

Toastmasters International
District 72 Executive Committee Meeting
Virtual Meeting Via Zoom
Saturday 11 September 2021, 4 pm

See Appendix 1 for members present

1 Call to order and welcome

District Director (DD) David O'Brien called the meeting to order at 4 pm and welcomed all present. He explained the speaking and voting process via a virtual meeting.

2 District Mission Statement and Toastmasters International (TI) Values

Program Quality Director, Distinguished Toastmaster (PQD) Kathryn Duncan read the mission statement and TI values.

3 Notice of Virtual Meeting

Administration Manager (AM) Kayleen Gilder read the notice of virtual meeting.

4 Speaking Rights

DD David O'Brien stated that only District Officers have speaking and voting rights. District Officers include:

all Area Directors

all Division Directors

District Administration Manager (AM) Kayleen Gilder

District Finance Manager (FM) Tony Cross

Public Relations Manager (PRM) Brad Grootelaar

Club Growth Director (CGD) Glen Pearce

Programme Quality Director (PQD) Kathryn Duncan

District Director (DD) David O'Brien

Under Toastmasters International (TI) Policy DD David O'Brien extended speaking rights to:

Carol Mitchell, Credentials Chair

Denis McCord, Parliamentarian

Philip Smith, Finance Manager 2020/2021

Helen Cartmell, District Trainer

Kath Cherrie, District Trainer

Tim Law, District Technical Officer

Bailey Wood, District Technical Officer

Christchurch Conference May 2022 Chair, Brad Grootelaar

Region 12 Advisor, Kaylene Ledger

5 Confirmation of Quorum

DP Denis McCord noted this is a District Executive Committee (DEC) meeting. The quorum for a DEC meeting is the majority of its members. The Executive currently has 7 Senior Officers, 4 Division Directors (1 appointment to be confirmed) and 23 Area Directors (A/D E3 is vacant) making a total of 34 members. The quorum is 18. DP Denis advised 30 members were present and the quorum is confirmed.

Additional note: Two members who had not apologised were recorded as present which affects the number recorded as present and does not affect meeting the quorum. That is, 28 members were present.

6 Apologies

AM Kayleen Gilder reported apologies from the following district officers:

- Andrew Freeth, Area Director G2
- Russell Hazelwood, Area Director D4
- Mata Samatua, Area Director D3
- Marie Muhl, Area Director D5

Moved that the District Executive accepts the apologies: Ron Blackwell, AD J2

No seconder required

7 Changes to and confirmation of agenda and additional items

No additional items were added to the agenda.

8 Minutes of the District 72 District Executive Committee Meeting held on 4 July 2021

The minutes of the 4 July 2021 District Executive Committee meeting have been circulated. The following correction noted:

Area Director E3, Kirsten Vaughan was missed from the list of ADs presented at the July DEC meeting and should be included.

Moved that the minutes of the 4 July 2021 District Executive Committee meeting be accepted as corrected are a true and correct record with correction

Moved: Anthony Fletcher, Div G Dir

Seconded: Karen Squires, AD C2

CARRIED

9 Matters arising from the minutes 4 July 2021

There were no matters arising from the minutes.

10 Correspondence

AM Kayleen Gilder confirmed there were no items of correspondence that needed to be addressed by the Executive except for noting COVID-19 related correspondence continues.

11 Urgent Business

11.1 Confirmation of District Officer Resignations:

DD David O'Brien reported the following resignations have been received since the District Executive meeting held on 4 July 2021.

- District Parliamentarian, Carol Mitchell
- Area Director E3, Kirsten Vaughan

Moved that the District Executive accepts the resignation of the officers as listed

Moved: Mary Jaksch, Div. E Dir.

Seconded: Kathryn Duncan, PQD

CARRIED

DD David O'Brien advised the following appointments were announced at the May 2021 District Council meeting. However, because these names had not spent the required time on the District website and were not presented at the July Executive meeting they need to be formalised.

