

Orlando Monthly Meeting  
Meeting for Business Minutes 2-14-  
2016

Clerk, Stephanie Preston, opened the meeting.

Assistant Clerk, Liz Jenkins, read "Quaker Process in Meeting for Worship with Attention to Business."  
(Attached)

Friends settled into worshipful, attentive silence.

First Month minutes are approved as read with one change to the attachment to Minute 1-2016.3

*Membership Report*

In the manner of Friends, a second consideration is given to the membership application of Steve Phelan.

**2-2016.1 We joyfully approve the Clearness Committee's recommendation Steve Phelan be accepted into membership in Orlando Monthly Meeting.**

Member Frances Stacey is leaving Orlando Monthly Meeting and moving to England.

**2-2016.2. Minute of Appreciation for Frances Stacey: Orlando Monthly Meeting unites to express our appreciation of Frances Stacey:**

Frances has served to strengthen our Meeting through her devotion to Communications Committee, to Worship and Ministry Committee and as a Trustee among many other undertakings. Her initiative, enthusiasm and generosity of time and talent have been a great gift to our Meeting, encouraging us in outreach to the wider Orlando community and helping us explore new technological tools and possibilities within our Quaker worship and fellowship community.

The experience and depth Frances has brought us as one seasoned and educated in Quaker life have enriched and nourished the spiritual life of our Meeting. It is with both joy and sorrow that we wish her well as she continues her own spiritual and life journey in England.

*Treasurer's Report*

Tom Gottshalk, OMM Treasurer, offered the second consideration of the proposed "2016 OMM Budget" as first presented at Meeting for Business in January.

**2-2016.3 Friends request a transfer of \$56,225 in funds from the Trustees' account (Incorporated Trustees of the Orlando Religious Society of Friends) to the Orlando Monthly Meeting General Fund.**

It was noted \$10,000 was transferred from the Trustees to the Meeting.

**2-2016.4 Friends gave final approval to the 2016 budget as amended. Line items 8350 - Faith in Florida, 7300 -Homeless Ministry, -8330 Scholarship were modified. (Attached)**

*Communications*

In the hope of sharing accurately and timely information concerning the use of the meetinghouse and Webster Cottage, the clerk requested friends to seek unity on a centralized calendar for Meeting events and hospitality. The following motion was approved.

**2-2016.5 Three Friends will manage an online, centralized property use calendar: Meeting Clerk, Property Clerk, and Property Manager. All members will have read-only access to the calendar to be informed.**

A question regarding the water purity in Webster Cottage was discussed. Property Manager Bil Meeler responded that the water's taste is affected by the old, iron pipes. There is no problem with the purity of the water. However, cold water should be run for a brief time before usage. Then, palatability will improve.

*Worship and Ministry / Hospitality*

**2-2016.6 Friends approved the second consideration of the FAQ sheet for first-time visitors, as amended. (Attached)**

*Worship and Ministry*

Vicki Carlie explained the choice of the four queries selected to represent the meeting's activity over the past year. The responses, the "State of the Meeting Report," will be included in the SEYM record.

**2-2016.7 Friends approve the OMM "State of the Meeting Report" for SEYM Yearly Business Meeting. Vicki Carlie will make a suggested change. Friends thank Vicki Carlie, Bill Carlie and committee for preparing this annual report to SEYM.**

*Trustees*

Chris Laning, Trustees, reported the Schwab One change of account value for December 2015 and the 12-month account value performance report. (On file) The Trustees treasurer shared the "Trustees Bank Account" FYE 2015. (Attachments)

Frances Stacey gave the Cisney House report. She distributed the Property Condition Assessment Report Update for 2015. Included is "Estimated Costs and Immediate Needs and Capital Needs," and estimated repair budget as of March 2016. Repairs considered either urgent or optional were noted. As an example, water pipe replacement can be immediate while replacement of fixtures can be made at a later date.

