

Philadelphia Yearly Meeting Administrative Council
Saturday, November 19, 2022
Approved Minutes

The scheduled in-person (Arch Street's Biddle Room) and hybrid Joint Council and Administrative Council meetings were moved to Zoom-only because of the street closings related to the Philadelphia Marathon.

Attending: Jim Waddington (clerk), Andrew Anderson (Treasurer), Chuck Devers, Christie Duncan-Tessmer (General Secretary), Jeanne Elberfeld, Kruskal Hewitt, Neil Holzman, John Marquette, Linell McCurry (CFO), Carter Nash, Melissa Rycroft (Presiding Clerk), Cathy Toner, Tom Zemaitis

Guest: Jonathan Rhoads

1. Welcome and Worship

Jim Waddington called the Council into session at 11:10 a.m. with a period of silent worship. Friends shared joys.

2. Review and approval of minutes

- a) Friends accepted the agenda as presented.
- b) John Marquette agreed to serve as Recording Clerk for this meeting.
- c) **The Minutes of the October 15 meeting were reviewed and approved.**

3. Committee and Council Nominations

- a) **Friends approved May Weldon as Granting Committee Clerk.**
- b) **Friends approved John Hayden as Granting Committee Assistant Clerk.**
- c) **Friends approved Tacie Trull as Nominating Council Assistant Clerk.**
- d) Jim noted that Nominating Council needs more members. He looks to PYM quarters and to other members of Admin Council for recommendations for names for Nominating Council.
- e) Admin Council needs to appoint a Council representative to Governance Advisory Committee. Roy Zatcoff had filled that role while he served on Admin Council. Jim hopes to provide a name at the next meeting for approval.

4. Finance Committee Report

Finance 4(a) Adoption of Calendar 2023 Distribution Rate on Friends Fiduciary Funds

Andrew Anderson and Linell McCurry noted that Administrative Council has an affirmative duty to elect a calendar 2023 distribution rate for PYM funds held at Friends Fiduciary. Finance Committee recommends that PYM accept Friends Fiduciary's standard distribution rate of 4% for the next year.

Finance further recommended that Admin Council minute the following policy statement:

It is, and has been, Philadelphia Yearly Meeting's longstanding policy to seek a total return for the investment assets held by it and entrusted to it, whether the return is to be derived from capital appreciation, earnings or distributions with respect to the capital or both. PYM has elected to, and intends to continue to be, governed by Section 5548(c) of the Pennsylvania Nonprofit Corporation Law in the determination of "income" from such assets.

Friends approved the election of a distribution rate of 4% for calendar year 2023 on PYM funds held at Friends Fiduciary and agreed to minute the policy statement.

Finance 4(b) FY 2023 Administrative Fee

The Admin Fee for this fiscal year will be below budget because of lower market values in June 2022 when the fee was calculated. It will be offset by new investment income from FY 2022 bequests.

Finance 4(c) Summary report on FY 2022 General Fund

Linell presented some unaudited General Fund highlights from the fiscal year ended September 30, 2022. Investments performed as would have been expected given the state of the markets and ended the year at 2020 levels. Total revenue was 101% of budget with Covenant contributions from monthly meetings at 96.4% of budget and the Annual Fund at 101%. Because of vacancies, staff salaries were at 89% of budget; payroll taxes and benefits were 123%. Total expenses at 109.4% of budget included significant capital expenses at Arch Street Meeting House, which were covered by the application of capital reserves.

In addition to its operating results, PYM received \$635,991 in bequests, both with and without donor restrictions. That level of bequests was well above average. Bequests are difficult to budget and there are no bequests currently expected in FY 2023.

Finance 4(d) FY 2022 Audit

PYM has changed auditors to BBD. The firm has performed PYM audits in the past and serves many Friends organizations. BBD plans field work late November with completion scheduled for January.

Friends received the Finance Committee report with gratitude.

5. Conflict of Interest disclosure forms

Joint Council featured a presentation by Rising Clerk Nikki Mosgrove on PYM's Conflict of Interest Policy and the board duties of loyalty and care. Jim said further Admin Council-related conversation can be discussed if needed. He asked that all COI forms be submitted by Monday, December 21.

6. Minute from Philadelphia Quarterly Meeting

Philadelphia Quarter approved a minute on using the term "impending climate catastrophe" in addition to the more familiar "climate change." They forwarded it for Yearly Meeting consideration. According to our practice as outlined in the Governance Handbook, the Clerks Group delegated it to Admin Council for determining next steps.

Jonathan Rhoads joined the meeting to speak about the proposed minute. The Friend reminded the Council that PYM took on climate change as a witness. He spoke of the events (fires, coral death, etc.) as significant but that polar melting and concomitant sea level rise of up to three feet as being more than simply "change." He believes that new terminology is important to raise Friends' awareness of the massive impact to inland as well as coastal communities.

Melissa Rycroft, as PYM Clerk, noted that Admin Council was the right place to bring this concern. Friends thought the Climate Witness Stewards might also consider the PQM minute. Friends thanked Jonathan Rhoads for his presentation and referred the proposed minute to the Climate Witness Stewards for their consideration.

7. Orientation to Climate Witness Stewards Charge

Christie Duncan-Tessmer shared a PowerPoint presentation on the Climate Witness Stewards charge. Christie, Jim, and Melissa met with the clerk of the Stewards to review the PYM charge point by point.

8. Standardizing Committee Terms of Service

Quaker Life Council submitted a proposed policy change, asking Admin Council to:

- standardize the terms of service (councils, committees, and granting groups) to three years,
- limit the number of consecutive terms.

Friends heard that terms of service have varied, a holdover from the old structure. Friends discussed the need for consistency in term limits across the whole of Philadelphia Yearly Meeting and the merits and liabilities of different term limits.

Friends approved a policy making three years the standard term of service and limiting the number of terms that may be served consecutively to two.

Friends also discussed possible criteria for the review and affirmation of council and committee service. Matters of non-attendance at meetings and non-participation on councils and committees should be left to the discretion of clerks.

9. Proposal to Standardize Council Term Dates

Christie reported that current term-end dates for council members are three years from their date of appointment. This proposal recommends that end dates will always occur at Annual Sessions, which is a natural transition point. Proposal:

- a) Council member term-start dates for members appointed at Annual Sessions will be August 1st and the end date will be July 31st three years later.
- b) Council member term-start dates for members appointed at Continuing Sessions will be the day the appointment is approved.
- c) The term-end date for council members appointed within the six months prior to Annual Sessions, such as those approved at Spring Continuing Sessions, will be three years from the next July 31st. This means the first term for Friends appointed in March will be 15 months long.
- d) The term-end date for council members appointed within the six months following Annual Sessions, such as those approved at Fall Continuing Sessions, will be three years from the previous July 31st. This means the first term for Friends appointed in November will be 10 months long.

Friends approved the proposal as presented.

10. The meeting adjourned with worship at 1:09 pm.

Faithfully submitted,

John Marquette