Area C1 Director, Doug Fraser

Area C4 Director, Craig McGregor

Area D4 Director, Russell Hazelwood
Area D5 Director, Marie Muhl
Area E1 Director, Erik Roeper
Area E5 Director, Sun Kim
Area G4 Director, Daniel Malpass
Area G7 Director, Lisa Doyle
Administration Manager, Kayleen Gilder
District Parliamentarian, Carol Mitchell
District Historian, Denis McCord
District Trainer, Helen Cartmell
District Trainer, Kath Cherrie
Technical Support Manager, Tim Law
Technical Support Manager, Bailey Wood

Moved that the District Executive approves the appointment of the officers as listed

Moved: Jacqui Blackwell, AD J1

Seconded: Pauline Cook, Div. J Dir.

CARRIED

11.2 Confirmation of District Officer Appointments:

DD David O'Brien reported the following appointments since the District Executive meeting held on 4 July 2021.

Division D Director, Dani Rius
Area Director G1, Charlotte Perry
District Parliamentarian, Denis McCord DTM, PDG
District Leadership Committee Chair, David Templeman DTM, PID
District Conference Liaison, Michelle Gerwitz
Credentials Officer, Carol Mitchell

Moved that the District Executive approves the appointment of the officers as listed

Moved: Anthony Fletcher, Div. G Dir

Seconded: Murray Ingram, AD J5

CARRIED

11.3 Confirmation of new clubs into area

DD David O'Brien reported there were no new clubs chartered since 4 July 2021 Executive Committee meeting.

12 Conference Reports

12.1 Report from Christchurch Conference May 2022

PR Brad Grootelaar updated:

- **Theme:** Celebrating Together. This was chosen because in 2022 the District will be celebrating a number of milestones – 60 years since the first club (Dunedin) was formed in New Zealand and 50 years since the District formed in 1972. It will also (hopefully) be our first full in person conference since 2019.
- **Date:** 13-15 May 2022
- **Venue:** Rydges Latimer in Christchurch.
- **Programme:** A draft programme is now available, but it could change between now and May next year. It will, however, give people an idea of what is happening each day to plan their trip.
- **Registrations:** currently just over 50 people have registered. The (break-even) target is 160 people and we are well on track to achieve that.

- **Early Bird Registration:** The target for early bird registration is 100 people. Reminder early bird registration closes at the end of November so if you are thinking of attending, and as District Officers you probably should, register early to save a bit of money.

Brad raised the question “What are we going to do if we go into lock down and can’t hold the conference?” He assured it had been thought about. He has been working on the conference since the first lock down. He hoped at the rate of vaccination uptake we won’t have to go into a lockdown during May next year but suggested we can’t be naïve to how difficult this virus can be and how easily new variants may continue to haunt us. From his perspective he is prepared to pivot and make last minute adjustments to the conference that may be needed, for example, to consider virtual or hybrid format etc. That would be a wider group decision to make.

Brad encouraged everyone to make sure they registered and register early. He acknowledged we want to make it the best conference it can be and we want to celebrate the next chapter in our toastmaster’s history.

All information is available on the New Zealand Toastmasters website.

Moved that the Christchurch Conference May 2022 report be received: Brad Grootelaar, PRM

Seconded: Ron Blackwell, AD J2

CARRIED

Discussion

FM Tony Cross queried Brad, catering is classified as a variable expense. He was wondering are there any minimums he has to have for catering? Brad advised the venue has been flexible with this. Yes there are minimums, we need to have 50 people for the Friday dinner, 50 people for the lunch and 50 people for the dine and dance. However, it has not been built into the contract that we have to have those targets and if that changes as long as the venue are informed a few weeks in advance of the event it would not be an issue. We just need to know the numbers before then.

13 Finance Managers Report

13.1a District Financial Statements to 30 June 2021

2020-2021 FM Philip Smith presented a report on the District 72 financial statements year ending 30 June 2021:

Revenue

- District Revenue for the year was \$64,580 against the budget of \$98,928. When adjusting for the fact that the conference did not happen the budget drops to \$71,963 – only \$8,000 below budget.
- The District Store had closed. Revenue shown was the final sale of badges that were facilitated by the District Store.
- Conference revenue related to refund of deposits for the Silverstream Conference which had to be cancelled.
- Other revenue related to other adjustments and backdated interest received from the bank from their mistakes in the past.
- Membership revenue dominates the revenue for the district. That membership revenue is received from TI based on renewals.
- The conference is usually a large amount but we haven’t had any of that this year.

