



## MEMORANDUM

**To: Board of Directors**

**From: Gladys Wiggins, C.M.-2<sup>nd</sup> Vice President**

**Date: March 12, 2014**

**Re: FY 14-15 Proposed Budget Report**

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In accordance with the AzAA Bylaws, the following information is the proposed budget for the Fiscal Year 2014-2015, a description of key factors influencing the changes in income and expense are provided, and explanation of existing conditions driving changes from the approved budget FY 2013-2014. The Board of Director will be seeking membership approval of the following:

- Approval of the FY 2014-2015 Budget.
- Approval of an increase to the FY 2013-2014 Budget.

### Existing Conditions

There are factors influencing the increase to the FY 13-14 budget, and the changes reflected in the revenue and expense side of the FY 14-15 budget.

1. Membership dues were raised in the April 2013 General Membership meeting to allow for additional income to offset the expense of the new implementation and program support for the new AzAA website as well as accommodate the increase in expenses due to outside economic factors.
2. The website has continued to be supported strictly on a volunteer basis with the exception of some support provided by the new host company through the initial contractual changeover to YourMembership.com. It has been apparent to the Board and membership that additional support and attention to the new system is required. Moving forward with the upgrade last year was important to the membership which will provide the online capabilities such as membership renewals, payment, and conference/event registration however additional support is necessary to expedite information onto the website and out to the membership. Maintaining the website cost within the budget will allow for the annual membership dues to YourMembership.com (YM) at \$7,100 and the remaining will be used for additional technological support to be provided for YM, and not solely rely on volunteers or the Administrative Director. With the recent announcement and request for proposals for a new Administrative Director, this remaining expense can be a separated website coordination line item for either a website admin or enhanced YM services (with the not to exceed \$2900 stipulated).

3. As indicated above, in January 2014 the current Administrative Director Covalt provided a letter stating he will not seek a contract renewal. In February 2014, the Board of Directors advertised a Request for Proposals to assist with finding a replacement to perform the duties of the Administrative Director. The increase in contract expense for this position is due to the level of services the growing association has required from the Administrative Director. The ability to negotiate the salary based on services provided in addition to the coordinated website administration coordination responsibilities, AzAA may assign a total salary of \$14,900 or assign a salary up to \$12k (excludes web management) for the new AD.
4. Any additional expenses can be pulled from an existing line item amount as provided in the proposed budget. There are no additional fees or dues increased. The Spring 2014 Conference fees were not raised from the previous year.

### AzAA Proposed FY 14-15 Budget

Account #	Description	Amount	FY 13/14 Approved
45000	Interest Income	\$ 200.00	\$ 200.00
52100	Dues Income	\$ 25,000.00	\$ 25,000.00
52150	Merchandise	\$ 1,000.00	\$ 1,000.00
52200	Registration Fees	\$ 53,200.00	\$ 53,200.00
52250	Sponsorship Revenue	\$ 45,000.00	\$ 45,000.00
52400	Exhibitor Fees	\$ 10,000.00	\$ 10,000.00
	<b>TOTAL INCOME</b>	<b>\$ 134,400.00</b>	<b>\$ 134,400.00</b>
62840	Equipment Rental	\$ 7,000.00	\$ 7,000.00
65010	Books Sub.Software	\$ 420.00	\$ 420.00
65020	Postage	\$ 100.00	\$ 100.00
65040	Supplies	\$ 5,000.00	\$ 5,000.00
65050	Tell. And Telecom.	\$ 1,500.00	\$ 1,500.00
68310	Con. Conv. Meeting	\$ 15,000.00	\$ 15,000.00
68320	Travel	\$ 4,000.00	\$ 4,000.00
70200	Grants Others	\$ 3,500.00	\$ 3,500.00
70300	Allocation to Affiliates	\$ 1,000.00	\$ 1,000.00
70400	Gifts Awards	\$ 3,500.00	\$ 3,500.00
75200	Accounting Fees	\$ 600.00	\$ 600.00
75300	Legal Fees	\$ 225.00	\$ 225.00
75400	Prof. Fees Other	\$ 2,000.00	\$ 4,000.00
75550	Admin. Dir. Contract	\$ 12,000.00	\$ 6,800.00
81450	Credit Card Fees	\$ 2,500.00	\$ 2,500.00
81600	Website	\$ 10,000.00	\$ 10,000.00
81900	Food & Beverage	\$ 65,000.00	\$ 65,000.00
85000	Insurance	\$ 920.00	\$ 1,000.00
	<b>TOTAL EXPENSE</b>	<b>\$ 134,265.00</b>	<b>\$ 131,145.00</b>

#### Budget Recommendations:

Upcoming Budget, FY 14-15 will reflect the following increases:

#### New Ongoing Costs

- \$12,000 Administrative Director Contract
- \$2,000 Professional Fees-Lobbyist