

AIA Maryland, a Society of the American Institute of Architects
Treasurer's Report
 September 9, 2009

Summary: Financially, the focus of the year has been on adjusting to the current economic conditions. The year's activities have focused on the following:

- Managing expenses against the uncertainty of meeting budgeted revenue projections
- Managing reserves
- Establishing a budget for 2010
- Maintaining or reducing membership costs

1. Membership: Despite the economy, AIA MD has seen overall membership numbers remain stable. This is consistent with AIA National membership figures which indicate year to date a decline in membership of just 0.47%.

a. 2009 total members as of **9.6.09**: 1508 per the Member Count MidAtlantic report. The Membership breakdown is per the following table:

Chapter	Allied	Architect	Associate	Emeritus	International Associate	Total
MDBL	0	561	211	60	4	836
MDCB	0	134	49	24	0	207
MDPV	0	331	83	50	1	465
TOTAL	0	1026	343	134	5	1508

b. 2008 total members as of **9.11.08** and reported at the annual meeting: 1505

c. 2008 total members as of **9.17.08**: 1521 per the Member Count MidAtlantic report. The Membership breakdown is per the following table:

Chapter	Allied	Architect	Associate	Emeritus	International Associate	Total
MDBL	0	566	230	43	Not reported	839
MDCB	0	139	53	20	Not reported	212
MDPV	0	338	85	47	Not reported	470
TOTAL	0	1043	368	110	0	1521

d. 2007 total members as of **August 2007**: 1493

e. The membership numbers appear to be holding steady versus declining as may be expected given the current economy. The decline in membership revenue appears to be related to the changes in membership type as opposed to overall membership.

f. Membership Dues are being maintained at their current levels for 2010

g. AIAMD has adopted an installment payment plan for membership dues. The plan allows for payment of dues over a 9 month period. The plan is currently in use.

h. Number of members currently enrolled in the Membership Dues Payment Plan:

- i. MDBL 16
- ii. MDCB 3

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iii. MDPV	6
iv. TOTAL	25

2. Account Balances as of 08-31-09 (see attached financial statements):
 - a. Bank of America 28,968.04
 - b. Fidelity Account 106,231.01
 - c. Severn Savings (CD - 12 mos) 100,000.00
 - d. Severn Savings (CD - 6 mos) 100,000.00
 - e. TOTAL 335,199.05
3. During 2009 CD's were purchased with reserves in an effort to be very conservative given the economic uncertainty. The CD's provided for improved interest income over money markets and they take advantage of the increased FDIC coverage offered this year.
4. The 2010 budget was posted on the AIAMD web site 30 days in advance of the Annual Meeting. No questions or comments were received from the membership during this time.
5. As of August, AIAMD revenue has not met budget projections. The 2009 budget did take into account an expected decline in revenue of approx. 11.2% from 2008. Revenue from membership dues and contract document sales has been consistent with projections. The revenue weakness has been associated with Job Board revenue and Interest/Dividend Income line items, each of which has been substantially lower than anticipated in the 2009 budget. As the year progresses expenses will continue to be managed in an effort to limit any deficit as much as possible.
6. The Board met on August 5th to establish a proposed budget for 2010. The Board anticipates that the economy will continue to put pressure on our profession, membership, and organization. The Board wished to propose a budget that is balanced as opposed to anticipating the use of reserves to overcome a deficit. Thus the proposed budget for 2010 includes \$222,211 in revenue and \$222,211 in expenses. The budget represents an anticipated reduction of 8.4% from 2009's budgeted revenue and a reduction of 18.7% from 2008's actual revenue. Central to the proposed budget is the Board's primary goal of not limiting the ability of the Board to carry on it's representation of the membership on legislative issues. On August 5th the Board voted to propose this budget at the Annual Meeting.
7. Attachments: Attached are the following:
 - a. August 2009 financials
 - b. Proposed 2010 budget

Respectfully submitted,

Steven Kahle, AIA LEED AP
Treasurer, AIA Maryland

AIA Maryland
Balance Sheet
As of August 31, 2009

	Total
ASSETS	
Current Assets	
Bank Accounts	
Bank of America	28,968.04
Fidelity account	106,231.01
Severn Savings - 12 month CD	100,000.00
Severn Savings - 6 month CD	100,000.00
Total Bank Accounts	\$ 335,199.05
Accounts Receivable	
Accounts Receivable	70.00
Total Accounts Receivable	\$ 70.00
Other Current Assets	
Account Receivable	0.00
Prepaid Expenses	0.00
Undeposited Funds	0.00
Total Other Current Assets	\$ 0.00
Total Current Assets	\$ 335,269.05
Fixed Assets	
Accumulated depreciation	-7,852.00
Equipment & Furniture	5,889.88
Leasehold Improvements	3,551.00
Total Fixed Assets	\$ 1,588.88
TOTAL ASSETS	\$ 336,857.93
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	0.00
Total Accounts Payable	\$ 0.00
Other Current Liabilities	
Accrued expenses	0.00
Deferred Revenue	0.00
Deferred Revenue - Design Award	875.00
Deferred Revenue - Memberships	0.00
Deferred Revenue - Rent	0.00
Total Deferred Revenue	\$ 875.00
Direct Deposit Payable	0.00
PAC	-750.00
Payroll Tax Payable	
Payroll Taxes Payable	1,755.10
Total Other Current Liabilities	\$ 1,880.10
Total Current Liabilities	\$ 1,880.10
Total Liabilities	\$ 1,880.10
Equity	
Net Assets - Unrestricted	277,297.06
Opening Bal Equity	0.00
Prior period adjustment	0.00
Net Income	57,680.77
Total Equity	\$ 334,977.83
TOTAL LIABILITIES AND EQUITY	\$ 336,857.93

