Ninety-Sixth Annual Report of The American Phytopathological Society

REPORT OF THE TREASURER

The Financial Advisory Committee (FAC) and APS headquarters' staff met on 31 July 2004 in Anaheim to review financial matters related to the operation of the Society and to develop a strategic financial plan. APS has made considerable progress in developing and renewing the strategic plan. We have a mission and vision for the future. Council and the officers regularly analyze the external environment and make progress toward assigning responsibility for developing and executing strategies to attain the goals of the strategic plan. A long-range financial plan provides APS with the practical considerations to bridge the gap from the current budget to support the goals of the APS strategic plan. Having a strategic financial plan will help us, as a Society, provide a focus for our resources. This process has advantages for guiding the various committees and staff to do their jobs. They will know what is expected from their programs several years in advance so they can build and execute strategies over several budget years. The role of FAC in this process is not to get involved in strategy building, but rather to decide what the financial goals are. What programs do we expect to generate surplus revenues to pay for the services and benefits to our members and those that cannot pay their own way? What programs should breakeven or loose money? Where should our focus be?

The FY04 budget was concluded with a surplus of $262,993, which represents 7.1% of our total income for the period. The 11 income and expense categories for the Society are detailed in Table 1. Our total income ($3,963,005) was derived from six sources as indicated in Figure 1, and our total operating expenses ($3,700,012) incurred during FY04 were partitioned as indicated in Figure 2.

The income and expenses of the Society for the most recent 11 FYs are presented in Table 2. The total assets of the Society as of 30 June 2004, including restricted funds, were $5,445,495 and current liabilities totaled $1,851,056. This resulted in total net assets of $3,594,439 (Report of the Auditor).

TABLE 2. Comparison of The American Phytopathological Society fiscal years 1995 to 2004 before reserve allocation

Fiscal year	Income	Expenses	Surplus (deficit)
FY04	$3,963,006	$3,700,013	$262,993
FY03	$3,748,873	$3,863,643	($114,770)
FY02	$4,045,587	$3,997,846	$47,741
FY01	$3,952,594	$4,059,101	($106,507)
FY00	$3,649,863	$3,724,910	($75,047)
FY99	$3,662,093	$3,692,259	($30,166)
FY98	$3,589,253	$3,431,727	$157,526
FY97	$3,418,515	$3,216,088	$202,427
FY96	$3,198,990	$2,974,105	$224,885
FY95	$3,152,468	$2,907,285	$245,183

TABLE 1. Audited summary of income and expenses as related to function of The American Phytopathological Society

	Income				Expenses				
Function	Actual	%	Budget	%	Actual	%	Budget	%	Profit (loss)
Member Services	329,683	8%	314,000	8%	646,619	17%	701,426	17%	(316,936)
Short Courses	0	0%	0	0%	162	0%	2,287	0%	(162)
Phytopathology	855,177	22%	785,500	19%	291,982	8%	311,348	7%	563,195
Plant Disease	760,059	19%	681,000	17%	325,983	9%	346,211	8%	434,076
Phyto News	12,809	0%	3,800	0%	55,830	2%	68,481	2%	(43,021)
MPMI	525,264	13%	458,800	11%	289,454	8%	335,430	8%	235,810
Plant Management Network	116,721	3%	274,500	7%	208,708	6%	235,617	6%	(91,987)
Online Subscriptions	31,864	1%	60,932	1%	17,930	0%	43,751	1%	13,934
APS Press	789,019	20%	974,717	24%	582,408	16%	755,136	18%	206,611
Annual Meeting	530,328	13%	554,585	13%	431,017	12%	449,756	11%	99,311
G & A[a]	12,081	0%	7,000	0%	849,919	23%	936,756	22%	(837,838)
Total	3,963,005	100%	4,114,834	100%	3,700,012	100%	4,186,199	100%	262,993
Surplus (loss)									262,993

[a] G & A is assigned to functions based on payroll dollars.

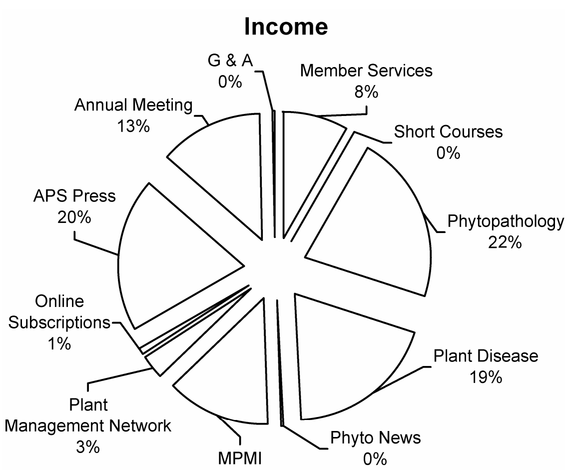

Fig. 1.