The "Cisney House Estimated Budget, March 2016" was reviewed. Ray Jenkins offered a better understanding of Cisney House needs could be reached in March. (Attached)

"Cisney House as Investment" report and possible return on investment scenarios need further study. Members believe there is a large amount of information and data regarding the status of the Cisney House. For proper discernment, a called meeting is necessary.

**2-2016.8. The Trustees will hold a called meeting on March 20, 2016, regarding the direction of the Cisney House investment and budget. Information and data are to be shared with OMM members before said meeting.**

*Nominating Committee*

The Nominating Committee recommended the appointment of Kate Joseph to the Hospitality Committee and Ray Jenkins as a member of Property Committee. These two committees will subsequently choose their respective clerks.

**2-2016.9 Nominating Committee report for February 2016 is approved.**

**2-2016.10 Friends agreed the meeting clerk will compose a "letter of introduction" for Ed Lesnick and Kay Lesnick, who will attend the "Workers' Voice Tour," a rally of the Coalition of Immokalee Workers in Palm Beach, Florida, March 12.**

The Recording Clerk read the numbered minutes. The meeting ended in silent worship.

Members, attenders and visitors present for all or part of the meeting:

Stephanie Preston, Clerk	Minerva Glidden
Liz Jenkins, Assistant Clerk	Ray Jenkins
Ed Lesnick, Recording Clerk	Robin Sibley
Chris Laning	Bil Meeler
Gary Evans	Kate Joseph
Tom Gottshalk	Vicki Carlie
Frances Stacey	Bill Carlie
Greg Allen-Anderson	

Respectfully submitted, Ed Lesnick

Rev. 2-22-2016

### **Quaker Process in Meeting for Worship with Attention to Business**

In the consideration of business, Friends seek the sense of the meeting, a spiritual process of corporate discernment in the Light. Pursuit of the sense of the meeting as we try to reach a decision requires us to exercise openness, sensitivity, and tenderness to one another. Quaker process fosters wisdom and a spirit of forbearance and love.

Friends are called upon to:

- Begin with centering worship.
- Listen to all messages with openness, receive them in worship, and allow for silence between them.
- Respond to the heart of the message, not to the messenger.
- Wait for recognition from the clerk before speaking.
- Speak, as standard practice, to the clerk, not to individual Friends.
- Speak only once to a given issue unless it is clear that more is appropriate; then allow all present to speak before seeking to speak a second time.
- Avoid interrupting or engaging in side conversations.
- Take time to consult with your Inward Teacher before speaking.
- Avoid inappropriate emotional attachment to one's own opinion.
- Consider introducing potentially contentious ideas and expressing deep convictions by means of queries rather than statements.
- Call for silence (anyone can do this) to re-center in a spirit of worship.
- Defer a decision if there is not clearness.
- Trust the process to work and leave the outcome to Spirit.
- Close with centering worship.

# OMM TREASURER'S REPORT Proposed Budget For for 2016 Rev. 1

Chart of Accounts	2015 ACTUAL		2015 BUDGET	2016 Proposal
<b>REVENUE</b>				
5100 Support Gifts	\$ 7,458.38	67.80%	\$ 11,000.00	\$ 9,000.00
5200 Reimbursement/Use of MH	\$ 4,125.00	158.65%	\$ 2,600.00	\$ 4,125.00
5500 Trustee transfers, yearly	\$ 49,350.00	100.00%	\$ 49,350.00	\$ 49,350.00
5600 Trustee transfers, Grants	\$ 10,000.00	100.00%	\$ 10,000.00	\$ 15,875.00
5700 Trustee transfers, Property	\$ 1,000.00	100.00%	\$ 1,000.00	\$ 1,000.00
Trustee transfers, reimbursement			\$ -	
5800 Reserves allocated to budget	\$ 7,638.28		\$ 7,500.00	\$ 7,050.00