AIA Maryland
Budget vs. Actuals: AIA Maryland Budget - FY09 P&L
 January - August, 2009

	Actual	Total Budget	% of Budget
Revenue			
Advertising Revenue		6,500.00	0.00%
E-Newsletter	300.00		
E-Newsletter Sponsorship	50.00		
Maryland Architect Newsletter	3,850.00		
Website/E-Classifieds	630.00		
Total Advertising Revenue	\$ 4,830.00	\$ 6,500.00	74.31%
Annual Mtg./Design Awards			
Annual Meeting Sponsors	2,150.00	3,000.00	71.67%
Design Awards Board Submissions	17,350.00	14,000.00	123.93%
Registration Fee/Tickets		12,000.00	0.00%
Total Annual Mtg./Design Awards	\$ 19,500.00	\$ 29,000.00	67.24%
CBC Reimbursement	300.00	300.00	100.00%
Contract Document Revenue Share	11,400.89	11,000.00	103.64%
Div Income	1,223.93	9,000.00	13.60%
Job Board Revenue - AIANational	342.43	10,000.00	3.42%
Membership	146,875.47	147,000.00	99.92%
Allied Membership	1,500.00	1,500.00	100.00%
Total Membership	\$ 148,375.47	\$ 148,500.00	99.92%
Rental Income	18,823.00	28,313.00	66.48%
Total Income	\$ 204,795.72	\$ 242,613.00	84.41%
Expenses			
Accountant	2,639.46	7,000.00	37.71%
Administrative Support			
Contract Labor		0.00	
Employee Taxes	3,218.07	4,056.00	79.34%
Health Insurance	1,500.00	4,500.00	33.33%
Parking expense	1,630.00	2,280.00	71.49%
Retirement Savings	1,000.00	1,000.00	100.00%
Salary	31,661.92	48,000.00	65.96%
Total Administrative Support	\$ 39,009.99	\$ 59,836.00	65.19%
Advertising/Marketing		150.00	0.00%
Annual Mtg/Design Awards	207.40	24,000.00	0.86%
Banquet Food	10,000.00		
Jury Expenses	1,739.74		
Site Facility Rental Fees	1,266.00		
Student Design Award		2,000.00	0.00%
Total Annual Mtg/Design Awards	\$ 13,213.14	\$ 26,000.00	50.82%
Board Meeting	625.21	2,100.00	29.77%
Board/Staff Expenditures	3,002.10	4,000.00	75.05%
Charitable Contributions	500.00		
Computer	102.55	400.00	25.64%
Consulting & Design Services	187.50	600.00	31.25%
Contracted Labor - Other		200.00	0.00%
Cvent Transaction Fees	12.00		
Educator/IDP Dinner Meeting	177.16	1,000.00	17.72%
Fax/Printer/Copier		250.00	0.00%
Gifts Given		200.00	0.00%
IDP State Coordinator		1,500.00	0.00%
IDP Support Program		6,000.00	0.00%
Insurance	989.00	3,000.00	32.97%
Internet Service	120.00	120.00	100.00%
Legal Services		2,500.00	0.00%
Legislative	1,049.85	5,000.00	21.00%
Lobbyist	27,909.22	42,000.00	66.45%
Maintenance & Repairs		400.00	0.00%
Merchant Credit Card Fees	71.92	1,200.00	5.99%
Office Cleaning	7.94	1,200.00	0.66%
Office Improvements		500.00	0.00%
Office Rent	38,115.99	50,950.00	74.81%
PAC Contribution		750.00	0.00%
PayPal Fees	228.51		
Postage and Delivery	1,809.41	3,000.00	60.31%
Printing and Reproduction	9,555.02	16,000.00	59.72%
QBS expense	5,000.00	5,000.00	100.00%
Subscriptions	19.95		
Supplies, Business	222.63	850.00	26.19%
Tax	34.42	600.00	5.74%
Utilities: Telephone	864.73	1,300.00	66.52%
Website	1,647.25	4,500.00	36.61%
Total Expenses	\$ 147,114.95	\$ 248,106.00	59.30%
Revenue over Expense	\$ 57,680.77	-\$ 5,493.00	-1050.08%

Reconciled Account Balances as of June 2009

Bank of America:	37,614.15	(Register: 28,968.04)
Fidelity Investments:	106,231.01	as of 9/1/09: .33% 7-day yield
Severn Savings Bank:	200,000.00	
Total	343,845.16	

