

*The Award Winning*

## **Malibu Rotary Club Surfwriter**

June 3, 2015

Official Newsletter of the Rotary Club of Malibu  
Malibu Rotary Club President Margo Neal

Edited by Dr. John W. Elman  
Pictures by Dr. John W. Elman

**In This Issue (click underlined topics for web link when connected to the Internet)**

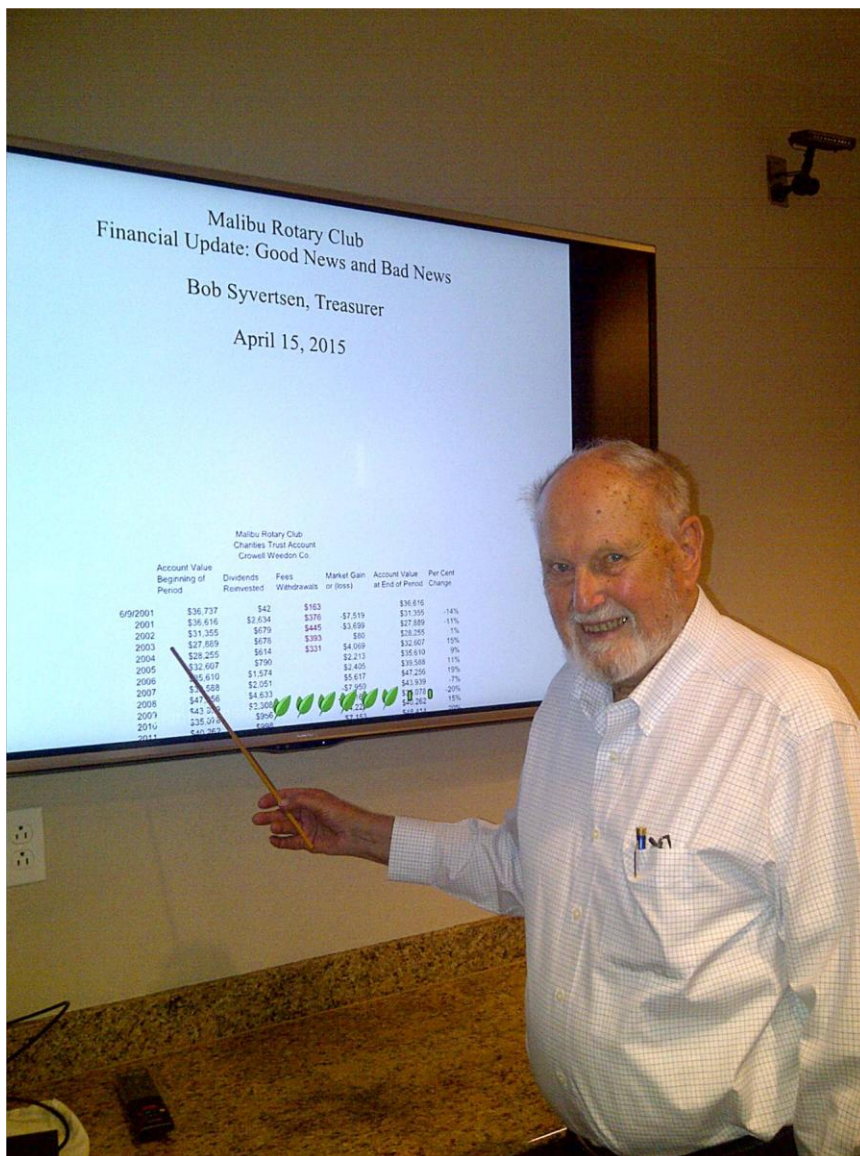
- **Last Week Bob Syversten Presented Proposed Operating Budget and Recommended Changes in Dues Structure Which is Approved by Vote of Members**
- **Next Malibu Rotary Club Meeting June 10 in Pepperdine University Malibu Upper Drescher Graduate Campus LC 152 with fellowship at 11:30 a.m and meeting starting at 12:00 noon. Speaker will be David Torrence Elite Mid Distance Runner who will talk about what it takes to be an elite runner (see more in Surfwriter Calendar Section)**
- **Other News and Guests at Malibu Rotary Club**
- **Malibu Rotary Club Supports RainCatcher.**

