Restructure allocations as approved by Northwest Yearly Meeting

Administrative Council

- The original decision for the restructure stated that any transfers would be made yearly meeting to yearly meeting only. That turns out to be NWYM and SCYMF.
- An aggregate index was prepared by the transition team some months ago. It is based on churches who were members of the historical NWYM, defined as churches who were members of NWYM on January 1, 2017. Only churches who left NWYM because of the human sexuality conflict are considered. Churches who left for other reasons are not a part of the restructure process.
- Historical churches of NWYM who left because of the human sexuality decision, were granted deeds to their property, subject to any indebtedness. This has already been done.
- Each church is assigned a percentage based on 10 year averages of Sunday am attendance (from Minutes) and local church support (from financial documents). That percentage is applied to the total and assigned either NWYM or SCYME, based on membership. Independent churches do not affect the distribution.
- Some of the distribution details are flexible for up to three years. If a church moves to or from one of the yearly meetings their percentage will travel with them and changes to the totals will be adjusted. (Example: one of the independent churches joins SC means their index amount would then increase SC’s portion of the whole).
- The Ministry Fund balance was taken on June 30, 2018 and the aggregate index formula applied to the total. We have prepared a check to SCYMF for their portion - $114,358. The portion that represents the percentages of independent churches will be held in a holding account, being update June 30, 2019, June 30, 2020 and finally frozen and disbursed on June 30, 2021. That gives these churches time to make a decision regarding yearly meeting membership.
- The designated fund of approximately $837 for FWCC travel will be transferred to SCYMF. Each restricted account was reviewed per donor restriction and will remain under the supervision of NWYM.
- The only real property belonging to NWYM is the office at 200 N Meridian St., Newberg.

The NWYM will retain use of the 200 N. Meridian property herein described as the “NWYM Office”. In lieu of rent, the NWYM will provide maintenance and upkeep for the property until it has been sold.

NWYM/SCYMF
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• Currently, the NWYM has no plans for the sale of this property. George Fox University [GFU] has expressed an interest to purchase the NWYM Office and the NWYM has given GFU a right of first refusal.

• NWYM may choose at any time within the first three years [July 1, 2018 to June 30, 2021] to sell the NWYM Office. NWYM will sell the NWYM Office at a fair market value based on an independent appraisal.

• SCYMF may choose at any time within the first three years [July 1, 2018 to June 30, 2021] to cause the NWYM Office to be appraised.
  ▪ The appraiser must be jointly approved by SCYMF and NWYM.
  ▪ The cost of the appraisal will be shared equally between NWYM and SCYMF.
  ▪ Once the appraisal has been completed, the NWYM will make arrangements with SCYMF for a good faith payment plan to pay that share owing to SCYMF with the payment calculated in accordance with the fixed index values as of the date of sale.

• In the event that the NWYM office is sold anytime between July 1, 2018 and July 1, 2021, NWYM agrees to sell the property at fair market value, as established by an appraisal made within 45 days of the date of the sale. Distribution of sale proceeds will be calculated by applying the aggregate index value in effect on the date of the sale.

Retirement Plan
• The NWYM retirement plan for pastors and staff of historic NWYM churches will remain intact within the NWYM and managed as follows;
  ▪ The 401(k) plan will pay for all program expenses for administration of the plan.
  ▪ Current and future pastors and staff of historical NWYM churches including those churches who are member churches in the SCYMF may participate in the 401(k) plan.
  ▪ Current and future pastors and staff of historical NWYM churches who choose to remain independent churches and who are included on the index may also participate in the 401(k) plan

Friends Church Extension Fund (FCEF) – FCEF is an independent financial entity. Therefore, the AC may only make a recommendation to their board regarding FCEF funds. The AC recommendations to FCEF representing the restructure process are:
• It is recommended that all current outstanding FCEF loans with historical NWYM churches should not be called because of a church either being released from the NWYM or choosing to withdraw from the NWYM during the restructure.
• It is recommended that the net asset value of the fund be initially established as of June 30, 2018 similar to the NWYM aggregate index [refer to
• It is recommended that the net asset value as established by the FCEF Board be re-adjusted annually on June 30, 2019, June 30, 2020, and June 30, 2021 similar to the NWYM aggregate index.
• It is recommended that the FCEF distribute the portion of the FCEF funds between NWYM and SCYMF as derived by the index as of June 30, 2021.