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Visual Resources Association 2017 Annual Business Meeting: Treasurer's Report

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Visual Resources Association 2017 Annual Business Meeting: Treasurer's Report

Abstract

The Treasurer's Report, presented at the Annual Business Meeting of the Visual Resources Association, held March 30, 2017 in Louisville, Kentucky, reviews the state of the organization's finances, and includes a summary of long-range economic trends affecting the Association's budget and membership numbers over the past decade, together with details of the measures the Association is taking to reduce operating expenses. Also noted is the effect of current economic conditions on our investment strategy.

Keywords

treasurer, report

As you know, I stepped into the post as treasurer a little over a year ago with big shoes to fill. It is my job to monitor the Association's financial well-being. Many of you will remember from Allan's final annual report last year and from Jennifer's address just now that a change in the way we do business is crucial.

My first few months in the position were busy, to say the least. We executed several changes set in motion by Allan, in a short amount of time, to address some of our most major issues. First, we moved our checking and savings accounts from Bank of America to Wells Fargo in an effort to trim our hemorrhaging bank fees. This has turned out to be a good move despite the bad press Wells Fargo has received recently. Our representative, Emily, is very attentive and has been able to answer any question we have had or address any problems that have come up. I think when this fiscal year is over, we will see our bank fees almost cut in half – a savings of almost \$5,000 a year. Yeah! Second, we terminated the services of our bookkeeper. This decision was not made lightly, but our use of Quickbooks has helped a great deal in this regard, and to be honest, the accounts are up-to-date more often than once a quarter now. This is a savings of \$8,320 a year. Yeah again! Third, we moved our investments from Fidelity to an actively managed portfolio with David Hammer Associates out of Minneapolis. This move will help us be more nimble with the fluctuations inevitable in the markets today and stem the losses we had in the last few years with our former portfolio. Despite all of these good moves, the cost of doing business continues to creep up, as it does in most corners of our own lives.

Last year's balance sheet for 2015 shows assets weighed against liabilities. As long as the former outweigh the latter, we are in the black. The Association's balance sheet for the 2015 fiscal year, which concluded on June 30, was a healthy one: **\$434,322.**

Visual Resources Association
BALANCE SHEET
 As of June 30, 2015

TOTAL			
ASSETS		LIABILITIES AND EQUITY	
Current Assets		Liabilities	
Bank Accounts		Current Liabilities	
Bank of America CD acct# 091000125317852	45,389.58	Accounts Payable	
Bank of America Checking	6,326.92	Accounts Payable	0.00
Bank of America Money Market	130,504.97	Total Accounts Payable	<u>\$0.00</u>
F & M Bank MM Account (deleted)	0.00	Other Current Liabilities	
Petty Cash	0.00	A/P Exchange	
Trustco Checking (deleted)	0.00	VRAF Liabilities	-501.16
Total Bank Accounts	<u>\$182,221.47</u>	Total Other Current Liabilities	<u>\$ -501.16</u>
Accounts Receivable		Total Current Liabilities	<u>\$ -501.16</u>
Accounts Receivable	0.00	Total Liabilities	<u>\$ -501.16</u>
Accounts Receivable - Conference	0.00	Equity	
Accounts Receivable - Silent Auction	0.00	Kathe H. Albrecht Travel Fund	1,250.00
Accounts Receivable- Founders Fete	0.00	New Horizons & Student Travel Fund-ATK	5,400.00
Accounts Receivable- Gifts Pledged	0.00	President's Fund	5,625.00
Total Accounts Receivable	<u>\$0.00</u>	Retained Earnings	437,494.04
Other current assets		Special Bulletins Account	0.00
A/R exchange	0.00	Tansy Fund	557.94
Deposit for Conference 2011	0.00	Temporarily Restricted	0.00
Fidelity Investments	252,050.49	VRA Bulletin	0.00
U.S. Treasury Bill	0.00	Net Income	-15,503.86
Undeposited Funds	50.00	Total Equity	<u>\$434,823.12</u>
Total Other current assets	<u>\$252,100.49</u>	TOTAL LIABILITIES AND EQUITY	<u>\$434,321.96</u>
Total Current Assets	<u>\$434,321.96</u>		
TOTAL ASSETS	<u>\$434,321.96</u>		

This year's balance sheet is still in the black with a balance of \$412,246. We still have no outstanding debt, we continue to enjoy excellent credit history, and our only liabilities are good ones—travel award donations earmarked for distribution in future years.