Check [Calendar](#) on Malibu Rotary website [www.maliburotary.org](http://www.maliburotary.org)

- **Rotary International Website: [www.Rotary.org](http://www.Rotary.org)**

- Rotary District 5280 Website: [www.rotary5280.org/](http://www.rotary5280.org/)
- RI President (2014-2015) Gary CK Huang
- Rotary District 5280 Governor (2014-2015): Elsa Gilham

## Bob Syvertsen Presents Proposed Malibu Rotary Club Operating Budget and Recommends Changes in Dues Structure Which is Approved by Vote of Members



At the Malibu Rotary Club meeting April 15, 2015 Bob Syvertsen gave the club a special report: Financial Update—Good News and Bad News. He showed how the dues

**revenue that the club uses to pay operating expenses of the club was not sufficient to pay the bills and he recommended changes that the club voted on at the June 3<sup>rd</sup> meeting.**

The Malibu Rotary Club has two main budgets—an operating budget and a charitable giving budget. The operating budget is what is used to keep the club running, pay the costs of operation, such as paying dues to Rotary International and the District, ClubRunner, office supplies, flags, speakers gifts, pins, badges, subsidizing part of the cost of the president-elect going to the RI convention, the Demotion Party and various other on-going operating costs. The revenue for the operating budget comes from club membership dues, and in the past had also come from new members initiation fee, “fines”, and a prepaid amount from each member that was taken for food even if members did not come to the meeting and eat.

The Charity Budget is where the money comes from that is given out to the various Malibu Rotary Club charities, such as the Rotary Foundation, RYLA, scholarship awards to students, such local groups as the Malibu Labor Exchange, Youth Sports groups, Rex and Friends, etc. The income for the Charity Budget has derived from Fund Raisers through the years, donations, and in some cases grants from Rotary Foundation. Essentially the business of Rotary is the service it provides through the Charity Budget (and of course the volunteer labor and personal donations used to support Rotary projects).

In 2001 a Charities Trust Account was established at Crowell Weeden in an attempt to increase the amount of money in the Charities Account, which at the time had \$36,000 in it. The idea was that the money would be invested in conservative mutual funds and only the profits would be taken out and used to fund service projects. For the first couple years the account lost value, but by 2005 it had regained its value and in 2007 was worth \$46,000. It wasn't until that time that any money had been taken out of the account to fund charities.

Although it has fluctuated through the years, losing value as much as 20% and increasing value as much as 20% in bad and good years, changing with market conditions, the Malibu Rotary Club Charities Trust Account currently has a value of over \$50,000.

The operating, or working account, on the other hand, is another matter. Membership dues for the Malibu Rotary Club used to be \$400.00 per year, paid in advance, and there was \$60.00 initiation dues—this to cover some initial member expenses—pins, badge, and Welcome kit. Bob said that traditionally members would volunteer an amount that they could be “fined” for the year—usually about \$100.00, and for some it could be quite a bit more, depending on what they could afford. Originally these fines were announced and taken at the meeting for good things that had happened to the member—somewhat similar to

