

Area 82 Area Officers Meeting  
August 11, 2024

The meeting opened at 6:00 pm (6:30 NL) with the Serenity Prayer.  
12 Traditions were read by Bernie.

Members present: Anne B, Chair  
Michael, D1  
Al G. D4

Basil M., Treasurer  
Bernie, D2

Marie M., Webmaster  
Mark, D3

12 Traditions read by Bernie, District 2.

Treasurer Report

Basil presented his treasurer report, explaining items line by line.

Questions:

- Michael: Isn't the account called "Prudent Reserve" is something we shouldn't touch?  
Basil: Well, yes, but they named this account Prudent Reserve, but it is the day-to-day operational account.  
Chair: Couldn't we get that changed? It's very confusing. You see, you're getting all this money coming into the "Prudent Reserve" and this account is only supposed to be 6 months operating costs.  
Michael: The Guidelines state that we should only use "Prudent Reserve" in case of emergency.  
Basil: Yes, that's right, but we only have two accounts  
Operational Account – the account which budget monies are taken from  
Prudent Reserve – 6 months operational monies  
I would suggest that these accounts were named in the reverse.  
Michael: I feel that this must be fixed.  
Basil: I will have them changed before the Fall Assembly 2024.  
There is a problem with only two accounts, though. The budgeted amount for the next year would not go into the Operational account or the Prudent Reserve account.  
Chair: We just finished getting rid of one account!  
Basil: If I am going to change these around, where do we put the prudent reserve monies?  
If the third account has been closed, we need one account for day-to-day operations, one for the budgeted amount, and one for prudent reserve monies.  
Mark: The budget amount last year was \$25,59500. so the budget amount for prudent reserve would be half of that, which would be kept in the prudent reserve account which is 'locked' and never touched. If I send you a cheque, it would go into the operational account. The prudent reserve is never touched unless there is an emergency. We get contributions and write cheques on the operational account. This is my simple understanding, please correct me if I am wrong.  
Basil: You are 100% correct in what you are saying, but that is not the way they had it set up when I came aboard. Far be it for me to make changes in that regard.  
Mark: If I send you a cheque today, where will you deposit that cheque? It is up to you, as Treasurer to deposit into one of those accounts.  
Basil: Yes, correct. But it's also up to me to put it where Treasurers before me have deposited, as I have had no instruction to do otherwise. Until I get instructions to that effect, I need to continue doing what they did.  
Mark: Ok. Michael addressed that earlier – that the names of the accounts are mixed up.

Basil Thank you Mark. We've talked about the validity of three accounts. I will also tell you that when I was handed the books and what little instruction I did get from Gerry W. As he was ill at the time, I did not want to burden him with any more than I needed to. From that point to this, I was never given any tutorial or hands on coaching regarding these accounts. I spent weeks studying these sheets and numbers before I could wrap my head around how they're put together.

Marie Thank you so much for doing what you are doing. It is not easy to step into a new position with not much instruction. I would think that as our trusted servant, you might give us some recommendations on what would make sense. It confuses me also, as my understanding is that the prudent reserve should be an account that is not touch.

Basil Thank you Marie!

Mark I know that you were handed this way of doing things. This is not a finger pointing thing at all. We are just saying that this is confusing, and can you fix it?

Chair I believe these changes were made because of recommendations by Ad-hoc committee.

Mark We went from three accounts to two. It was the assumption that the prudent reserve account would be locked. Operations would be done through the operational account.

Basil As far as I can tell, there is nowhere showing the amount of prudent reserve. There is no line, no spot for prudent reserve – this is a 'phantom number'. It does not exist on any line item anywhere. If the Finance Ad-hoc committee did put this together, they did not include a line for prudent reserve. It is not spelled out anywhere, which is totally wrong.

I will put together a proposal for the Area Committee, as to what I think the changes should be so it is simple and comprehensive.

Chair I suggest an Area Officers meeting and put forth your ideas as a group.

Al It would be nice to know why this changed. Who was there when this change happened? Before the fight starts, let's find out when it was changed, and why we don't have a prudent reserve account.

Basil I agree that we can put the prudent reserve in the account where the budget monies go in and out, as a line item. We could differentiate that easily. That might be the easiest way – we would not need a third account.

Mark The Prudent reserve amount is explained on page 13 of the Guidelines.  
“... In January of each year, the Area Treasurer is to ensure that a Prudent Reserve balance of six months of the annual budget, as approved at the annual Fall Assembly ”

Basil I think we can move forward with the plan that the Area Executive will get together and make these changes.

Michael Thank you, Basil, for all your work in this area. We need to make sure that we are doing what the Guidelines say we should be doing.

Basil For simplicity, I am going to continue calling the accounts as they were named previously.

