

# RESOLUTION 24R-05

To request the RI Board to consider exempting charter members of new clubs from the payment of an admission fee

**Proposer(s):** Rotary Club of Itajaí-Porta do Vale, District 4652, Brazil

1 WHEREAS, over the last 20 years, the membership of RI has reached a plateau  
2 and, by some measures, has even begun to decline, and

3  
4 WHEREAS, RI has worked diligently and continuously with clubs and districts to  
5 increase its membership, but so far with no resulting increase in district  
6 membership numbers worldwide. Districts have even seen a decline in  
7 membership, which results in an increase in redistricting, and

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9 WHEREAS, there is evidence that membership has grown mainly through the  
10 formation of new Rotary clubs, and

11  
12 WHEREAS, subsection 18.020.7. of the Rotary Code of Policies provides for the  
13 payment of an admission fee for new Rotary clubs in the amount of US\$15 per  
14 charter member to cover the expenses incurred by RI in organizing and assisting  
15 new clubs, and

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17 WHEREAS, the sponsor Rotary club incurs more expenses in the formation of  
18 the new club than RI, and

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20 WHEREAS, in many instances, the districts themselves are required to cover  
21 these expenses, otherwise the formation of the new Rotary club will not be  
22 finalized, and

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24 WHEREAS, the formation of new Rotary clubs and the resulting growth in  
25 membership will increase RI's revenue from per capita dues

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27 IT IS RESOLVED by Rotary International that the Board of Directors of RI  
28 consider exempting charter members of new clubs from the payment of an  
29 admission fee.

(End of Text)

## **PURPOSE AND EFFECT**

30 This enactment would exempt charter members of new Rotary clubs and sponsor  
31 clubs and/or districts from the costs of registering them with RI.

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33 The enactment amends subsection 18.020.6. of the Rotary Code of Policies to  
34 exempt charter members of new Rotary clubs from paying the fee of US\$15 per  
35 member when forming new Rotary clubs.

## **FINANCIAL IMPACT**

- 1 If implemented, this resolution would result in a decrease in revenues for RI.
- 2 The admission fee for a new Rotary club is based on the number of new members
- 3 in the club. Over the last three years, the average number of new clubs per year
- 4 has been 920, with an average of 25 new members per club. Eliminating the
- 5 admission fee would reduce RI revenue by approximately US\$331,200 per year.