

## TREASURERS REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2020

## OPERATIONS

- 1 **Net Income** for the year ended 9-30-20 from the General and Restricted Funds totaled \$1,064. The General Fund generated Net Income of \$18,540. The Restricted Funds had a loss of \$-17,476.

General Fund net income was bolstered by Gains on sales of some of the Cambridge Mutual Funds in September. The Restricted Funds loss was primarily due to transferring the balance of the 100% Anniversary Funds to the 2020 Convention Books to cover Convention operations.

**(See General Fund Income & Expenses for Year ended 9-30-20 incl Budget for 9-30-20 compared to Actual activity)**

**(Also See Pie Charts for the combined General and Restricted Funds – One is an Income Summary and another is an Expense Summary)**

- 2 Even though the **AIS 2020 Convention** was cancelled (and all Registration fees refunded), funds previously allocated to it from the Gerald Richardson Estate (\$48,000) and the 100% Anniversary Restricted Funds (\$19,678) allowed the Convention operations to show **net Income of \$13,149**. There are still a few refund checks that have not cleared and a refund from Highlawn Pavilion of \$2,000 that has not been received.

The 2020 Convention books will be closed in the next fiscal year and the remaining net income will be transferred back to the General Fund.

**(See AIS 2020 Convention Assets and Income & Expense as of 9-30-20)**

- 3 There is a new Financial Statement that shows General Fund and Restricted Fund income and expenses for the 9-30-20 year organized by AIS Operation Area. In this way, we can see how each service we provide our members covers its own expenses...or not. Due to the COVID virus which required cancelling the 2020 Convention, a lot of local and Regional shows, and the AIS Awards Balloting, several areas do not look like they normally do.

**(See Income/Expense by Operational Area for Year ended 9-30-20)**

## FINANCE COMMITTEE

The Committee met several times in the Fall of 2019, and in December 2019 approved the investment of \$500,000 with Global Wealth Management. These funds were divided up among seven (7) growth funds and interest and dividend mutual funds. No monies were invested in aggressive or high risk funds.

Due to the global pandemic that hit the US in January 2020, the market value of these funds fell with the stock market in February and March. The market has since recovered all of these losses, but the election is now being contested, so uncertainty continues.

**FINANCE COMMITTEE (cont)**

The Committee met again with Karl Johnson (Global Wealth Management) in September to discuss the impact of the virus and the upcoming election on the markets. He recommended selling 100% of two of the funds the AIS originally invested in, so we could take some gains, and not reinvest until after the Presidential election in November. Both of these funds were producing the lowest interest and dividend yields of all of the investments.

The Committee also amended the AIS Investment Policy to raise the limit on uninsured investments to \$1,000,000 from \$500,000.

In addition, the Committee met with Chris Reddick at Edward Jones Investments to decide how to reinvest several thousand dollars in CDs maturing in the Unrestricted and Restricted Funds. Interest rates on CDs are currently almost nothing. Chris proposed an investment program in long term bond funds, which with the volatility of the stock market could generate both more interest income and gains. However, these funds would not be insured, and the Committee members were more comfortable leaving the funds in the Edward Jones money market account until after the election.

As of 9-30-20, the AIS has \$424,000 in money market funds earning .01% to .05% waiting for things to settle down in the world markets before reinvesting.

**(See AIS BALANCE SHEET as of 9-30-20)**

**CREDIT CARD FEES**

AIS is now only using Square and PayPal to process credit card payments through Membership, Registration and the Storefront. These services only charge fees per transaction. I used them both for the 2020 Convention to handle overseas registrations with no problem. Both services refunded fees on transactions cancelled within 90 days of the original charge.

**SEE ALSO THE "NOTES" SECTION OF EACH FINANCIAL STATEMENT FOR ADDITIONAL INFORMATION.**

**SEE ALSO DRAFT BUDGET FOR YEAR ENDED 9-30-21.**

**Respectfully submitted,**

**Jill Bonino, AIS Treasurer**

**11-09-20**