

J Lynn – Idea Regarding Reducing Time Lag in Apportionment Information

Under the present apportionment system, we ask each local Meeting to provide the Stewardship & Finance Committee with financial information from last year, or 2015, to determine what each local Meeting's apportionment amount will be for next year, or 2017. The total apportionment amount in the annual operating budget for 2017 as well as each local Meeting's apportionment amount will be presented for approval at Annual Session in August 2016.

There has been some discussion as to whether we could use financial information from this year, 2016, to calculate each local Meeting's apportionment amount for 2017. Here is one way that we could do it. Please know that this is a hypothetical proposal at this point to demonstrate a way forward when the revised apportionment process is finalized.

Right now, the consensus of the Stewardship & Finance Committee is that the total apportionment for 2017 should remain unchanged at the 2016 amount of \$462,200. Let's assume that \$462,200 will be the final recommendation for apportionment in the operating budget that is proposed at Annual Session in August. But whether it is \$462,200 or some other amount, the point is that the proposed final recommendation will be the amount that BYM will use to determine the amount of each local Meeting's share. But if we are going to use 2016 financial data to determine each local Meeting's share, we will not have that information until early in 2017.

Here is what we could do. We could have a provisional amount for each local Meeting for 2017 approved at Annual Session in August 2016. The provisional amount would be subject to change based upon the application of the new/revised apportionment formula to 2016 financial information provided by each local Meeting. My expectation is that the provisional amount should be reasonably close to what the actual apportionment amount will be when it is calculated in early 2017. That is because I expect that the revised apportionment process will significantly reduce the year-to-year variability in each local Meeting's apportionment amount.

I would like to think that each local Meeting would have its 2016 financial information finalized by the end of January 2017. If we requested each local Meeting to provide the Committee by February 28 with the financial information that the Committee needs to determine each local Meeting's actual apportionment amount, we could present it at Interim Meeting in March 2017. If the timing is not feasible, then we could present it in June 2017. Regardless of the timing, it may be that the proper protocol would be to present the finalized amount of each local Meeting's 2017 apportionment at Annual Session in 2017.

In any event, each local Meeting will know no later than August 31, 2017 as to what its actual apportionment amount will be for 2017 as well as its provisional apportionment amount for 2018. As I understand it from Margo, each local Meeting has its own way of remitting apportionment, such as once a month, once a quarter, etc. The point is that each local Meeting can adjust its remaining apportionment remittance(s) during 2017 so that such remittance(s) fulfill the local Meeting's actual apportionment amount for 2017.