

The primary job of the Finance Committee is to oversee the Yearly Meeting's finances and to propose budgets for future years. Projecting future income and expenses was complicated by COVID, but for the first couple of years our expenses and income were approximately equal. Unfortunately, last year's actual results had a significant deficit; combined with a decline in the value of our investments, this meant our reserves fell well below the 25% of annual expenses specified in our policy. The Treasurer's report explains the many reasons for this shortfall.

We followed our usual procedure of appointing a budget subcommittee which met several times in early 2023 to come up with a draft budget for fiscal year 2024, which was then approved by the Finance Committee and passed on to Permanent Board for their comments. The budget that we developed is an austerity budget, and cuts expenses in several areas. However, the budget cut that we liked the least reduced the amount of donations to other organizations to zero for one year. Permanent Board was even less happy about this decision than we had been and suggested that we find alternatives. The Budget Subcommittee and Finance Committee seriously considered a number of possibilities, but eventually decided to make no change to the proposed budget. The reasons for our choices are explained in a separate Budget Commentary document.

Specialized endowed funds of the Yearly Meeting are invested in the NEYM Pooled Funds. Over the years income from the Pooled Funds was inconsistently credited to these funds. The former treasurer Shearman Taber, the current treasurer Bob Murray, and the accounts manager Frederick Martin have been working for years on an NEYM Funds Recalculation Project to determine the amounts that should have been credited and to correct the balances in these funds. This project was completed this year, and the Finance Committee reviewed and approved the recalculation, passing it on to the Permanent Board for final approval. The Treasurer's Report will discuss more of the details of this project.

For several years the Finance Committee, the Treasurer, and the Accounts Manager have been planning for a review/audit of the NEYM finances. The last few budgets have set aside money to pay for this review. With the Funds Recalculation Project complete we decided that it was time to put out a Request for Proposals to several CPAs or accounting firms, inviting them to apply for this job. We hope to work with an accounting firm based in New England with experience working with churches. A committee consisting of Tom Corindia (clerk), Kathleen Wooten (recording clerk), and Noah Merrill will review these proposals, with help from Frederick Martin (accounts manager). They will recommend a CPA or firm to the Finance Committee. Finance Committee will select a CPA or firm and recommend them to the Permanent Board for final approval.