<b>TOTAL REVENUE</b>	\$	<b>79,571.66</b>	97.69%	\$	<b>81,450.00</b>	\$	<b>86,400.00</b>
<b>OPERATING EXPENSES</b>							
Repairs & Maintenance	\$	17,882.77	105.19%	\$	17,000.00	\$	8,000.00
Housekeeping	\$	1,800.00	100.00%	\$	1,800.00	\$	1,800.00
Pest Control	\$	1,943.00	121.44%	\$	1,600.00	\$	2,000.00
Grounds Care	\$	5,959.00	270.86%	\$	2,200.00	\$	2,600.00
Utilities, MH	\$	2,842.90	123.60%	\$	2,300.00	\$	2,800.00
Insurance	\$	3,977.08	101.98%	\$	3,900.00	\$	4,000.00
Utilities, WC	\$	818.23	68.19%	\$	1,200.00	\$	1,200.00
Taxes, City Services	\$	1,252.29	100.18%	\$	1,250.00	\$	1,300.00
Professional fees	\$	657.70	43.85%	\$	1,500.00	\$	900.00
Property Agent	\$	10,000.00	111.11%	\$	9,000.00	\$	12,000.00
Other Property Expense	\$	543.78	181.26%	\$	300.00	\$	500.00
<b>TOTAL OPERATING EXPENSES</b>	\$	<b>47,676.75</b>	113.38%	\$	<b>42,050.00</b>	\$	<b>37,100.00</b>
						\$	-
Bank Service Charges	\$	50.00	66.67%	\$	75.00	\$	75.00
Phone	\$	469.27	97.76%	\$	480.00	\$	500.00
Treasurer's expenses	\$	347.04	588.20%	\$	59.00	\$	550.00
Outreach & Adult Ed.	\$	-	0.00%	\$	105.00	\$	105.00
Fellowship & Hospitality	\$	360.93	120.31%	\$	300.00	\$	400.00
Library & Subscriptions	\$	249.00	166.00%	\$	150.00	\$	250.00
Archives	\$	-	0.00%	\$	50.00	\$	50.00
Communications	\$	100.00	25.00%	\$	400.00	\$	400.00
Travel	\$	1,495.08	74.75%	\$	2,000.00	\$	2,000.00
Travel for SEYM	\$	444.00	22.20%	\$	2,000.00	\$	2,000.00
Care & Community	\$	150.00	15.00%	\$	1,000.00	\$	1,000.00
Peace & Social Concerns	\$	-	0.00%	\$	100.00	\$	100.00

<b>EXPENSES</b>	SEYM Field Secretary for Earthcare				\$	1,250.00
6010	First Day School	\$	2,478.00	88.50%	\$	2,800.00 \$ 3,000.00
6040	SEYM	\$	4,911.00	100.00%	\$	4,911.00 \$ 4,911.00
6045	Worship & Ministry			0.00%	\$	200.00 \$
6050						250.00
6090	Other expenses	\$	25.00	8.33%	\$	300.00 \$
6100						300.00
6110						
6120						
6150						
6160						
6500						
6060						
6070						
6155						
7030						
7050						
7070						
7080						
7090						
7100						
7110						
7150						
7170						
7200						
7210						
7220						
7230						
7500						
	<b>TOTAL ACTIVITIES</b>	\$	<b>11,079.32</b>	74.21%	\$	<b>14,930.00 \$ 17,141.00</b>
	<b>CHARITABLE ACTIVITIES</b>					
7300	Homeless Ministry	\$	577.77	18.06%	\$	3,200.00 \$ 4,000.00
7400	Special Ministry Projects	\$	3,707.33		\$	3,000.00 \$ 5,000.00
8240	Meeting Projects	\$	80.00	29.63%	\$	270.00 \$ 190.00
8330	Scholarships	\$	986.00	98.60%	\$	1,000.00 \$ 1,500.00
8350	Faith in Florida membership dues	\$	1,000.00	100.00%	\$	1,000.00 \$ 1,000.00
8500	Donations	\$	900.00	90.00%	\$	1,000.00 \$ 1,000.00
8600	Grants	\$	9,625.00	91.67%	\$	10,500.00 \$ 15,875.00
9000	Pendel Hill S.F. Award	\$	600.00	8.00%	\$	7,500.00 \$ 6,900.00
	<b>TOTAL CHARITABLE ACTIVITIES</b>	\$	<b>17,476.10</b>	63.62%	\$	<b>27,470.00 \$ 35,465.00</b>

