

NEW YORK YEARLY MEETING BOARD OF TRUSTEES MEETING
1:30pm – 4:00pm – Friday, July 26, 2019 / Summer Sessions – Silver Bay, NY

Present: Christine (Spee) Braun, Laura Cisar, Peter Close, Keith Johnson, Roseann (Ro) Press (clerking), Dare Thompson (recording), Jim Whitely

Invited Guests: Frederick Dettmer (Friends Legal Cooperative) and Rob Schutt (Butternuts Quarter York Fund Committee)

The meeting began with opening worship at 1:30 pm and checking in with one another.

1. Review of Action Items from the Minutes of Our Meeting of May 23, 2019:

1a) Risks Related to NYYM’s 501(c)(3) Status: As agreed at our last meeting, we consulted with Fred Dettmer of the Friends Legal Cooperative, our pro bono legal help, about any potential risk associated with the umbrella IRS 501(c)(3) status that the Yearly Meeting is seeking. Fred stated we face no associated risk.

1b) Official Annual Meeting of the NYYM: As raised in our May meeting, the Yearly Meeting must give a 60-day notice of the Annual Meeting of the Corporation. **Peter** will continue exploring the requirements, in particular, who must be notified. He’ll consult with Jeffrey Aaron, NYYM clerk, about which specific time, date, and place the Clerk of the Trustees will announce, i.e., during which meeting with attention to business during Summer Sessions will the annual meeting of the Corporation take place.

2. Updates:

2a) By-Laws: We presented the revised by-laws to the Yearly Meeting for a “first presentation,” which the body received. Not related to that presentation, one issue that has come up is that membership as defined in the bylaws only applies to those who have submitted an application for membership to a Monthly Meeting. “VI.Membership - 1. Designation: Members of the Corporation shall be those persons having made application to and been accepted into membership in any monthly meeting affiliated with the New York yearly Meeting of the Religious Society of Friends.” **Peter** will bring a proposed revision to this clause and IV.3. for consideration at our next Trustees meeting.

2b) Disposition of Yorktown funds: We also presented our proposal to the body for authorization to utilize the funds from the sale of the Yorktown property as described in our May minutes. This generated some ministry in the meeting for business and concluded with the body approving the minute. The body reaffirmed the trust in the Trustees as the caretaker of the Yearly Meeting’s assets.

2c) Review of NYYM Personnel Handbook: The clerk asked that **by August 15th** each Trustee complete a review of the draft Personnel Handbook – see her email of June 26, 2019.

3. Annual Calendar of the NYYM Trustees: At our May meeting, a draft annual Trustee calendar was distributed, and Trustees were asked to get back to Ro with any additions or corrections. This tool is particularly useful for the Clerk of the Trustees, but also for all those

serving. We made a few edits. Going forward, we will maintain this as a living document. **Roseann** will share our calendar with the NYYM General Secretary, Assistant General Secretary, and Clerk.

- 4. Divestment from Fossil Fuels:** Roseann described the work of the ad hoc group that convened in conference calls three times in June and into July to discuss the proposal for the Yearly Meeting to divest from fossil fuels and reinvest into a green economy/green technology. This was what was called for last Summer Sessions in the following minute:

“**NYYM Minute 2018-07-34.** Jillian Smith (Saratoga) spoke for the Friends World Committee for Consultation (FWCC) committee on the topic of climate change. The report and requests for action are attached; (see Attachments). Friends resonated with the report and its timeliness and also the need for additional information from several groups before moving ahead. Friends directed that we forward the report to the trustees, Earthcare Working Group, the Communications Committee, and any other groups whose charges are relevant to the FWCC Committee’s request for action. These groups should work together and with the FWCC committee to prepare a collective report to the body at fall Sessions on the feasibility of the requests for action, with all relevant supporting information. Jeffrey Aaron will take responsibility for providing this information to the committees.”

We currently hold all our funds in the Quaker Growth and Income Fund, which has 1.2% of its investments in what might be considered fossil fuel companies. The ad hoc group prepared the following statement in advance of Summer Sessions: “The ad hoc group for Ecological Investment recommends that NYYM begin the process of divesting a percentage of at least 25% of current holdings from the Friends Fiduciary Corporation (FFC) Growth & Income Fund and investing these monies into the Friends Fiduciary Green Fund or Essex Geo Fund, both of which are divested from fossil fuels. We recommend that NYYM be totally divested within three years. This process will be closely monitored and will be modified as needed [by the Trustees].”

However, the convener of the group presented the statement to the Yearly Meeting as a minute for approval by the body. In addition, numbers were presented that were taken out of context and could be considered misleading. The report was received and no decision was taken by the body.

We realize that we as Trustees must proactively monitor and regularly review NYYM’s investments even though they are currently in good hands at Friends Fiduciary Corporation. With concerns about the process to date, we hope that the discernment and the integrity of the process going forward are stronger. We are aware that sometimes the Trustees and others are speaking in what seem to be two different languages. We want to ensure that return on investment continues to receive the attention required as a very important element in our fulfilling our fiduciary responsibilities.