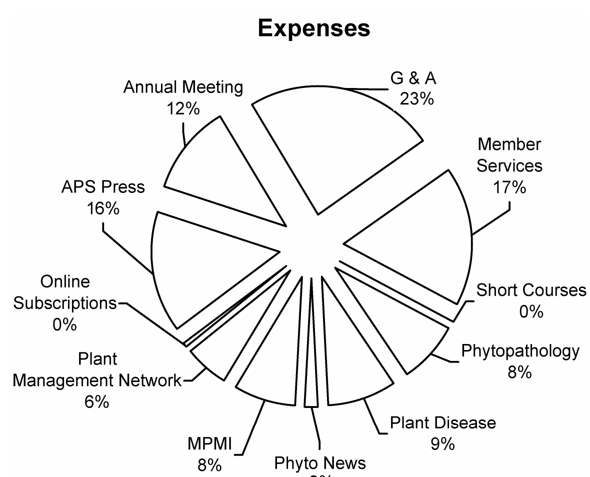

Fig. 2.

DOI: 10.1094/PHYTO-95-0016

During FY04, several initiatives continued to enhance member services that include our Washington, DC presence (Eversole Associates) and the increased activity of the Public Policy Board, the increased use of reserves of the Society in supporting programming at the APS Annual Meeting, and investing in the Plant Management Network. The future of the Plant Management Network looks much more promising with increased content (including for peer reviewed journals), partners, and subscribers, and our increased presence in Washington has brought benefit to our discipline and membership. The Treasurer can be contacted at elstrom@vt.edu.

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 Lethert, Skwira, Schultz, & Co., St. Paul, MN. Only the Balance Sheet and the Statement of Changes in Net Assets, as of 30 June 2004, 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 30 June 2004 (with comparative totals for 2003)

	2003	2004
Assets		
Cash (note 3)	1,738,592	2,278,108
Accounts receivable	348,931	266,732
Investments (note 4)	1,343,355	1,602,377
Prepaid expense (note 5)	240,832	254,799
Inventory	757,423	685,145
Prepaid pension (note 14)	1,028	3,892
Property and equipment (notes 2, 6, 8, and 18)	412,462	354,442
Total assets	4,842,623	5,445,495
Liabilities		
Accounts payable (note 17)	218,058	212,905
Accrued pension expense	79,944	86,744
Agency funds payable	10,176	11,510
Deferred revenues (note 7)	1,404,413	1,536,423
Long-term debt (notes 8 and 18)	5,917	3,474
Total liabilities	1,718,508	1,851,056
Net assets		
Unrestricted (note 9)	2,255,503	2,630,381
Temporarily restricted (note 10)	105,622	148,373
Permanently restricted (note 11)	762,990	815,685
Total net assets	3,124,115	3,594,439
Total liabilities and net assets	$4,842,623	5,445,495

The American Phytopathological Society Statement of Changes in Net Assets Year ended 30 June 2004 (with comparative totals for 2003)

	2003	2004
Unrestricted net assets		
Support and revenue		
Federal financial assistance	25,720	0
Contributions	4,160	13,382
Membership dues	279,635	285,718
Subscriptions	1,533,453	1,715,649
Reprints and demand articles	77,965	83,349
Abstracts	2,225	7,240
Page charges	193,145	214,495
Processing fee	82,740	97,959
Back issues	6,516	10,017
Color charges	100,438	137,871
Advertising	33,141	54,510
Books, slides, and CD-Rom	970,233	773,920
Annual meeting	421,840	530,328
Short courses	0	0
Royalty income	22,840	19,070
Investment income (note 4)	17,494	34,468
Loss on sale of investments (note 4)	(58,252)	(128,552)
Unrealized gain (loss) on investments (note 4)	57,983	238,104
Other	16,721	26,655
Total revenue	3,787,997	4,114,183
Net assets released from restrictions		
Restrictions satisfied by payments	38,927	41,799
Expenses		
Program services		
Member services	586,387	671,189
Journals	1,155,175	1,171,960
Books	695,878	583,710
Annual meeting	411,513	474,814
Grants and awards	39,661	26,249
Short courses	320	162
Online services	21,455	17,930
Total program services	2,910,389	2,946,014
Supporting services		
Management and general	1,041,534	833,186
Fundraising	1,336	1,903
Total supporting services	1,042,870	835,089
Total expenses	3,953,259	3,781,103
Decrease in unrestricted net assets	(126,335)	374,879
Temporarily restricted net assets		
Support for books	9,800	7,979
Support for annual meeting socials	10,550	18,587
Support for virology committee	3,500	0
Support for student travel	5,898	4,620
Investment income (note 4)	10,203	11,512
Loss on sale of investments (note 4)	(22,031)	(31,119)
Unrealized gain (loss) on investments (note 4)	21,862	72,971
Restrictions satisfied by payments	(38,927)	(41,799)
Increase (decrease) in temporarily restricted net assets	855	42,751
Permanently restricted net assets		
Support for operations	4,068	5,254
Support for student travel	35,481	43,409
Support for student speakers	175	120
Support for research and education	13,101	3,928
Support for awards	26	10
Support for international travel	13,827	450
Unrealized gain on investments (note 4)	804	(476)
Increase in permanently restricted net assets	67,482	52,695
Decrease in net assets	(57,998)	470,325
Net assets, beginning of year	3,182,113	3,124,114
Net assets, end of year	3,124,115	3,594,439