TOTAL EXPENSES \$ 76,232.17 90.27% \$ 84,450.00 \$ 89,706.00

### General Fund 2016 Budget Proposal

Revenue	\$86,400.00
Expenses	\$89,706.00
2016 Proposed Requested Funds	\$66,225.00
Received from Trustees for 2016	\$10,000.00
Funds Requested for 2016	\$56,225.00
Uncashed 2015 Grant check	\$875.00

### General Fund Assets AS of 2/11/16

Checking Acct. Reserves Bal.	\$13,735.83
Savings Account	\$30,063.31
TOTAL	\$43,799.14

### PENDLE HILL SCHOLARSHIP FUND

Beginning Balance	\$ 7,500.00
Awards	\$ 600.00
Ending Balance	\$ 6,900.00
Reserves in Checking (#9000)	

Proposed by Tom S. Gottshalk, Treasurer  
Orlando Monthly Meeting of the Religious  
Society of Friends, Inc.

February 14, 2016

## Orlando Quakers

### 1. What is silent worship in a Quaker Meeting?

Silent worship in a Quaker meeting is an opportunity for worshippers to center down quietly and open themselves directly to spiritual guidance without the intermediary of an appointed minister or a prearranged program. A meeting for worship in which the whole time is spent in silence can be a sacred experience.

### 2. Who are the people speaking and what is vocal ministry?

The people speaking are those who sense an inward message during the meeting for worship that may minister to the spiritual needs of the community of worshippers. Ideally, the speaker is delivering a message that was delivered to them in the silence and have sat with the message long enough to be confident



that their vocal ministry is truly meant to break the silence. Other worshippers let the message settle into their hearts in silence for some time after someone has been gifted with vocal ministry.

### **3. How do we know when silent worship has ended?**

When the clerk of the meeting or other designated person shakes hands with the next person, this signifies that the period of silent worship has ended. This is called “breaking meeting.”

### **4. What do we do after silent worship?**

After silent worship, the clerk may ask for joys and sorrows, announcements and brief introductions. The clerk then announces, “Meeting has risen.” We share a time of fellowship with light refreshments. After about half an hour, there is typically a time for learning together in a “Conversation to Explore.” Once a month, there is a meeting for worship with attention to business for members and attenders to seek guidance and unity in the Spirit on matters of business related to Orlando Quakers.

### **5. What are the choices for children during the meeting?**

Children can remain in quiet and stillness with their families during meeting. After about fifteen minutes, they can also go with our child care professional and a volunteer teacher to neighboring Webster Cottage for play and learning together in a friendly spirit. Children return to meeting with the caring adults for announcements.

### **6. What are the Quaker testimonies?**

The Quaker testimonies are values for which many Quakers have witnessed in response to concerns about how to live in our world. The testimonies continue to evolve. Today, they are often stated as “simplicity, peace, integrity, community and equality.” They are a rich source of meaning and shared spiritual life for Quakers everywhere.

## **Orlando Monthly Meeting Spiritual State of the Meeting Report 2015**

The last year has seen our fellowship grow and deepen. Some Friends have felt led to deepen their commitment to Meeting by seeking clearness to become Members and others were led to greater service to our community. Friends Stephanie Preston, Liz Jenkins, and Ed Lesnick were led to take on the roles of Clerk, Assistant Clerk, and Recording Clerk respectively. Other Friends have taken on substantial work in our increasingly active Meeting Committees. Major property improvements were completed, a ministry was supported, our finances were reorganized, our corporate structure was revised, our grants work was expanded, and all in a sense of unity and good fellowship.

