision for the FWCC Section Gathering as the meeting is currently planned as a virtual meeting. If the meeting is held in-person, the balance in the fund is sufficient to cover the full expenses of 5 attendees.

Other Outside Organizations

From FSC budget notes at Fall Sessions 2019: *(Two budgets were presented.)*

Contributions to Outside Organizations

Both budgets distinguish among the various outside organizations that are currently supported by the Yearly Meeting.

- **NYYM-Related Organizations** - Oakwood and Powell House are the two organizations under the care of the Yearly Meeting. The Full Y/YA budget maintains the same level of support in 2020 for these organizations as they received in 2019 from all Yearly Meeting sources. Funds previously directed to these organizations from Lindley Murray and the no-longer-donor-designated trust funds (mentioned above) are now included directly in the operating budget. In addition, Oakwood would continue to receive approximately \$54,000 in donor-designated trust fund income as part of that support.
- **Affiliated Organizations (FUM, FGC, and FWCC)** - The Yearly Meeting budget has traditionally included support for the named representatives to these organizations and a direct contribution to the organizations. Both budgets maintain the same level of contribution in 2020 as these organizations received in 2019. Both budgets also include support for named representatives.
- **Membership Organizations** - These are two State Council of Churches organizations: New York and New Jersey. Both budgets include a proportional contribution to each council.
- **Other Organizations** – Both budgets use the rationale that discernment of which other external organizations should receive funding is best made by Witness Coordinating Committee, using Sharing Fund proceeds. Neither budget includes any offsetting allocation to Witness to fund these organizations.

Named Representatives

Named representatives to organizations named in the operating budget

The 2021 operating budget includes a line item for support of named representatives to FUM, FGC, and FWCC. The Powell House committee line can be used to provide support for named representatives.

There is no support for named representatives to the Oakwood board or to the state council of churches.

Named representatives to organizations under the care of the Witness Coordinating Committee (WCC)

The 2021 operating budget does not include support of named representatives to other organizations. These are the other organizations with 2021 named representatives under the care of WCC:

- Alternatives to Violence Project (AVP)
- American Friends Service Committee (AFSC)
- Bolivian Quaker Education Fund (BQEF)
- Friends Committee on National Legislation (FCNL)
- Friends Peace Teams (FPT)
- National Campaign for a Peace Tax Fund
- National Religious Campaign Against Torture
- NJ Council of Churches
- NYS Council of Churches
- Quaker Earthcare Witness (QEW)
- Right Sharing of World Resources (RSWR)

Direct Contributions to Other Organizations

The 2021 budget follows the model set by the 2020 budget and only includes contributions to the related organizations (Powell House and Oakwood Friends School), the affiliated associations of Quaker organizations (FUM, FGC, FWCC) and two state council of churches organizations (NY and NJ Council of Churches).

Other contributions are made by the following sources:

- WCC and the witness committees
- Lindley Murray committee
- Distributions from Yearly Meeting invested trust funds to a specific organization

Income

Covenant Donations from Meetings

Contributions from monthly meetings are the largest income line in the operating budget.

In September, each meeting is asked to discern the amount they are able to contribute in the following year and inform the Yearly Meeting of that decision. Less than half of the meetings are able to provide that information at that time as monthly meeting budgets are typically done later in the year. If the monthly meeting is not able to provide a commitment, a projection based on past donation history is used in formulating the budget.

Additional information comes in from meetings as it is available.

In February, the office sends an email to meeting clerks and treasurers with the year-end treasurer reports and a letter from the Financial Services Committee. For meetings that have not yet provided the amount of the covenant donation, the FSC letter requests that information.

Over the past 6 years, most meetings have met their projected contribution; a few contributed more while some contributed less than the full projection. The overall amount has remained relatively steady since 2014 but represents a significant decrease from the receipts prior to 2009.