Visual Resources Association			
Balance Sheet			
As of June 30, 2016			
ASSETS	LIABILITIES AND EQUITY		
Current Assets	Liabilities		
Bank Accounts	Current Liabilities		
Bank of America CD acct#		Accounts Payable	
091000125317852	47,021.46	Accounts Payable	0.00
Bank of America Checking	-3,041.95	Total Accounts Payable	<u>\$ 0.00</u>
Bank of America Money Market	18,316.10	Other Current Liabilities	
Petty Cash	0.00	A/P Exchange	
Wells Fargo Checking	2,003.15	VRAF Liabilities	-436.16
Wells Fargo Savings Account	99,003.32	Total Other Current Liabilities	<u>-\$ 436.16</u>
Total Bank Accounts	<u>\$ 163,302.08</u>	Total Current Liabilities	<u>-\$ 436.16</u>
Accounts Receivable		Total Liabilities	<u>-\$ 436.16</u>
Accounts Receivable	0.00	Equity	
Accounts Receivable - Conference	8,842.86	Kathe H. Albrecht Travel Fund	1,250.00
Accounts Receivable - Silent		New Horizons & Student Travel Fund-	
Auction	0.00	0.00 ATK	5,400.00
Accounts Receivable- Founders		President's Fund	5,625.00
Fete	0.00	Retained Earnings	421,990.18
Accounts Receivable- Gifts		Special Bulletins Account	0.00
Pledged	0.00	Tansey Fund	557.94
Total Accounts Receivable	<u>\$ 8,842.86</u>	Temporarily Restricted	0.00
Other Current Assets		VRA Bulletin	0.00
A/R exchange	0.00	Net Income	-22,140.01
Deposit for Conference 2011	0.00	Total Equity	<u>\$ 412,683.11</u>
Fidelity Investments	239,977.01	TOTAL LIABILITIES AND EQUITY	<u>\$ 412,246.95</u>
U.S. Treasury Bill	0.00		
Undeposited Funds	125.00		
Total Other Current Assets	<u>\$ 240,102.01</u>		
Total Current Assets	<u>\$ 412,246.95</u>		
TOTAL ASSETS	<u>\$ 412,246.95</u>		

But looking at last year's Profit/Loss statement, even with almost an \$8,900 profit from the joint conference, we operated at a loss—a significant one, nearly \$22,000.

Visual Resources Association		Expenses	
Profit and Loss		Expenses	
July 2015 - June 2016		Expenses	
	<u>Total</u>	Awards	1,000.00
Income		Distinguished Service	200.00
Chapter Dues		Kathe H. Albrecht Travel Award	800.00
Great Lakes Chapter	265.00	Nancy DeLauer	600.00
Greater New York Chapter	210.00	New Horizon Travel Award	2,000.00
International Chapter	130.00	Tansey Award	4,150.00
Mid-Atlantic Chapter	475.00	Total Awards	<u>\$8,800.00</u>
Midwest Chapter	480.00	Board Expenses	750.00
New England Chapter	1,040.00	Conference Expenses	5,700.45
Northern California Chapter	845.79	Lodging & Travel	409.95
Pacific Rim Chapter	385.00	Total Conference Expenses	<u>\$6,809.14</u>
Southeast Chapter	210.00	Mid-Year Meeting Expenses	847.98
Southern California Chapter	300.00	Lodging & Travel	7,064.27
Texas Chapter	20.00	Meals	420.00
Update New York Chapter	410.00	Total Mid-Year Meeting Expenses	<u>\$8,333.28</u>
Wild West Chapter	200.00	Technology Support	133.00
Total Chapter Dues	<u>\$8,428.79</u>	Total Board Expenses	<u>\$15,497.40</u>
Conference Income	8,917.11	Chapter Expenses	
Special Events	1,336.88	Great Lakes Chapter	115.00
Sponsors	200.00	Greater New York Chapter	400.00
Total Conference Income	<u>\$10,483.99</u>	Mid-Atlantic Chapter	50.00
Contributions Income	1,541.00	Midwest Chapter	1,646.46
Investment-Gain/Loss	-3,073.48	New England Chapter	1,063.10
Interest	1,880.24	Northern California Chapter	300.00
Total Investment-Gain/Loss	<u>\$1,486.44</u>	Pacific Rim Chapter	100.00
Membership Dues	47,175.00	Southeast Chapter	100.00
Miscellaneous Income	252.86	Southern California Chapter	515.79
Publications & Subscriptions	1,181.72	Texas Chapter	150.00
Bulletin	900.00	Total Chapter Expenses	<u>\$3,684.38</u>
CCO	175.10	Conferece Expenses	
Listserve	300.00	Miscellaneous	12.75
Total Publications & Subscriptions	<u>\$2,838.82</u>	Printing - Conference	35.35
Reimbursements		Professional Fees Conference	1,218.60
VRAF Reimbursements	222.75	Total Conference Expenses	<u>\$1,266.70</u>
Total Reimbursements	<u>\$222.75</u>		
Total Income	<u>\$8,203.87</u>		
Gross Profit	<u>\$6,203.87</u>		

In 2015, our net operating deficit was \$15,504. In 2016, our net operating deficit was \$22,140. Contributing to this were losses on our investments with Fidelity and those exorbitant banking fees.