We answer the queries recommended to our discernment by SEYM as follows:

### ***12. How has the Spirit been moving among us this past year?***

Many new attenders and visitors have been drawn to Meeting, and a deeper sense of Blessed Community has grown. This quote from Faith & Practice describes it well:

***“God guides us to a place of empathy, care, and joy in each other’s company. Fellowship in the Spirit has a distinctive liveliness, openness, mutuality and ease.”***

----SEYM Faith & Practice, p. 81.

Friends who visit our Meeting, or who have visited other Meetings, comment on the sense of love they find here.

### ***4. How has our meeting for worship or other meeting activities nurtured our spiritual growth?***

Worship has been much deeper this year. The growing sense of Blessed Community, faithful attendance and caring of f/Friends, and changes to our Worship space have helped the work of the spirit.

Our experience of connectedness as a community has been greatly helped by having a weekly e-newsletter ‘Quaker Notes,’ which was instituted this year.

We have started Spiritual Formation groups, which is helping us deepen our spiritual growth and connection with each other.

Friday Night Friends, a monthly potluck, draws a crowd of 15-20 f/Friends for fellowship and good food.

### ***13. Especially in this time of economic uncertainty, are we taking stock of the meeting’s financial health and planning for ways to help those in need?***

Orlando Friends, the ad hoc Finance Committee, and the trustees have been at work to get our financial affairs in good order. Careful attention has been paid to details and Quaker process. Decisions have been reached in unity, with tenderness. As we establish a longrange view, we can better understand what funds can be used to help others and how we can grow our Grants program. Good stewardship involves seeing that funds are put to good use.

### ***3. What was our meeting’s witness in the wider community in the last year?***

In 2015, we did not have a standing Peace & Social Concerns Committee, due to lack of volunteer time. But as we grow and get our regular business in order, we are both feeling the need and feeling strong enough to do more in the wider community.

We have had a few homeless men attend Meeting on a regular basis. Two in particular have been weekly attenders at Worship & Bible Study. Our Care & Community Committee provides appropriate assistance, paying for nights at shelters, and working with community organizations to find more permanent housing and other programs for these men.

In 2015, we provided grants to Orlando Day Nursery, Winter Park Day Nursery, ProNica, the SEYM Field Secretary for Earthcare Fund, the AFSC Miami's American Friends Immigrants Services (ERA Program for immigrant youth), SpeakUp Florida (a local chapter of the Movement to End the New Jim Crow), & Faine House (for aged-out foster youth). In addition to the Grants, several donations were made to Quaker organizations local community nonprofits.

We have an ongoing food drive for the food bank at Winter Park Day Nursery, a pre-school that cares for children of low-income families.

In 2015, we took Jerry Knutson's ministry under our care, writing a travelling minute and establishing an Anchor Committee. Jerry's ministry is working with Prisoner Visitation and Support (PVS) and offering workshops on Quakerism, spirituality, and prisoner visitation. This is another kind of commitment to the wider community and the wider Quaker community.

**Milestones:**

In 2015, we welcomed 4 Friends into Membership: Bil Meeler, Ray Jenkins, Ingrid Swenson, John Margerum. We also sadly note the passing of John Wetherill.