2008 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Original Budget	2020 Revised Budget	2020 Actual
478,616	417,371	435,070	432,387	434,751	417,339	428,712	435,198	400,000	440,797

There has been a significant decline in membership as recorded by the Yearly Meeting office. This has likely affected the ability of monthly meetings to contribute to the Yearly Meeting.

1980 Members	2000 Members	2019 Members
5,668	3,750	2,987

The ability of a meeting to contribute varies widely. For 2020, 58 meetings contributed. About 10% of meetings contributed between \$20,000 and \$50,000, another 30% were between \$5000 and \$20,000, while the remaining 60% were less than \$5000.

The 2021 budget is \$430,000, the same as the original 2020 budget. While many meetings are struggling financially, some meetings may be able to increase their donations in 2021. Some meetings and regions have trust funds and other sources of additional income. It is also anticipated that support for children, youth, and young adults in the 2021 budget is an incentive for additional contributions.

Grants from Outside Organizations

NYYM applies for grants and receives funding from other organizations to help support specific areas of operations. Over the past several years, NYYM received significant funding from two major grant sources.

- The Friends Foundation for the Aging (FFA) helped fund the start of the ARCH (Aging Resources, Consultation, and Help) program and continues to provide a significant level of annual ongoing support. The 2017 amount also included \$10,000 for a strategic plan.
- The Thomas H. and Mary Williams Shoemaker Fund focuses on renewing and strengthening the Religious Society of Friends. The multi-year grant helped fund staff support for children and youth as part of an initiative called the Vital Meetings Program. The first installment of \$25,000 was received in 2016.

Grants from Outside Organizations	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Actual	2021 Budget
FFA	84,000	69,000	64,000	64,000	64,000	64,000
Shoemaker	27,785	16,000	16,887			
Other	5,000				1,000	
Total	116,785	85,000	80,887	64,000	65,000	64,000

Contributions from Individuals and Meetings

In addition to covenant donations from monthly meetings, Friends and meetings contribute individually to the following named contribution funds.

Contributions	2020 Budget	2020 Actual	2021 Budget
Unrestricted – Annual Appeal	\$40,000	38,016	\$50,000
ARCH – Aging Concerns	\$10,000	20,043	\$20,000
Children, Youth, Young Adults		1,230	\$20,000
	<u>\$50,000</u>	<u>\$59,289</u>	<u>\$90,000</u>

Unrestricted – Annual Appeal

These are contributions that support overall operations. Some are recurring contributions received throughout the year; others are received as a result of the end of year annual appeal. The Development Committee is responsible for the programs associated with these contributions.

2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual
32,951	35,247	38,833	44,561	64,517	50,379	38,016

The 2015 to 2016 numbers are the actual amounts received for the annual appeal and do not match the treasurer report as a portion of the year-end surplus was added to the amount – a practice since discontinued.

The 2017 number is also lower than the amount shown in the treasurer report; the discrepancy is due to an accounting adjustment in the way the Yearly Meeting tracked the contributions to the annual appeal. This adjustment brought the Yearly Meeting in compliance with generally accepted accounting principles.

The 2018 income included a matching grant and a onetime single contribution of \$25,000.

ARCH (Aging Resources, Consultation, and Help) Designated

These are contributions designated to support the ARCH program. The Aging Concerns fund receives these contributions during the year. At the end of the year, the total operating cost of the aging concerns work is determined. The total cost in excess of grants and distributions to support the aging concerns work and contributions for ARCH products and services is then deducted from the Aging Concerns fund. If the fund balance is not sufficient to cover the excess cost, the remaining cost is covered as a normal operating expense. If the fund balance exceeds the excess cost, the amount over the excess cost remains in the fund.

CYYA (Children, Youth, Young Adults) Designated

The 2021 budget assumes that Friends and meetings will be able to indicate that their contribution is for support of staff and programs in support of children, youth, and young adults. At the end of the year, the total operating cost of the CYYA staff and programs is determined. The total cost is then deducted from the CYYA fund. If the fund balance is not sufficient to cover the total cost, the remaining cost is covered as a normal operating expense. If the fund balance exceeds the total cost, the excess over the total cost remains in the fund.