General and Administrative Expenses	125.00
Archives	1,815.45
Bank Charges	10,305.91
Filing Fees	11.25
Insurance	
Business Owners	530.00
Directors & Officers Insurance	<u>1,699.00</u>
Total Insurance	\$2,229.00
Miscellaneous	50.00
Postage & Delivery & P.O. Box	<u>6.45</u>
Total General and Administrative Expenses	\$14,543.06
Professional Fees	
Accounting	15,320.00
Consulting	<u>13,650.00</u>
Total Professional Fees	\$28,970.00
Publication Expenses	150.00
Special Bulletins	125.92
VRA Bulletin	<u>7,150.00</u>
Total Publication Expenses	\$7,426.92
Services	
Membercards	5,398.40
Quickbooks	289.46
Survey Monkey	299.00
Webhosting	<u>2,177.59</u>
Total Services	\$8,144.45
Total Expenses	\$88,343.88
Net Operating Income	<u>-\$22,140.01</u>
Net Income	-\$22,140.01

FY 2015 Expenses

Excluding Chapter Bursary
And Conference expenses

Awards - \$11,315
Board Expenses – 14,346
Professional Services – 28,370
Publications – 9,319
Subscriptions and Services - 9,364
Bank Fees – 11,241

FY 2016 Expenses

Excluding Chapter Bursary
And Conference expenses

Awards - \$8,800
Board Expenses – 15,479
Professional Services – 28,970
Publications – 7,426.92
Subscriptions and Services - 8,144
Bank Fees – 10,306

FY 2017 ... so far

Excluding chapter bursary
And conference expenses

Awards - \$7,400
Board Expenses – \$3,277
Professional Services – \$15,300
Publications – \$8,165
Subscriptions and Services – \$7,324
Bank Fees - \$5,038

With these negative numbers in mind, we are cutting our expenses in several areas and these numbers, hopefully, will trend in the right direction. So, how do we continue to alter this uncomfortable situation? One area where we can still trim some fat will be the storage of our archives and we are working on that. We have also changed some of our service payments, opting to pay a full year in advance to save a percentage of the fee. Then, there is the annual conference. It is our greatest expense and unlike the profit from last year's joint conference, this year we are on track to lose that amount and possibly more, effectively wiping out our savings on bank fees and the bookkeeper. Like my rent, fees for services, like Quickbooks, bpress, and Memberclicks will all go up in the coming year; they always do.

So, having trimmed about everything we can, it is time to address revenue. I would love to break-even rather than continue putting the NON in non-profit. One thing I focus on is membership. We exist for our membership, but as with all things, there is strength in numbers. Hopefully, many of you will have seen these. I call them elevator pitch cards. I pass these out at meetings and conferences where I think attendees might benefit from the community and knowledge base our association has built over the years. We have much to offer professionals, not just in our traditional content areas (namely art and art history), and we need to spread the word.



Membership

Membership

Membership

We have not increased membership fees in some time and as many of you know we have continued the introductory \$85.00 rate this year—welcome to all who are first timers. This introductory fee has had good results bringing people into the organization. Our membership numbers have ticked-up just a bit from the last two years; we are now at 667 members and in just the last 90 days we have had 40 new individual and institutional members join. We need to keep this momentum going. But \$85.00 is not the same as \$115. And even with our reductions, we still operate at a higher per person rate than our membership fee implies—roughly \$133 a person. This is better than last year, but still represents a trend in the wrong direction. As a result, there will likely be a slight hike in membership fees for the next fiscal year.

Ever the optimist (not sure when that happened), I do see patches of light. The work going forward, led by your board, will be the work of all of us who serve on committees, who serve on task forces, and who interact with colleagues to share the value of our association and the great work it does beyond our traditional boundaries. So our goal in the next year is to keep our feet facing forward and follow through with the changes necessary to keep our vibrant community thriving. My personal goal is to stand in front of you in Philadelphia and declare— “We are breaking even!” or even, “We are going to break even soon!”