

AAPA Annual Business Meeting 2019

REPORT OF THE TREASURER, Rachel Caspari

Fiscal Year 2018

This report from the Treasurer represents a preliminary account and assessment of the AAPA finances between January 1, 2018 and December 31, 2018 based on an accrual accounting system. As of July, 2017, Burk and Associates have been providing accounting services to the association. With the shift to professional accountants, we transitioned from a cash-based to an accrual-based accounting system, where income and expenditures are recorded when incurred. (Under this system, for example, income generated in the fall of 2018 for 2019 membership and meeting registration is deferred until 2018, and would not be considered 2018 income). The books are not yet closed on the 2018 fiscal year and therefore the figures in this report will still be adjusted. What follows, therefore, is a preliminary financial report.

Bank Balances (TOTAL) 12/31/2017	\$ 303,247.60
Bank Balances (TOTAL) 12/31/2018	\$ 275,588

	2013	2014	2015	2016	2017*	2018*
INCOME	501,221.10	615,161.43	924,319.59	676,995.62	678,258.40	648,313.02
EXPENDITURES	522,576.56	546,640.04	591,571.08	666,578.29	710,948.30	899,049.55
TOTAL	(21,355.46)	68,521.39	332,748.51	10,417.33	(32,689.90)	(250,736.53)

*accrual-based

The AAPA's 2018 income derives from four main sources: membership dues (\$183,813, likely to be adjusted upward), annual meeting registration (\$264,880), royalties (139,514), and external grants (33,081). Other income includes auction proceeds, donations and advertising revenue. Royalties from our journal, the AJPA, while fluctuating over the past five years, remain a substantial source of revenue.

ROYALTIES	2014	2015	2016	2017	2018
	159,060	139,195	137,648	135,577	139,514

The AAPA incurred larger expenses this year than previous years. Major expenses include fees associated with coordinating and running the annual meeting (\$405,225), fees paid to Wiley-Blackwell for the publication of the AJPA (\$133,662), and fees for membership, meeting, and accounting services provided by Burk and Associates (and Rob Clayton) (151,274). Accountant services include our annual review and tax filing (available to any member by written request to the Secretary-Treasurer) and book-keeping. Other expenses include bank and credit card fees, Executive Committee expenses (including support, travel, and supplies), and legal fees. In calendar year 2018, the AAPA spent \$64,061 on external grant programming and disbursed \$82,840 to members and participants for travel assistance to our annual meeting, research stipends, and student/recognition awards.

At the close of 12/31/18, the AAPA showed a net loss of \$250,000. This is due to several major factors, primarily larger than usual deficits accrued at the annual meeting, but also increased awards and prizes and our obligations to BAI who provide valuable services. Major contributors to the increased meetings expenses included the Austin coffee costs (40,000 more than the previous year), symposium support, program committee costs and childcare. It is clear that in order to sustain the opportunities we offer our members, we need to raise our operating revenue. This can be accomplished in three ways: increased annual meeting registration fees, increased membership dues and use of investment income to support our programs. In response to this, we increased our registration fees for the 2019 annual meeting, which at 2018 registration levels (and 2018 figures for sponsorships, exhibitors and room credits) would generate \$313,354, an increase of \$48,475 (and an average revenue of 162/person).

	ATLANTA 2016	NEW ORLEANS 2017	AUSTIN 2018
Income	\$ 228,240.00	\$ 259,693.00	\$ 264,880.00
Expenses	\$ 272,900.00	\$ 315,808.00	\$ 405,225.00
TOTAL	\$ (44,660.00)	\$ (56,210.00)	\$ (140,345.00)
Attendance	\$ 1,750.00	\$ 2,112.00	\$ 1,936.00
Average Cost/Person	\$ 156.00	\$ 150.00	\$ 209.00
Average Revenue/Person	\$ 130.00	\$ 123.00	\$ 136.00

Despite the 2018 deficit, the AAPA is a financially healthy and vital association. In 2018, the AAPA recorded 2,254 members, a slight decrease from 2,271 members in 2016. This represents a substantial increase from the 1,950 members just three years ago, in 2015, and over the last six years, AAPA membership has grown by 55%. Numbers of meeting registrants continue to remain strong. The AAPA recorded 1,936 registrants attending the 2018 annual meeting in Austin, a strong indicator that our annual meeting continues to serve the scientific community well.

The AAPA's long term investments, managed by Merrill Lynch have fared very well over the last five years, with an average of 10.25% annual growth. This year, however, we sustained losses: the beginning net portfolio value at year-end 2017 was 3,412,000 and at year-end 2018, 3,291,000 representing a 3.5% decrease. Investment funds are allocated between equities (currently comprising 71% of our assets) and fixed income (comprising 29% of our assets). As always, the AAPA will be evaluating the allocation of funds to ensure that the proportion of funds in equity, fixed income accounts and cash reflect the needs and goals of the AAPA.

I wish to thank the current and outgoing members of the Executive Committee of the AAPA and the accounting staff of BAI whose assistance and support throughout this year has been invaluable.