

## Notes to the 2017 - 2018 District 7090 Budget

All figures and dollar amounts are in US Currency.

Line items 6 - 60 are various District events and programs for which those attending have paid an admission, registration fee, or a participant charge and the anticipated expenses have been offset by the revenue.

Starting with Line 62 is a listing of District expenses incurred annually for which the clubs pay an assessment or dues. The expenses are in three major categories: Administration, Directors and Committees, and Training.

Under Administration an increase in expenses from \$27,900 to \$31,100 has been anticipated due to a moderately higher secretary contract, moving the expenses for creating a monthly District newsletter from line 87, Public Relations, to Administration, and consolidating District Office itemized costs.

Under Directors and Committees, the list of expense items totals less than previous years as noted in Line 93. Some of this is the use of on-line meetings, lowering the expense of travel and space rental and charges. Expenses of the Rotary Foundation committee are expected to rise. Grant application training, efforts to bring the programs of VTT (Vocational Training Team), Scholarships, and alumni gatherings will require some front costs for publicity.

Line 89 Finance and Audit is expected to increase. The accounting firm doing our past end of the year audit has a conflict of interest as one of the partners in the firm will be doing grant reviews. The District was paying a discounted fee for their audit, which may not be available on the open market. Interviews will take place to find an interested, competent, and timing conscience firm.

Training expenses are extended for both District and Club officer training. In general, the expenses for District Officers will be lower than last year as the locations for the training sessions for District Governors and Directors take place in venues closer to our District, Hartford, Atlanta, and Toronto.

Training of club Presidents-elect is provided by the District. Each club is expected to pay to have its President-elect trained (PETS) and the cost has been assessed as part of the district expenses. Line 37 includes PETS 1 (local training). Multi-District PETS (MDPETS) in Toronto provides an over-night, two-day training and fellowship for Presidents-elect.

The Rotary year 2016-17 saw a change in the delivery model for PETS 1. Rather than renting facilities, having meals and printing materials, training was delivered online. It was well received by Presidents-elect and substantially reduced costs. Continued revisions to the model will occur in 2017-18 to further improve the training experience. The district budget savings are estimated at \$5,000 for PETS 1. The additional reduction in this category is from the Multi-District training session.

MDPETS will continue, but this cost will be removed from the district budget and paid directly by

each club upon registration of their President-elect, using the same credit card registration used for Rotary Leadership Institute, Club Leadership Training, Foundation Training, etc.

The district budget for Presidents-elect training Line 37 will be set at \$7,000 rather than \$23,000. The \$7,000 will include the online training, two face-to-face sessions for new presidents early in the Rotary year (1 in NY and 1 in ON), and a cost related to delivery of MDPETS.

The club's cost for PETS 1 will be \$100 and will be assessed by the district. The club's cost for MDPETS will include program, room, and all meals which in the past has been between \$249 and \$270 and will be paid by the club upon registration.

On Line 104 Awards and Recognition, has been moved to the Line 84 – which includes District Club Promotions.

In summary, Total General Expenses (Line 110) for the next Rotary year has been reduced below previous budgets to \$79,150. In calculating the assessment per member in the upcoming year, the total expenses are spread amongst 2210 members. This compares to 2,400 members expected this year, and 2,350 anticipated for year 2015 - 2016. As a result, the general assessment this year is \$35.81, the same as two years ago. (Line 119)

The last part of the budget is the allocation to the members of the cost of liability and crime insurance. This is addressed on the separate page attached "Details Of Insurance Budget." The insurance expense estimate is \$29,600. Per member cost is \$16.62. The US members pay for liability insurance through Rotary International a member cost of \$6.15. By reducing the US member assessment by this \$6.15 per member for the insurance assessment, the US members assessment is \$10.47. The Canadian members pay the original per member insurance assessment of \$16.62.

Summarizing the dues amount for General Expenses, Insurance assessment and District Conference registration fee of \$3.00 per member, the total dues are proposed to be \$49.28 per US member and \$55.43 per Canadian club member. The PETS training assessment will be an additional \$100 per Club.