

**AMERICAN IRIS SOCIETY
TREASURER'S REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

SUMMARY

As anticipated, there was an Operating Loss for the fiscal year ended September 30, 2009. The General Fund had a loss of -\$17,026.90, and the Restricted Funds had operating income of \$1,799.44, leaving a net operating loss of -\$15,227.46. As discussed at the Fall 2008 Board Meeting, fiscal year 9-30-08 expenses for the 2009 calendar and several months of Registrar/Recorder contract fees, among others, were not paid until the current 9-30-09 fiscal year. The 9-30-09 approved budget showed a General Fund Loss of -\$20,658.50, so operations actually came in under budget.

That is about the extent of the good news. General Fund income was under budget by \$5,500, but expenses also came in under budget by \$3,600. Below are highlights of specific operating areas.

GENERAL FUND INCOME & EXPENSES

Some highlights under General Income and Expenses:

1. **Bulletin advertising and income from Slides/CD Programs** came in above budget. These are two areas that should be included as opportunities for growth in our strategic planning.
2. **Members dues income** came in way over budget by \$4,500 for another unexpected good surprise. The Board intentionally estimated dues income down for this year and that did not happen. In fact, member dues was up slightly from the 9-30-08 fiscal year. A special promotion to entice members to convert to a three year AIS membership and join an AIS section just began October 1, 2009. At the Madison, Wisconsin Board Meeting in 2010, hopefully there will positive results from this program. However, I agree with the Membership Secretary's projections of continuing decreasing membership and that steps should be taken as soon as possible to implement additional policies and programs to stimulate new members. Member dues provided 55% of General Fund operating income this year. It is our biggest source of revenue.
3. **Registration Fees, Silent Auction proceeds and Unrestricted Donations** were down slightly from budgeted. With the drop in the economy since 9-30-08 members spent less in these areas and hopefully they will increase again with better times.
4. **Storefront income** slid below budget projections by -\$9,209. Perhaps putting the Storefront on the AIS website for purchasing online would give this area more exposure to the members, regions and affiliates that are linked to Irises.org. Also, the 2000-2009 Checklist will be coming out next year, which will increase expenses, but should also be priced to show a profit. The R&Is and Checklists are a unique product to the AIS.

5. **Interest on investments** actually exceeded budget by \$322, but income in this area will be dropping as the CDs earning higher rates mature. See list below for current investments and their yields.

6. **Bulletin expenses** over the last several years have decreased due to printing fewer issues and holding down expenses. The average cost per issue is now \$18,909. At 4,000 copies per issue that is \$4.73 each. However, Bulletin expenses make up 47.5% of total operating expenses. In fact Member Dues this year exceeded the total of our Bulletin expenses by only \$2,855. All of the AIS' other expenses must be paid for by income other than Dues. The Board has discussed in the past possibly cutting the Bulletin down to three issues a year from four or changing its size to cut costs. Since this is the Society's largest expense, this is perhaps the easiest area to reduce expenses yet maintain the quality of the Society's most visible product.

7. **Exhibition Income and Expenses** are not complete for the year due to the problems in this area discussed in other reports. Income reported was less than budgeted which may be due to undeposited checks still outstanding. The last Exhibition deposit was made 6-30-09. Also, there have been no receipts for expenses from the Exhibition Chair since April 15, 2009, so the amount in the Exhibition Petty Cash is most likely overstated.

8. Work has begun on redesigning the **Iris.es.org website**. Expenses to date have totaled \$5,000. Of this, \$3,125 or 62.5% came out of the Electronic Services Restricted Fund and the remaining \$1,875 came out of the General Fund Electronic Services Expenses.

9. Minimal use has been made so far of the **Public Relations** budget of \$3,475. Work has been done on the Wiki but no expenses have come through to be paid.

RESTRICTED FUNDS

1. In early October 2008 the AIS received a \$10,000 donation from the estate of Richard Sparling to be used for Scientific and Research Grants. The second year of Dr. Alan Meerow's grant was paid out of the Restricted Fund using some of this money.

2. The Society also received a donation from the estate of Jimmy Jones (Region 15 Historian) in the amount of \$3,433.69. The will stipulated that the funds were to be invested and the interest to go toward the Cosgrove winners each year. Jimmy's will was made in 1988 when interest rates were substantially higher than they are now. At an average rate of 2% per year, this money will earn approximately \$68 per year. It has been recorded in the Cosgrove Memorial Youth Fund, and I would like the Board to decide how this money should be used to maintain the intent of Jimmy Jones' wishes. **My recommendation is that we raise the prizes for the Cosgrove winners by \$50 per year each for the winner, 1st runner up and 2nd runner up. At \$150 per year, this bequest would last about 23 years or more depending on what happens to interest rates over this time.**

3. As discussed at the Fall 2008 Board Meeting, I have deducted 20% or \$1,310 of the balance in the **Restricted Insurance Fund** on 9-30-08 and reduced the 9-30-09 general operating fund insurance costs by the same amount. I will continue to do this until the Restricted Fund is depleted.

INVESTMENTS (*fully insured*)

General Unrestricted Investments:

Edward Jones Money Market Acct	earns .01%
Arthur State Bank	\$20,000 3.3% due 5-28-09
Arthur State Bank	\$10,000 1.3% due 3-30-10
Columbia River Bank	\$30,000 4.1% due 8-23-10
Hinsdale Bank	\$5,000 2.35% due 8-27-12
Discover Bank	\$5,289.50 5% due 7-23-13

Restricted Funds Investments:

Edward Jones Money Market Acct	earns .01%
Discover Bank	\$50,000 4% due 11-29-10
Discover Bank	\$20,000 4.35% due 8-23-10
GE Capital CD	\$26,940.60 5% due 8-13-13
First Bank CD	\$12,000 4.1% due 2-08-10
U.S. Bank CD	\$65,487.66 4% due 2-16-14
Capital ONE Bank	\$10,030 3.55% due 10-08-09

Respectfully Submitted,

Jill Bonino
AIS Treasurer
10-27-09