Other Contributions to Operations

In addition to the three contribution funds:

- Friends contribute to help others attend sessions – this is via the pay-as-led model and via specific contributions to the Equalization Fund.
- Some expenses of programs sponsored by committees are partially offset by contributions from attendees.

Contributions to Witness

Friends and meetings also contribute to the Sharing Fund and to individual Witness committees. These contributions are not part of the operating budget.

	2018 Actual	2019 Actual	2020 Actual
WCC Income			
Sharing Fund Campaign Contributions	\$27,058	\$25,077	\$23,487
Other Designated Contributions	\$3,806	\$1,588	\$4,929

Trust Fund and Trustee Related Income

Trustees manage the assets of several invested trust funds. These assets come primarily from gifts and bequests and also from the sale of assets, such as properties no longer used by the Yearly Meeting.

Trustees invest the assets and determine the amount of the distributions from the invested principal. The goal is to maintain steady income for the recipients and preserve the purchasing power of the principal. The distribution has historically been between 3% and 4% of the invested principal.

Trustees ensure that distributions are disbursed according to the terms of the trust.

Trustee Designated Contributions to Operations

	2018	2019	2020	2021
Trustee Income to Operations	Actual	Actual	Actual	Budget
NYYM Trust Fund Distributions	46,119	46,934	50,310	50,000
Administrative Surcharge	7,000	10,000	11,157	15,000
Other		15,000	4,706	
NYQ Lafayette Fund Distribution	2,307	3,005	4,198	4,000
	55,426	74,939	70,371	68,900
Stamford/Greenwich Mortgage		13,318	13,320	13,320

Distributions from NYYM Invested Trust Funds

Some trust funds are undesignated; the distributions can be used for any purpose approved by the Yearly Meeting. The distributions from most of the undesignated funds and from funds with a designation that is consistent with the activities funded by the operating budget are directed to annual operations.

Administrative Surcharge

Trustees designate a portion of the distributions of all the invested trust funds as a fair share of the administrative costs of managing the investments: expenses like bookkeeping, audit, and liability insurance.

Other Trustee Related Income

The 2019 income included a transfer of \$15,000 from the Trustee Reserve to be used to support a consultant documenting operating procedures.

The 2020 income was a transfer of the 2019 balance in a fund under the care of the Committee for the Disbursement of the Mosher Fund. The committee was laid down in 2019. Distributions from the Mosher fund are now directed to operations.

NYQ Lafayette Fund

The New York Quarter holds this fund and sends the distribution to NYYM for the training and support of members. There is no application for the grant.

Asset Income

The Asset Income is the mortgage income from the sale of the Stamford-Greenwich meeting property sold in May 2013. The Trustees hold a mortgage until June 1, 2028. At Summer Sessions 2013, the Yearly Meeting approved that the principal would be held for investment in a separate trust fund, the income from the trust fund would be directed to the operating budget, and the mortgage receipts would be added to the principal of the trust fund as they were received. At Fall Sessions 2018, the Yearly Meeting approved that the mortgage receipts would be directed to the operating budget for three years: 2019, 2020, and 2021.

Drawing Down Principal from Invested Trust Funds

The 2021 operating budget does not include any income from the principal of the invested trust funds.

