

The New York Quarterly Meeting of the Religious Society of Friends
Meeting held in the Fifteenth Street Meetinghouse at 1 PM, Sunday, April 17, 2011

At the annual meeting of the corporation of The New York Quarterly Meeting of the Religious Society of Friends held in the Meetinghouse at 221 East 15th Street, New York, New York at 2 PM Sunday the 17th of April, 2011.

Having declared a quorum present, the president of the corporation, as clerk, calls the meeting to order.

Annual Report to the Meeting of the Corporation

Dear Friends,

According to the Quarterly Meeting By-Laws, the responsibilities of Trustees are to “have custody and control of the property, real and personal belonging to the corporation and revenues there from.” As Trustees we have dedicated ourselves to these responsibilities and have been constantly aware of the spiritual basis of our work. As our Faith and Practice reminds us: “...in the marketplace our strengths may be most tested and our faithfulness most treasured.”

To fulfill these tasks we have been served during the past year by these officers as required:

Clerk, Michael Schlegel
Assistant Clerk, Mary Rusnak
Recording Clerk, Linda Hill Brainard
Treasurer, Kirk Smothers
Assistant Treasurer, Jesse Petersen

Officers for the coming year will be:

Clerk, Mary Rusnak
Assistant Clerk, Michael Schlegel
Recording Clerk, Linda Hill Brainard
Treasurer, Kirk Smothers
Assistant Treasurer, Jesse Petersen

The work of Trustees has been undertaken by three subcommittees, an ad hoc committee, our General Manager and staff, and the partial committee which met once a month with several additional called meetings. As a brief review of those committees:

Finance:

The Finance Subcommittee oversees our investments with Friends Fiduciary Corporation and manages the Quarter's certificates of deposits and other short term investments. Friends Fiduciary is a non-profit Friends money management firm headquartered in Philadelphia. It operates simply and at low cost. It invests in companies that are above average corporate citizens and have been reviewed and approved under social responsibility criteria set by a volunteer board of Friends. At December 31, 2010 our investments had increased to \$16.9M, a continued recovery from the trough of \$13.3M hit in 2009. Our investments peaked at \$17 million in 2007. The amount drawn down each year from investments is based on the value of the investments over the previous three years. The total payout from investments for 2010 was \$893K. This was a decrease of \$51K from the 2009 payout. 44% of our income came from investments in 2010. Most of the rest came from the 112 Schermerhorn lease. Since the Trustees were able to renegotiate the lease at almost double the prior rent, our income from real estate is now \$852K. The Schermerhorn lease is for a term of 5 years, locking in the rent with annual increases for that period. The total amount of income from investments and real estate in 2010 was \$1.7M, as compared to \$1.5M in 2009.

Trustees have begun a process of examining the trusts for instances where funds can and should be distributed to named third parties in accordance with the intention of the original donors. Our intention is to empower the various committees of NYQM to do the work of the Quarter more efficiently. Trustees applaud the Audit and Budget Committee for the preparation of a budget in 2010 which resulted in a surplus. This stewardship insulates NYQM from the negative impact of relying on investment income during times of market volatility and weakness.

Personnel:

The Personnel Subcommittee provides supervision and continuing support to the General Manager and staff and formally evaluates the General Manager annually. All staff job descriptions have been updated and staff evaluated before salaries were determined for the coming year. We have generally been very satisfied with the performance of our personnel and especially our dedicated General Manager, Ahmet Baydur, this past year.

Property:

The Property Subcommittee shares coordinated responsibility with monthly meeting property committees for the care and plans for the future care of both Meetinghouses, 112 Schermerhorn Street, 15 Rutherford Place and the Old School Building at 15th Street. This is a committee with members from the two Monthly Meeting Property Committees. Over the past year, the committee oversaw the hiring of a consultant to do a masonry study of the condition of the three landmarked buildings at 15th Street. Using the long-range plan for the capital projects, the committee implemented a planning process for capital spending on our buildings. This plan

enables funds for large projects to be reserved and accumulated over a number of years. The committee reviewed the most urgent property needs and recommended to the Audit & Budget Committee that the allotted capital budget be used accordingly. A subsidized energy audit of the three landmark 15 Rutherford Place buildings is still pending. The subcommittee will soon look at a similar energy audit for the Brooklyn Meetinghouse.

An ad hoc committee of the Trustees with members from 15th Street Property Committee, Audit & Budget Committee and Friends Seminary produced a Space Use Survey to determine exclusive and shared area usage between Friends Seminary and Quarterly Meeting. This survey will be shared with all the groups who have representation in the ad hoc committee.

Quarterly Meeting Office:

The day to day work of the Quarterly Meeting is supervised by our General Manager, Ahmet Baydur and performed by our office and maintenance staff. In our office are: Marty van Ord, Plant Manager, overseeing building maintenance and custodians, Carol Summar, Program Coordinator, assisting the General Manager, scheduling the Meetinghouses and answering inquiries and Melissa Springs, Accounts Administrator. Our buildings are rented and used on a long and short term basis by community and Quaker groups who pay a share of the costs of the buildings based on their use. This year a number of security issues are addressed by the Quarterly Meeting office with the participation of Friends Seminary staff.

Trustees Meetings:

Trustees met monthly, alternating between Brooklyn and Fifteenth Street Monthly Meetings. Through silence and listening we sought to follow the process and spirit of Friends in seeking unity for our decisions. We heard and discussed monthly reports from the General Manager, including financial reports. At some meetings we were joined by other Friends including members of Nominating Committee, Audit and Budget Committee, the Cemetery Committee, the School Committees, 15th Street Property Committee [regarding renovations to the Meetinghouse] as well as individual Friends.

Incorporation of the Schools:

In 2008, Quarterly Meeting Trustees submitted a minute to the meeting initiating the process of incorporation of the schools. In 2009, Brooklyn Friends School received approval from NYQM to incorporate and the school is currently incorporated. In 2010, property was transferred to BFS. For many years Trustees have recommended that Friends Seminary also be incorporated and that space arrangements with NYQM be renegotiated. As the school has increased in size and the complexity of operating a 21st century school has increased, liabilities associated with its business pose a substantial risk to NYQM's other assets. In 2010, the 15th Street Property Group was approved by NYQM as an ad hoc committee to address these property issues. Trustees would like to see a final agreement on the incorporation of Friends Seminary in 2011.

Governance Committee:

In 2010, Trustees proposed the formation of an ad hoc committee to study governance documents and recommend changes to rectify contradictions while enabling NYQM to operate in accord with both Friends Faith and Practice and the laws of New York. This committee was set up, had numerous meetings and will submit its own report. Lack of clarity on real estate issues hampered the process of repairing the Seeger Trusses at Friends Seminary in 2010.

Friends Seminary:

Trustees spent the bulk of their time this year on the Seeger Trusses and the refinancing of the school's debt. These issues were covered more fully in an interim report submitted to NYQM in January 2011.

Nomination of Trustees:

We have no nominations from the New York Quarterly Meeting to serve on trustees as we are in the enviable position of having a full slate of trustees.

In Friendship, Ben Warnke, Linda Hill Brainard, Jesse Petersen, Diane Keefe, Lucy Sykes, Ben Frisch, Molly Rusnak, Michael Schlegel, and Kirk Smothers

Michael Schlegel

Clerk of Trustees