



## **Finance Subcommittee Report Area 59, Panel 65 March 8, 2015**

The Finance Subcommittee has met five times since the beginning of Panel 65:

- December 14, 2014 (at the Q1 2015 Area Meeting)
- January 4, 2015 (at the DCM Orientation)
- February 8, 2015 (by conference call)
- March 1, 2015 (by conference call)
- March 8, 2015 (at the Q2 2015 Area Meeting)

Meeting minutes are available via our Secretary. In addition, the entire subcommittee communicated frequently via email and the Chair and Adviser met twice: on January 10, 2015 and January 31, 2015.

Our primary focus to date has been the Fiscal Year 2015 Area budget planning process. We will submit our proposal in New Business. The subcommittee looked at many factors to create the budget: prior years' income and expenditures; contributions to date in Fiscal Year 2015; known upcoming expenditures; and Panel 65 Delegate's Recommendations (general and those to subcommittees). We also gathered input from current subcommittee chairs, Area officers, and past trusted servants. The subcommittee worked diligently to propose a balanced budget.

On February 16, we submitted our draft to the Area officers for review at the February 18 Pre-Area Meeting. We requested feedback by February 28 in order to send to the entire Area committee this week (which is the first time that the proposed budget has been circulated in advance). Also for the first time in recent memory, we created a budget narrative to explain the budget and to ensure an informed group conscience when we make a motion to approve the proposal.

Furthermore, on February 16, we made a recommendation to the Area officers for a motion to be heard by the entire Area committee on March 8. We recommended a motion to rescind the full \$7,500 Delegate fee to the General Service Conference (an amount which the Area committee had approved on December 14 and which had not yet been paid as of February 16) and recommended a motion to reconsider sending \$1,600 instead. GSO suggests \$1,600 only, and the \$5,900 difference would have enabled us to not only achieve a balanced budget given the status of year-to-date contributions at that time, but also to potentially allocate more funds to subcommittee activities and the services provided directly in Eastern Pennsylvania.

We recommended the Treasurer send \$1,600 by the March 2 GSO deadline, and any balance decided upon by the Area committee on March 8 at a later date. The recommendation was made because the Finance Subcommittee unanimously proposed \$1,600 in the draft budget.

At the Pre-Area Meeting, 4 Area officers were in favor of sending \$1,600 (not \$7,500) by March 2, and any remaining funds *after* the March 8 vote, and 2 Area officers were opposed to such a motion. However, the Delegate chose to reject the subcommittee's recommendations. The Delegate requested that the Treasurer write a check for the full amount of \$7,500 and send it to GSO on February 19, which he did.

The Finance Subcommittee was disappointed in the process and felt that given the violations of a range of principles articulated in Traditions (e.g. 1, 2, and 9) and Concepts (e.g. 1, 4, 5, 10, and 12), we should report on this issue with transparency. It was our opinion that the entire Area

committee should see the financial implications of their December vote and understand how \$5,900 makes a significant difference, at about 8% of the annual Area budget. The Finance Subcommittee did not think that the December vote represented an informed group conscience, as most in attendance were new DCMs and had not had time to review the Area budget. The consensus of the Finance Subcommittee was that additional funds would be better spent within the Area for our service work as subcommittees. However, we had to cut seven subcommittee budgets from what their chairs originally requested. This was why we wanted to put those motions on the floor today, but the motions were rejected.

The Finance Subcommittee was obligated to revise the proposed budget to include the full \$7,500 for the General Service Conference. Given the uptick in contributions to date, we were still able to achieve a balanced budget, but we were unable to provide subcommittees with funds they requested. The Finance Subcommittee felt it necessary to report on this issue so that we can effect change in the future. We encourage the Area committee to consider a few factors:

- Consider allocating \$1,600 (or whatever the GSO-suggested amount is next year) for the Fiscal Year 2016 budget
- Change to \$1,600 (or whatever the GSO-suggested amount is in two years) for the Panel 67 Delegate's Recommendation to be made in December 2016 for the incoming DCMs

Lastly, the subcommittee has been active at district meetings, workshops, and Area events, bringing displays, pamphlets, and giving talks on the 7<sup>th</sup> Tradition and Area finances.

- At the DCM Orientation, contribution envelopes with the new address were distributed to each DCM, with the hope that they will inform their GSRs.
- DCM D39 has attended three district meetings in his assigned geographic territory to present on behalf of the Finance Subcommittee.
- DCM D27 and the Treasurer attended the Combined District Workshop hosted by D32 and the Treasurer presented to explain the Area structure and how group contributions are put to work.
- D39 hosted a Three Legacies Workshop, which was hosted by DCM D39 and attended by DCM D27 (one of the three speakers) and the Treasurer.
- The Treasurer brought a Finance display to a workshop in Harrisburg and the EPGSA/SEPIA Share-a-Day on February 15, 2015.

Subcommittee members continue to receive invitations to and watch the Area calendar for future workshops. Each subcommittee members has been assigned a geographic territory to ensure coverage of the entirety of Eastern Pennsylvania. Four members have agreed to create additional displays.

Lastly, the subcommittee is looking ahead to the June 14, 2015 Q3 Meeting, at which we will give a pitch to encourage district and group contributions and distribute 7<sup>th</sup> Tradition packets that contain pamphlets, info cards, and contribution envelopes for Area 59 and GSO. Each DCM will receive 25 to bring back to their districts and GSRs, for a total of 1,200 to be distributed. We are making an additional 800 packets, for a grand total of 2,000 in 2015. We took inventory of the supplies on hand, and will place an order through GSO to fill the gaps in our stock.

Respectfully submitted by: Caroline N., Chair (D27)

Members: Wayne L., Secretary (D43); Jeff L. (D35); Ed Z. (D39); Bob E. (D46); Gene M. (D59); Steve S. (Treasurer and Adviser)