

## AIS Treasurer's Report for the Fiscal Year Ended September 30, 2017

Do any of you watch the show "Chopped" on the Food Network? This where contestants always say "Today I have Prepared For You.....". That's after being given a Mystery Basket containing odd parts from a Musk Ox, a pomegranate, curry powder and refrigerator biscuits. Putting together all the American Iris Society financial data into concise reports feels a lot like working with a Mystery Basket except it takes a lot longer than 45 minutes to produce them.

So today you have: 1) Balance Sheet as of 9/30/17, 2) General Fund Income and Expense Statement for the 12 months ending 9/30/17 along with the added attraction of a Proposed Budget for the 2017/2018 Fiscal Year, 3) Restricted Funds Income and Expense Statement for the 12 months ending 9/30/17, 4) Convention Fund Balance Sheet as of 9/30/17, 5) Convention Fund Profit and Loss Statement for the 3 months ending 9/30/17 and 6) a Proposed Investment Policy/Implementation Plan.

I have continued to modify the financial reporting to make it more straight forward. For example, on the General Fund Income and Expense Statement, I have eliminated the results from prior fiscal years. Several years ago that seemed to be helpful as there was considerable variance between fiscal years such that I felt the reader needed to be aware of the fluctuations over several years. Those swings have diminished considerably with the exception of the one-time large contribution from the Gerald Richardson estate and exceptions like that I will take every year. I have added four footnotes and those are an integral part of the Income and Expense Statement. Also, I have added the 2017/2018 Proposed Budget to the same form. Since we have established people in all our program areas, I think budgeting at the program level (Bulletin, for example) is sufficient and is worth a try. This compares to trying to estimate at detail levels which are going to change somewhat from year to year but do not indicate that the person in charge of a particular program is not doing a good job for the Society.

Our bottom line is the General Fund was profitable for the fiscal year ending September 30, 2017 and I am forecasting a \$3,525 loss for the next 12 months. The biggest unknown for me in preparing next year's proposed budget was to what extent will the General Fund need to provide financial support to the 2018 National Convention. I put in \$3,000 but that number could easily change a lot. There were three convention registrations by September 30<sup>th</sup>. There have been two more so far in October as of this writing. I am somewhat concerned and look forward to Paul Gossett's report at the Board Meeting. Since we have just over five months until the 2018 Convention, *I recommend a telephone conference call in the first 10 days of each month (December '17 through March '18) where the Board is briefed on the Convention's finances at that point.*

The subject of an audit continues to hang over our collective heads. Our bylaws call for an annual audit. Well, we see how well that is happening! I do not know how long it has been but I wouldn't be surprised if it was 10 years or more. *I recommend the appointment of a 3 member Audit Committee. They will be tasked with selecting an auditor through a bid process, negotiating the scope of the audit and receiving the results of the audit through an exit conference. Then communicate the audit findings to the Treasurer and the Board of Directors.*

Finally, with the resources provided by the Gerald Richardson estate, I think it is time for an updated Investment Policy. I have written one for the Board of Directors for their consideration and it is included with this Treasurer's Report.

Dwayne Booth

American Iris Society Treasurer

October 29, 2017