

President's Report to Membership

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Dear Delegates and Alternates of ACCF member organizations,

Following a recommendation made by our Audit Committee chair, Jay Wind, a proposed budget was submitted to the Executive Committee. It was approved after deliberations and minor modifications.

Attached please find the Adopted Budget that the Executive Committee approved for FY2017/18.

Working with financial data from the last two prior years we have grouped expenditures into four categories: Communications, Administrative, Insurance, and Donations. The major impact in the coming fiscal year will be insurance expense anticipated to be \$1,578 following recommendations that ACCF should have Directors and Officers (D&O) insurance plus Commercial General Liability Insurance.

Special thanks to all members of the Executive Committee who collaborated in this effort, especially Sarah Shortall, Treasurer who painstakingly worked to organize prior year expenses into this document.

Sincerely,
Duke Banks

Submission of Budget Adopted by the Executive Committee to Membership

As part of our effort to modernize governance in the Arlington County Civic Federation, we are presenting both the ACCF's 2017/18 Operating and 2017/18 Banquet Budgets to our membership. Using data from our accounting records, we are including costs information from prior years.

This report also includes consolidated statements on ACCF's cash positions in both our checking and savings account.

FY 2017/18 Operating Budget

		Actual 2015/16	Actual 2016/17	Budget 2017/18
Revenues				
	Dues	\$4,000.00	\$4,100.00	\$4,050
	Donations received			
	Total	\$4,000.00	\$4,100.00	\$4,050
Expenses				
	Communications	\$2,513.00	\$2,463.97	\$3,510
	Administrative	\$416.83	\$433.30	\$1,096
	Insurance	\$0.00	\$0.00	\$1,578
	Donations given	\$413.15	\$3,191.00	\$500
	Total	\$3,342.15	\$6,088.27	\$6,684
Balance		\$657.85	(\$1,988.27)	(\$2,634)

Narrative

Revenues – ACCF revenues are pretty straight forward – they are membership dues from our member organizations. To date we have 81-member organizations. Our membership base has been relatively steady with 80 members in FY 2015/16 and 82 members in FY2016/17.

For FY2017/18 also including a revenue item for donations in case we receive any.

Expenditures – ACCF has four major expenditure areas: communication, administrative, insurance and donations.

- Communications – Includes expenditures for the Career Center to tape our meetings (with exception of September meeting, which Arlington Independent Media tapes), Constant Contact, Website registration and maintenance. In past years the bulk of our budget was spent on printing and mailing the newsletter.

Now our communication efforts are focused on digital platforms, and videotaping our meetings so they can be seen across various social media platforms.

- Administrative – Includes PO Box Rental, printing, hospitality and miscellaneous
- Insurance – Beginning this year we need to budget for both D&O and Liability Insurance, an expenditure we have not had in the past.
- Donations given – In the past ACCF has given donations to the 911 Fund, the Arlington County Scholarship Fund for Teachers, and a wreath laid on Peace Officers Memorial Day honoring Arlington County Police Officers whom have died in the line of duty.

Comments

The FY2016/17 communication budget includes the annual website fees (\$264/year) for both FY2015/16 and FY2016/17.

We anticipate an increase in communication expense for FY 2017/18 because of use of various platforms: Constant Contact, Facebook ads, and stipend for students at Career Center for taping our meetings.

FY2016/17 donations expenditures represent primarily in surplus revenues from the 2016 Banquet, which celebrated ACCF's Centennial, which made a higher than normal donation possible.

FY2017/18 insurance expenditure includes D&O insurance (\$828) and an estimate of \$750 for General Liability Insurance. Total \$1,578.

Balance

Because of anticipated insurance expense for FY 2017/18 a negative balance is anticipated. Given that ACCF has significant reserves in both our checking and savings account, we can absorb the deficit this year. However, we must remain vigilant because in the future it may impact our dues structure. Likewise, there is uncertainty concerning General Liability Insurance given that the County is considering options to reduce this expense for us and civic associations. We will keep membership informed as we are provided with more information.

In-Kind Contributions

While not reflected in the operating budget, we need to recognize two significant in-kind contributions that has allowed ACCF to maintain our reasonable dues structure:

- The generosity of the Virginia Hospital Center which allows the ACCF to use their auditorium for our monthly meetings for free.
- The generosity of Adam Henderson, President of the Douglas Park Civic Association, who maintains and updates our web site for free.

In addition, we recognize the generosity of Executive Committee members and ACCF committee chairs who have paid printing and hospitality costs out of their own pockets.

FY2017/18 Banquet Budget

		Actual 2015/16	Actual 2016/17	Budget 2017/18
Revenues				
	Paid reservations	\$14,760.00	\$6,102	\$5,000
	Donations received and ad sales	\$0	\$0	\$1,650
	Total	\$14,760.00	\$6,102	\$6,650
Expenses				
	Hotel Expense	\$6,285.00	\$5,402.00	\$5,000
	Printing/mailing	\$1,423.48	\$715.26	\$1,500
	Miscellaneous	\$1,359.93	\$336.50	\$150
	Total	\$9,062.41	\$6,453.76	\$6,650
Balance		\$5,607.59	(\$351.76)	-0-

Narrative

Revenues – For this year’s upcoming banquet we are estimating a minimum attendance of 125 based on the actual count from previous years. We will also try to obtain ads for our program to help pay for the banquet.

Expenses – Based on anticipated expenses based on our discussion with the hotel, and anticipated printing and mailing expenses.

Balance – Our goal is for the Banquet to break even.

Comments

Beginning this year, we will distinguish between paid reservation income and donations and ad sales, which was not delineated in the past.

Printing and mailing expense for FY2015/16 included a commutative program which cost more than \$500.

Miscellaneous expenses for FY215/17 included \$900 for a band

Consolidated Operating and Banquet Revenues and Expenses in Checking Account

Beginning Balance – 7-1-2017		\$5,250.64
2017/18 Revenues (dues and banquet)	\$10,700	
2017/18 Expenses (operating and banquet)	\$13,334	
Projected end balance 6-30-18	(\$2,634)	\$2,616.64

Narrative

Even though we project deficit spending in 2017-2018, we have enough money in our checking account that it does not appear that it will be necessary to tap our savings account for operating expenditures during 2017-2018.

2017/18 Reserves Statement

		Actual 2015/16	Actual 2016/17	Budget 2017/18
Beginning Balance 7-1-17		\$20,864.11	\$20,869.86	\$20,876.12
	Interest	\$5.75	\$6.26	\$6.00
	Incorporation Expense			\$2,400.00
End Balance prior years/ Projected end Balance 6-30-18		\$20,869.86	\$20,876.12	\$18,482.12

Narrative

Charging one-time expense of approximately \$2,400 to incorporate ACCF and prepare new by-laws as a non-stock corporation.

Our interest earned is very low for the balance we maintain in our savings account. The Executive Committee will study options on how we may be able to get a better return of investment for this balance.