



The American Iris Society

Financial Report
September 30, 2004

THE TREASURER'S REPORT TO THE BOARD

This year's report contains a new format in the presentation of financial information. I have separated our Restricted or Allocated Funds from the General Funds into a separate Income and Expense Statement. This provides a better and more accurate picture of our true financial condition. Their balances continue to be shown in the total asset account. These accounts will no longer be reflected in our budget as their cash flow varies each year without our control as to income. Our policies provide for board approval of any monies to be spent from these funds. I would like a motion from the board to allow me to continue to pay up to \$500.00 from the Cosgrove Fund, the Library Fund, the Classroom Project Fund, and Electronic Services expenses, as required with our normal voucher system.

Board Policy requires an annual audit to be made of our financial records. The last audit was a complete one of the Treasurer's records performed in April of 2002. Audits can be very expensive and have to be done by a CPA without any relationship to the board or officers. A total audit is complicated by the fact that we handle money in many areas of the country. Travel costs can add up in a hurry. Audits are ordered to protect the board. A full audit checks receipts, disbursements, procedures and balances. Since our last audit approved our Treasurer's procedures and financial records, I would recommend a simple audit every year to verify that the Treasurer's statements of balances match the records of the financial institutions. This should be followed by a complete audit whenever the office of Treasurer is changed. Since we do not need to provide audited reports to anybody who provides money to AIS, or that we borrow from, and there are no laws that they be performed; it is totally up to you. You must make a decision with a motion to clarify your requirements.

Just like the medical profession, in that it is controlled by insurance companies, we have reached the same point in the life of AIS. The cost of insurance now dictates what we do. We have major budget decisions to make if we will continue to provide our same coverage. We cannot commit to something that will drain our reserves without a corresponding way to pay for it.

Interest rates on both our investments and operating funds have held steady this year. Although CD rates are low, our present CDs give us an average rate of approximately 4.25% on our investments. I continue to keep abreast of Money Market rates and move funds around to earn in the 1.5-2% range. Managing money in today's market continues to be a real challenge. I shall continue this job in the best interest of the Society. Our current Certificates of Deposit are:

\$25,000 at State Farm Bank maturing 3/25/2005 at 1.8%
\$25,000 at State Farm Bank maturing 3/25/2006 at 2.710%
\$50,000 at Savings Bank of Mendocino County maturing 3/12/2008 at 4.27%
\$25,000 at Discoverer Bank maturing 10/31/2006 at 4.75%
\$25,000 at Discoverer Bank maturing 1/23/2007 at 4.8%

Thank you for your confidence in me by allowing me to continue as your Treasurer.

Jay Hudson

ASSETS

	Sep 30, •04	Sep 30, •03
Current Assets		
Checking/Savings		
Storefront Accounts		
Washington Mutual OR S...	7,664.25	10,233.25
Storefront Charge Card	4,743.11	9,518.20
Oregon Storefront Petty Cash	1,159.29	604.30
Total Storefront Accounts	13,566.65	20,355.75
Life Membership Fund		
State Farm Bank 2	25,000.00	0.00
State Farm Bank	25,225.35	0.00
Savings Bank Life Memb CD	53,244.76	51,064.22
Edward Jones CD Acct.	25,611.23	75,611.23
Total Life Membership Fund	129,081.34	126,675.45
Goldman Sachs MM	15,720.06	15,245.77
Savings Bank MM	20,616.29	30,255.66
Wash Mutual Sec Petty Cash	635.85	723.60
Edward Jones Money Market	5,170.03	15,991.36
Edward Jones General Fund	26,400.91	26,400.91
General Fund Savings Bank	7,540.91	7,584.72
Membership Secretary Accounts		
US bank Petty Cash Acct	3,023.45	0.00
US Bank deposit Acct	5,384.00	0.00
Wachovia Petty Cash Acct	381.79	3,094.91
Wachovia Deposit Acct	0.00	8,747.34
WashingtonMutual Charge Cards	1,846.80	8,606.32
Total Membership Secretary	10,636.04	20,448.57
Washington Mutual MM	18,607.70	3,742.89
Total Checking/Savings	247,975.78	267,424.68
Total Current Assets	247,975.78	267,424.68
TOTAL ASSETS	247,975.78	267,424.68
LIABILITIES	0.00	0.00

ALLOCATED FUNDS BALANCES (RESTRICTED FUNDS) INCLUDED IN THE ABOVE ASSET ACCOUNTS

CMB Library Endowment	1,695
Electronic Services	5,735
Publication Fund	150
Cosgrove Memorial	8,147
Library Fund	2,123
(Funded by the general fund and donations)	
Scientific and Scholarship	0
(Funded by the general fund and donations)	
Classroom Project	5,167
Lifr Membership	129,084
TOTAL ALLOCATED FUNDS	152,101

**GENERAL FUND
INCOME STATEMENT**

Income

Goldman Sachs	474
AIS Giftshop	668
Unrestricted Donations	1,245
Silent Auction	7,283
Earned Interest	7,895
Membership Dues	79,945
Bulletin	14,879
Committees	12,148
Other Income	25
Registrations	5,083
Storefront Sales	28,282

