

To: All AWSC Members

At the October 24<sup>th</sup> AWSC meeting the 2010 proposed budget was presented. A few changes were highlighted and discussed. Items of explanation and further discussion are presented below:

- We are presenting an unbalanced Budget with the intent that group contributions will continue and we will use them and the cash carryover to pay expenses for the coming year. We have learned from experience that our maximum budget is rarely spent.
- And we do not need to balance our budget. From the Oregon Area Handbook (Section 4 - Page 1): "The Oregon Area's prudent reserve is equal to 1/3rd of actual expenses of the previous year. If it is necessary to dip into the reserves to pay for Area Expenses, the treasurer will notify groups that the Area needs more contributions. And "When an event produces more income than budgeted, the excess profit will be considered in developing a budget for the next year as part of the cash carryover."
- "Also in our Handbook, Section IV-Page 5, "The annual budget is then voted on as a whole, and is not approved until it passes with a two-thirds majority vote of the assembly. Once adopted, budgeted expenses cannot be increased. Thus the budget is a maximum cost budget rather than an estimate of actual expenses. Once the budget has been adopted, expense line items cannot be added except in a case of emergency, this would be done by a two-thirds passing vote at an area assembly. However, the Audit-Budget Committee may shift amounts between line items during the year, these shifts are called budget transfers."
- In the many years of Area Budgets, we haven't seen the "carry over" used to the max of what has been in the budget. We need to think of ways to have the "carry over" spent. If this should happen, and we don't really expect to fall short, the funds are going to come from cash reserves. We would like to see them used for Public Outreach. If we get to the point that the funds are used up, we will need to rethink the process.
- The costs of assemblies and AWSC have been expanded to include a line item for the 3 assemblies and the AWSC meetings. This is to provide education of costs for these events.
- Under Assembly expenses, the Audit-Budget committee has increased the Action Committees budgets per their requests to carry out the committees actions. This is a change from being listed in Coordinators expenses. Coordinators line items now reflect administrative costs.
- T.E.A.M now replaces RSS and is currently with a zero balance in case a decision is made to host a T.E.A.M. event and then funds could be transferred from the contingency line item.

We would also like to bring to your attention 2 other changes:

- The donation to the WSO was removed from the Budget as a line item. The feeling on the Audit-Budget committee was that Group contributions to the area should be used in the Area and that Groups should be the primary source of contributions to the WSO.
- The increase in the Lodging and Meals allowance was increased substantially so that we are using the same "yard-stick" to measure the costs. We also used the variable of attendance and came up with these figures. We will continue to look and adjust these figures as more experience warrants.