## Trustees Bank Account FYE 2015

Beginning Balance \$621,606.63

### REVENUE

CH Transfers	\$20,689.72
Interest Income	\$1,219.38
<b>TOTAL REVENUE</b>	<b>\$21,909.10</b>

### EXPENSES

Transfers to OMM	\$90,350.00
Legal fees, lawyer	\$445.91
State fees (corp. filings)	\$121.25
Accountant's fees	\$870.00
Bank fees (BofA)	\$22.55
<b>TOTAL EXPENSES</b>	<b>\$91,809.71</b>

**Revenue - Expenses** -\$69,900.61

### Account Balance

Beginning balance, BofA	\$621,606.63
Revenue - Expenses	-\$69,900.61
<b>Ending balance, Seaside + BofA</b>	<b>\$551,706.02</b>

**Cisney House Repairs -  
Estimated Budget - Mar 2016**

<b>Area</b>	<b>Phase</b>	<b>Sub Est.</b>	<b>Area Est</b>	<b>Notes</b>
<b>Trees, Plants, Runoff</b>	<b>1</b>		<b>30,500</b>	<b>Tree pruning, trim plants, grade soil, seal parking asphalt</b>
<b>Gutters, Paint and Signage</b>	<b>2</b>		<b>36,000</b>	Repaint exterior, install new gutters, better signage, exterior lighing, carport wind abatement, refurbish laundry Carport also needs gutters, slopes to SE corner
<b>Windows</b>			<b>73,000</b>	72 windows, various sizes. White vinyl casement.
<b>Air Conditioning, Heating</b>			<b>100,000</b>	Estimate is \$28 K above last est. 3 yrs ago
<b>Plumbing</b>			<b>107,000</b>	Repair urgent items now, we could replace later
<b>Interior Update</b>		66,000	<b>198,000</b>	66K materials, est 132 K labor - Kitchen and bath re do
<b>Water Heater Upgrade</b>		450 ea	<b>20,000</b>	Parts & Labor for 12
<b>Estimated Total</b> Parts and labor			<b>564,500</b>	Estimates are from Greg's report and Frances' research. Bids will be secured prior to any work being done.
<b>Estimated Management Costs</b>			<b>8200</b>	Estimate for 6 months work.
<b>Estimated Grand Total</b>			<b>572,700</b>	



**November 8, 2015**

Quakers of Orlando  
316 East Marks Street  
Orlando, FL 32803

*new  
2015*

Attn: Francis

**Re: Property Condition Assessment Report Update – 2015**

**Subject Property: Cisney House Apartments  
847 Highland Avenue  
Orlando, FL 32803**

Dear Friends,

CBC is pleased to provide the results of our limited Property Condition Assessment for the Cisney House Apartments located at 847 Highland Avenue, Orlando, Florida. This assessment was originally performed in March of 2012 and this was an update approximately three years later.

We appreciate the opportunity to provide building science services to the Quakers of Orlando. If you have any questions concerning this report, or if we can assist you in any other matter, please contact our office at (407) 447-5881.

Very truly yours,

**Commercial Building Consultants, LLC**

A handwritten signature in cursive script that reads 'Greg Trotter'.

Greg Trotter  
President,

*Estimate from  
Frances  
ment page*

## Estimated Costs Immediate Needs and Capital Needs

### Cisney House Apartments

Table 1 IMMEDIATE NEEDS ITEMS	Pictures	Estimated Cost
<b>PROPERTY ISSUES</b>		
Active plumbing leaks noted under the building	24	\$2,000
Tree removal and aggressive tree pruning	4,5	\$15,000
Wood decay at the floor framing	9	\$5,000
Remove gutters, correct wood decay, pressure wash and repaint	2-8	\$20,000
Steel railing and post replacement	10-14	\$8,000
Rain gutters installed on the main building	7	\$7,000
Regrade around the apartment building	3	\$12,000
Site lighting Enhancement	1, 6	\$5,000
Contingency at 15%	-----	\$11,000
Immediate Needs Total		\$85,000
<b>Table 2 CAPITAL NEEDS ITEMS</b>		
Lead paint and Asbestos investigation		\$3,000
Wiring to three wire		\$75,000
Plumbing systems upgrade		\$100,000
Window Replacement		\$50,000
Seal Parking Asphalt In 2015-2016		\$3,500
HVAC systems upgrade		\$100,000
Domestic water heater upgrade		\$20,000

This Immediate Needs Table displays the estimated costs of items to be addressed the first year beyond what is considered normal maintenance to the existing buildings without a change in use or alterations or additions made to the building.

