

# District 11 Budget Considerations

Presented by District 11 Finance Committee

## **Q. How was the proposed budget developed?**

A. By October of each year, a budget is proposed by a Finance Committee consisting of two GSRs, the District Treasurer, District Secretary, DCMs and DCMC. The proposed budget is determined by adding the fixed and variable costs to determine final anticipated expenditures for the coming year.

## **Q. What are the fixed costs?**

A. Fixed costs are determined by the District 11 Guidelines and include;

1. Area Meetings. – The DCMC and DCMs are expected to attend all area meetings. The area meets 8 times per year. There are 3 assemblies, 3 workshops and two committee meetings each year and can be anywhere in the state. The guidelines state the DCMs and the DCMC will be defrayed for lodging, mileage and registration fees for each event in excess of 75 miles, one way, from their home. **As a district, we do not believe financial circumstances should be a barrier to service. Every member has a right to participate in AA.** The defrayment is not intended to cover the entire cost of attending the meetings, which is why it is a defrayment and not a reimbursement. Participants pay the difference between the defrayment and the total cost of the room; pay for their own meals and other expenses.

2. Prudent reserve. - Guidelines state that a prudent reserve of 50% of the annual budget is to be maintained as an emergency fund. Therefore, the total budget should always be 1.5 times the anticipated expenses for the year. A 2/3 majority of voting members present at a district meeting is required to approve expenditures from this fund.

3. Regional Events. - Out of state regional events such as PAASA and Regional Forums are defrayed at a flat rate of \$250.00 per event or as funding permits. First consideration for those events is given to DCMs followed by the DCMC. A Standing Chairperson or GSR may be selected as a third alternative if a DCM or DCMC cannot attend. We budgeted for 1 person to attend 1 2016 regional event.

The fixed costs for area events were calculated by adding the lodging defrayment and the mileage defrayment based on the event location and multiplying that by the 3 positions eligible for defrayment. Fixed costs for regional events were calculated by multiplying the flat rate by the number of people attending.

## **Q. What are the variable costs and how are they determined?**

A. Variable costs include Standing Committee Chair budgets, operating budgets and workshop budgets. Each year, the Standing Committee Chairs are asked to submit a request to the Finance Committee for the coming year for the amount they anticipate spending to carry out their responsibilities. If no request is received, the budget is set for each Standing Committee Chair at the discretion of the Finance Committee. The

operating budget is for expenses such as copying, postage, office supplies and any other expenses the district committee uses to carry out its responsibilities. Each of the two DCMs is expected to organize one workshop per year. These workshops are a line item in the district budget. There is no set cost for these workshops. Tradition has been to fund them at \$50.00 per event to cover the venue, refreshments and other costs.

**Q. Why does the budget vary from year to year?**

A. When area events are not held in or near our district, travel costs increase. Travel costs are our largest single item in the budget. The district that hosts events is chosen by vote at the same event 1 to 2 years in advance. Our district bids for every meeting so all of our local members have a chance to attend without incurring travel costs. We've observed that the votes have a sense of fairness about them; a district that hosts many meetings in one year may be passed over the next so that the meetings get spread around. Our district stands a better chance of hosting meetings locally if more GSRs and district members are there to vote at the area meetings.

**Q. Who approves the district budget?**

A. The budget must be approved by a 2/3 vote of the district committee present at the district business meeting where the budget is presented. The district committee is made up of the group GSRs, Standing Committee Chairs, District Secretary, District Treasurer, DCMs and DCMC. It is important your group's conscience is represented at the district business meetings by your group's GSR or Alternate GSR.

**Q. Where does the money for the district budget come from?**

A. Like everything else in AA, we are self supporting through our own contributions. Our only source of district funding is group and individual contributions. We do not solicit money outside of AA. It is important your group has a say in how your contributions are spent.

**Q. What happens if the contributions do not fully fund the district budget?**

A. If the budget is not funded, the district will need to make cuts in the services it provides and activities it takes part in. Recommendations would be made by the Finance Committee. Budget changes must be approved by a 2/3 vote of the district committee present at a district business meeting. This is another important reason for your group to be represented at district business meetings.

Your GSR is the voice of you and your group in District 11. We need input in order for our district to effectively function as a part of the fellowship of Alcoholics Anonymous. The district needs your suggestions, ideas and constructive criticisms in order to fulfill it's responsibilities as outlined in the district guidelines. The district also needs your support and the support of your group, financial and otherwise. After all YOU are the district. It is very important that each group be represented by their GSR or Alternate GSR at each district business meeting where decisions are made that help the District Chairpersons, Treasurer, Secretary, DCMs and DCMC carry out their responsibilities. In the upside down AA organizational triangle, the district serves you and your groups.