Email Correspondence between Nic Tideman, clerk of Blacksburg Friends Meeting, and Lee Henkel, clerk of Apportionment Subcommittee. Nic is speaking as an individual, and is not taking a position on behalf of Blacksburg Friends Meeting.

from Nic on May 9
Dear Lee,

I have been thinking more about what apportionment formula would be fair, after having said that what is fair is what is agreed to be fair.

So here is a rule that I would press my fellow Friends to accept, both within my Monthly Meeting at elsewhere. It is a version of what I spoke about with you.

Start with income as it is currently computed. Subtract all money used to pay construction costs and all interest and principal payments on mortgages, as well as any closing costs. (Do not subtract insurance. Do not subtract repairs and maintenance. Do not subtract unpaid construction costs. If a Meeting pays taxes, do not subtract these.) Add some percentage of the value of real estate owned by the Meeting and used for Meeting purposes (starting when it becomes usable). It seems to me that the percentage should probably be 2.5 percent, but I am open to other suggestions. Use the resulting number as the basis for apportionment.

I will be happy to talk with you about this or to have further correspondence, or to addend meetings to explain my thinking to others.

from Nic later that day
Lee,

One more thought. It would be consistent with my thinking to exclude contributions to a building fund and the investment income of such a fund. I can't think of other reasons that I would consider proper for excluding special funds.

Nic

from Lee later that day
Thanks, Nic.

Right now restricted contributions and the income from the investment of restricted contributions is excluded from the apportionment formula. We will be taking a look at this, as there are a number of purposes for which a fund can be restricted.

I was about to ask you a follow up question about your earlier message before I forward it to the subcommittee. You suggested using a percentage of the value of property owned and used by each meeting as a type of income. What are your thoughts on how to assess the value of the property? You all would have a very good idea what it cost to buy land and build your meeting house, but is that its market value? I don't know if we could even recreate what Floyd's meeting house cost, since we built it with donated land and volunteer labor, no mortgage. How do you establish a value on a small, 200-year-old meeting house in a small town in rural Pennsylvania? Does it even have a value to anyone other than the meeting? One that I know of that is still in use does not have indoor plumbing!

Lee

from Nic on May 10
Lee,

I spoke with Ted Gwartney, a former assessor. Ted said that assessors often make a record of the value of tax-exempt property. So the first step would be to see how many Meetings have been assessed by assessors. Ted also said that assessors would often be willing to provide assessments as a public service if they have not already assessed property. Finally, we can collect relevant data and make our own estimates of value. We would want to collect meeting room area and height, square feet of other space, whether the space has water, a sewer connection, electricity, heat, and air conditioning, square feet of land, number of parking spaces, quality of landscaping, and maybe a few other things. We would then devise statistical estimates of value.

Ted also told me that assessors often don't bother with depreciation, because it is often almost exactly offset by inflation.

Nic

from Nic later that day
Lee,

With a bit of instruction from the Montgomery County Assessor's Office, I found on line for our property:

Assessed Land $86,100
Assessed Buildings $537,400
Total Assessed Value $623,500

Nic