All estimated costs are preliminary and are based upon CBC's experience in assessing similar projects. The actual cost will be affected by factors such as project duration, site access, market conditions, and other contingencies applied by the owner. CBC recommends obtaining opinions and three quotes from qualified contractors.

Area	Sub Area	Phase	Sub Est.	Area Est	Notes
<b>Trees, Plants, Runoff</b>					
	Tree pruning	1	15000	<b>27,000</b>	Trim branches over buildings - CH, carpt., <del>2007, 2008</del> Includes trim, remove, grind, treat, etc.
	Trim plants	1 below			No plants touch building, all sides. Cut back overgrowth.
	Grade soil	1	12000		NO pooling of water next to buildings. Drain away.
<b>Gutters, Paint and Signage</b>					
		2		<b>33,000</b>	Start at the top, then work down
	Repaint	2	20000		Remove old gutters, prep, paint
	Install new gutters	2	7000		Carport also needs gutters, slopes to SE corner
	Install signage	2 below			Large numbers for buildings, smaller for units and carports
	Install Exterior Lighting	2	5000		All entrances, carports, laundry. Yellow, covers, safety.
	Carport wind abate.	2	1000		Add metal connectors to tie boards to joists. <b>NOTE:</b> One circuit for carports, laundry, stairwells, exterior.
<b>Windows</b>					
		3? 5?		<b>73,000</b>	72 windows, various sizes. White vinyl casement. Estimate is approx 58 K windows, 14 K labor. + 3K if lead abt.
<b>Air Conditioning, Heating</b>					
		3, 4?	? Ea	<b>100,000</b>	Estimate is \$28 K above last est 3 yrs ago
<b>Plumbing</b>					
		3,4,5?		<b>107,000</b>	Repair urgent items now, replace later
	Leaks, decay		7,000		Repair urgent leaks and decay
	System Upgrade		100,000		Replace plumbing now (would include repair above)
<b>Interior Update</b>					
		4,5?	66,000	<b>198,000</b>	66K materials, est 132 K labor - Kitchen and bath re do
	Cabinets, counters		2500 ea	30,000	Includes knobs,
	Sinks, tubs, toilets,		1200 ea	14,400	Includes kitchen and bath faucets, mirrors, etc
	Floors, paint, misc.		200 ea	2,400	Refinish floors, paint, blinds
	Appliances		1600 ea	19200	Includes electric range, hood, micro, refridge, dishwasher
<b>Water Heater Upgrade</b>					
			450 ea	<b>20,000</b>	Parts & Labor for 12
<b>Laundry Refurbish</b>					
		6		<b>3000</b>	Explore laundry management company
<b>Seal Parking Asphalt</b>					
		7		<b>3,500</b>	
<b>Estimate Grand Total</b>				<b>564,500</b>	Estimates are from Greg's report and Frances' research.



## Cisney House as Investment 1-14-16 Inc. Trustees report to OMM

The officers of the Inc. Trustees are asking Friends to consider whether to move forward with repairs to Cisney House, which will require substantial capital re-investment. What return we can expect on the investment will depend on how much income is reserved each year for future repairs and how much we raise the rents. A number of different scenarios are shown below. Note that the OMM 2016 Budget is asking for \$65,350 from Inc. Trustees bank account. No revenues are being drawn from Trustee investments account.

### Principal:

Market Value of CH = \$850,000  
Repairs: Capital re-investment budget = \$600,000  
Total investment = \$1,450,000

### Cisney House: return on investment scenarios

Current Rent Rates, Return on investment/yr = \$37,700 income<sup>1</sup> (maximum)

$\$37,700 \text{ income} / \$1,450,000 \text{ investment} = 2.6\% \text{ return (max)}^1$

#### Raising rents<sup>2</sup>

+\$100/mo. = \$37,700 (max)<sup>1</sup> + 14,400 = \$52,100 income.