Total Income 157,927

Expense

Professional Fees	340
Misc. Bank Fees	165
990T Tax	92
Bank Service Charges	93
Bulletin	84,719
Committees	19,446
Insurance	30,874
Membership Sec.	13,489
Registrar	2,615
Storefront	18,676
Secretary	88
Treasurer	169

Total Expense 170,411

Net Income -12,484

INCOME COMPARISON

04 03 ... \$ Change

Income

Misc. Income	25	0	25
Goldman Sachs	474	246	229
AIS Giftshop	668	2,174	-1,506
Unrestricted Donations	1,245	3,49	-2,248
Registrations	5,083	5,890	-808
Silent Auction	7,283	6,192	1,092
Earned Interest	7,895	10,080	-2,185
Committees	12,148	11,997	151
Bulletin	14,879	12,155	2,724
Storefront Sales	28,282	26,155	2,128
Membership Dues	79,945	79,990	-45

Total Income 157,927 158,370 443

Expense

Silent Auction...	0	75	-75
Miscellaneous	0	100	100
Other Officers	0	37	37
Returned Checks	0	73	73
Secretary	88	1,660	1,573
990T Tax	92	0	92
Bank Service Charges	93	247	-154
Misc. Bank Fees	165	81	84
Treasurer Expe...	169	51	119
Professional Fees	340	0	340
Registrar	2,615	194	2,421
Membership Sec.	13,489	15,952	-2,463
Storefront	18,320	15,174	3,146
Committees	19,446	26,019	-6,572
Insurance	30,874	10,005	20,869
Bulletin	84,719	87,915	-3,196

Total Expense 170,411 157,582 12,829

Net Income -12,484 788 -13,272

**DETAILED GENERAL FUND
INCOME STATEMENT.**

Income

Goldman Sachs Dividend	474
AIS Giftshop	668
Unrestricted Donations	1,245
Silent Auction	7,283
Earned Interest	
Operating Funds	7,895
Membership Dues	
Section Dues	18
Affiliate	200
Member Dues	79,727
Total Membership Dues	79,945
Bulletin	
Advertising	14,879
Committees	
Surplus Bulletins	254
Exhibitions	11,550
Slides	344
Total Committees	12,148
Other Income	
Miscellaneous	25
Registration Fees	5,083
Storefront Sales	28,282
Total Income	157,927

Expense

Professional Fees	
Accounting	340
Misc. Bank Fees	165
990T Tax	92
Bank Service Charges	93

Bulletin Expense

Advertising Editor	148
Contract Services	12,400
Editors Expenses	336
Supplies	246
Mailing	15,767
Printing	55,156
Symposium Ballots	666

Total Bulletin Expense 84,719

Committee Expenses

Surplus Bulletins	448
Affiliate Awards Contest	149
Electronic Services	
Web Sites	739
Awards	1,707
Exhibitions	13,291
Judges & Judges Training	26

Public Relations	789
Scholarship	97
Slides	
Supplies	700
Postage	499
Total Slides	1,199
Youth	1,001
Total Committee Expenses	19,446

Insurance

Liability Insurance	27,698
Insurance - Other	3,176
Total Insurance	30,874

Membership Secretary

Internet expense	88
Returned Deposit items	43
Bank charges	106
Returned Check	43
Transfer of office exp...	672
Contract Services	9,600
Mastercard Visa Expense	405
Refunds	80
Computer & office Equi...	707
Other	20
Postage	1,372
Supplies/Printing	33
Telephone	265
Transfer of Section Dues	56
Total Membership Secretary	13,489

Registrar

Postage	209
Contract Services	2,400
Supplies	6
Total Registrar	2,615

Storefront

Sales Tax	356
Bank Service Charge	40
Mastercard/Visa Expense	485
Annual R&I	1,723
Telephone	613
Refunds	547
Other	104
Postage	2,863
Storage Rental	2,142
Supplies	183
General Expense - Other	53
AIS Calendars	8,239
Other Books & Merchandise	1,330
Total Storefront	18,676

**DETAILED GENERAL FUND
INCOME STATEMENT (cont.)**

Secretary	
Supplies/Printing	88
Treasurer Expenses	
Office Supplies	21
Postage	148
Total Treasurer Expenses	169
Total Expense	170,411
Net Income	-12,484

**RESTRICTED FUND
INCOME STATEMENT**

Income	
CMB Library Endowment	150
Electronic Services	
Geek Dinner	2,867
Checklist	1,779
Electronic Servic...	103
Total Electronic S...	4,749
Cosgrove Memorial	390
Library Fund	4,045
Scientific & Schol...	315
Total Income	9,649
Expense	
Classroom Project	260
Electronic Services	1,522
Scientific & Schol...	7,500
Cosgrove Memorial	661
AIS Library	1,922
Total Expense	11,865
Net Income	-2,217