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As we write this message, the Dow is up 200 points. But it's only 2:30, and we know better than to guess where it will close.

We've all lived with volatility and uncertainty since last October and it's been unsettling, to say the least. Even if the events were not so scary, the speed at which they happen is.

So at The Trust, we took a deep breath, continued to work with donors, and made grants—and surveyed where we were. Last July, our board spent a full day looking at our grantmaking priorities. We brought in the deputy director of the City Planning Department's Population Division. Dr. Peter Lobo had us enthralled. Armed with charts, graphs, and tables, he gave us a vivid demographic picture of who we are and what we're likely to look like in the years ahead. All vital information if we are to plan for the City's future and the increasing demand for housing, health care, and schools. We concluded the meeting confident that we were working on the right issues, and added adult literacy, a more intense focus on

troubled neighborhoods, and planning to harness the skills of retiring boomers to tackle a range of community problems.

The Dow was at 11,000—which we'd all be grateful for today—but the slide downward had begun and our discussions were already colored by the prospect of bad times. But because severe economic distress has characterized the lives of too many New Yorkers for too many years, we have long used the money entrusted to us by generations of other New Yorkers to help expand our middle class. In 2008,

we continued to make grants to help poor families manage their money and deal with subprime mortgages and credit card debt. We helped nonprofits become more efficient, get a handle on their expenses, and prepare to do more with less. We made grants to rein in the costs of Medicaid while providing better health care, and grants to protect affordable housing. We supported efforts of employers and nonprofit job developers to teach people marketable skills that are needed by business, and helped public school teachers become more effective.

The bulk of the money that supports our discretionary grant program (grants that are not suggested by our donor-advisors) come from funds that were set up by New Yorkers to build an endowment for future generations. Many donors, knowing they couldn't predict the problems their successors would face, placed no restrictions on

their contributions, and others asked us to support issues they were concerned about. Combined with the generosity of our donor-advisors, The Trust is able to support a range of charitable activities that help our neighbors and our city.

We understand that many of us are feeling financially vulnerable. But naming The Trust in your will or through a deferred giving plan won't cost you a penny today.

Next year, one of the two names at the bottom of this message will have changed. Having served for five years as our distinguished chairman, Sam Polk, is stepping down. We are grateful that he will remain on the board.

In these bewildering times, we hope this report, and the stories about our grantees, will give you hope and faith in our city.

SAMUEL S. POLK **LORIE A. SLUTSKY**
Chairman *President*



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A POSTSCRIPT FROM OUR CHAIRMAN

This year marks the end of my term as chairman. Charlynn Goins, who has been an active member of our board since 2002 and also engaged in the civic affairs of our city, will succeed me. The Trust is very fortunate to have Charlynn and our outstanding president and staff to guide us during these challenging times.