



**Philadelphia Yearly Meeting Administrative Council
Saturday, November 18, 2023
Approved Minutes**

Friends met remotely during the Philadelphia Marathon

Attending: Tom Zemaitis (Clerk), Andrew Anderson, Christie Duncan-Tessmer (General Secretary), Cecilia Filauro (PYM Executive Administrator), Kruskal Hewitt, Neil Holzman, Carter Nash, John Marquette (Recording Clerk), Linell McCurry (Chief Financial Officer), Salvador Orellana (Deputy General Secretary), Cathy Toner, Jim Waddington

Regrets: Jeanne Elberfeld, Nikki Mosgrove (Rising Clerk), Jean-Marie Prestwich-Barch (QLC Clerk), Melissa Rycroft (Presiding Clerk)

1. Welcome & Worship

The meeting opened with worship at 9:00 am.

2. Review & approval of minutes

The minutes of October 14, 2023, were approved with no additions or corrections.

John Marquette agreed to serve as recording clerk for this meeting.

3. Continuing Sessions Follow-up

Kruskal Hewitt provided an update on the discussion of the Advocacy Policy at Continuing Sessions on November 11. One concern among the Friends in session was that the policy had not been decided in the body. Kruskal reported that a meeting yet to be scheduled will, he believes, be an opportunity for Friends to understand the policy better. General Secretary Christie Duncan-Tessmer reported that since Continuing Sessions, Presiding Clerk Melissa Rycroft has been in contact with Friends interested in and concerned with the policy and Melissa will schedule that meeting.

4. Arch Street Meeting House Preservation Trust Nominations

The Trust recommended the reappointment of five current members whose terms are expiring:

**Samuel T. (Sam) Freeman,
Heath Myers,
Elizabeth H. (Lisa) Ogletree,
Lucy Strackhouse,
Jacqueline S. (Jackie) Zemaitis.**

The reappointments were approved with deep thanks for the trustees' continued service.

Clerk Tom Zemaitis reviewed the new trustee nomination, Lisa Parry Becker, a member of Solebury Meeting, Bucks Quarter. Lisa's experience includes her career at Parry Insurance and her board service with George School, Buckingham Friends School, and Pennsbury Manor.

Friends warmly approved the appointment of Lisa Parry Becker to the Arch Street Meeting House Preservation Trust.

5. Standard committee report and reporting schedule

Last month at both Quaker Life Council and Administrative Council, the General Secretary reviewed a proposed committee report format and an initial schedule for committee reports. Admin approved a reporting schedule, but it did not have unity on a format. Based on feedback, Christie presented a revised format, an abridged draft that was much shorter. Friends received the format for committee self-reporting. The reporting schedule will be communicated to the councils' committees.

A few committees and groups have a potential for reporting both to Administrative Council and Quaker Life Council. The Climate Witness Stewards may report to both. The Stewards are under the care of the Administrative Council, while QLC is responsible for our faith's witness. Governance Advisory Committee is formally under the care of both councils.

6. Election of distribution rate for calendar 2024 for funds held at Friends Fiduciary.

Former PYM treasurer Andrew Anderson is clerking Finance Committee until a new PYM treasurer is appointed. He noted that Administrative Council has an affirmative duty to adopt a distribution rate each year for PYM funds held at Friends Fiduciary. Finance recommends that PYM accept Friends Fiduciary's standard distribution rate of 4% for calendar 2024.

Finance again asked Admin to minute this language from Harry Bryans about the distribution policy:

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 be, 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 a 4% distribution rate for calendar 2024 and the statement on total return.

7. Operating Reserve Adjustment

Andrew noted PYM has an Operating Reserve to help weather any unexpected financial changes. Finance Committee reviews the Operating Reserve at fiscal year-end.

PYM's Operating Reserve Policy says the reserve is fully funded if it is between 75% and 125% of six months' worth of operating expenses of the fiscal year just ended. The policy also says that if the Operating Reserve is, and has been, at 125% of its target level for two consecutive years, and in the absence of extraordinary circumstances, the Finance Committee will recommend to Admin Council that the Reserve be reduced to 125% of its target level and the excess funds be made available for current use. At its November 2 meeting, Finance noted the two-year average of the Operating Reserve funding was 128%. Following policy, Finance recommended that the Operating Reserve be reduced to 125% of target, releasing \$98,245 to operating cash.

Friends approved the recommendation to reduce the Operating Reserve to 125% funding.

8. Informational report on PYM Administrative Fee

PYM charges its restricted-purpose funds an administrative fee based on their value at Friends Fiduciary each June 30. The fee pays for PYM's grantmaking function and the administrative costs of managing restricted monies. Andrew reported the fee calculated on June 30, 2023, is on budget. Christie said that the practice continues of taking a slightly lower fee on smaller funds as they have limited income for their intended use.

9. End of Year budget review

Linell McCurry reported on unaudited financials. In the General Fund, revenue of \$2.9 million was ahead of budget and expenses of \$2.7 million were on budget. Support from meetings reached \$1,000,000. Some meetings and quarters increased their gifts of support, for which we are grateful; some of the covenant increase is due to timing. Program fees rose because more in-person activities were possible. Grants included a gift from two Friends for last year's successful matching campaign.

Some utilities and staff expenses at Arch Street moved to the Restricted Fund, commensurate with the Shared Services Agreement and Arch Street's ability to cover their own expenses. Linell also walked through the capital budget. The budgeted amount did not include the surprise replacement of the boiler at Arch Street, which allows for the building's year-round use again. Arch Street's capital campaign has had a successful start, showing good results.

10. Personnel Committee

Personnel Committee was slated to report in November; however Cathy Toner Shared that the committee hadn't met and the work planned for November was moved to December, after Admin Council is scheduled to meet. Personnel Committee will report in a later month.

11. PYM Interim Treasurer

The Clerk noted that Thomas E.C. Barclay from Crosswicks Monthly Meeting and Burlington Quarter is open to an appointment as Interim PYM Treasurer. The new clerk of Nominating Council, George Schaefer of Abington Friends Meeting, was approved at Fall Continuing Sessions and George will bring Tom Barclay's name to Nominating Council later today.

Assuming Nominating Council approval, Admin approved the appointment of Tom Barclay as Interim PYM Treasurer with the understanding that Nominating will bring his name to March Continuing Sessions for a full three-year term ending July 31, 2027.

12. Adjourn

The next meeting of the Administrative Council will be at 9:00 am, Saturday, December 9, 2023, at the Arch Street Meeting House (in-person and hybrid).

The meeting closed with worship at 10:10 am.

Faithfully submitted,
John Marquette