

To: Companions of the Grand Chapter of Royal Arch Masons of the District Of Columbia
From: Peter Brusoe, Grand King
Subject: 2018 Proposed budget
Date: February 4, 2018

As we gear up for the 2018 annual convocation of the Grand Chapter, I wanted to share with you in advance our proposed budget for 2018 and transmit to you a budget explanation document.

Transparency and openness has been an ongoing theme for years in our Grand Chapter and every year we have an increased the level of communication and openness. A DeMolay advisor of mine always said “When you are dealing with the money from your brothers you are dealing with something sacred. They are trusting you to spend their money wisely to help make the world a better place. That trust is sacred”

By making this document publicly available ahead of our annual meeting no one is surprised by it, and it allows us to secure the feedback of the companions of the Grand Chapter. I would invite you to share with me your comments, your ideas and suggestions by 2/28/2018. Based on the feedback we gather we may make changes. Those changes will be communicated to you no later 3/5/2018. My hope is to have a smooth budget vote at our Grand Chapter session based on this.

I want to thank the Grand Chapter Committee on Accounts for their service in putting together and advising on this budget, including:

Most Excellent Companion Robert H. Starr, PGHP

Most Excellent Companion James W. Mitchell, PGHP

Most Excellent Companion Teko Foly, PGHP, Grand Secretary and General Grand Scribe

Right Excellent Companion Joel R. Kahn, Grand Treasurer

Right Excellent Companion Sylvanus Newstead, Grand Scribe

Right Excellent Companion Annas Kamara, Grand Captain of the Host

Excellent Companion Leslie Rogers-Wright

I also want to thank all of the Kings and Chapter Leaders who met with us on Rev. Dr. Martin Luther King Jr. Day to review this and the feedback they gave.

Key Budget Considerations and Assumptions:

In developing the budget there were three key themes that we had to keep in mind:

1) **We need to align our budget with our current membership.** We know our membership numbers are declining and we can no longer spend money as if we had 1,000 members. This has required share sacrifice across the board and forced us to think about what we need to do, versus what we want to do.

2) **Investment in our Grand Chapter:** We need to make strategic investments in our Grand Chapter. Our current investment account stands around 85K, and is currently not producing enough money for us to be able to use for operating expenditures. We need to grow this resource. We also need to make meaningful investment in quality resources and supplies.

3) **DC for DC:** Our #1 priority needs to be our members here in DC and our budget priorities must reflect this priority.

For the purposes of budgeting we are assuming an active membership of 700 people.

PROJECTED INCOME:

Per capita: Our per capita is currently at \$12 per companion. We discussed doing a \$5 per member special assessment for the next three years to go into the grand chapter investment account. At the townhall meeting with the Kings and Scribes they indicated their preference that this not be a special assessment but a straight dues increase. **This increase will go directly to our investments for the next 3 years.** Our goal is to have 100K in our investment account that we can start to have a decent return on the money and become less assessment heavy. **Proposed \$11,900**

Degree Fees: This is a pass through amount that will cover the cost of patents and other things. **Proposed \$50**

Transfer from trustees: We are NOT asking for a transfer from trustees so that the money can grow.

Grand Chapter Fundraiser: There has been a discussion of doing a Grand Chapter Fundraiser. If we do one we will allocate money for that later. However, with no benchmarking available we were hesitant to include that.

PROJECTED EXPENSES

Administration Total Request \$2,455

- General Grand Chapter Dues: \$700 this is a straight pass through from us to them.

- Officers Honorarium: \$1,250 We currently pay a small honorarium to our Grand Chapter Officers.

The Grand Secretary receives a \$1,000 honorarium, our Grand Treasurer is at \$100, and our Grand Sentinel will be paid \$25 an honorarium for Grand Session and Grand Visits.

- Communications, printing dues cards: \$465 This will cover the costs of the e-contact platform, printing dues cards, and other costs.

- Postage and Supplies for Grand Secretary: \$40: Thankfully in the digital area we needs less postage and supplies.

- Grand Chapter Representation: This was at \$800 last year. While I would enjoy having this money to be able to travel to foreign jurisdictions, following with the theme of "Shared Sacrifice" I am zeroing this out.

Regalia: \$400

- GHP Apron and Jewel: This is being taken care of separately and not a Grand Chapter Expense this year.

- Regalia: \$400 This budget line will be used to fix anything wrong with the aprons, jewels, collars, purchase Grand Chapter lapel Pins, print ritual books, etc. I combined two different budget lines we had previously. This is investing in our resources.