Overall membership revenue is dropping from the previous year. It was substantially down and suggested it could only be assumed that was driven by COVID as much as anything else.

Expenditure

- The District had a budget of \$109,377 of which \$79,465 was spent.
- The budget included money to be spent on the conference which didn’t happen. Adjusting for that we had a budget of \$82,412 against \$71,000 if Other is taken out.

- Marketing is our highest expenditure item and more was spent than budgeted for. During last year TI actually allowed District to budget extra marketing money. An extra \$9,000 was budgeted to be spent during the year because of the impacts of COVID-19.
- Travel is still a major item and was overspent in that area.
- Other of \$7,506 relates to foreign exchange transactions that went against us. The membership revenue that comes from TI is in US dollars. Factors that occur are the money is converted to NZ dollars when we need to use it otherwise it stays in the US account and at the end of the year gets valued at the exchange rate at the time and adjustments flow through.
- In the previous year to June 2020, we were in the fortunate position of making a gain of \$3,500 but it has gone against us since then.

Graphical representation

Marketing and travel are the dominant actual expenditure items but on a budget basis conference is a significant amount as well but we haven't had that this year.

- Marketing was above budget by \$3,000 and that was because of several events.:
 - Recognition were the costs associated with the May event that happened last year to present the awards in the window we had between lock downs.
 - Club growth underspent a little bit to help offset that and that was because the open meeting subsidy wasn't taken up by as many clubs as was anticipated.
 - Visitor Guest books were reprinted at the end of the year and was an expenditure cost otherwise most of the marketing money was spent on Face book advertising during the year.
- Public relations - relates to the website. The expenditure was a bit higher than budgeted there because it took longer to transition from the old website to the new website. The new website is significantly cheaper to run but unfortunately we haven't had a full years worth of recognition of that yet.
- Education and training - two face to face club officer training events were budgeted which never eventuated. Some in person workshops were budgeted for which didn't happen. Basically, on-line is cheaper and that has shown in the education and training spend against budget.
- Speech contests, because they were all on-line money was spent on engraving against a budget that included venues and some food costs. The engraving expenditure was a lot less than budgeted. We had a healthy accrual, so we recognised costs in the prior year for trophies still to be engraved and that didn't turn out to be nearly as expensive as we had expected. Provision for some trophies has been recognised for in these accounts that still need to be engraved etc. going forward so that should mean no burden on the coming year.
- Administration costs – were below budget as well because of savings in Zoom costs.
 - 0800 number – we don't have the 0800 number cost anymore. That has been taken over fully by District 112.
 - Printing and stationery were below budget.
 - TI charge use what they call an allocation fee. They give us the revenue then take a little bit back. That was slightly less than budgeted because revenue was down and there were less planning and administration meeting costs as well. Bank fees were higher than anticipated. It took longer than anticipated to close down the credit card facility after the closing of the District Store. Some of that was offset in the interest line in that we got a bank adjustment for interest for mistakes the bank had made in the past.

Surplus:

- Overall, we made a deficit of \$14,884 against the budgeted deficit of \$10,449. This is markedly better than the prior year of \$42,565.

- Adjusting for the currency adjustment factor a deficit of \$7,378 was made against the budget of \$10,449, i.e. \$3,000 below the budget.

In summary the reduced revenue was offset by reduced costs, particularly in the areas of face-to-face workshops and meetings.

Available Funds

- As at 30 June 2021 over \$23,000 in the day to day account.
- Equivalent of NZ\$24,000 in the USD account.
- Conference account is beginning to increase but there will be costs that come out of that later.
- District Reserve Account – are funds still held in the US on our behalf by TI.
- Total Funds = \$89,590.

Philip noted however, TI require the District to have a minimum reserve of \$16,716 therefore available funds are \$72,874. This means TI will not allow us to spend any more than \$72,874.

