

Eighty-sixth Annual Report of The American Phytopathological Society

REPORT OF THE TREASURER

The Society completed FY94 with an unaudited operating surplus (before reserve allocations) of \$151,436 compared to our FY94 budget that was approved with a surplus of only \$90,711.

A review of the financial activity of the Society over the past 13 yr discloses that in FY93 we generated the largest surplus since 1982, and this past year we generated the second highest surplus in the history of our Society (Table 1).

Income generated during this past year totaled \$3,079,468, which was our greatest income on record. The favorable surplus associated with our FY94 budget resulted primarily from both increasing our income by \$130,932 and reducing total operating expenses by \$70,207 below that budgeted in June 1993. Although the financial security of the Society has been strengthened over the past 3 yr, our current operating reserve of \$311,621 is only approximately 16% of that recommended by our manual of operations as compiled by former council members. Each year 5% of our annual budget should be used to increase our operating reserves. For our Society, these reserves should total approximately 50% of the annual budget or approximately \$1.5 million. During the past 3 yr, our Society has accomplished much in addition to paying off the mortgage on the headquarters building.

Our total income (\$3,079,468) was derived from 10 sources (Fig. 1):

- Membership dues representing 17.8% of the total income was significantly increased over that of FY93.
- Nonmember and library subscriptions to the three journals are shown individually. Income from the three journals represented 25.3% of our total income.
- As during past years, the greatest level of income to our Society was provided by APS Press. Its contribution of \$952,953 represented 30.9% of our total income (Fig. 2).
- Other income was derived from:
 - the annual meeting, at 9%
 - reprints, page charges, and back issues, at 14%
 - advertising sales, at 1.3%
 - interest and dividends, at 0.5%
 - miscellaneous or other, at 1.3%.

Our total operating expense (\$2,928,032) may be partitioned into seven categories (Fig. 3):

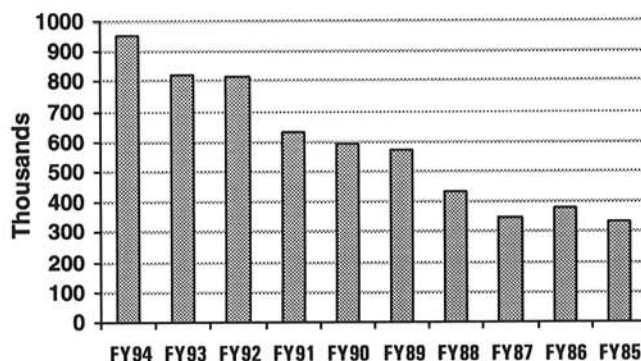
- Production costs associated with the three journals accounted for 31.5% of our expenses in FY94.
- The cost of administration (G&A) was 23.2% and expendi-

TABLE 1. Comparison of American Phytopathological Society fiscal years 1982–1994 before reserve allocation

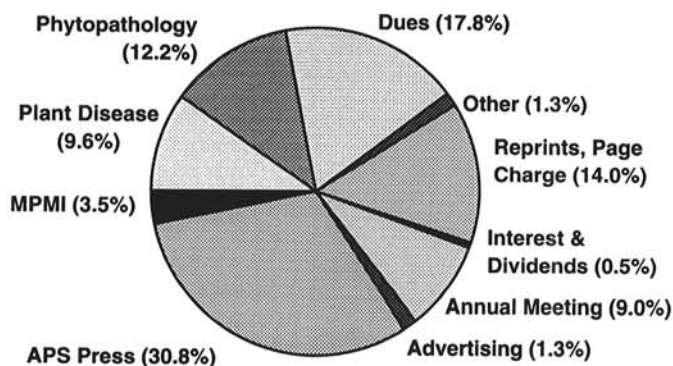
Fiscal year	Income	Expense	Surplus (deficit)
FY94 ^a	3,079,468	2,928,032	151,436
FY93	2,843,296	2,574,006	269,290
FY92	2,689,171	2,565,571	123,600
FY91	2,436,386	2,471,744	(35,358)
FY90	2,260,693	2,258,159	2,534
FY89	2,213,691	2,177,068	36,623
FY88	1,903,918	1,897,972	5,946
FY87	1,666,154	1,669,779	(3,625)
FY86	1,618,355	1,622,224	(3,869)
FY85	1,588,998	1,502,827	86,171
FY84	1,569,615	1,419,205	150,410
FY83	1,423,638	1,331,042	92,596
FY82	1,129,634	1,129,541	93

^aUnaudited.