AIA Maryland – 2010 Proposed Budget

	<u>2009 Budget</u>	<u>2010 Proposed Budget</u>
REVENUE		
Membership	147,000.00	140,000.00
Annual Mtg./Design Awards	29,000.00	32,000.00
Rental Income	28,313.00	29,161.00
Contract Document Revenue Share (1)	11,000.00	9,000.00
Dividend Income (2)	9,000.00	500.00
Interest Income (3)		3,500.00
Job Board Revenue - AIANational (4)	10,000.00	1,250.00
Advertising Revenue	6,500.00	5,000.00
Affiliate Membership (5)	1,500.00	1,500.00
Chesapeake Bay Chapter Reimbursement	300.00	300.00
Total Revenue	\$ 242,613.00	\$ 222,211.00
EXPENSES		
Accountant (6)	7,000.00	3,000.00
Administrative Support		
Employee Taxes	4,056.00	4,056.00
Health Insurance	4,500.00	4,500.00
Retirement Savings Plan (7)	1,000.00	1,000.00
Parking expense	2,280.00	2,280.00
Salary	48,000.00	48,000.00
Total Administrative Support	\$ 59,836.00	\$ 59,836.00
Advertising	150.00	No budget set
Annual Mtg./Design Awards	24,000.00	20,000.00
Student Design Award	2,000.00	2,000.00
Total Annual Mtg./Design Awards	\$ 26,000.00	\$ 22,000.00
Bank Charge	No budget set	No budget set
Board Meeting	2,100.00	1,000.00
Board Mtg: Educator/IDP Dinner (8)	1,000.00	200.00
Board/Staff Expenditures	4,000.00	3,000.00
Charitable Contributions	No budget set	No budget set
Computer	400.00	200.00
Consulting & Design Services	600.00	300.00
Contracted Labor - Other	200.00	200.00
Fax/Printer/Copier	250.00	300.00
Gifts Given	200.00	200.00
IDP Coordinators (9)	1,500.00	1,500.00
IDP Support Program (10)	6,000.00	3,000.00
Insurance	3,000.00	3,000.00
Internet Service (Tenant Reimb. For use)	120.00	120.00
Legal Services	2,500.00	0.00
Legislative (11)	2,000.00	1,500.00
Political Campaign Contributions (12)	3,000.00	1,500.00
Lobbyist (13)	42,000.00	41,000.00
Maintenance & Repairs	400.00	200.00
Merchant Credit Card Fees (14)	1,200.00	1,200.00
Office Cleaning (15)	1,200.00	200.00
Office Improvements	500.00	0.00
Office Rent	50,950.00	52,477.00
PAC Contribution (16)	750.00	750.00
Postage and Delivery	3,000.00	3,353.00
Printing and Reproduction	16,000.00	12,000.00
Quality Base Selection Membership Fee	5,000.00	5,000.00
Subscriptions	N/A	25.00
Supplies, Business	850.00	850.00
Tax (17)	600.00	600.00
Utilities: Telephone (18)	1,300.00	1,200.00
Website (19)	4,500.00	2,500.00
Total Expenses	\$ 248,106.00	\$ 222,211.00
REVENUE OVER EXPENSE	\$ 5,493.00	\$ 0.00

FOOTNOTES:

- (1) AIA National transfer % of gross revenues from sale of AIA Contract Documents to all AIA components.
- (2) Money Market earnings (Fidelity Cash Reserves).
- (3) Certificates of Deposit earnings (Severn Savings Bank).
- (4) AIA National transfer of net revenue share generated from firm advertisements in AIA Career Center.
- (5) Affiliates - Member dues income from companies of any profession allied to the field of architecture.
- (6) Annual Tax & Personal Property Returns; Annual Review year (every 3 years); QuickBooks Online Subscription.
- (7) Retirement Savings Plan approved by BOD in 12/07 (post-tax \$1,000). Amount subject to revision in 2009.
- (8) Annual dinner including AIAMD Board, Representatives of Architecture Academic Institutions, IDP Coordinators.
- (9) Reimbursement support for IDP Coordinators expenses for travel and presentation materials.
- (10) Reclassified from Scholarships: Funding to promote collaborative effort between architecture schools and the Chapters to encourage interns to become licensed in lieu of providing scholarships.
- (11) Legislative - Costs of luncheons, meetings, mailings for relationship building with General Assembly members.
- (12) Contributions to Political Campaign Committees - Board approval May 2008. May give up to \$6K limit until 2010. (Subject to advice by State Board of Elections.)
- (13) AIA Maryland's annual fees to Joe Miedusiewski of Semmes Bowen Semmes to represent architects' interests.
- (14) Standard business fees paid to merchant account for credit card payment processing.
- (15) AIA/MD and tenants cleaned office in 07/08, budgeted in '09 for professional cleaning, but reverted to self cleaning.
- (16) PAC limit is \$4K in 4-year election period. 2010 figure completes 4-year cycle.
- (17) Taxes owed on annual tax returns due to revenue earned over and above that which may be offset by expenses.
- (18) All utilities (except telephone, internet and cleaning services) are included in Office Rent.
- (19) New website designed and maintained by Avector's netFORUM. Board approval April '08; template design and implementation slated for fall/winter 2009.