

TREASURER_REPORT_FALL_2006

AIS operations for the past fiscal year ending September 30, 2006 were better than expected. General operations generated \$15,505.70 in net income and the Restricted Funds generated \$11,187.67, for a total net income of \$26,693.37. Of this amount, however, the Silent Auction brought in approximately twice as much as it usually does (due to a larger than usual National Convention) and local clubs, AIS Regions, and individuals generously donated \$12,975 toward our Liability Insurance expense. The bottom line is that without these anomalies, our net income for the year would have been around \$7,000. This is positive in that we are beginning to see some effect from the increase in dues, registration fees, and publication prices. And this means we are better able to cover the higher liability insurance premiums out of general operations.

All areas of operations brought in income very close to amounts budgeted (See Pages 2 - 3). In addition, expenses in several areas, such as Awards, Bulletin Expenses, Professional Fees, and Public Relations were less than budgeted.

Unrestricted Fund assets increased from \$117,890.73 to \$141,739.68 and Restricted Funds increased from \$131,988.61 to \$134,833.03 (See Page 1).

Earnings rates on Investments are as follows:

Edward Jones Money Market Funds	4.5%
Goldman Sachs Account	4.0%
Discover Bank CD due 10-31-06	4.75%
Discover Bank CD due 1-23-07	4.80%
Savings Bank CD due 3-12-08	4.27%

The Financial Advisory Committee approved an Investment Policy for the AIS which is part of this report (Pages 5 & 6) and it will be presented for a vote at the Fall Board Meeting. First VP Roy Epperson, former AIS Treasurer Jay Hudson, Legal Counsel Bob Plank and myself serve on this Committee. The Committee recommends continuing a conservative investment plan for excess unrestricted and restricted funds that comprises FDIC insured certificates of deposit with due dates "laddered" over the future to take the best advantage possible of changing interest rates.

All recommendations from Wendy Boise, CPA, who completed a review of financial statements as of September 30, 2005, have been incorporated into these financial statements. One of these recommendations was to complete a detailed reconciliation of each restricted fund balance annually. Please see Page 4 for an Income and Expense Statement for all Temporarily Restricted and Permanently Restricted Funds.

An adjustment was made this year for the first time to the Life Member Restricted Fund for deceased members. Annually, dues from new Life Members are transferred out of general operating income and added to the Life Member Restricted Fund, *but no adjustment has ever been made to decrease the fund for the dues of members who have passed away.* So the Life Member Fund has been

overstated. As has been discussed at previous Board meetings, it would be exceedingly difficult and time consuming to go back and research the exact amount of life dues that should have been returned to the general funds for all life members who have passed away since the life member program began. Therefore, I have decreased the Life Member Fund in the amount of \$1,880 as an estimate of the life dues paid by the 8 Life Members who passed away during *this* fiscal year. Each year, in addition to increasing the Life Member Fund for new life member dues, an entry will be made to decrease the fund for estimated dues of members who pass away.

Respectfully Submitted,

Jill Bonino
Treasurer