

Notes on the Revised 2020 NYYM Budget Financial Services Committee Report to Spring Sessions 2020
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Background

At Summer Sessions 2018, the YM expressed its support for creating new staff support to work with children, youth, and young adults. The original proposal for this staff support followed the ARCH model and included creating a new full-time staff position as well as five part-time positions. Crafting a budget that includes this staff support has proven to be a longer process than originally anticipated because the YM's limited financial resources have required making choices among the many good things the YM wants to support. Therefore, Financial Services Committee (FSC) has had to take gradual steps towards the goal. At Summer Sessions 2019, the Young Adult Field Secretary Task Group was formed to assist with the process. This task group developed a list of recommended sources of income for the new position, some of which were incorporated into the budget approved at Fall Sessions.

Because the plan developed by the task group included redirecting significant funds away from other programming, there was not time before Fall Sessions 2019 to fully season these suggestions and ensure the choices being made truly reflected the priorities of the YM. **Therefore, FSC presented, and the YM approved, a budget that provided funding for seven months of interim staff support for youth and young adults (Y/YA) and twelve months of all other expenses.** This allowed the current interim secretary to continue her work and was a first step towards full funding of the children, youth, and young adult staff support. FSC promised to continue working towards the goal of full support and to bring a revised budget back to Spring Sessions.

Where we are now

2019 ended with a larger than anticipated surplus. This was due to a number of things including expenses that were not paid in 2019, but will be in 2020, additional fundraising by ARCH, and an unexpectedly large refund check from one of NYYM's insurance companies. The result of this surplus is that FSC has been able to draft a revised 2020 budget that continues the current interim staff support for Y/YA for a full twelve months without having to make any of the other proposed changes, such as drawing down unrestricted trust fund principal, or using income from the Meeting House Fund, Lindley Murray Trust Fund, and the funds currently designated by the YM for witness programs and committees. **Therefore, the revised 2020 budget included with this advance report does not require redirecting any sources of income, besides those that were included in the budget that was approved at Fall Sessions.** Further details about this budget are included below.

FSC is recommending approval of this revised 2020 budget.

Going forward

In addition to developing this revised 2020 budget, **FSC has started developing a 2021 budget that includes funds to hire full time children, youth, and young adult staff support (C/Y/YA).** This is still not the level of support proposed in 2018 but it is another step in that direction. The 2021 budget will utilize the rest of the 2019 surplus and makes some assumptions about increased fundraising and covenant donations to support the full time position. This budget will be further refined, with the aim of having it ready for presentation at Fall Sessions 2020. This is an initial step toward a better budgeting process.

The overarching goal is to fund full-time staff support for C/Y/YA for at least three years. Because the 2019 surplus will be used up by the end of 2021, in order to commit to hiring a full-time position for three years, the YM will need to increase fundraising and/or revisit the suggestions of the task group for the 2022 and 2023 budgets. **I.e., the 2019 surplus, by itself, is not enough to allow the YM to meet its goal of supporting children, youth, and young adults with full-time staff support for at least three years.** Additional resources will be needed. **There is a path forward to meet this goal. But, it will take an increased commitment from the YM regarding fundraising and an ongoing conversation about choices and priorities.** This conversation will continue throughout 2020 with the hope that the additional resources needed for 2022 and 2023, including a better idea of fundraising potential, will be clarified before the 2021 budget is presented at Fall Sessions.

FSC will be meeting at Spring Sessions to discuss the process we will use to refine the 2021 budget and start drafting a 2022 budget. We hope to be able to present more specific information on this topic at the business session following our committee meeting. **All are welcome to join us.**

Notes on the revised 2020 budget

INCOME

1. The amount of the Operating Surplus being used increases from \$19,000 to \$35,660. This line can be found under “Additional Income” on the first page.

EXPENSES

1. Funding for the Interim YA Coordinator increases from \$20,000 for seven months to \$35,000 for the twelve months of 2020.
2. Rent and Utilities at the 15th Street office increases \$499 based on the actual costs in a new 3-year lease.
3. Consultants – a total of \$15,000 is being budgeted and will be used in the three listed categories: “Documented Procedures (SOP [Standard Operating Procedures]),” “Outreach Related,” and “Other.” The Documented Procedures work began in 2019 and has been covered by administrative funds that the Trustees provided for this purpose and that were received in 2019. The unused portion of these administrative funds is part of the 2019 surplus, which is being used to cover the 2020 work.
4. Bookkeeping increases \$800 due to additional services from ADP, our payroll service.
5. Contributions to Other Organizations – this operating budget does not include funding that goes to outside organizations from other sources of income such as the Sharing Fund, the Lindley Murray Fund, and designated trust funds. Those funds will continue to be distributed as they have been in the past.