Philip advised TI has also been talking about, and threatening, to introduce a new regime which would penalise districts who are not spending their funds. That is, any district that has more than 125% of their minimum they would look to take back 50% of that. However, because of COVID-19 and other things, they have never implemented that process yet but it is worth noting if they did implement that we would be at risk of having \$20,000 returned to TI and presumably they allocate it to someone else.

Balance Sheet

Assets:

- Cash = \$89,590
- Prepayments = \$2,484 (payments (deposits/conference website/flyers) made in advance relating to the May 2022 conference. These costs will be recognised in the next year when the conference occurs).
- Other current assets - \$4,271 (GST refund as at 30 June 2021 received from IRD).
- Fixed assets – nil. The laptop was fully depreciated during the year and sold during the year for \$160.

Liabilities:

- \$18,933 owed in payments - for Internet Banking. Philip noted he could not make a lot of payments until 1 July because a problem was identified with BNZ system relating to the large number (1,000 +) of payee's we had listed which the system could not cope with very well.
- Accrued liabilities – an invoice we have not received but we expect to receive an invoice for in the coming year/months if we haven't already. The costs related to last year, i.e. printing for the Guest Booklets, allowance for some travel costs which hadn't been claimed back and other expenses not claimed back by Area and Division Directors.
- Income in Advance – the amount of money that has been paid already for the May 2022 conference registrations. Note this is held in the budget and returned if the conference gets cancelled. This will be released to the income and expenditure statement released next year when the conference occurs.

Members Fund's:

- Equity - \$64,766
- Translation Adjustment (positive adjustment of foreign exchange) - \$16,212
- Net deficit of \$14,884 which has reduced the membership funds down to \$66,094

Philip commented it was worth noting within the liabilities there is still an amount of \$660 which TI won't let us write off which relates to stale cheques from many years ago. Under American tax law you cannot write off a liability if it is a valid liability.

Moved that the report for the 12 months 30 June 2021 be received: Philip Smith, 2020-2021 FM

Second: Pauline Cook, Div J Dir.

CARRIED

Discussion:

Credentials Chair, Carol Mitchell thanked Philip for a great report and some great visuals and raised the following questions:

1. With the marketing overspend Philip mentioned the May event and some recognition there. What was the recognition there that took us over given that wasn't the awards dinner? What was the \$3,000 comprised of?
Philip advised the costs that were included there were the venue for Rydges Hotel and the catering for the morning and afternoon teas.
2. Last year we had the under budget in the education and training, easily explainable verses the over budget in the travel. She was not seeing the corollary between the two.
Philip advised TI has some caps on what can be budgeted in each category and travel is always one we have struggled with. We always budget the maximum they allow us to budget and then struggle to stay within that. This year just gone particularly because once travel was allowed the costs had gone up. It meant that it was even harder to manage that and so while we had less travel than normal it was more expensive and it was more expensive than we had budgeted for. That's why travel was still over even though we weren't moving around so much. There was Blenheim in September (DEC and Training sessions) and some other training movements that were held for planning and leadership training as well as the travel up to the May event which included training. For most District Officers there were only two events that they were mainly travelling to, and they turned out to be quite expensive to pay for.
3. Are we not budgeting for that ForEx adjustment?
Phillip advised no, because it is beyond his skill set to anticipate what the foreign exchange movements are going to be. Some depend on the timing that we draw down the money so you would have to factor that in. It's in the too hard basket. In the past it has generally gone in our favour and it may go back in our favour but it is an unknown that we do not budget for.
4. Conference website is a prepayment. Why are we paying for a website for conference?
Philip noted that was discussed at the previous DEC meeting as well. The conference has budgeted for that in their budget and they have elected to have a separate website. It was about \$300 to set up.
Carol commented she could understand having one, however, there are free options out there. A paid one? the question is the Why?
Brad responded there are free ones out there but like everything in life you get what you pay for. Having used free ones in the past himself he knew they wouldn't have the flexibility and the functionality of what he wanted to be able to sell this conference. Having said that it may not be something that future conferences need to do because our new website for the District is far superior to what we had in the past. Going forward we probably will have the ability now to have both websites on the same system. At the time he did not really have that option. He noted it was \$300 across two years.