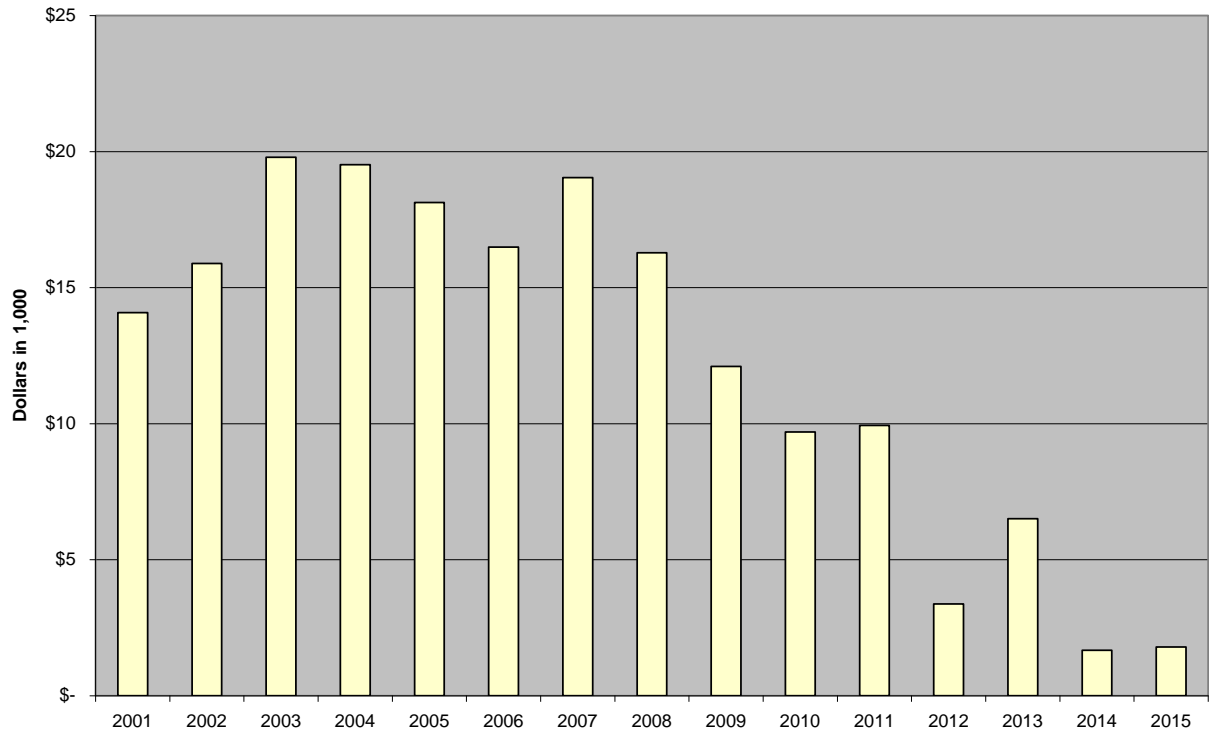
the Happy Dollars at our current meetings—but the amount was quite a bit more than a dollar, and it was volunteered at the time. Malibu Rotary Club at one time had a finemaster, but typically fines were administered by the Club President. Most Rotary Clubs take fines at every meeting. Getting your picture in the paper, any bit of positive notoriety would be reason for a fine. The fine, along with prepayment for meals, and dinner meetings that were separately billed, demotion party were all billed on a printed statement given to each member each quarter. There were certain mandatory meetings that members had to attend and that they were billed for whether they went to those meetings or not. These included the Club Assembly, which was a dinner for the District Governor prior to his club visit and the demotion party for the outgoing president.

When Kevin Boling became president in July, 2011 and membership was down to about a dozen members he believed club membership would substantially increase if dues were lowered to bare minimum, there was no initiation fee, no fines, and it was decided that the club could break even if the dues were slashed from \$400 per year to \$300 per year, paid quarterly at \$75 per quarter. We were able to change location to the Pepperdine Upper Drescher campus, where there was no room surcharge, no food requirement. From 2011 till the present the dues have remained at \$75.00 per quarter, and Malibu Rotarians have enjoyed the least expensive Rotary Membership in the district, even though meeting in one of the most beautiful places in the world.

