

TO: 2017-18 Club Presidents, 2018-19 Club Presidents

For distribution to all club members

District Rotarians of 5960,

Attached is the proposed budget for District 5960 for the 2018-19 Rotary year. As a significant portion of our District's income comes from member dues, there is a proposed per member dues increase of \$3, from \$52 to \$55.

After researching past Rotary year budgets and use of expenditures, it was clear that additional revenue is needed to allow the District to continue to provide quality training, resources and service to our clubs.

Some of the factors in this decision include:

- Cost of providing support and resources to our clubs have increased over time. This includes, but is not limited to:
 - Meeting places/amenities for District events
 - Needs to fund staff support
 - Materials, printing costs and similar expenses
 - Travel costs
 - Training costs
- While costs have increased, our income has decreased. Since our income is directly tied to our membership, the downward trend of our membership over several years has had a negative impact on our financial resources available. This year's budget is based on 2,800 members. By comparison, 2017-18's budget was based on 2,830 and 2016-17's budget was based on 2,900.
- Even with our declining income, the District has been in a generally adequate position due to sound fiscal management from the District's Board of Directors and Finance Committee. However, we have had to turn to District reserves to cover shortfalls in several years, to the point we cannot continue to count on that behavior.
- With the increasing costs and declining income, along with hesitance to continue to count on reserves to offset annual deficits, the District's Finance Committee and Board of Directors feels comfortable recommending the increase of \$3 per member to \$55 total, especially when it has been eight years since the last dues increase.

Sincerely,

Mike Becker, 2018-19 District Governor
Rich Ramsay, District Treasurer