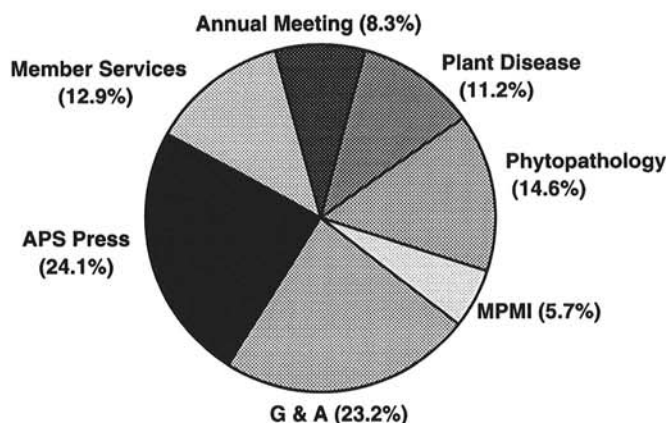
APS Press Sales



Unaudited Income FY 94



Unaudited Expense FY 94



tures incurred for the annual meeting held in Nashville, TN, accounted for 8.3% of our total expenses.

- The cost of member services was 12.9% of our total expenses. These services will be addressed by our president and headquarters staff during this business meeting.

The total assets as of 30 June 1994, excluding restricted funds, were \$2,266,400 and liabilities were \$1,398,348, producing a mem-

bership equity of \$868,052.

The financial success we experienced during the past 3 yr is due in large part to the professional services provided by Steve Nelson, our EVP, Larry Hartman, our director of finances, and all staff members at our headquarters office in St. Paul, MN, who contribute significantly to activities that allow us to be members of a society managed in a very efficient and professional manner.

The audited financial statement for FY94 appears in this issue.

**Report
of the
Auditor**

The American Phytopathological Society has its accounts audited annually by a certified public accountant. In recent years the accounting firm has been Phillips and Swanson, St. Paul, MN. Due to recent changes in reporting requirements by the American Institute of Certified Public Accountants for nonprofit organizations, the full audit has become extensive and has undergone changes in format. Consequently, only the Balance Sheet and Income and Expense Statement as of June 30, 1994, are being published in detail. Any member wishing a copy of the full audit may obtain one on request.

**The American Phytopathological Society
Balance Sheet
Year Ended June 30, 1994
(with comparative totals for 1993)**

	Current Funds			Total All Funds	
	Unrestricted Undesignated	Restricted and Board Designated	Endowment Funds	1994	1993
Assets					
Current Assets					
Cash	\$ 496,571	\$291,101	\$...	\$ 787,672	\$ 597,713
Accounts receivable, net	123,871	...	...	123,871	116,793
Interest receivable	...	...	...	...	20
Inventory	430,157	...	...	430,157	387,740
Prepaid expenses	154,306	...	...	154,306	95,929
Prepaid pension	37,148	...	...	37,148	34,861
Total current assets	1,242,053	291,101	...	1,533,154	1,233,056
Property and Equipment, net	604,746	...	...	604,746	634,431
Investments	23,750	148,193	19,101	191,044	236,648
Total Assets	\$1,870,549	\$439,294	\$19,101	\$2,328,944	\$2,104,135
Liabilities and Fund Balances					
Current Liabilities					
Accounts payable	\$ 124,067	\$...	\$...	\$ 124,067	\$ 126,651
Accrued pension expense	44,000	...	...	44,000	44,000
Accrued property taxes	10,000	...	...	10,000	42,061
Deferred revenues	770,990	...	...	770,990	674,093
Deferred support	...	39,879	...	39,879	38,837
Total liabilities	949,057	39,879	...	988,936	925,642
Fund Balances					
Unrestricted					
Undesignated	921,492	...	...	921,492	856,481
Board-designated	...	355,623	...	355,623	260,339
Restricted	...	43,792	...	43,792	41,673
Endowment	...	...	19,101	19,101	20,000
Total fund balances	921,492	399,415	19,101	1,340,008	1,178,493
Total Liabilities and Fund Balances	\$1,870,549	\$439,294	\$19,101	\$2,328,944	\$2,104,135

