**ANNUAL REPORT - PROGRAM YEAR 2023**

**THE TRUSTEES OF BALTIMORE YEARLY MEETING**

**Summary:** The Trustees carry out the legal responsibilities of Baltimore Yearly Meeting (BYM). Our responsibilities include overseeing BYM’s financial health and resources and administering BYM’s fiduciary obligation to preserve and grow BYM’s assets. We invest in a portfolio of marketable securities that reflect the Spirit-led interests of the Yearly Meeting. We oversee the audit of our financial statements and monitor our insurance needs and policies. The Trustees are guided by the testimonies of the Religious Society of Friends.

The Trustees’ Annual Report covers the 2023 Program Year from last year’s Annual Sessions to the 2023 Annual Session. During the year, BYM has embarked on a strategic assessment of opportunities and resources. Staff has been repositioning for our camping and other programs. We believe this will continue to strengthen relationships within the BYM community.

The Trustees of BYM believe the Yearly Meeting is in good financial condition. Reduced political instability and a strengthening stock market have stabilized the value of BYM’s investment portfolio. Our monthly meetings and membership continue their generous financial support for BYM’s programs. The Yearly Meeting has the leadership and financial resources to undertake the important work ahead of us. Improved reporting for the camps and other programs will simplify the audit process. BYM’s repricing of fees also will allow for greater participation by and equity for attendees at BYM’s events.

The Trustees have successfully completed negotiating a 40-year lease agreement with the Rolling Ridge Conservancy to move the BYM camp from the Opequon site to a new site on the Rolling Ridge property in West Virginia. The lease agreement was executed on July 28 and will go into effect on August 14, just after the end of this year’s Annual Session.

**Members:** Two BYM officers serve ex-officio on the Trustees - Steph Bean (Presiding Clerk) and Jim Riley (Treasurer). Seven other Trustees were nominated and approved by the BYM membership - Marion Ballard (Bethesda), Dante Bucci (FMW), Tom Farquhar (Sandy Spring), Rich Liversidge (Sandy Spring), Byron Sandford (FMW), Katy Schutz (Charlottesville), and Rich Thayer (Stony Run). Rich Liversidge serves as Clerk of the Trustees and Dante Bucci is the Recording Clerk. Marion Ballard is Clerk of our Investment Committee. We still meet via Zoom, now once every other month. Our meetings are reduced from 2021 and 2022, reflecting our view that BYM is in good financial condition with good program management.

Byron Sandford and Katy Schutz are stepping down from the Trustees, and we will miss them. But this also is an opportunity for others to step forward and serve BYM in the role.

**Financial Condition of BYM:**  A core responsibility of the Trustees is monitoring the Yearly Meeting’s financial condition. BYM’s financial condition is strong, as reflected in our year-end financial statements. A strong financial base means the Yearly Meeting can continue its program restructuring and building for the future. In recent years, the generosity of Camping Program supporters and grant support from Federal and County governments have helped us weather setbacks during the Covid lockdown and recovery. More recently, a restructuring of fee structures for the Camping Program and Annual Sessions has supported increased participation while covering costs.

**BYM’s Investment Portfolio:**  The Investment Committee of the Trustees oversees BYM’s investments in a balanced fund of the Friends Fiduciary Corporation (FFC) (75%) and a specifically structured portfolios of mutual funds managed by Morgan Stanley Wealth Management (MSWM) (25%). The Morgan Stanley mutual funds provide a mix of large-cap, small-cap, emerging markets, and international investments. Both investment managers follow Socially Responsible Investment (SRI) and Environmental, Social and Governmental (ESG) procedures. BYM’s own Investment Policy Statement was updated in 2021.

BYM’s investment portfolio has recovered from reduced market values in mid-2020 (during the Covid lockdown). Price volatility returned during the spring of 2023 with greater political instability. These are the market values of BYM’s total portfolio at recent points in time:

* June 30, 2023 - $2.0 million
* June 30, 2022 - $1.8 million
* June 30, 2021 - $1.8 million
* June 30, 2020 - $1.3 million

**BYM’s Reserves:** The Trustees monitor BYM’s Unrestricted Reserves to assure the availability of funds for program purposes. This helps protect the Yearly Meeting’s financial condition. We set aside an amount equal to 25% of BYM’s budgeted operating costs for various contingencies, such as drops in reductions in program revenues, investment market values, and unforeseen risks. The 2023 Reserves holdback was $623,517. The projected 2024 holdback, based on the proposed 2024 operating budget, will be $ 792,900.

**Audit of BYM’s Financial Statements:** Our auditors are expected to complete their audit of BYM’s financial statements soon. When final, the audit will be included in BYM’s Yearbook.

**Insurance Coverage.** The Trustees and the General Secretary periodically review the insurances carried by BYM for its assets, staff, and programs. This is addressed periodically.

**Youth Safety Policy (YSP):**  The Youth Safety Policy Working Group is under the care of the Trustees. The Working Group continues to season broadening the scope of BYM’s youth safety policy to include any intentional emotional, physical, or sexual abuse of our youth. When ready, recommendations are brought forward to the Trustees, and then to the Yearly Meeting.

**Friends Burial Grounds:** Trustee Tom Farquhar has continued the work of identifying and tending burial ground properties under our care. Ownership of many reverted to BYM when meetings were laid down. Progress continues for several of these properties as the maintenance and repair needs and the clarity of ownership are addressed.

**Liaison Activities:** Trustees liaise with certain other committees. These include the Camp Property (Katy Schutz) and Development (Marion Ballard) Committees.

As of July 28, 2023