

MOTION

“Reduce the current rate of defrayment for Area Officers and Chairpersons of Area Standing Committees from 25 cents per mile to 20 cents per mile for distances in excess of 25 miles round trip.”

Date of Motion: February 25, 2012

Presented by: LeAnn L.

Seconded by: Keira N.

Rationale/Background: The Finance Committee concluded through its discussions that the rate of 20 cents per mile defrayment for distances in excess of 25 miles round trip for Area Officers and Chairpersons of Standing Committees is financially prudent and is a reasonable defrayment rate to off-set the expense of travel within the Utah Area 69 General Service structure. Based on Area 69 Archives records dating back to 1982 through 1989, the defrayment rate was 10 cents per mile; from 1990-2007 it was 15 cents per mile; from 2007 to the current time, the rate has been 25 cents per mile. The 2007 increase of 10 cents per mile was affected in part by the rising cost of fuel associated with the economic climate during that time. It was the Finance Committee’s consensus that the current rate of 25 cents per mile has basically covered the total expense of actual fuel costs incurred (associated with the travel of Area Trusted Servants) in most cases. This may vary with the type of vehicle used for travel. Once again, the purpose of defrayment is to assist in covering a portion of expenses while serving in an Area position. The financial impact and potential savings to the Area by reducing the current rate of 25 cents, for a savings of just “one nickel” per mile, is impressively significant. The actual annual cost of Area Service position travel is variable and fluid dependent upon the location of the hosting districts of Area 69 Service Events, as well as the amount of travel associated with Officers’ and Standing Committee Chairs’ levels of activity in conjunction with performing the duties of each elected position. Therefore, the annual average savings to the Area through the implementation of this recommendation will also vary.

Financial Impact: The potential savings could be up to \$1,400.00 per year.