

Baltimore Yearly Meeting

of the Religious Society of Friends
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May 19, 2016

Theodore Wailes
Treasurer
Pipe Creek Friends Meeting
455 Quaker Hill Road
Union Bridge, MD 21791

Dear TR:

Thank you so much for your letter dated April 22, 2016 regarding Pipe Creek Friends Meeting's concern about the Meeting's steadily increasing apportionment amounts. The Stewardship and Finance Committee counts on hearing from local Meetings about the apportionment process so that we can be assured that the system remains understandable and is perceived as fair. It is obvious that a lot of thought went into your letter, and we appreciate it.

You are correct that your apportionment has increased due to recovery from a period of very low contributions. The apportionment formula has a feature which limits increases to a maximum of 25% per year, which is why you have seen these increases happen over an extended period of time.

The Assistant Clerk for Stewardship and Finance has access to apportionment spreadsheets going back to 2011, and she has provided me with what Pipe Creek's apportionment would have been each year if the increase had not been capped at 25%. (The increase in 2011 was 25%, not 50%, because the 2010 apportionment was \$370, not \$300. However, the 2009 apportionment was \$300.)

<u>Year</u>	<u>Contributions</u>	<u>Apportionment</u>		<u>Uncapped Apportionment</u>
2011	\$5082	\$460	\$2120	
2012	\$3268	\$570	\$1140	
2013	\$4560	\$710	\$1150	
2014	\$5580	\$880	\$1400	
2015	\$5647	\$1100	\$1470	
2016		\$1370	\$1730	
2017		\$1710	\$1820	

Based on these numbers, it appears *possible* that Pipe Creek's apportionment may increase again in 2018 and then not be capped after that. It is impossible to say for certain, because apportionment amounts are calculated based on every local Meeting's income relative to all the other local Meetings within BYM, and there is always unpredictable up and down fluctuation every year. It is possible for an individual Meeting's apportionment to go up even if its contributions went down, if other local

Meetings experienced an even greater decrease. Conversely, sometimes contributions go up and the apportionment goes down anyway, again because of the relatively good financial situation of other Meetings.

That is the explanation for what has happened over time with your apportionment. Now I want to let you know where we are heading.

We have an obligation to see that the Yearly Meeting receives the income that it needs to function at the level expected by its constituent Meetings, as determined each year at Annual Session. However, the Stewardship and Finance Committee has heard from an increasing number of Monthly Meetings that the apportionment formula does not work well for them. And we know that the formula has to “work” for those Meetings or the system will fail.

At our Committee meeting on March 12 at Langley Hill Friends Meeting, we decided to include a recommendation in the 2017 budget that total apportionment remain at the same level as the 2016 budget, or at \$462,200. We have also organized a special subcommittee of the Committee to review and study the apportionment formula itself, with particular attention to the aspects which have been identified to us as problematic. We expect that this will be a deliberative process, as the subcommittee will have to look at various models and will need to obtain periodic feedback from local Meetings to be certain that what we are developing is likely to pass the test of perceived fairness and ultimately obtain the approval of those in attendance at Annual Session. I doubt that any changes are likely before the 2017 Annual Session at the earliest, and given the budgeting time lag (we use last year’s numbers to develop next year’s budget) probably would not take effect before 2019.

So where does that leave Pipe Creek Friends Meeting? We want you to feel free to look at both the Yearly Meeting’s needs and your Meeting’s situation, and decide what you are able to do. If it is to pay less than the full amount, that is acceptable. We just ask that you let us know, so that we can plan the budget accordingly. We are accustomed to having a few Meetings each year be unable to pay the full amount, and we include a line item in the budget to allow for unpaid apportionments.

In an effort to make the Stewardship and Finance Committee more responsive to the needs and concerns of each local Meeting, each Committee member has been designated as the primary contact for four specific local Meetings. Susan Griffin of Friends Meeting of Washington is the designated Stewardship and Finance Committee member for Pipe Creek Friends Meeting. Please feel free to contact her (sgriffin@ncss.org) or me if you have further questions. She has received a copy of your letter, and I am copying her on my response to you.

Thank you again for contacting me.

In Peace,

Jim

James F. Lynn
Clerk, BYM Stewardship and Finance Committee

Cc: Susan Griffin