

## District 57 Budget Introduction 2018-19

### Budget FAQs

**1. Why are we showing a deficit in the budget?**

Under most circumstances, the annual budget should show a small income or break even. However, District 57 has run a cash surplus for a few years. We started the new Toastmasters year (as of July 1<sup>st</sup>) with \$52K in our bank and reserve accounts. These account balances are too high. As requested by Toastmasters International, District 57 must spend our surplus, which allows the District to run a deficit.

**2. If the District intends to add more clubs and increase membership, can we budget higher membership revenue?** No, the current year's budgeted membership revenue is based upon last year's actual membership revenue and cannot be altered according to Toastmasters International Policy and Protocol.

**3. Can we budget more for Training and the Toastmasters Leadership Institute (TLI)?** The Trio and committees have planned an outstanding educational curriculum including two TLIs, officer makeup training sessions, pathways training, Train the Trainer, and learning events for the area and division directors, in addition to educational sessions at the Spring Conference. As depicted in page one of the budget, Toastmasters International restricts certain budget categories to a maximum percentage of the overall expenses. For example, TLI, Education & Training (E&T) expenses may not exceed 30 percent of the total expenses. The TLI and E&T expenses are currently budgeted at 28.4 percent of total expenses. Other expense categories such as Conference and Marketing are not restricted.

**4. Why did the budget change from the District Executive Council meeting (DECM)?** The finance team reallocated certain costs to other programs and reduced expenses within the budget. The changes resulted in a deficit reduction of \$594 from \$22,845 to \$22,251.

Please refer to the table below for more information on the different revenue and expenses in the District 57 budget.

If you have budget questions, please email your question to [Finance@d57tm.org](mailto:Finance@d57tm.org) before the District Council Meeting on September 24.

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<b>2018-19</b>		
<b>Revenues</b>	<b>Budget</b>	<b>Line Item Description</b>
Membership Revenue	60,891	Projected membership revenue is based on actual results of prior year. TI specifies this revenue amount.
Conference Revenue	25,665	District will host its Spring Conference in May 2019. Conference revenue line includes \$3625 in ticket sales (revenue) from the Awards & Installation Dinner that occurred in July 2018.
TLI Revenue	1,550	The District does not charge admission to TLI. This line item includes ticket sales for the Train the Trainer event in November 2018.
Other Revenue	300	The District received a \$300 donation from CSAA.
<b>Total Revenue</b>	<b>88,406</b>	
<b>Expenses</b>		
Conference	26,744	Conference expenses category includes \$5506 in costs from the Awards & Installation Dinner that occurred in July 2018. Balance of line item is attributed to the Spring Conference.
TLI	15,642	District will provide two TLIs this winter, North & South, to better accommodate members in the North Bay. Category also includes expenses related to the Train the Trainer event in November 2018.
Marketing	18,117	Marketing involves numerous incentives and recognition awards including: 1) \$50 in credit for district clubs that hold an open house during the promotion period - amount allocated \$5900 2) promotional items for members that become a club coach, sponsor or mentor - amount allocated \$4,583 3) To meet membership goals, an advertising campaign is planned in the Fall and Spring to support Toastmasters Week - amount allocated \$4000 4) Club banners provided for new clubs - amount allocated \$1,320 5) Recognition awards for committee chairs, area & division directors that achieve performance goals - amount allocated \$1,351 6) Miscellaneous promotional materials - amount allocated \$495 7) Year-end awards for outstanding achievement - amount allocated \$468.

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Communications & Public Relations	3,741	Category includes costs associated with web and Meetup sites, Zoom conference calls, newsletter, and Toastmaster TV.
Education & Training	15,742	Category provides for officer make-up training sessions, pathways training, prospective area director learning event, and numerous awards for outstanding achievement. Line item also provides \$6,012 in incentives to distinguished clubs and for clubs' timely completion of their success plans.
Speech Contest	5,076	Costs to support area, division, and district speech contests including contest awards. \$2,500 is allocated to video-recording the speech contest in May 2019 as mandated by TI.
Administration	8,662	Category includes costs related to District Executive Council meetings such as facility rental, snacks, and miscellaneous administrative expenses. Category also includes payment to storage facility to secure district assets.
Travel	13,888	Category provides travel funds for the Trio to participate in the international convention in Chicago, mid-year training in Seattle, and to attend division events within our geographically large district.
Other (TI claw back)	3,045	District 57 receives 25% of membership fees paid to Toastmasters International. Due to increasing costs at TI Head Quarters, TI reclaims 5% of the District's membership dues in monthly installments.
<b>Total Expenses</b>	<b>110,657</b>	
<b>Net Income (Deficit)</b>	<b>(22,251)</b>	