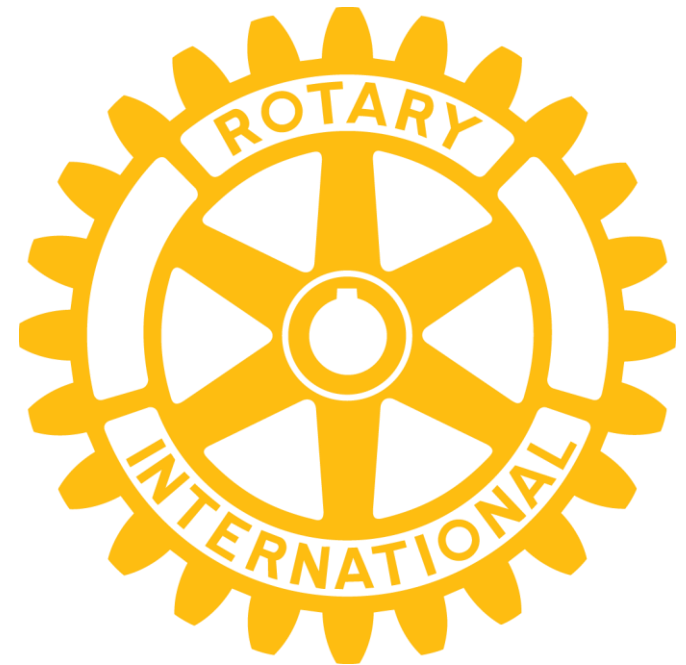


Rotary District 7120



2018-2019 Proposed Budget

Mike Slovak, District Governor 2018-2019
District Training Assembly, April 14, 2018

2018-2019 Budget Proposal Agenda

- **Budgeting Goals**
- **Challenges**
- **History: “Passthroughs” and Reserves**
- **Membership Trends and Effect on Funding**
- **Comparison of Recent District Budgets**
- **Carryovers in Recent District Budgets**
- **Budgets with “Passthroughs” Included**
- **Reserves at the End of Each Rotary Year**
- **Dues Increase for 2018-19**
- **Questions**
- **Budget Vote Requesting Approval**

Budgeting Goals

- **Work towards a Balanced Budget**
- **Work towards eliminating Deficit Spending**
- **Develop a plan to use excessive reserve funds for specialized projects**
- **Have ALL accounts appear in a single Budget Report by moving “Passthroughs” into the report from now on**
- **Make financials easier to Understand**
- **Increase Transparency**

Challenges

- **Underspending in Various Accounts**
 - Ex. Half the AG's haven't been requesting reimbursement for their mileage
 - A surplus is carried over to next year resulting in a growing Reserve beyond our previously established Reserve amount of \$70,000.
- **This has led to using Reserves (Carryover funds) to support Deficit Spending**
- **Reserve has been understated.**
- **“Have enough funds to cover at least one year's expenses.” Using this as a general guideline our Reserve should have been at least \$128,000 over the last few years.**

History: “Passthroughs” and Reserves

- **What is a “Passthrough” – Account (Project / Activity) with anticipated net cost of \$0. (ex. RYLA)**
- **For some time now “Passthroughs” have NOT been included in the “Budget vs Actuals” Financial Reports.**
- **Result: Budget and Actuals that do NOT reflect the true total cost of our district yearly expenditures**
- .
- Membership

Membership Trends and Effect on Funding

<u>Years</u>	<u># of Members</u>
1972 through 1993	Over 3500
1994 through 2001	3000 to 3500
2017	2344

A Drop in Members of More than 1100

This represents an average loss of revenue from membership dues of \$28,600 per year since 2005-2006 (year of last dues increase)

for a TOTAL LOSS TO DATE of \$ 343,200

Comparison of Recent District Budgets

<u>Year</u>	<u>Budget</u>	<u>Actual</u>	<u>Gain/(Loss)</u>
<u>2014-15*</u>	<u>\$ 82,100</u>	<u>\$ 69,976</u>	<u>\$ 12,124</u>
<u>2015-16*</u>	<u>\$ 82,875</u>	<u>\$ 74,074</u>	<u>\$ 8,801</u>
<u>2016-17*</u>	<u>\$ 82,775</u>	<u>\$ 74,916</u>	<u>\$ 7,859</u>
<u>2017-18*</u>	<u>\$ 95,310</u>	<u>\$ 52,159 YTD</u>	
2018-19**	\$173,986		
Passthrough	-\$ 46,508		
New Projects	<u>-\$ 25,000</u>		
	\$102,478		

Carryovers in Recent District Budgets

<u>Year</u>	<u>Budget</u>	<u>Carryover</u>	<u>Rev w/o CO</u>
<u>2014-15*</u>	<u>\$ 82,100</u>	<u>\$ 6,000</u>	<u>\$ 76,100</u>
<u>2015-16*</u>	<u>\$ 82,875</u>	<u>\$ 20,885</u>	<u>\$ 61,990</u>
<u>2016-17*</u>	<u>\$ 82,775</u>	<u>\$ 19,875</u>	<u>\$ 62,900</u>
<u>2017-18*</u>	<u>\$ 95,310</u>	<u>\$ 33,655</u>	<u>\$ 61,655</u>
2018-19**	\$173,986		
Passthrough	-\$ 46,508		
New Projects	<u>-\$ 25,000</u>		
	\$102,478		

Budgets with “Passthroughs” Included

<u>Year</u>	<u>Budget</u>	<u>“Passthroughs”</u>	<u>Rev w PTs</u>
<u>2014-15</u>	<u>\$ 82,100</u>	<u>\$ 46,508</u>	<u>\$128,608</u>
<u>2015-16</u>	<u>\$ 82,875</u>	<u>\$ 46,508</u>	<u>\$129,383</u>
<u>2016-17</u>	<u>\$ 82,775</u>	<u>\$ 46,508</u>	<u>\$129,283</u>
<u>2017-18</u>	<u>\$ 95,310</u>	<u>\$ 46,508</u>	<u>\$141,818</u>
<u>2018-19</u>	<u>\$102,478</u>	<u>\$ 46,508</u>	<u>\$148,986</u>

Inc. District Website +\$ 5,000

Opioid & Human Trafficking Projects +\$ 20,000

\$173,986

Reserves at the End of Each Rotary Year

<u>Year</u>	<u>Reserve Total</u>
<u>2014-15</u>	<u>\$128,523</u>
<u>2015-16</u>	<u>\$123,720</u>
<u>2016-17</u>	<u>\$123,936</u>
<u>2017-18 YTD</u>	<u>\$138,679</u>
<u>2018-19</u>	<u>\$???,???</u>

Dues Increase for 2018-19

**To generate the
revenues needed to
Support the Proposed Budget
Dues will be increased
from \$26 to \$30 per member
and reserves will be applied
to address the shortfall
for the 2018-2019 Rotary Year**

Multi-Year Planning

**The District Governors' Track
will continue to work on
A Multi-Year Plan
aimed at a Process
that supports a Balance Budget
without Carryovers,
“Passthroughs” or Deficit Spending**

Questions

Budget Vote