

**Rotary International District 6860
Mid Year Finance Committee Meeting
January 31, 2020 1:00 pm
MINUTES**

Minutes of the District Finance Committee Meeting:

**PDG Sue Mitchell, Finance Committee Chair
Mary Grace Evans, Secretary**

Members Present:

PDG Sue Mitchell, Committee Chair
Mary Grace Evans, District Secretary
DG Bill Petty
PDG Carol Argo
DGE Lee Weinman
Ronnie Smallwood
DGN Harold Lewis
Tommie Goggans
William Ross
PDG JG Brazil
Doug Crump
Chuck Adams
DGND Mike Wade
PDG Georgia Medori

Members Absent:

Ronnie Dukes
PDG Tom Greene
Wilbur Masters (Bubba)
Wesley Brown
PDG Will Kirkpatrick
PDG Martin Uptain
DGND Mike Wade
PDG Mary Jean Sanspree

Minutes of the Fall Meeting of the Finance Committee

District Finance Chair Sue Mitchell called the meeting to order at 1:00 pm. and called for table introductions. Congratulations to Mike Wade as District Governor Nominee Designate.

OLD BUSINESS:

Review of Minutes from 2019 Fall Finance Committee Meeting

MOTION:

**PDG Carol Argo motioned to accept minutes as written
Chuck Adams second motion
Minutes Approved**

Old Business:

Independent Review of Budget for 2017-2018: PDG Sue Mitchell

Mitchell - Completed.

Independent Review of Budget for 2018-2019: PDG Carol Argo

Argo – Completed. One combined report.

990 Submission: PDG Carol Argo

Copies provided of Independent Reviews as well as 990.

PDG Argo 990 was filed. Reviews and 990 have been uploaded to DACdb.

Discussion ensued ensuring that reporting is complete. After much discussion, committee agreed that documentation is complete and acceptable.

District Governor Allocation Report: DG Bill Petty

DG Petty reported:

- Spent \$7700 first half of the year with allocation from RI being about \$14,000 (spent amount constituting a little over half)
- Reporting monthly to Ronnie Smallwood with a copy to PDG Sue Mitchell (who distributes)
- Most everything not paid by District has been paid by allocation

PDG Mitchell thanked Petty for a great job! The 100% RI allocation will continue for the foreseeable future. It has worked out well. It has been extended at least 1 year more and will continue to be overseen by 5 person committee.

District Conference Finance Requirements 2021 – 2022: DGN Harold Lewis

DG Mitchell expressed that there were questions concerning the resolution for how we allocated monies already spent for the 2021 – 2022 District Conference.

DG Petty explained that the money was put in as prepaid. It will sit on the balance sheet like cash until the correct year when this will be credited and the correct account will be debited.

District Financials: DG Bill Petty and Ronnie Smallwood

Copies of Balance Sheet, Income and Expense, Income & Expense Budget vs. Actual, Open Invoices and Check Detail were provided.

DG Petty indicated that there was still quite a bit of money that has not yet been spent. There are also items that are not ever spent (Operations) and will roll over every year. We are in good shape.

There is income of \$2800 for the Foundation Event; however, expenses have not yet been cleared is still waiting on the Birmingham Club. They offered to host. He feels that it will show a loss, but the Birmingham Club is still trying to see how much they will be getting from their members.

ACTION:

DG Petty will work with the Birmingham Club and clear up/reconcile Foundation Dinner.

Smallwood stated that we have started paying for PETs.

Open Invoices –

- Lawrence County has paid and are clear (was for PETs)
- Guntersville Sunrise, Russellville and Greater Shoals have not paid and have been sent another invoice
- Montevallo is disputing sending someone to PETs (working with DGE Weinman)

PDG Argo asked with Guntersville Sunrise merging with Guntersville, will they still owe dues.

Petty said they will not have to pay for PETs, but will still have to pay for member dues. There should probably be an adjustment.

Action Items from October Meeting:

3-person subcommittee to conduct independent review of previous year's budget: DG Bill Petty and DGE Lee Weinman

- Chuck Adams
- Bill Ross
- Doug Crump

New University identification for scholarship honoring RI President, Mark Maloney

PDG Mitchell reminded that the Spain, Hickman, Estess, Maloney Scholarship is for \$3500 and will now also be extended to a 4th University

DG Petty shared that the 4th school is The University of North Alabama. Counce Drinkard is the District Scholarship Chair. He visited all of the 4 schools that were under consideration and shared the information with Petty. Petty sent all 4 schools to RI President Mark Maloney for him to select. Petty recommended The University of North Alabama and President Maloney agreed. Counce Drinkard is currently in the process of contacting all 4 of the participating colleges and making sure we can get all of these out by the end of the year.

New Business

Review of the DLP with noted changes: PDG Jerry Shepherd

DG Bill Petty shared that PDG Gary Andrew has maintained the DLP for many years; however, it has gone dormant for the past year or so and needs to be updated.

A 3-person committee will review completely and identify changes that need to be made and update accordingly. This committee will continue through next year. If others are needed, the committee will pull them in as necessary.

The committee includes:

- PDG Carol Argo
- PDG Tom Greene
- PDG John Valieant

DG Petty extended a thank you to PDG Jerry Shepherd for stepping in to lead Council of Governors (PDG Andrew unable to continue in role).

QuickBooks Electronically (stand-alone computer) versus on-line: PDG Tom Greene

PDG Mitchell indicated that PDG Greene asked that this be included on the agenda.