At 1% Reserve rate:  $52,100 / 1,450,000 = 3.6\% \text{ return (max)}^1$

At 2% Reserve rate:  $43,600 / 1,450,000 = 3.0\% \text{ return (avg)}^1$

At 3% Reserve rate:  $39,900 / 1,450,000 = 2.7\% \text{ return (min)}^1$

+\$200/mo. = \$37,700 (max)<sup>1</sup> + 28,800 = \$66,500 income.

At 1% Reserve rate:  $66,500 / 1,450,000 = 4.5\% \text{ return (max)}^1$

At 2% Reserve rate:  $58,000 / 1,450,000 = 4.0\% \text{ return (avg)}^1$

At 3% Reserve rate:  $54,300 / 1,450,000 = 3.7\% \text{ return (min)}^1$

+\$300/mo.<sup>2</sup> = 37,700 (max)<sup>1</sup> + 43,200 = \$ 80,900 income.

At 1% Reserve rate:  $80,900 / 1,450,000 = 5.5\% \text{ return (max)}$

At 2% Reserve rate:  $72,400 / 1,450,000 = 4.9\% \text{ return (avg)}$

At 3% Reserve rate:  $68,700 / 1,450,000 = 4.7\% \text{ return (min)}$

#### Counting Hidden costs<sup>3</sup>:

Volunteer time = 16 hrs/mo (min.) @ \$20/hr x 12 = 3,840 = 0.3%

**Comparison:** investing in Cisney House compared to other investment options that provide yearly cash income (dividends).

As an example only: a socially responsible consolidated fund, paying dividends

Distribution rate 2016 = 4.25% distribution

~ \$61,625.00/yr

## Footnotes

1. Income to Inc. Trustees Account, not CH net profit. \$37,700 estimate reflects increase in level of maintenance, management fees, & need to retain income in CH account for future repairs & expenses. Prevailing wisdom recommends saving 1% to 3% of the value of your rental property for repairs each year. Though repair totals will vary from year to year, leftover funds from one year can help cover big expenditures in the future.

Income with Reserve at 1%/year at current rent rates (max. return)

Net profit 51,000  
- Increase in Management Fees - 4,800  
- Reserve = 1 % x 850,000 - 8,500  
Maximum at current rent levels = 37,700

Income with Reserve at 2%/year at current rent rates (avg. return)

Net profit 51,000  
- Increase in Management Fees - 4,800  
- Reserve = 2 % x 850,000 - 17,000  
Average at current rent levels = 29,200

Income with Reserve at 3%/yr at current rent rates (min. return)

Net profit 51,000  
- Increase in Management Fees - 4,800  
- Reserve = 3 % x 850,000 - 17,000  
Minimum at current rent levels = 25,500

2. Affordability: No more than 30% of household income spent on rent. Raising rents \$300/month means:

- for 1 br/ 570 sf, rent = \$950/month; affordable for income of \$38,000/yr
- for 2 br./730 sf, rent = \$1100/mo; affordable for income of \$44,000/yr

3. Putting a nominal value on hidden costs: Friends may or may not wish to take this into consideration.

Cost to OMM General Fund: Obviously not quantifiable, but experience shows it is real nonetheless. Given that the 'volunteers' are not paid, what is the long-term cost to the Meeting in terms of Support Gifts? 16 hour/month of volunteer time spent on Cisney is time not spent on outreach or inreach, i.e., building the meeting membership. Membership numbers directly affect Support Gifts income. Also, what is the effect on the enthusiasm levels of spending time with Cisney business, which in turn affects donations? Support Gifts increase when members and attenders are enthused about what Meeting is doing.