

## Pacific Yearly Meeting Holding Corporation's

### Report to PYM's 3/2011 Representative Committee

Pacific Yearly Meeting Holding Corporation is a section 501(c)(2) non-profit corporation. While (c)(3) non-profits are as common as pigeons in parks, (c)(2) non-profits are rarely encountered. In Internal Revenue Service parlance, a religious holding corporation is a "fully integrated church auxiliary" where "fully integrated" means integral, "auxiliary" means adjunct and "church" means a congregation united by faith or belief. In keeping therewith, PYM Holding Corporation is separate from but essential to the right functioning of Pacific Yearly Meeting.

PYM Holding Corporation is a corporate fiduciary whose job is to hold title to real property and other assets for Pacific Yearly Meeting and its associated Monthly Meetings. Thus corporation members must take their fiduciary responsibilities seriously. At this time, in addition to holding cash and stock for two Monthly Meetings, PYM Holding Corporation is responsible for holding *and disbursing* the proceeds received as a result of laying down San Fernando Valley Meeting and selling its Meetinghouse.

From that late 1996 sale, Friends received cash plus a 20-year note for \$105,000 with a robust 9% interest rate. For the first 10 years, these proceeds could only be spent to help Pacific Yearly Meeting obtain a permanent site. To this end, over a decade ago \$25,000 was distributed to PFOS – Pacific Friends Outreach Society. With Pacific Yearly Meeting's failure come to unity upon the PFOS/*Quaker Oaks* Visalia site or obtain a different permanent site, on Halloween of 2006 those proceeds became available to help PYM's Monthly Meetings acquire Meetinghouses.

During 2009, PYM Holding Corporation gave \$50,000 to San Diego Monthly Meeting to support its participation in the construction of the San Diego Friends Center, a just under 7,000 square foot building within the City of San Diego, which unites San Diego Monthly Meeting, San Diego Church of the Brethren, the San Diego Peace

Resource Center, and the San Diego Area Program of the American Friends Service Committee (AFSC) as partners in the building.

At PYM's 2010 annual gathering, PYM Holding Corporation granted \$50,000 to Chico Friends Meeting for its new Meetinghouse, and committed to give Inland Valley Friends Meeting a like sum if its settles upon a site this year. If not, Inland Valley is expected to re-apply for funding.

Including the \$50,000 which is likely to be distributed to Inland Valley, as of yesterday the remaining proceeds consists of \$136,804 in a bank account and the further \$53,501 that remains due on the 9% note. The note is currently four months behind, which is two months more than has been usual for the Church which purchased the former San Fernando Valley Meetinghouse. Early in January 2011, all funds held by PYM Holding Corporation were moved to an FDIC insured bank which pays a much higher interest rate than previously received.

Requests for funds to help a Monthly Meeting, Preparative Meeting or Worship Group acquire a new Meetinghouse, which should explain the Meeting's acquisition or construction plan, its available funds and anticipated fundraising, anticipated costs, and amount requested should be emailed to this writer ([landbird@comcast.net](mailto:landbird@comcast.net)) prior to Pacific Yearly Meeting's 2011 annual gathering.

Faithfully,

Lanny Jay  
Clerk of PYMHC  
3/5/11