There are two potential sources:

From Funds Directed to Operations

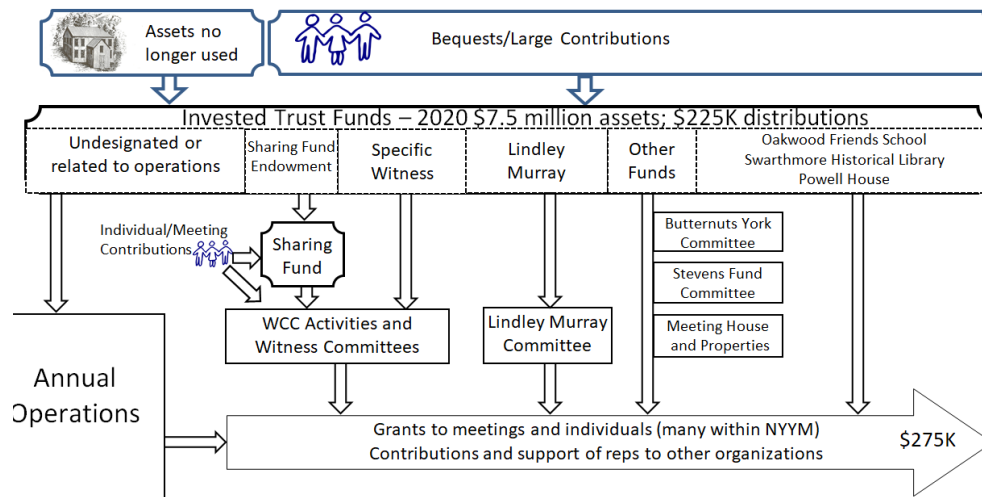
The Yearly Meeting can draw down a significant portion of the principal of the funds currently directed to operations. Drawing down principal would proportionally decrease the amount of the annual distribution.

From Meeting House and Properties Fund

As the principal is from the sale of properties, there is no requirement to preserve the principal. The distributions from this fund are not currently directed to operations. See minute 2019-07-31.

Other Trust Fund Categories

In addition to the distributions from the funds currently directed to operations, other distributions are under the care of various committees in the Yearly Meeting.



Trust Fund Categories

Sharing Fund Endowment

The Yearly Meeting received a bequest in 2009 and another in 2010 that were designated for the Sharing Fund. The contributions were invested in a fund named the Sharing Fund Endowment. The distributions are directed to the Sharing Fund under the care of the Witness Coordinating Committee (WCC). WCC determines the allocations from the Sharing Fund to specific purposes and to the individual Witness committees.

Designated for Specific Witness

These are funds with a designation that matches the specific mission of an individual Witness committee. The distribution is directed to the care of the individual Witness committee.

Lindley Murray Fund

The fund was established in 1836 with the residue of the estate of Lindley Murray. Over a century and a half, other Friends contributed to the fund. In 2020, the remaining assets of the New York Female Association – a centuries old Quaker related association – were added to the Lindley Murray fund. The Lindley Murray committee recommends the grant recipients.

Other Funds

Mahlon York – The bequest was “for educational or religious purposes” and directed that the Trustees first consider the needs of the meetings of Butternuts Quarter. Butternuts Quarterly Meeting appoints a York Fund Committee to recommend grant recipients to the Trustees.

Stevens – The bequest specified that all income “be applied toward supplying the necessities of life...to worthy ministers, missionaries, or other members of the Yearly Meeting who through age or other disability may be in need.” A committee under the care of the Ministry Coordinating Committee recommends the recipients.

Meeting Houses and Properties – This fund was established in 2017 to help meetings with the expense of caring for their properties. The source of the principle was the sale of properties. Trustees determine the recipients.

Funds Designated for Others

These funds were left in the care of NYYM with a designation for a specific organization or use.

- Oakwood Friends School receives about 85% of the distribution.
- The Friends Historical Library at Swarthmore receives distributions from funds designated for records preservation.
- Powell House receives the distribution from one fund designated for “educational purposes”.

Operating Reserve

The operating reserve is the accumulation of cash from years when the Yearly Meeting had a surplus and the reduction of cash from years when the Yearly Meeting had a deficit. A review of the year-end treasurer reports since 2007 shows that, with the exception of 2015, the Yearly Meeting ended the year with a surplus.