13.1b District Audit Committee Report for 30 June 2021

DD David O'Brien read the Audit Committee Report for 30 June 2021 in the absence of Nicola Green, Chair of the District Audit Committee.

Moved that the report be received: DD David O'Brien

Seconded: Ron Blackwell, AD J2

13.2 Budget for year ending 30 June 2022

Finance Manager, Tony Cross reported on the budget for year ending 30 June 2022.

Revenue

- We are budgeting for a small deficit.
- Membership fees for this year are down slightly on last year and also on last year's budget. Hopefully that will reverse in the future.
- Conference will be dealt with later on. There is a separate budget for conference. Budgeting is for revenue of \$28,000 roughly for conference and expenditure of \$28,000 so a zero profit or breakeven.
- Total Revenue \$90,350 budgeted

Expenses

	Budgeted 2021-2022	Budgeted 2020-2021
Fundraising	(approx.) \$3,000	
Marketing	\$6,200	\$5,800
Recognition	\$6,250	\$4,095
Club growth	\$8,600	\$4,370
Public Relations	\$3,500	\$5,740
Education and Training	\$8,710	\$9,940
Speech contests	\$3,100	\$3,330
Administration	\$2,900	\$6,636
Food and Meals	\$4,750	\$6,660
Travel	\$17,365	\$16,700
Lodging	\$500	\$4,200
Total expenditure including the conference	(approx.) \$93,500	

Tony suggested the budget will be a bit of a moving target this year given COVID restrictions etc. It is probably a difficult time to budget at right now.

Moved that the budget report for 2021-2022 be received: Tony Cross, FM

Second: Pauline Cook, Div. J Dir.

CARRIED

Discussion:

Division J Director, Pauline Cook asked why has the budget significantly reduced the administration for this coming year, it seems quite a significant reduction?

DD David advised when they put the budget together, we had a significant drop in revenue. Our focus is on the core elements, i.e. education, marketing etc., that we need to do. Also, with the fact that a lot of our administration is done by email or by Zoom meetings there isn't a huge cost there in administration anymore. We have budgeted enough we think to cover everything we need to in administration. He reiterated it was easier to drop that and put the maximum amount of money into those core elements of marketing and education.

PQD Kathryn Duncan queried how much of last years money can we incorporate into this years budget? Tony responded Philip has been very benevolent in accruing a lot of expenses at the year end so that will help a little bit going forward this year.

Credentials Chair, Carol Mitchell corrected while there are the accruals which is great for this year there still was a deficit last year which means there is no money left from last year to be transferred over and that deficit eats into what is sitting in those reserves. That is why we aim to not budget and get into that deficit amount. Well done team this year on a very small budgeted deficit. It is good to see you are being really cost conscious and as a member that is really pleasing to see and yes regarding TI, the figure is theirs for the picking should they so choose.

13.3 Budget for Christchurch Conference May 2022

FM Tony Cross presented the updated financial report for the Christchurch Conference in May 2022

It is a balanced budget:

Budgeted revenue = \$30,000

Budgeted expenses = \$30,000

Tony suggested Brad could probably answer more questions to this than himself but noted it is reliant on registrations of 150 people. One good thing is there is a high proportion of variable expenses in this budget which is helpful from a breakeven viewpoint.

Tony commented there is not much else other than it is difficult to budget for how many people are going to turn up to something like this. He thought something like 150 was quite realistic based on past events. It might be more difficult to budget for something like a dine and dance etc. This whole budget is dependent on us being out of COVID lockdown. Hopefully 2022 is a COVID free year.

Moved the budget update financial report for the Christchurch Conference May 2022

be received: Tony Cross

Seconded: Kathryn Duncan, PQD

CARRIED

There was no discussion.