With dues lowered expenses continued to rise. The club decided to subsidize part of the cost of members going to the district breakfast. The cost of materials continued to rise. So what happens when the quarterly statement, the quarterly club income, changes from \$240 to \$75? The result of all this on the operating budget and the operating account is not surprising. Funds in the Operating Account went from a high of nearly \$20,000 in 2003 to \$2,000 in 2014—a 90% drop. Unlike the federal government the Malibu Rotary Club cannot print money. The tables below show the amount of money in the Operating Account in the years 2001 through 2015, as well as budgets from 1994 to 2003 as well as budgets from 2013 and 2014 and expenses that need to be paid in the 2015 budget.

The income for the 2015 budget is yet to be determined but Bob made several points. Fixed expenses on the minimum 2015 budget are \$3725. The number of members needed to meet fixed expenses, based on current dues structure, according to Bob's calculation, is 35. There is very little chance that the current membership of 21 members is going to increase to 35 by July.

### Malibu Rotary Operating Account



## Malibu Rotary Club Review of Operating Expenses

Current annual dues \$300

Annual costs	Jul-13	Jul-14	2015 Estimate?	
			Fixed	Variable *
Dues to Rotary	2,548	3,011		135
Club Runner	299	300 e	300	
Supplies, awards	426	330 e	300	
P O Box	186	192	200	
Convention			2,000	
District Breakfast	500	200		60
Foundation Dinne	500			
Demotion Party	202 ??			
Miscellaneous	460	305	300	
PETS	635	610	625	
<b>Totals</b>	<u><b>\$ 5,756</b></u>	<u><b>\$ 4,948</b></u>	<u><b>\$ 3,725</b></u>	<u><b>\$ 195</b></u>

Dues available to cover fixed expenses \$ 105

^^

Members required to meet fixed expenses ( $35.5 \times \$105 = \$3725$ ) **35**

e= estimate

\*Fixed expense does not vary with number of members

Variable expense varies directly with number of members

Last year Bob had made a proposal, which was never implemented, to raise the dues \$5.00 per quarter, until it was back to the \$100 per quarter (the same amount it was before 2011), and also reinstitute the initiation fee.

Bob's conclusions and points were well taken and accepted by members at the April 15<sup>th</sup> meeting. There seemed to be a consensus among members that an increase in club dues was in order, probably to \$100 per quarter, starting July 1, plus initiation fee, and perhaps other things.

It was decided to have another Club Assembly on June 3, a month before the new Rotary year which starts July 1. At that meeting the members resolved to enact Bob's recommendations.

The proposals which will be enacted July 1 are:

1. Dues of the Malibu Rotary Club are \$100.00 per quarter paid in advance
2. New members will pay a \$60.00 initiation fee and a ProRata dues for the current quarter of \$35.00 per month.

### **Bill Wishard, Rotary District Special Olympics Chair**

Bill Wishard is coordinating Rotary District efforts for the Special Olympics games being staged in Los Angeles July 25 - August 2, 2015. People in Los Angeles, and especially Rotarians, can get involved. The Special Olympics will have 7,000 athletes from 177 countries.

Rotary District 5280 is getting a block of 1020 tickets for the opening ceremonies of the Special Olympics which will start at the Los Angeles Memorial Coliseum 5:00 pm July 25<sup>th</sup>. Price for ticket and special Rotary T-shirt that will be worn at the event is \$40.00. Details of ticket sales will be sent out to all 63 Rotary District clubs by Tori Hettinger in a flyer on Monday June 8. There will be an online signup form.

Rotarians can also participate as volunteers "Fans in the Stands," or by sponsoring an athlete. It is free to go to the games, and individual Rotary Clubs should each have a captain to have club members go to the sporting events together for a fun group experience. Sponsoring an athlete financially costs \$2500. Some large clubs in District 5280, LA 5 and Wilshire Rotary Clubs have done this. For smaller clubs, like the Malibu Rotary Club, they can join with other clubs to raise the \$2500. The Malibu Rotary Club is contributing \$500, and will join with another club to support an athlete.

### **Other News and Guests at Malibu Rotary Club**

The June 3 Malibu Rotary Club meeting was held in the Faculty Dining Room of the Pepperdine main campus and was presided by Malibu Rotary Club President Elect-Nominee **Delvin Glymph**.

