

**Rotary International District 6860
Fall Leadership Meeting
Finance Committee Meeting
October 20, 2017 1:00 pm
MINUTES**

Minutes of the District Finance Committee Meeting:

**PDG Pat Cross, Finance Committee Chair
Mary Grace Evans, Secretary**

Members Present:

PDG Pat Cross, Committee Chair
PDG Gary Andrew
Ronnie Dukes
DG Sue Mitchell
PDG Tom Greene
DGE Carol Argo
Danny Cooner
DGN Bill Petty

Members Absent:

PDG John Valieant
PDG Scott Stone
Ronnie Smallwood
PDG Martin Uptain
PDG Dennis Brooks
Bill Harwell
Mike Ford

Guests:

PDG Jerry Shepherd
PDG Will Kirkpatrick
Tom LaFon
PDG Bo Porter

Minutes of the Fall Meeting of the Finance Committee

District Finance Chair Pat Cross called the meeting to order at 1:00 pm.

Review and Approval of Fall Finance Committee

**MOTION Ronnie Dukes moved for approval with changes
DGE Gary Andrew second motion
Motion Carried**

Old Business:

Chair Pat Cross – on the minutes there was a request that we have a future governor's training/orientation. This happened with DG Sue Mitchell and DGE Carol Argo has also had the opportunity to consult with past DGs and Treasurers. There is an offer extended to Carol and Bill if you want to consult with others, please do.

DG Sue Mitchell reported that the increase of District dues that was presented to the Finance Committee at the Winter Leadership Meeting to \$6 with \$1 of this going to Disaster Relief was passed at the District Conference.

Chair Pat Cross clarified that the donor advised funds (daf), Disaster Fund are held by Rotary International, not within our District. Fund was created in 2011 (Tuscaloosa Tornado) and is ongoing. The names and the people changed last year. Al Mathis is in charge of the daf and is the go to person. Any He works with directly with RI. Any club or person can donate to this fund. Mitchell shared that we are still collecting dues from about 16 or so Clubs and are waiting to move the money until the dues have been collected. It should be about \$3,440. Right now shows dollars in the budget to still be collected.

PDG Gary Andrew discussed independent review of the financials (distributed).

Came out ahead by \$16,104.28 that will be put into the reserve account. Had a good year.

- Program income (included people paying for Evanston trip and District Conference)
 - Budgeted \$46,300
 - Cost \$28,370.47
- Training Expenses
 - Budgeted \$45,525
 - Cost \$41,799.14
- Foundation Dinner
 - Budgeted \$4,000
 - Cost \$5127 (bar and meal cost)

PDG Tom Greene would like to see a comparison cash balance June 30 2016 to June 30 2017. Good check to make sure nothing was missed.

Action Item

PDG Gary Andrew and Chuck Adams to provide cash balance comparison

PDG Jerry Shepherd mentioned to be sure to include explanation for checks. There were checks to Sue and to Gary that did not include an explanation. Explanation should include, reason: Travel Reimbursement (or other applicable explanation).

PDG Gary Andrew said we did over estimate the cost of the multi district conference because of lack of experience. We really did not know what it would cost and it turned out very well. No District funds were used.

- 4 Districts
- Our District Sponsors included: AT&T \$4000, RFCU \$2000, Frank Williams \$5000, Faye McWhorter \$1000, Keynote speaker Ret McCollum paid for Stephen Black \$1600
- We had 120 people from our District

Chair Cross asked about the amounts that Haleyville and Montevallo are past due. **DG Mitchell** spoke to these: Haleyville is 2 years in the reward \$800 – appears to be treasurer problem not a financial problem and DG Mitchell and Sue and Ronnie Smallwood are working with the Club

Montevallo has not paid \$300 and amount probably needs to be written off

**MOTION DGE Argo moved for accept financials
Ronnie Dukes second motion
Motion Carried**

Chair Cross explained that this information has to be approved by the Clubs and final report must be sent to RI; however, it has to be reviewed independently by an auditor. Chuck Adams has provided all the reports to Jerry Mercer. PDG Andrew has tried to call but has yet to connect with Mercer.

Chair Cross shared that we finally got 1099 and letter for last year and need 1099 to get prior to November 15.

Last year **PDG Chair Cross** sent the information she had prior to independent review (similar to what Andrew handed out in the meeting today) and let him know that the 1099 was being worked on. She kept him up to date on progress. The membership will not approve until District Conference and following up on that approval, Cross notified Darwin again.

ACTION: Chair Cross asked **PDG Andrew**, once he has all of the information complete with independent review to send it to her and she will forward to the Finance Committee.

ACTION: Responsibility of **DPG Andrew** to make sure the approved financial information gets to RI

New Business

Chair Cross called on **DG Sue Mitchell** to review financials this year from July through October 10 provided by Ronnie Smallwood.

Chair Cross aid that she receives information from Ronnie Smallwood each month will send to finance committee as received.

DG Sue Mitchell presented documentation and ask for questions - Balance sheet shows assets and liabilities. **PDG Greene** expressed over the equity portion - what are these categories?

Mitchell explained that unrestricted assets goes back to your contingency fund and the money you have there and net income is based on what we have collected from our dues.

Budget vs actual – line items by line item

Only major expense thus far has been Zone Institute. DG Mitchell, PDG Pat Cross, PDG Tom Greene, DGE Carol Argo, Lori Mohler (attended Emerging Leaders), Lee Wyman (attended Membership Meeting), DGEN Bill Petty, PDG Bo Porter (served as Sergeant of Arms), PDG Gary Andrew attended.

PDG Greene commented on the \$1 we are collecting. The way it shows in the budget appears that it is available to meet the budget.