Basil There is an interesting thing I found – the average person glances over this, because it becomes very confusing. I found it more confusing than it should have been - there is a cell here, which includes a formula (C11-Q11) – but the formula was overridden and an amount forced in. I don't know why this was done, but because of this, when I got to the end of the sheet, nothing balanced. I needed to revisit every single cell to see if it contained a formula; if it didn't, then I needed to enter a formula. The work was mind blowing, to say the least. It is now complete – I will be creating a master copy before the end of the year, so it can be used year to year. For instance, to start this year, they took the excel spreadsheet from last year and just deleted the numbers. I believe that is why

these formulas were deleted or missed. In my second quarter report, I had a message from Michelle, looking for the budget to actuals and the summary, and we need that. This is when I went back through it and found that some formulas were missing. Now, the formulas are all back where they should be, and in their proper texts. Most importantly, the totals of the two bank accounts shows that we are only three thousand dollars away from our budgeted amount. By the end of the year that cell should be in the black.

Basil So now this can be forwarded to the groups, and Marie will be sent a copy to put on the website?

Chair Yes

Michael Is this the most current then?

Basil Yes

Michael So, Basil, what do you want me to tell my groups when they see that our prudent reserve is a \$40,000.00?

Basil Tell them that we are in the process of changing the names of the accounts because they were named incorrectly.

Michael Thank you

Marie Thank you again, Basil! There are a couple of broken values in the spreadsheet that Anne sent. Can you send new one?

Basil I will send out today.

Marie It is such a good practice to speak to the Treasurer and ask questions before we send to the groups. It will save lots of headaches. Do we send the full spreadsheets or the summary?

Al Where is the prudent reserve? What number is it? This is awfully confusing. I understand, but when we need to take this back to groups, please let's have a line in there named prudent reserve.

Basil **Motion by Basil, seconded by Michael H.**

Prudent reserve monies (around 13,000) are in the prudent reserve account. that the accounts will be named differently, and from here forward prudent reserve funds will be the only funds housed in the prudent reserve account.  
Vote 5 for 1 against

Mark **Minority voice** – At the last meeting we introduced a doc about using dual signature e transfers, (that's already in the Guidelines). The budgeted amounts may not have to be added to the prudent reserve if that dual signature e transfer is implemented.

Basil Is that not a subject that has to be discussed at the meeting. Right now, I cannot see us allowing for a possibility of change in that structure.

Mark It is already in the Guidelines. (page 17)

“... the scope of Area Treasurer role to actively investigate, and present to the area committee for approval, and implement any technologies or operational efficiencies available to aid in the friction free running of the area.” They presented a nice document with several options, with dual signature e transfers. So it doesn't have to be a motion or a recommendation because it is already in the Guidelines as something that the Treasurer is being asked to present.

Basil How is the dual signature e transfer thing structured? How does it work?

Mark To be honest, I do not know. I assume that you, as treasurer. Michael needs 2000. And you transfer it to him by e transfer. It takes two seconds. The document that was presented had a few different options.

Basil I can see where this could be a headache. It supposes that if an area officer needs

cash, that I will be readily available to him/her. I might be away for a month, and that would cripple the area.

Chair It did not cripple us! It worked – Marie needed money, you were away. Dwayne and I met and with two signatures, transferred Marie the money!

Basil If you look at the accounting side of that question; Example - right now, if I send a cheque to Dwayne for delegate expenses. He is responsible for controlling all his records, costs, deposits & withdrawals and balancing his account. You would be adding all of those jobs, for all area officers, on the Treasurer. It would be hard pressed to find anyone who would take that job on for two years.

Marie Mark is this question regarding the minority voice – is your question based on what you read in the Guidelines? It sounds like we don't need a motion for Basil to use this if he wants to make the changes you want to make to the spreadsheets.

Mark Correction – not for Basil to make changes....to “investigate ...t”  
If there are problems with it, Basil, please come back to us with that.

Basil Thanks! I'll take that. I will read and absorb that guideline, & address it  
I will rescind the motion

Michael I agree

**MOTION RESCINDED**

We are looking for a simple set of spreadsheets, transparent and easy to read.

Basil Are you asking me to re-do this quarter.

Michael Oh no! No!

Just make a place where prudent reserve monies are housed. Re-name the accounts.

Basil I can add a note on the summary page, showing what the prudent reserve money totals, and where it comes from.

Mark I have a question about the last page –  
Expenses receipted - \$8,900. Were monies that came in not budgeted.  
What could these expenses be?

Basil Q29 – Budget to actuals  
Culmination of Jan-June costs

Mark But these monies were already budgeted....you stated that these monies were above and beyond what was budgeted.

Basil I stand corrected. These monies have already been accounted for.  
It is the advanced monies that Area officers have already used so far

**Motion by Basil, seconded by Michael**

**That my report be accepted as presented, except for the addition of a qualifying note on the bottom relating to current prudent reserve.**

**Vote 6 For 0 Against**

Meeting closed @ 8:30 pm.