There were no guests. There were happy dollars from Carlye Rudkin for the happy result of her recent surgery and from Bianca Torrence, happy that her son David Torrence will be in town briefly and has agreed to be next week's Rotary Club speaker (see Calendar at end of newsletter).

### **Car Detailing to Raise Money for Students' Trip**

Former Malibu Rotarian Kelly Sagona wanted let people know that she is doing car detailing to raise money for her son David Sagona and other students to go on trip to Washington DC. For details call Kelly at 702-378-1189 or email [kellysagona@gmail.com](mailto:kellysagona@gmail.com).

### **Malibu Rotary Club Supports RainCatcher**

Clean drinking water is a problem affecting millions of people around the world. A Malibu company, RainCatcher, is trying to solve the problem in an efficient manner. Much of their work has been in Africa. The Malibu Rotary Club along with the Rotary Clubs of Beverly Hills, CA USA and the Rotary

Club of Entebbe, Uganda has applied for a Rotary Foundation Grant to assist Raincatcher. There are several videos available on You Tube that show the amazing things Raincatcher is doing bringing clean drinking water to places in Uganda and Kenya where there was previously no clean drinking water.

David Zielski, Executive Director of Raincatcher, makes regular trips to Uganda and Kenya to do Raincatcher installations and maintenance. In February The latest video showing what David and the Raincatcher people are doing in Africa was shown at the Malibu Rotary Club meeting on August 20. A link to the video is now on the [MalibuRotary.org](http://MalibuRotary.org) website. The direct link to the video is at:

<https://www.youtube.com/watch?v=59rzOcM-RLo&list=UUFetq8NgjhXhtkVf0idcQUg>



# Calendar (for details on these programs see [maliburotary.org](http://maliburotary.org))

**June 10 2015**

## **David Torrence**



Malibu Resident world class Runner David Torrence will be speaker at the June 10 2015 meeting of the Malibu Rotary Club in Room LC 152 of Pepperdine University Drescher Graduate campus. David, a graduate of University of California at Berkeley, is an elite American middle-distance runner and the current indoor American record holder in the 1000 meters. His personal best times in other races:

Achievements and titles			
Personal best(s)	<b>800</b>	<b>meters:</b>	1:45.14
	<b>1000</b>	<b>meters:</b>	2:16.76
	<b>1500</b>	<b>meters:</b>	3:33.23
	<b>Mile:</b>		3:52.01

<http://www.iaaf.org/athletes/united-states/david-torrence-202092>

## **June 17 Bill Wishard**

### **District Assembly Report and Rotary at Special Olympics (plus special Olympic Insider Bill's Thoughts on FIFA Scandal)**

Bill Wishard represented the Malibu Rotary Club at the Rotary District Conference held May 15-17 at Loewe's Coronado' Bay Hotel. It is there that Rotary district projects are discussed and Bill will report on the latest district happenings and also Rotary participation in the 2015 Special Olympics where over 1000 Rotarians and their families will attend the opening ceremonies at the Los Angeles Memorial Coliseum on July 25. 84 Los Angeles Olympic Organizing Committee (LAOOC) Director of Congresses Bill Wishard will also give us an insiders view on the current scandals involving FIFA

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	<b>1500</b>	<b>meters:</b>	3:33.23

Mile: 3:52.01

no afternoon meeting at Pepperdine Jun 24, 2015

Special evening event

Margo Neal's Demotion Party Jun 24, 2015

Evening Dinner Party--Venue and time to be announced

Christian Pearce Jul 08, 2015

RYLA Experience

Christian Pearce and Keaton Brewster were chosen by the Malibu Rotary Club to attend Rotary Youth Leadership Assembly (RYLA) at the Alpine Conference Center in the San Bernardino Mountains near Blue Jay, CA in April, 2015. Keaton spoke to the Malibu Rotary Club about his experience on May 20. Christian will relate his experience on July 8.