

## BOTANICAL SOCIETY OF AMERICA

*Mission: The Botanical Society of America exists to promote botany, the field of basic science dealing with the study and inquiry into the form, function, development, diversity, reproduction, evolution, and uses of plants and their interactions within the biosphere.*

*The objectives of The Society are to: sustain and provide improved formal and informal education about plants; encourage basic plant research; provide expertise, direction, and position statements concerning plants and ecosystems; and foster communication within the professional botanical community, and between botanists and the rest of humankind through publications, meetings, and committees.*

### FY2017 BSA Financial Report

As was anticipated, our net revenue for the year is positive but is slight. Our **net operating revenue** for the year (prior to review and adjustments by our accounting firm) is **\$43,961.62**. Our operational income for FY2017 was budgeted at \$2,332,719. Actual income for the year is \$2,228,813 negative variance (-\$103,906) of -10%. Lower than budgeted activity in our meeting, membership and development activities are the main drivers here. Please note: the key driver of our income, publications, was up on budget mostly due to the signing bonus from Wiley and increases from article processing charges for open access in the AJB and publishing in APPS. Expenditures for the fiscal year totaled \$2,184,852, below the FY2017 budget of \$2,276,885, a variance (-92,034) of -4%.

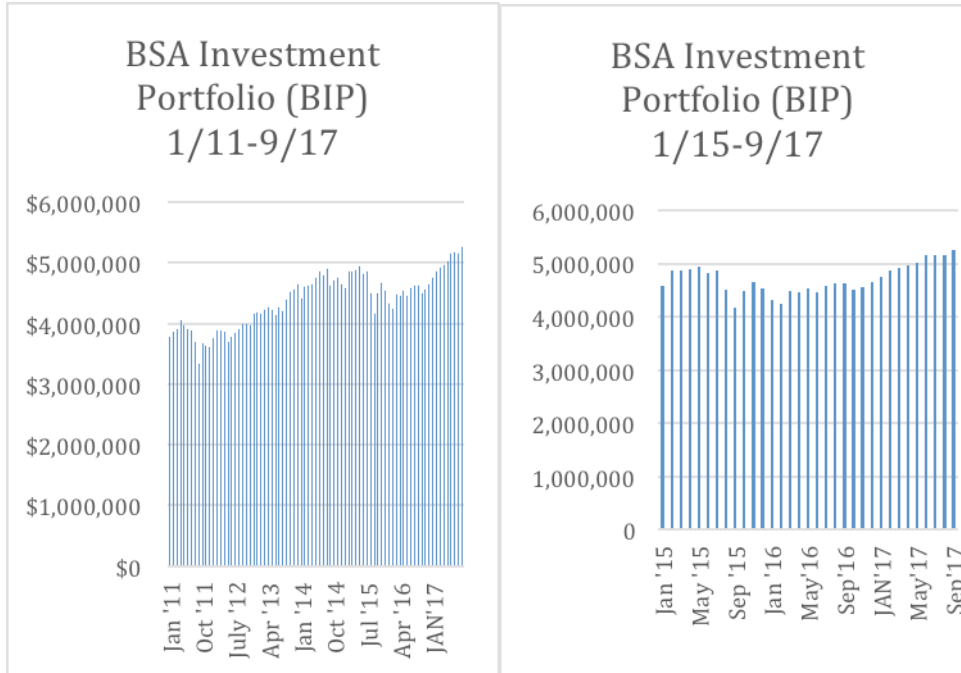
The Society's operations remain under stress due to cash flow issues over the previous three years. The issue of cash flow is currently exacerbated as we move to our new payment arrangement with Wiley. Historically, we have had AJB subscription funds starting to come in during October. This will be delayed until January with the first Wiley payment. That leaves three months without income at a time when it is needed. Therefore, a transfer of \$350,000 to cover anticipated expenses between October and the end of January has been requested from the investment portfolio at Morgan Stanley. This transfer will be made at the end of October.

Overall, the Society is in a good position moving forward. The largest payment from Wiley will be made in January, with additional payments to come in April, July and September. Please note that the royalty from 2018 subscriptions, licenses, and article processing charges will not be paid out to the Society until the middle of 2019 so we will have to wait for some time to be able to truly see how profitable our new partnership will be.

#### **Investment Update:**

(From Jack Horner and the Investment Committee): "The Investment Portfolio has been doing well in the present economic climate, and has reached its highest level, to date. The trend is for the markets to continue to improve as the present administration has been pro-business and has instituted a number of changes that have strengthened the economy. Unless some unforeseen worldwide and domestic problems arise (war with North Korea, more major hurricanes and forest fires, etc.), the positive trend should continue well into next year. Morgan Stanley is continuing to be proactive in managing BIP."

The BIP balance as of 9/30/17 was \$5,257,760 (as of 10/11/17 it is \$5,318,334).



### Membership Update:

Membership for 2017 is down significantly, by 10% (From 3124 at the end of last year to 2820 as of mid-October). The drop is a bit more than we anticipated, but not unexpected. If members do not plan to attend the annual meeting, they are much less likely to renew their membership. This year our meeting attendance was down 30% due to competition with the IBC, Evolution and Plant Biology conferences. This is definitely reflected in our membership numbers. You will notice in our FY2017 Profit and Loss Statement that membership dues income for FY2017 is slightly higher than FY2016. This increase is due to the payments for the 3-Year Professional membership option, which was a new option in 2017. 8% of our Professional members opted for a 3-year membership in 2017. These members have already paid their membership dues for the next two years.

With the Evolution meeting slated for the middle of August in France, and no other conflicts to our BOTANY 2018 meeting in Rochester, we anticipate strong attendance and higher membership totals in 2018, all good things for the Society and for our revenues.