

Date: 26 July 2006

To: BSA Council

From: Kent Holsinger, Treasurer

The Botanical Society is in very healthy financial condition. Although institutional print subscriptions to the *American Journal of Botany* continue to decline slowly, income associated with the journal remains sufficient not only to continue its operations but also to expand and improve them and to allow the Society to expand and improve its operations. The Society also has substantial financial assets, the income from which could also be used to support new or expanded program initiatives for the Society.

Assets

As of 30 June 2006, assets in the Society's investment accounts totaled more than \$3.1M (Table 1), an increase of nearly \$290K from 30 June 2005. All of that increase was the result of investment returns (approximate annual rate of return 10.3%).

Income and expenses

The budget approved for 2004/2005 included budgeted income of \$1.10M and budgeted expenses of \$1.07M *versus* year-to-date totals of \$1.23M and \$0.70M, respectively (Table 2). The Society budgeted investment income *very* conservatively at \$39.5K. The actual investment income of \$207K is primarily responsible for the difference between budgeted and actual income. Lower than expected employment expenses and publication expenses are primarily responsible for the difference between budgeted and actual income.

Table 1: Investment fund balances for the Botanical Society of America

Investment funds balance 30 June 2005	\$2,814,182
Dividends, interest, and appreciation	289,394
Additions	0
<u>Investment funds balance 30 June 2006</u>	<u>\$3,103,576</u>

Table 2: Summary of income and expenses for the Botanical Society of America

	Budgeted 2005/2006	Actual 2005/2006
Income	\$1,319,772	\$1,321,418
Operational income	1,025,679	907,606
Investment income	39,000	147,085
Botany Conference income	255,093	266,726*
Expenses	\$1,309,893	\$ 681,473
Operational expenses	1,025,679	638,203
Investment expenses	24,000	28,849
Meetings expenses	194,063	14,422*
Balance	9,879	\$ 639,945

*Does not include many expenses associated with Botany 2006 because of timing