

AREA FINANCE COMMITTEE MEETING

July 17, 2021

10:00 am – 11:00 am

Zoom Meeting

URL: <https://zoom.us/j/386759333>

Password: 136819

Open Meeting: 10:00 am with Serenity Prayer

Committee Purpose: This committee prepares the budget for the following fiscal year. This is done with the Budget Committee comprised of the Area treasure, Finance Chair and any assembly member requiring funding for approved Area service work. Also, we study and review the needs of the Assembly as a whole, as they relate to income and expense; with an aim to insure a healthy, but practical Area financial status that honors the intent of the Seventh Tradition of self- report.

Introductions: attendees

Betsy G. – Committee Member
Elizabeth G. – Finance Secretary
Meece T. – Committee Member
Kris H. – Committee Member
Ron S. – Finance Chair
Troy B-D. Committee Member

Secretary Minutes: Reviewed, corrected, and approved by the committee. The approved minutes will be sent to webmaster for posting.

Ongoing Business:

SWRAASA Fund:

Ron S. spoke about “how much money we need to put in the **SWRAASA** fund?” and “What was the total we needed to have on hand?” Kris H stated we should be putting in \$500 per year and have at least \$5,000 by 2025. The SWRAASA event usually costs about \$25, 000 whereas most of the money will come at registration. He mentioned about possibly going to the various groups and start asking for donations.

Betsy G. asked, “How much SETA has in allocated reserve (unrestricted funds)?” Ron states about \$33,000 and would be able to roll the whole amount over. Kris H. stated this should be brought to the Area Assembly requesting the rollover of funds. He went on to speak about the problems Northwest Texas funded the event and suggest mentioning this at October 2021 Assembly.

Kris H shared going through all the records and there is a \$2,500 seed fund that is supposed to go from current host to next host. The accounting of the “seed fund” has not been handled the same in all the treasures’ reports and hard to follow the cash in the reporting. He mentioned if the Area starts out with \$2,500 seed fund and add another \$2,500 there would be a good start to this fund. There is a meeting at SWARTA with the various Alt. Delegates and this issue will be addressed. Troy B-D agreed, the \$2,500 seed is not large enough in which there have been several proposals from the various Areas to add to this fund.

Ron S. asked about the money from the Area, and would this be used as unrestricted funds if we don’t have enough. Kris H. disagreed and shared by utilizing the money from the budget that has no stated purpose and making this event with the stated purpose is not to burden the groups/districts who are already struggling - this event should be a “fully self-supporting” event. Most Areas will make money from SWRAASA. It is a large amount with hotel venue etc. Kris H. states not putting out a request for additional fund from the Area. Betsy G. shared about a past Delegate that sold “coffee mugs” for funding – had to keep the supply of mugs in the hotel room.

Ron S. will present this at the October Assembly, to move all the fund from unrestricted funds to SWRAASA fund – the \$5,000 amount. Troy B-D stated by moving the money, it is a form of “transparency” by reporting to the Area, the money has been moved. Then, the Treasurer (Reino F.) can share a detailed description to the Area.

State Convention Fund:

Ron S. addressed the past motion of \$15,000 convention reserve was eventually lowered to \$7,500. The \$4,000 state convention reserve (\$1,000 held by SCAP & \$3,000 held by treasure) is for if the state convention loses money. The money from the State Convention does not belong to the Area and must be kept separate for accounting purposes. This is a “line item” that cannot be eliminated and must be voted out by the Area. Kris H. spoke about the rules regarding line items have to do with the detailed page of the SETA budget (lodging, printing etc.) The front page of the Treasures’ Report is discretionary with how the treasure reports, how they choose to report it - the finance committee.

Troy B-D spoke about the \$7,500 is the state convention fund that moves every year from convention to convention – the seed money. There is another line item that is \$4,000 - convention loss fund and is readily available if the convention loses money. The state convention loss reserve is totally separate – this is not the Area’s money as every Area is supposed to have this set aside.

Ron S. shared the \$7,500 is not the seed money that transfers every year, \$3,000 of that transfers every year. In October, \$3,000 will be given to Debbie for state convention. Therefore, Area will have \$8,500 in the “kitty” in case the convention loses money

Kris H. spoke to the full convention fund will have another \$4,000 on top of it which is the Seta Convention loss reserve. Technically, the Area has about \$15,000 even with the reduced amount being held in restricted funds. The \$4,000 was probably done in “fear” back when the

Area lost a lot of money. Therefore, the cap was set at \$15,000. Apparently, there is no clear documentation as to why \$4,000 is sitting on a line item.

Troy B-D addressed “If the \$4,500 that is more than the \$3,000 seed funds, is it to be placed in prudent reserves?” Kris H stated the \$7,500 is the prudent reserve of the state convention. The cap is now \$7,500 reduced from the original \$15,000. The goal is to explain to the Area the block on the Treasures’ Report with the above information.

Ron S. stated the best suggestion is to move \$1,000 to “unrestricted funds” and change the “convention lost reserve” to “convention seed money” and the \$3,000 will rotate every convention. Troy B-D mentioned this would look like it is separate from the \$7,500 in which has not been accounted for in the past. The \$3,000 is reported each time it rotates to the next committee.

Meece’ T. shared this has been discussed in previous finance committee meetings. The reason for placing a cap is to lower the money due to push backs from the districts/groups about how much money is set aside. Troy B-D shared there is no mechanism in place if the convention money gets pulled to replenish it and what would happen if there were 2 conventions in a row that lose money or have higher expenses – this would be a problem.

Kris H. shared that if this happens, the Area, would need to look at how they conduct the conventions – review the contracts, use check list etc. The action to be taken is to move \$1,000 out of \$4,000 unrestricted funds and change it from “convention lost reserve” to “convention seed funds.” The above action will be brought to the Area Treasurer for review.

New Business: None Reported

Next Meeting: August 21, 2021 – 10:00 am via Zoom

Close Meeting: Responsibility Statement