

## ILYM Finance Committee Report

June 18, 2010

The Finance Committee had an emotional year. In November, we celebrated the life and mourned the loss of Nancee Miller, who is always in our hearts. And now, we rejoice in the birth of Sam, Margie's baby who was born last Saturday. We have always felt very close as a committee and as Friends.

1. Finance Committee is pleased to announce that two-click electronic donations can now be made to ILYM using a new PayPal button on our web site at [ilym.org](http://ilym.org). ILYM keeps only 97% of PayPal donation amounts, so we hope that regular contributors will continue to send checks or use their online banking Bill Pay service, which lets ILYM put 100% of the donation to work. But we hope that the added convenience of a web site button will encourage new or infrequent donors to support the yearly meeting
2. Finance Committee thanks Committees for providing budgets in a timely manner this year.
3. With the Stewards and other committees Finance Committee developed a master list of what is in our safety deposit box at the bank in McNabb, and a guide for the types of documents to be put there in future years, as well as who maintains copies. The guide will also serve as a renewal timeline for items like insurance policies.
4. The committee has asked two Friends to do an informal audit of our books. This is planned for October, 2010.
5. This past year Finance Committee realized that as a yearly meeting, we have not fully used the Review Committee that was approved at 2007 sessions. As often happens, three committees went more than 10% over their budgets during this fiscal year. Finance Committee reminds Friends that when a committee expects to go over budget, it must be seasoned by the Review Committee or the Finance Committee before the expenditure is made.

Additionally, the Finance Committee is asking the Review Committee to add two queries when considering unbudgeted expenses pertaining to the buildings and grounds. The new complete description, if approved, will be as follows:

### Review Committee.

Under the care of the Finance Committee, a Review Committee will be appointed each year to enable ILYM to make immediate and sound fiscal decisions between annual sessions. Friends may approach the Review Committee when a committee or individual with specific responsibilities finds opportunities that will require expenditures that will exceed the budgeted amount by 10% or \$5,000 which ever is lower. The committee will consist of three members - two who are very familiar with ILYM finances, like the Clerk

of Finance Committee and Treasurer; and one who is very familiar with all committee charges and ILYM initiatives, like the Presiding Clerk, Assistant Clerk or perhaps the Recording Clerk of ILYM. The members of the committee should be generally accessible - able to meet via conference call because some decisions will need to be made quickly. They may use these queries: Can the yearly meeting afford the additional expense? Is this in keeping with the charge given to the requesting committee or individual at annual sessions? Is there other relevant information that should be considered? If an unexpected opportunity or expense has become apparent related to the yearly meeting's real property (land, buildings, equipment), the committee may also consider the following additional queries. Is this work fulfilling a part of our vision toward the future of our site or is it maintenance (repair or replacement) to our existing buildings and grounds? If this expense is part of the new vision, does it fit within the restrictions and expectations of the donors to the Property Improvement Fund?

6. The 2010-11 members of the Review Committee are: Dawn Amos, David Finke, Sandy Huntley. You may contact any one of these Friends by phone, email or any other means. They are available and prepared to act quickly.

7. This year was an extraordinary year. We purchased the new property and with great enthusiasm the Stewards jumped into restoring the house and cleaning up the property. There was much to be done in the building and on the property. The amount of work that was done has been described in other reports and it should be noted that our costs in the restoration were considerably lower because of all the volunteer work done by the Stewards, Clear Creek Monthly Meeting, Maintenance and Planning, and Environmental Concerns Committee.

The Finance Committee has been reviewing the year and considering what happened financially. Our entire Property Improvement Fund -- and more -- was consumed by the restoration and clean up work. The Finance Committee recognizes that this was an unusual year but still has concern about the process as it unfolded. We reviewed what we can take forward from this experience. There are two actions for which we ask approval.

The Property Improvement Fund was set up several years ago as a restricted fund for improvements on the campus starting with the restoration of the meetinghouse after termite damage. Most of the contributions to this fund have come from individuals. At this point, there is a negative balance in this account. If at the end of the fiscal year (June 30), the balance is still negative the Finance Committee has approved transferring money from our Special Gifts Fund to bring the Property Improvement Fund to zero. The future development of our campus will come from this fund, as it is replenished.

In order to complete the work, the Maintenance and Planning Committee used funds from the Property Improvement Fund to restore the building and clean up the grounds. However, starting in FY2011, the Maintenance and Planning Committee will again have oversight of the Property Improvement Fund and will carefully review its use as a fund restricted by the donors for development of a building plan for our joint future here in McNabb.

The role of the Maintenance and Planning Committee is to repair, replace and maintain our entire site. The Yearly Meeting has designated the Deferred Maintenance Fund for this use. In order to be proactive in FY2011, Finance Committee recommends that Maintenance and Planning Committee identify a list of projects that is prioritized and includes anticipated costs the total of which if exceeded would need review. The list of projects needs to be approved by the yearly meeting at annual sessions. The Finance Committee recommends that Continuing Committee be authorized to approve some projects that the Maintenance and Planning Committee hasn't identified during these sessions for this fiscal year. The priority list would not include emergency repairs and repairs related to safety that cannot always be identified ahead of time.

When Maintenance and Planning Committee (or Site Envisioning or the Stewards) ask the Treasurers if funds can be made available for items that are not part of the prioritized spending plans, or are over the approved maximum, the Treasurers will refer them to the Review Committee for discernment.

The Finance Committee is ever mindful that our role is to manage and educate the meeting about our fiscal practices. We are not charged with making decisions about what expenditures are to be made. We are looking for a guide our Treasurers can follow when approving bills and making payments.

8. The Finance Committee thanks Maintenance and Planning Committee and the Stewards for their work with a consultant this year to generate a Capital Asset Management Plan referred to in other committee reports. This plan is very critical to our budgeting, saving and fund-raising processes. We have long had a serious concern that committees are forced to be reactive in their spending, rather than pro-actively planning for the long-term and short-term needs of our entire campus. Finance Committee looks forward to FY2012 and being able to present to the yearly meeting a coordinated and integrated budget for our buildings and grounds based on the CAMP report alongside all of our other yearly meeting operating expenditures.

- Judy Jager, clerk