DG Petty agreed that is it good to be online and that access can be controlled. It would be great for a control group to be able to go in and just look if they have a questions.

PDG Argo also expressed that when she and Greene spoke, a primary reason to move in this direction is to allow records to be maintained in the cloud so that the District does not have to worry about records being lost.

DG Petty added that if we have someone review our books, we can provide them access.

Smallwood agreed, although he backs up every month, when he first took over the books, in the first month it crashed and thankfully Chuck Adams had a backup.

Adams agreed. He said his Club just converted to online and will be working with a new Accounting Group. Taking this online will make it easier to work with them.

MOTION:

PDG Medori made a motion that next year we move our QuickBooks online, protected as necessary.

DGN Lewis second the motion.

Motion passed.

Presentation of Joint Conference 2020 budget: Bill Petty

DG Petty is in process of developing budget. Everything is set-up: facilities, food, speakers.

- PDG dinner will be a cruise right there at the hotel (boat pull up right there)
- Saturday will be derby day so there will be TVs with derby on and “betting” with money going to Polio Plus
- This will be family and fun
- Friday District meetings
- Hoping to have registration open March 1

PDG Will Kirkpatrick, District Coordinator for RLI, introduced additional new business

Discussion item RLI reimbursement of \$50.

Kirkpatrick understood that for first time participants there was a \$20 reimbursement. In recent RLI held in Madison, he charged RLI 1 participants \$50 (recommended amount) and then submitted one check to their Treasurer for the reimbursements. Now he understands from PDG Mitchell that he should have charged \$70 and from the money collected he was only responsible for sending \$50 to RLI and returning the other \$20.

His question:

1. Can we just charge \$50 and not reimburse; or
2. Can the District just absorb \$20? He submitted to the District a reimbursement for \$380 (19@\$20)

Mitchell said that the reimbursement came out of the money that Tom collected, not the District. The money for RLI is kept completely separate from the District.

From discussion, the \$20 reimbursement was an incentive to participate. The actual cost for RLI is \$50. The only way for the District not to be impacted was to upcharge the session to \$70.

Much discussion ensued with varying opinions.

Ronnie confirmed that the District had never paid this. The District has not been involved in RLI.

Mitchell said that RLI was in agreement to accept \$70 and reimburse \$20. It was all done through RLI. It was handled all by the RLI Coordinator. It did not go through District. Reimbursement for the food is also handled through RLI.

PDG Mitchell did say that there was a line item in the budget of \$500 for RLI. The cost to the District is \$100.

There was discussion, but no one knows if it is effective to charge and reimbursement the \$20.

DGN said that PDG Greene needs to be in the conversation.

PDG Kirkpatrick has already told Anniston there will be a rebate. He said we can continue and see how it goes until the next meeting.

ACTION:

PDG Kirkpatrick will move forward as was agreed that RLI 1 will remain at \$50 and there will be no reimbursement.

NOTE:

In response to this discussion, PDG Tom Greene has submitted the following explanation. Finance Committee Chair Mitchell and PDG Greene requested this be added to the minutes:

Relationships between RLI and the District.

First, there are two accounts and separate budgets involved. The district provided the discount from the District budget. RLI pays for the expenses of RLI sessions and charges a student an enrollment fee. Fees outside of the district coordinator are also paid by the RLI division Treasurer. The fee is standard across the division in the different districts.

RLI

The district coordinator sets the fee in the registration based on RLI practices. It's currently \$50.00. The students pay the RLI fee either on line or at the door. If the club is paying, it's at the door. The District Coordinator submits money received and expenses for the session to the RLI board Treasurer.

District.

The RLI district coordinator pays each student or their club \$20.00 if they are entitled. The district coordinator submits an expense request to the District Treasurer for reimbursement. This was a budgeted item.

These are administrated separately. If it is built into the registration fee, it will create a significant handling outside of the RLI session work for the two Treasurers involved.

END NOTE.

Submission of District Budget for 2020 - 2021: DGE Weinman

PDE Lee Weinman presented his preliminary budget. He should receive his allocation from RI next month and will finalize. His budget is very similar to DG Petty's with a few exceptions.

Currently showing \$7800 deficit:

- Declining membership - \$1200 (may or may not come to fruition)
- Plan will create a public image campaign. District has previously relied on Clubs to have their own public image campaign and it has not worked. Weinman is putting together a white paper that will have TV, Print and Social Media. Most of the team has been put together and is still confirming person to lead the project. Talking with a member of the Shades Valley Club who is Sales Manager for CBS 42. He can help to get air time as well offering

a graduate student intern to do the file snippets (working with CBS 42 Creative Director) - \$5000

- If this is successful, this will impact Membership Committee. We will have to act quickly as leads come in.
- This will also impact our and Club Expansion Committee because if we have people interested in Rotary and there is no local Club, we will need to find a way to provide a Rotary Club to them.
- The addition of one more college scholarship - \$3500
- PETs is pretty much even.
- Budget additional \$1000 for the DG and DGE for International Convention in 2021 in Taipei (will cost more). Capped up to \$7000, if it cost more will come out of pocket
- Travel - 59.9cents per miles. Trying to put together a plan that we use up all of Rotary Allocation and not using their form to stretch.
- Did include \$1000 for 990 (will continue with 3 person committee).
- Included \$1000 for iPDG to attend Zone.

Any other additional new business

DGEN Mike Wade shared that the Rotaract Summit was currently going and encouraged committee members to stop by.

PDG Mitchell adjourned the meeting at 2:12 pm.

Respectfully Submitted,

Mary Grace Evans