

# Report of the Treasurer for 2016

by Clarke Ridgway

## Summary

Overall the financial health of the Institute continues to be stable. Although the 2015-16 fiscal year ended with total expenses exceeding income by approximately \$17,000, this deficit must be balanced by the nearly \$40,000 operating profit generated in the prior fiscal year. One-time printing expenses incurred in early fy '15-'16 were more than adequately covered by one-time income received late in fy '14-'15 and directed towards that expense. To date, current fiscal year finances are in line with expectations. The Institute's investment account asset value continues to hold relatively steady and, more importantly, produce expected income.

## Fiscal Year 2015-16

Actual expenses (\$205,783) for the 2015-16 fiscal year came in under budget by \$3,874 but income (\$188,882) fell below projections by \$2,826. Of special note, in October 2015 the AIHP Board approved returning the Executive Director from 80% FTE to full-time employment status retroactive to Oct.1, 2015.

## Fiscal Year 2016-17

FY 2016-17 operating expenses appear to be in line with budget expectations. Investment income continues on target. Invoices for national pharmacy organization sponsorships have recently been issued. Dues notices for 2017 will be issued shortly. Of note, the Board recently approved the carrying out of an audit on Institute finances, following the "Agreed Upon Procedures" standard.

## Investment Portfolio

As of Oct 31, 2016, asset values had increased by \$71,904.95 this calendar year to

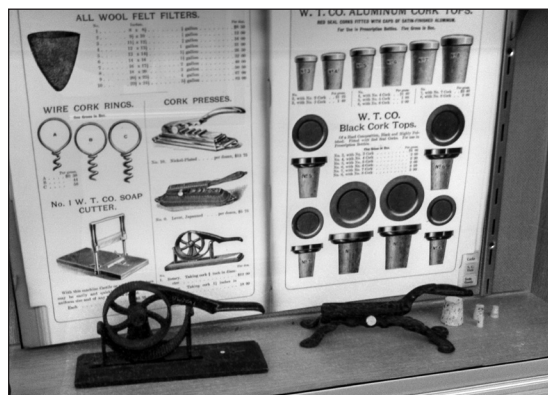
\$2,026,950.71, while annual income is expected to remain steady at \$109,305 (5.39% yield). Fluctuations in portfolio value reflect overall stock market fluctuations. Of note, portfolio income continues to generate 2/3 of all Institute income and is entirely utilized to fund operating expenses.

While market volatility is expected over the short term due to continuing uncertainty of short-term interest rates, relatively little change in overall asset value and, more especially, income are expected over the next fiscal and calendar years. Portfolio adjustments have been and will continue to be minimal, and will be done with the objective of maintaining or increasing income while minimizing risk and diversifying portfolio holdings.

## AIHP Assets

Overall assets of the Institute increased slightly in fiscal year 2015-16 by \$22,956 to \$2,184,745, due primarily to the above-noted increase in the value of the investment portfolio, offsetting a decrease in receivables.

In closing, the Treasurer would like to thank Elaine Stroud for her many hours of assistance in helping explain and track Institute finances and operations and wish her well in her upcoming retirement.



AIHP artifact exhibit at the University of Wisconsin School of Pharmacy in Rennebohm Hall.



### Comparative Balance Sheet 2015-2016

ASSETS	6/30/15	6/30/16
Cash	18,084	15,203
Money Market	41,778	25,106
Receivables	15,445	144
Inventory-Pubs	1,235	808
Art Works	5,430	5,430
Urdang Collection	53,810	53,810
Investments	2,008,251	2,118,762
Petty Cash	95	11
Urdang Medal Trust	<u>17,661</u>	<u>17,661</u>
<b>TOTAL ASSETS</b>	<b>\$2,161,789</b>	<b>\$2,236,935</b>
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LIABILITIES & EQUITY		
Payroll withholding	1,329	0
Deferred Grant Income	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>	<b>\$1,329</b>	<b>\$0</b>
Non-Variable Fund Balances		
McDonnell Fund	26,000	26,000
Sonnedecker Family	52,797	52,797
Fischelis Fund	1,232,627	1,232,627
Variable Fund Balances		
Endowment Fund	775,000	775,000
Women in Pharmacy	20,000	20,000
Urdang Medal fund	17,661	17,661
Pharmacy Education Fund	26,000	26,000
Calendar Fund	555	555
Ethics & Humanities fund	9,100	9,100
Unrestricted Fund Balances	-75,295	16,992
Operating Net Worth	<u>76,015</u>	<u>60,203</u>
<b>TOTAL FUND BALANCES</b>	<b>\$2,160,460</b>	<b>\$2,236,935</b>
 <b>TOTAL LIABILITIES &amp; EQUITY</b>	 <b>\$2,161,789</b>	 <b>\$2,236,935</b>

### Statement of Operations—Year Ending 30 June 2016

<u>Income</u>		Awards	0
Membership Dues	\$50,022	Travel/Meetings	9,575
Publication Sales	6,749	Salaries	122,796
Investment Income	112,606	Employee Taxes and Benefits	27,119
Miscellaneous	524	General & Administrative	<u>15,739</u>
Gifts	1,481	<b>Total Expenses</b>	<b>\$205,783</b>
Nat'l Pharm Assoc Sponsors	<u>17,500</u>		
 <b>Total Income</b>	 <b>\$188,882</b>	<b>NET</b>	 <b>-\$16,901</b>
 <u>Expenses</u>			
Publications	\$22,856		
Grants-in-aid	2,408		
Educational Programs			
Project Assistant	0		
Membership & Fundraising	5,290		