14 Senior District Officer Reports

DD David O'Brien

DD David O'Brien asked the senior officers to present their reports with any verbal updates:

14.1 Division C Director report

Division C Director Leanne Fox presented her report with no verbal updates

Moved her report be received

Division D Director report

Division D Director – DD David O'Brien advised there was no report presented for Division D however he gave Div. D Director Dani Rius an opportunity to give a verbal update if she so chooses. Technical support reported Dani Rius had fallen off the zoom call.

No report received

Division E Director report

Division E Director Mary Jaksch presented her report with no verbal updates.

Moved her report be received

Division G Director report

Division G Director Anthony Fletcher presented his report with one verbal update:

- The division now has seven Area Directors with the appointment of Charlotte Perry, AD G1.

Moved his report be received

Division J Director report

Division J Director Pauline Cook presented her report with the following updates:

- Newlands Toastmasters has cancelled the Speechcraft course because it only had two applicants. They will be inviting those applicants to visit the Newlands Toastmasters club.
- The debate that Waikanae was running with the Mahara Art Gallery was cancelled due to COVID restrictions. There is no plan to reschedule that debate as the gallery is due for major renovations.

Moved her report be received

Moved the Division Directors reports are received: DD David O'Brien

Seconded: Glen Pearce, CGD

CARRIED

14.2 Public Relations Manager report

PRM Brad Grootelaar presented his report with the following verbal updates:

So much has happened since he wrote the report. Two of the notable things to bring to the Executive's attention are:

1. A lot of changes have been made to the website in my endless quest to make it more user friendly.
2. We also ran a significant communication survey within that time which got 184 responses. He appreciated everyone here who filled that out. It has given us a much better understanding of how our members feel about certain communication issues and will help him a lot in his role.

Moved his report be received with updates

Seconded: Pauline Cook, Div. J Dir.

14.3 Club Growth Director report

CGD Glen Pearce presented his report with the following verbal updates:

- I have appointed a Club Coach for Taieri Club - Genevieve McLachlan
- In the next three months we have three clubs in the district receiving 50 years old club milestone certificates – Ashburton, Toastmasters Wairarapa and Nelson.

Moved his report be received with updates

Seconded: Ron Blackwell, AD J2

14.4 Programme Quality Director report

PQD Kathryn Duncan presented her report as tabled.

Moved her report be received

Seconded: Pauline Cook, Div. J. Dir

14.5 District Director report

DD David O'Brien presented his report as tabled.

Moved his report be received

Seconded: Ron Blackwell, AD J2

There was no discussion.

Moved all district reports other than the finance report be received DD David O'Brien

CARRIED

15 General Business

No general business.

16 Announcements

The next meeting of the D72 Executive Committee will be held in November 2021. Further details pending.

The next meeting of the D72 Council Meeting will be a virtual meeting held on Sunday 12 September commencing at 9 am.

17 **Close 5.26 pm**

Appendix 1: those present at the District Executive Committee meeting 11 September 2021

District Director - David O'Brien
Program Quality Director - Kathryn Duncan
Club Growth Director - Glen Pearce
Administration Manager - Kayleen Gilder
Public relations Manager - Brad Grootelaar
District Parliamentarian - Denis McCord
Division C Director - Leanne Fox
Division D Director – Dani Rius
Division E Director- Mary Jaksch
Division G Director - Anthony Fletcher
Division J Director - Pauline Cook
C1 Area Director - Doug Fraser
C2 Area Director - Karen Squires
C4 Area Director - Craig McGregor
D1 Area Director – Cam Parsonson
E1 Area Director - Erik Roeper
E5 Area Director - Sun Kim
E6 Area Director - Alan Bradley
G1 Area Director – Charlotte Perry
G4 Area Director - Daniel Malpass
G5 Area Director - Anna Spencer
G6 Area Director - Rachelle Winefield
G7 Area Director - Lisa Doyle
J1 Area Director - Jackie Blackwell
J2 Area Director - Ron Blackwell
J3 Area Director - Karen Hoyland
J4 Area Director - Sheryl Ryan
J5 Area Director - Murray Ingram

Also present:

Philip Smith, Finance Manager 2020/2021
Credentials Chair - Carol Mitchell
Region 12 Advisor, Kaylene Ledger