History of Surplus/Deficit

In years prior to 2017, the surplus was understated in the treasurer reports as a portion of the surplus was moved to funds. This practice was discontinued in 2017. The table below shows the actual surplus/deficit.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
\$13,140	\$4,919	\$2,565	\$626	\$19,323	\$41,352	\$15,925	\$11,943	\$(10,748)	\$36,059

The 2012 surplus was due to an increase of about \$18,000 in budgeted covenant donations – one meeting sent the check in after the books closed for the previous year.

The 2015 deficit was related to the cost overrun of the professional audit; against a budget of \$15,000, the Yearly Meeting paid about \$43,000 – a budget overrun of about \$28,000.

The 2016 surplus was due to transferring about \$21,500 from the Young Friends in Residence fund to the operating budget. The fund had been underused for several years.

The table below shows the actual surplus/deficit for the years 2017 to 2020 and the amount in the operating reserve at year end 2020.

	2017	2018	2019	2020
Surplus/Deficit	\$56,955	\$(35,195)	\$79,250	\$49,252
YE Reserve	\$300,650	\$265,456	\$336,706	\$385,957

The 2017 surplus was due to transferring about \$10,500 from closed funds to the operating budget as it was determined that the mission of these funds should be in the operating budget. Most of the funds had been underused for several years. The surplus also included about \$25,000 related to the suspension of the professional audit.

2018 was not actually a deficit year. The \$40,000 deposit to Silver Bay for 2019-21 Summer Sessions will be credited in the last year of the contract so it is a pre-paid expense. Without this deposit, the 2018 year-end would be about \$5,000 surplus even with the spring/fall sessions overrun of about \$13,000.

The 2019 surplus was primarily due to unbudgeted contributions to the Aging Concerns Fund, an about \$8,000 refund check from the medical insurance company, and a \$15,000 transfer from the Trustee Reserve to be used to pay a consultant to document Yearly Meeting operating procedures.

	2019 Budget	2019 Actual	Surplus
Aging Concerns Fund	-	22,685	22,685
Medical and Pension	49,226	38,468	10,758
Temp Staff/Consultant	23,800	5,788	18,012

Amount Needed for Cash Reserve

Why? As a general guideline, the reserve should be sufficient to cover three months of expenses if a situation arose where there was no additional income during that period. The monthly expenses are about \$50,000.

The primary source of operating income, covenant donations from meetings, does not come in evenly while expenses are typically more even. There are other dependable sources of income: the FFA grant comes in before the start of the year; invested trust fund contributions come in June and December of the current year. Many monthly meetings have a history of quarterly payments.

When? In recent history, the Yearly Meeting has not had a cash flow issue.

What if? The Financial Guidelines Document describes the process for handling the situation.

Minutes of 2021 Budget Approval from Fall Sessions 2020

2020-11-05.

Mary Williams (Bulls Head-Oswego, co-clerk of Financial Services) presented the attached proposed budget for the year 2021, using slides (in the documents for this session) to explain various aspects of the budget. She explained the process by which the proposed budget is generated.

Instead of funding a specific position, Financial Services is recommending that the budget include funding for staff support for children, youth, and young adults (CYYA), with the exact distribution of those funds among staff support for children, youth and young adults to be left to the general secretary and Personnel Committee.

The proposed budget for 2021 offers three levels of expenditure with either no funding, or with \$50,000 or \$100,000 specified for the CYYA staffing.

A question was raised about the role of the Youth Committee vis a vis staff support for young people. Steve Mohlke assured the body that he would seek advice from all interested stakeholders, including the Youth Committee, before making a decision on allocation of the CYYA funds.

A Friend asked about sustainability of the budget with \$100,000 for CYYA past the year 2021; at that level of funding, the surplus operating reserve would be spent down in about two years, if contributions did not rise substantially. Financial Services Co-clerk Mary Williams emphasized that the proposed budget involves a "faith-based risk." She concluded her presentation by acknowledging that none of the potential sources of additional income is sustainable in the long term and announced the intention of the Financial Services Committee to hold threshing sessions to ascertain how the work with CYYA can be sustained into the future.