Grand Chapter Session: \$1,195

General Grand Chapter Housing - \$0 With the election of MEC Teko Foly as General Grand Scribe, we no longer need to cover housing for a General Grand Officer.

General Grand Chapter Meals - \$0 With the election of MEC Foly as General Grand Scribe, we are able to cover the cost of this meal much more effectively.

Guest Lodging for Visiting GHPs: \$0 Last year we had to make the decision to eliminate housing for visiting Grand High Priests. We currently do not have the funds, and we need to prioritize DC based programs.

Banquet: \$195 We will continue to provide hospitality for those Grand High Priests who we invite to attend the session.

Lunch: - \$0 We no longer have a lunch at our Grand Chapter Session

Housing/Banquet/Luncheon for Grand High Priest: - \$0 We eliminate this as well as part of shared sacrifice.

York Rite convention costs: \$1,000 based on our current use of meeting space and other costs. Savings could be had by moving our session from March to January.

Programs: \$2,720

Community Engagement: \$600- This will fund our Grand Chapter Day of service and other community engagement. I am increasing by \$100 to a total of \$600 to cover costs for the day.

Multi-Jurisdictional: \$1,695 We are hosting this event this year and it will cost money to host and plan. Someone asked why this is such an odd number, it's a function of what we had left went into this.

Chapter of the Year: \$200 This covers the chapter of the year program which helps to recognize outstanding chapters for the work they are doing.

Royal Arch Development: \$225 This covers the cost of the Royal Arch Personal Developing program that we are unveiling.

Transfer to investments: \$5,180

\$5 per member: This year we will invest \$3,500 directly into our accounts from the \$5 increase.

80%/20% rule: For too long we were planning on spending every dollar that comes into the assessment with perhaps a \$100 or \$200 going into the investments. We must be more disciplined. We are introducing a 80%/20% rule. We will only spend 80% of what we collect in assessments, the other 20% goes into the investments. (20% of \$12 is \$2.40) This means we transfer \$1,680.

Wish List:

A lot of things did not make it into the budget that we wish it would have including:

- A direct assessment per member for our charities. With the \$5 increase we did not feel that this was the right time to do this.
- Increased funding for our charities.
- An honorarium for our webmaster for all of the great work he is doing for us.
- Increased admin support for the Grand Secretary
- Funding for Grand Chapter school of instructions
- Funding for a Grand Chapter Banner

Grand Royal Arch Chapter of Royal Arch Masons 2018 Budget

Source:	2018 Proposal	2017 Amount	2017 v 2018
Per Capita (700 members at \$17)	\$11,900	\$8,400	\$3,500
Degree Fees (10 new members at \$5)	\$50	\$75	-\$25
Transfer from Trustees	\$0	\$0	\$0
Grand Chapter Fundriaser	\$0	\$0	\$0
Total Income:	\$11,950	\$8,475	\$3,475
Expenses:			
Admin:	\$2,455	\$4,100	
General Grand Chapter Dues	\$700	\$700	\$0
Officers Honorarium	\$1,250	\$1,600	-\$350
Communications Printing Certificates Banners Dues cards	\$465	\$500	-\$35
Postage & Supplies for Grand Secretary	\$40	\$500	-\$460
Grand Chapter Representation	\$0	\$800	-\$800
Regalia:	\$400	\$1,450	
GHP Apron	\$0	\$550	-\$550
Maintenance on GHP Jewel	\$0	\$500	-\$500
Regalia and Ritual Books (Jewels, collars, banners, lapel pins, baton etc.)	\$400	\$400	\$0
Grand Chapter Session	\$1,195	\$2,505	
Housing General Grand Chapter	\$0	\$400	-\$400
Meals General Grand Chapter	\$0	\$400	-\$400
Guests lodging Visiting GHPs	\$0	\$0	\$0
Banquet Visiting GHPs	\$195	\$650	-\$455
Lunch Visiting GHPs	\$0	\$0	\$0
DC Grand High Priest Housing	\$0	\$200	-\$200
DC Grand High Priest Banquet	\$0	\$65	-\$65
DC Grand High Priest Luncheon	\$0	\$40	-\$40
York Rite Convention	\$1,000	\$750	\$250

Programs:	\$2,720	\$500	
Community Engagement	\$600	\$500	\$250
Multi-Jurisdictional	\$1,695	\$0	\$1,695
Chapter of the Year	\$200	\$0	\$200
Royal Arch Development	\$225	\$0	\$225
Transfer to Investments	\$5,180	\$0	\$5,180
\$5 to Investments	\$3,500	\$0	\$3,500
20% of assessment to investments	\$1,680	\$0	\$1,680
Total Expenses	\$11,950	\$8,555	\$3,395
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