DG Mitchell explained that it is there to keep up with the money as it is being collected and when sent to RI, it will leave budget. **PDG Greene** thought, for transparency, is should be separated out from the dues. That income has a particular name on it and it is not for operating funds. There should also be a place in expenses to show the pass through.

DG Mitchell confirmed that it is a pass through and did not realize that we did not have it separated out in income, but we do show as an expense. Once we collect the entire \$3400+ it will be sent to RI.

PDG Greene 2nd comment was that RI Income for DG, DGE and DGN expenses shows that we have \$13,843 for the DG, DGE and DGN.

DG Mitchell clarified that it is for DG only and was mislabeled. It should be for the DG (allocation).

PDG Greene questioned account receivable adjustment.

DG Mitchell clarified that it was grant money that was returned. The only thing that we will probably be writing off is the Montevallo \$300. They have struggled and they are doing better. We do not want to undercut their efforts to stabilize. North Shelby Inverness is another Cub that has struggled and they just added a new member.

DG Mitchell said we should be well off and run a positive balance at the end of the year due to increase in dues.

- Included is check detail and most is \$26,000 grant money distributed
- Including is a list of open invoices
 - Most we are not concerned with at this time (often pay as late as January) and we have discussed the others

DGN Petty asked if our budget is calendarized. **DG Mitchell** said no it is cash basis, money in money out.

This completed the DG report of finances.

Chair Cross discussed the RI Allocation Pilot Program:

DG Mitchell was able to enlist our District into this 3 year pilot program

It said if we met several action based criteria, we would receive the Entire allocation at one time. The Allotment has come in.

In order to do this there has to be a 4 member committee set up. Member include PDG Cross (Chair of the Finance Committee), DG Mitchell, Ronnie Dukes and PDG Greene. Positions of DG and Finance Committee Chair plus Ronnie Dukes (at large member of Finance Committee) and PDG Greene (at large member of Finance Committee) will make up the committee for next 3 years. Responsibility of Committee is to make sure DG submits expenses and organize in a different manner (form) and submit to RI. Overlapping due to International conference will cause reimbursements to not be completed until Carol years.

Chair Cross – 2018 Zone 30 - 31 Institute

- October 10 – 14, 2018 in Montgomery, Alabama
- Many people in our Club can participate since it is in our state
- Theme - Dream Rotaries Future (Montgomery is known as the City of Dreams)
- On Friday all Clubs are invited.
 - Future Friday one day program (being discussed for meeting).
 - Thinking about inviting Rotaract members would be like youth summit.
 - Thinking on AG training on Friday.
- **Chair Cross** (1 of 3) on regional engagement to raise funds to pay for zone institute and encourage member to attend. All PDG are invited to attend, but want others to attend as well. Andrew Young will be a speaker. Will share more details at Winter Leadership meeting.
- Our District has been asked to contribute \$10,000. Traditional thing that the 3 local districts pay toward cost. Last meeting would like \$5000 in February and \$5000 after July 1. Pat presented to Finance Committee. She already told them that was not sure this would happen. Has let DG and DGE know.
- DG Mitchell said she did not plan for this and does not have the money in the budget.

PDG Greene - in light of timing and need, since budget is in place and do not want to affect budget.

MOTION PDG Greene made motion to take \$5000 from reserve and reflect in actuals as income and expense to go right out

Ronnie Dukes second motion

Motion Carried

DGE Argo will try to budget for additional \$5000.

Rotary Foundation Report

Don Wiginton, Foundation Chair (handout provided)

- As a District, we are giving a lot to annual fund and getting more back than we have actually been able to use
- Carried forward \$130,000 from last year
- Looking at \$167,000 for this year
- Funded 50 - district grants (checks have been cashed and Clubs are working on the grants)
- Have some existing global grants but cannot get any additional. Wade Drinkard cannot get those that have qualified to move forward. The cost and the complexity is prohibiting them and also Clubs have a challenge raising the additional funds to get DDF.
- Don thought that possibly we should consider suspending the matching funds required and go ahead and fund using some of the funds we have. We need to spend and not hold in an account. Districts all over the world are accumulating funds in a bank account. This is not why money is given to the Annual Fund, to sit in an account. We need to be doing good works in the world (spend the money).
- Don reminded us that under PDG Andrew we actually contribute \$20,000 to other Districts DDF.

Chair Cross said we used to do 2 to 1 match.

DG Mitchell has said we have allowed clubs that are nearing completion to apply for an additional global grant. There are 5 clubs that are considering for this year. It is early, 3 months into the year. It is up to committee to make the decision. It is not up to the Finance Committee. It is up to the committee (Joanie Gable, DGE Argo, Don Wiginton and DG Mitchell) who needs to discuss.

There was open discussion of many upcoming opportunities. **DGE Argo** suggested sending a message out to Presidents asking if Club is planning a Global Grant.

DGE Argo said that her DGE group is working on Project at the request of PRIP Germ to build a regional Library in Kampala Uganda to honor RIPE Owor that passed away unexpectedly. She has asked Rotary Club of Greater Huntsville to spearhead this global project. It will happen next year. There will be 26 Districts participating and money (very little) will come out of our DDF.

About 10 more district grants this year. Things are going well on the District Grant. Did have a couple that did have to return money not spent to last year.

DGE Argo gave special thanks to Don and to Ron Brown for the work on these. Please express thanks to Ron.

Chair Cross asked for **Final Comments**.

DG Mitchell thanked Mary Grace/RFCU for all of the printing for today's meeting.

DG Mitchell thanked Ronnie Dukes and DGE Argo co-trainers make these meeting possible.

DG Mitchell thanked Chair Cross, PD Greene and Ronnie Smallwood for serving on sub-committee on finance.

Meeting Adjourned at 2:13