

American Iris Society Treasurer's Report for the Fiscal Year Ended September 30, 2015

Let's start with the good news. The budget we approved last fall at our Board Meeting forecasted a \$3,000 deficit for the upcoming year meaning we were planning to spend more than we were bringing in as income. Instead we had income in excess of expenditures by just about \$13,000.

The largest reasons for this positive turnaround were increases in membership dues income, registration fees, the silent auction and donations. These more than offset the shortfalls in bulletin advertising, exhibition supply sales and storefront sales. On the expenditure side we achieved savings in the bulletin production and mailing through lower printing costs (fewer pages printed) and slightly lower editor costs. Most other expenditure line items performed more or less as we budgeted; some a little up and some a little down. To me this is an indication that collectively we are thinking about what we spend and that will help us in preparing the FY 15/16 budget and conduct our operations in the next year.

There are other issues which we need to consider beyond looking at our performance in the last fiscal year. AIS has an ongoing dispute with IRS as to whether we filed an income tax return for the tax year ended 9/30/14. We did on 4/30/15 under the rules of asking for a time extension and being granted one. Our legal counsel Veronica Johnson is vigorously pointing out to the IRS that their right hand doesn't know what their left one is doing. Will we prevail? One would hope so. I argued, in the last year, with the IRS over penalty and interest they wanted regarding the previous year's tax return and I prevailed. If Veronica is not successful, we are looking at a bill of at least \$1,740. I know we have had several board members who have had years of experience working with the IRS and they may feel differently, but to me the IRS is collectively a bunch of faceless bureaucrats who operate without applying common sense.

The other issue in the coming year that concerns me is the National Convention. As opposed to prior conventions sponsored and operated by affiliates and regions, AIS is the sponsor and ultimately on the hook if registrations don't meet the expectations. We need a minimum of 207 full registrations. More than 207 would be really helpful because we contracted a minimum of \$35,000 for food and beverages with the hotel. Since we will be at the National Convention in New Jersey when we meet again as a Board, we should look at the numbers several times in the interim. I think the end of December and February would be good check points. Not so much to reduce the costs which are largely fixed but to understand if other AIS programs will need to decrease their expenditures to keep the FY 15/16 budget year in balance.

Dwayne Booth

AIS Treasurer

11/03/15