Minute 2019.07.26.1 - Trustees approve (re)forming an Investment Subcommittee of the Trustees whose first charge is to bring to the Trustees a proposal for divestment from fossil fuels and investment in green technologies. We approve Peter Close, Jim Whitely, Spee Braun, and Albert Hsu (for his technical skills) to serve on the subcommittee. Peter will serve as convener of the subcommittee and ask Albert Hsu if he is willing to serve.

Minute 2019.07.26.2 - Trustees approve their continued labor with the ad hoc group with NYYM's representatives to FWCC Committee, Quaker Earthcare Working Group, and Communications Committee to develop further the counter-climate-change comprehensive effort of which divestment of the Yearly Meeting's trust funds is only one piece. This would include efforts the ad hoc group has already begun discussing, such as an effort to influence Friends Fiduciary Corporation's investment priorities and establishing a website with resources to support the Yearly Meeting and Monthly Meetings in addressing climate change. We approve Roseann Press, Peter Close, and Laura Cisar continuing to serve on the ad hoc committee.

5. 2020 Dividend Decision:

In determining how much of an administrative surcharge to take from our trust fund disbursements in 2020, we keep in mind that \$23,000 is our desired buffer (or "rainy day fund") in the Trustee Reserve. We balance this with our desire to give stewards of the distributions as much as we can.

Minute 2019.07.26.3 - Trustees approved contributing to the 2020 operating budget a total of \$10,000 for certain Yearly Meeting expenses - bookkeeping, accounting, audit, insurance - historically provided out of the administrative surcharge taken from investment portfolio distributions.

Minute 2019.07.26.4 - Trustees approved setting the 2020 administrative surcharge at \$.15 per unit in the NYYM plan, which will provide \$11,576 total. The net annual dividend in 2020 will be \$2.88 per unit in the NYYM plan, a moderate increase from \$2.72 per NYYM unit in 2019.

6. Conversation and discernment on the use of the Mahlon D. York Fund disbursements:

We welcomed Rob Schutt from Butternuts Quarter (Hamilton MM), the coordinator of the Butternuts York Fund Committee, and discussed with him what types of grant applications would best match the intent of the donor in establishing the Fund. Grants from this Fund used to go to college students in the Butternuts Quarter but now, because the Friends there are aging, there are few eligible college students. The word "educational" in the language of the bequest must (according to the IRS, topic 421) apply to a degree-granting institution. **Peter Close** said he will confer with an attorney specializing in bequests about how broadly this can be interpreted.

We reviewed three requests for grants put forward by the York Fund Committee.

Minute 2019.07.26.5 - Trustees approved \$2000 to Isabelle Haines to support her work toward a degree in midwifery and \$3000 (\$500 per person) to support the attendance of six Friends on a Friends Committee on National Legislation (FCNL) advocacy team to support their attendance at an FCNL conference in Washington, DC in November 2019. Rob and Spee will tell the recipients that they may have to declare this money as taxable income and that this grant is not likely to be repeated in future years. We did not approve a grant to Joyce B. Thomas of Binghamton MM toward the Stuart Naismith Scholarship because scholarship applicants should apply directly for Mahlon York Fund grants and we do not want to set up a pass-through situation. On behalf of the Trustees, Spee will notify the applicant that their grant request was not approved.

7. Skaneateles-Slocum Howland mix-up:

The Financial Clerk brought forward a report of a mix-up to be noted in the Trustees' records via the meeting minutes. During the years 2016 through 2019, the distributions from the Slocum Howland trust fund (1000 NYYM unit plan shares) were included in the undesignated trust fund distributions to the Operating Budget. However, this was an error, as the income from that fund is designated to Oakwood Friends School. Meanwhile, the distributions of the no-longer-designated Skaneateles trust fund (400 NYYM unit plan shares) remained in the trust fund distributions sent to Oakwood, when the intention was to include them in the undesignated trust fund distributions to the Operating Budget. This error is corrected in the dividend distribution plan for 2020.

8. Lindley Murray Fund:

We hope to change the management of the Fund from a separate board of trustees to a committee of New York Yearly Meeting. We first need to find the original minute and other documentation concerning the establishment of this Fund. Peter will review these and then arrange any legal help needed to execute the change.

9. Nominations:

Minute 2019.07 26.6 - Trustees approved the current officers continuing to serve in their current positions for the 2019-2020 committee year. They are Roseann (Ro) Press, Clerk; James (Jim) Whitely, Assistant Clerk; Christine (Spee) Braun, Financial Clerk; and Dare Thompson, Recording Clerk.

Spee and Ro agreed to be the Nominating Committee to seek additional trustees. Peter Close suggested that it would be helpful to get a person with expertise in investments and financial services.

10. Our clerk will take the lead on setting the date and location of our next meeting once we know the September date for Budget Saturday.

Dare Thompson. Recording Clerk