Clerk Elaine Learnard invited ministry on the proposed budget. Friends spoke in support of budget proposals that included funding for CYYA staffing, at both the \$50,000 and \$100,000 level, some expressing gratitude for the work already done and support received. Others expressed hesitations about such expenditures.

A Friend shared that he was dismayed/disappointed that in his view the proposed budget does not reflect the values, energy and commitment expressed in the 2020 Summer Sessions Epistle for the YM and Friends to work to dismantle institutional racism and end violence in our society, to acknowledge the genocide of Native Americans and to convince our nation to provide appropriate reparations.

Concern was expressed that the Yearly Meeting has not explicitly excluded the possibility of drawing on trust funds currently assigned to Witness committees. Concern was also voiced that the proposed budget ignores the YM's commitment to support numerous Quaker organizations of which it is a member and to which we send representatives, such as American Friends Service Committee, Friends Committee on National Legislation and the Alternatives to Violence Project. Continued consideration of the proposed budget was laid over until tomorrow afternoon.

2020-11-06. The minutes on the budget consideration were read, but were not approved, pending consideration of the amount of ministry which should or should not be included. Friends allowed this minute to be crafted outside of a business session, in consultation as needed. Friends may also wish to read the Sunday afternoon minutes, as, taken together these two sets of minutes reflect the ministry and concerns of the body.

2020-11-14.

Mary Egelson read the last minute from yesterday's meeting for business regarding the proposed budget. The content is available in yesterday's minutes. The body still could not come to unity. Friends agreed to let Clerks reword the final minute.

2020-11-17.

There was further consideration of the proposed budget, with the three levels of funding that had been laid out in the presentation by the Co-clerk of Financial Services, Mary Williams, on Saturday morning. During the discussion, Mary clarified that the baseline budget included no funding for CYYA, the \$50,000 increase above the baseline would be just a few thousand dollars more than the current year's funding, and the \$100,000 increase above the baseline would be an increase over the current year.

Friends listened with openness and shared with care their concerns and their hopes for the YM.

Friends spoke about:

- the importance of our work in support of young adult Friends and the ways that work overlaps with witness work, grounded connections, and building our Yearly Meeting
- the complications of funding that work, asking whether we have sufficient resources to sustain additional paid positions beyond a few years, to pay a living wage, or to provide employee benefits for part-time staff
- how difficult it has been to keep connected to families with children during Covid
- the need to clarify how the witness funding, especially the administrative costs of doing witness work, is shown in the budget and whether some of that funding should be reallocated
- how it has come to be that we support a few Quaker organizations directly but not others and whether those decisions should be revisited
- how work with young adults includes pastoral care that is very much needed

Some of the aspects of budgeting to cover new positions were considered, including:

- the possibility of a separate designated fund for CYYA
- the possibility of an endowment for CYYA and how the Development Committee can work on this possibility
- whether sufficient work can be done for CYYA without additional paid staff/with volunteers only
- that there is integrity in saying “no” to some requests
- that some meetings may be willing/able to “get creative” about funding for these goals
- that we must hold ourselves accountable
- that threshing sessions will be held, starting very soon, to consider several questions about sources of funding, including how to use the income from the Lindley Murray funds and whether to draw down principal from the endowment, expecting to consider our legal and moral faithfulness to the directions and intentions of deceased Friends whose generosity funded the YM’s endowment.

Friends acknowledged that the proposed budget and the long-term commitment to CYYA were dependent on Faith, and assured concerned Friends that funding this commitment would not detract from our other financial commitments and, in particular, would not require taking money away from our witness work. Indeed, many considered that the CYYA work cannot be separated from witness work. Friends approved the budget as recommended by Financial Services Committee (that is, the \$100,000 increase above the baseline budget) with the caution that much long-range planning needs to be done in parallel and begun right away.