The American Phytopathological Society
Statement of Support, Revenue, Expenses, Capital Additions, and Changes in Fund Balances
Year Ended June 30, 1994
(with comparative totals for 1993)

	Current Funds			Total All Funds	
	Unrestricted Undesignated	Restricted and Board Designated	Endowment Funds	1994	1993
Public Support and Revenue					
Public Support					
Contributions	\$ 697	\$ 16,333	\$...	\$ 17,030	\$ 9,172
Revenue					
Membership dues	542,071	...	...	542,071	468,432
Subscriptions	752,087	...	...	752,087	743,628
Reprints	93,234	...	...	93,234	82,247
Abstracts	27,435	...	...	27,435	28,360
Page charges/processing fees	250,265	...	...	250,265	211,113
Back issues	26,125	...	...	26,125	23,404
Books	855,307	...	...	855,307	747,130
Color charges	59,413	...	...	59,413	41,049
Annual reviews	7,365	...	...	7,365	11,218
Annual meeting	266,641	...	...	266,641	323,364
Advertising	39,210	...	...	39,210	45,305
Investment income	15,072	18,031	...	33,103	23,321
Loss on sale of investments	...	...	...	...	(688)
Unrealized depreciation of investments	...	(15,701)	...	(15,701)	...
Other	118,147	...	...	118,147	95,155
Total revenue	<u>3,052,372</u>	<u>2,330</u>	<u>...</u>	<u>3,054,702</u>	<u>2,843,038</u>
Total public support and revenue	<u>3,053,069</u>	<u>18,663</u>	<u>...</u>	<u>3,071,732</u>	<u>2,852,210</u>
Expenses					
Program services					
Annual meeting	242,353	9,083	...	251,436	241,395
Member services	392,938	1,567	...	394,505	308,566
Books	727,370	7,250	...	734,620	655,486
Journals	957,049	...	...	957,049	798,234
Total program services	<u>2,319,710</u>	<u>17,900</u>	<u>...</u>	<u>2,337,610</u>	<u>2,003,681</u>
Supporting services					
Management and general	571,708	...	...	571,708	574,733
Total expenses	<u>2,891,418</u>	<u>17,900</u>	<u>...</u>	<u>2,909,318</u>	<u>2,578,414</u>
Excess of Public Support and Revenue Over Expenses Before Capital Additions	161,651	763	...	162,414	273,796
Capital Additions					
Unrealized depreciation of investments	...	...	(899)	(899)	...
Excess (Deficiency) of Public Support and Revenue over Expenses after Capital Additions	161,651	763	(899)	161,515	273,796
Fund Balances, Beginning of Year as Previously Reported	856,481	302,012	20,000	1,178,493	871,462
Prior Period Adjustment Implementation of SFAS 87	...	...	...	...	33,235
Fund Balances, Beginning of Year as Restated	856,481	302,012	20,000	1,178,493	904,697
Fund Transfers	(96,640)	(96,640)	...	...	...
Fund Balances, End of Year	<u>\$ 921,492</u>	<u>\$399,415</u>	<u>\$19,101</u>	<u>\$1,340,008</u>	<u>\$1,178,493</u>