



TREASURER'S REPORT

13 October 2016

**Prepared for the Board of Directors
of the
Raptor Research Foundation
by
Jessi Brown, Treasurer**

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RRF Treasurer's Statement: Income, Expenses and Budgets, FY14-16 and FY17 Proposed Budget

<i>Income</i>	Budget 2014	2014	Budget 2015	2015	Budget 2016	2016 YTD	Budget 2017	Comments
Memberships ¹	\$39,000	\$47,146	\$30,834	\$42,084	\$35,000	\$21,901	\$35,000	Membership receipts going back up in last few years
Conference Receipts	\$2,500	\$240	\$5,000	\$21,996	\$8,000	\$15,000	\$8,000	Both 2013 and 2014 conference deposited in 2015
JRR Charges to Authors ²	\$29,000	\$38,484	\$29,000	\$51,293	\$33,000	\$31,624	\$35,000	
Advertising in JRR	\$1,000	\$1,000	\$1,000	\$750	\$1,000	\$750	\$1,000	
Other Publications ³	\$300	\$8	\$300	\$20	\$300	\$103	\$300	
Major Royalties ⁴	\$20,000	\$29,577	\$29,000	\$25,320	\$29,000	\$30,999	\$29,500	
Contributions	\$100	\$336	\$100	\$3	\$100	\$287	\$100	
Bank Account Interest	\$400	\$383	\$400	\$320	\$400	\$322	\$370	
Other Income ⁵	\$400	\$115	\$200	\$90	\$200	\$109	\$200	
Endowment Gifts	\$0	\$264	\$0	\$722	\$0	\$77	\$0	
Endowment Adjustment ⁶	\$15,000	\$0	\$9,616	\$0	\$6,280	\$0	\$7,883	"Debt" owed by endowment to operating funds for awards
Total Income	\$107,700	\$117,071	\$105,450	\$142,597	\$113,280	\$101,173	\$117,253	

Percent of budgeted for current FY

109%

135%

89%

¹ From OSNA records; includes membership fees, journal subscriptions, and journal postage

² JRR charges to authors minus waived charges

³ Back issues sold through Allen Press and OSNA; direct sales of Research Reports; royalties and direct sales of Powerlines '96

⁴ BioOne, Techniques Manual, Jemima Parry-Jones Falconry films and books sold in the U.S.

⁵ Mailing list rental income, cost recoveries from previous issues of JRR, merchandise, settlements

⁶ "Debt" owed by the Endowment to RRF's Operating Funds for awards and grants; cumulative if previous year actual = \$0.

Expenses	Budget 2014	2014	Budget 2015	2015	Budget 2016	2016 YTD	Budget 2017	Comments
Membership Fees ⁷	\$850	\$500	\$850	\$163	\$850	\$1,000	\$850	
Conference Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Conference Expenses	\$1,500	\$1,847	\$2,000	\$2,488	\$4,000	\$575	\$4,000	reflects Board-approved increase of an additional \$2000 in mid-March 2015
Publications ⁸	\$41,800	\$20,440	\$42,000	\$47,624	\$42,000	\$62,430	\$46,000	
Other publications	\$0	\$0	\$3,000	\$500	\$3,000	\$3,250	\$0	2016 web page revision
Editor's Fund ⁹	\$28,650	\$21,483	\$28,450	\$28,167	\$32,050	\$20,823	\$32,150	Spanish translation not billed for 2014; translation and travel not yet billed for 2016
OSNA Service Fees	\$7,400	\$11,751	\$7,650	\$8,213	\$7,650	\$13,275	\$10,500	Included transitioning to MemberSuite in 2016; transition to MemberSuite should be complete by 2017
Presidents Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Directors' Fund	\$0	\$0	\$0	\$0	\$3,000	\$0	\$3,000	
Editor's and Officers' Travel	\$2,000	\$0	\$2,000	\$1,101	\$2,000	\$1,240	\$2,000	travel reimbursement for 2014 conference did not happen until 2015
Postage & Delivery	\$300	\$97	\$300	\$620	\$300	\$85	\$300	
Office Supply/copies	\$200	\$0	\$200	\$144	\$100	\$74	\$100	
Telephone and Web Hosting	\$300	\$326	\$400	\$157	\$300	\$54	\$580	negative number in 2016 due to refund for partial year of hosting; current budget for website hosting and reserve for programmers' help

⁷ \$500/year to the Ornithological Council; additional \$350/year (est FY13) for "Ornithology Exchange" Website.

⁸ Allen Press, printing JRR and reprints

⁹ Editor's compensation, reimbursement for postage and supplies, proofreading, Spanish translations

Expenses	Budget 2014	2014	Budget 2015	2015	Budget 2016	2016 YTD	Budget 2017	Comments
Accounting and Legal	\$4,200	\$2,358	\$5,200	\$1,362	\$5,200	\$1,063	\$6,230	Includes a \$3000 increase for Business Manager in 2014, and an accountant review in 2015. Accountant review has yet to happen. Committed to paying AOU Membership Manager as part of MemberSuite transition (project 4030 for 2017) - Business Manager funds repurposed for that.
Bank Service Charges ¹⁰	\$200	\$141	\$200	\$166	\$200	\$83	\$200	
Credit Card Charges ¹¹	\$2,000	\$574	\$2,000	\$225	\$1,500	\$1,523	\$813	MemberSuite credit card handling is lower negotiated rate than previous services
Election Costs	\$500	\$500	\$500	\$500	\$500	\$0	\$0	Part of MemberSuite?
Other Misc. Costs ¹²	\$2,000	\$14,445	\$2,000	\$2,808	\$2,000	\$2,162	\$2,000	includes JRR Back Issue Management, Other Miscellaneous Expense
D & O Insurance	\$1,100	\$1,030	\$1,100	\$1,030	\$1,030	\$1,030	\$1,030	
Awards and Grants	\$5,100	\$4,200	\$7,600	\$5,180	\$7,600	\$3,898	\$7,600	In FY15, increased by \$2500 and discretion given by board for Awards subcommittee to decide how to distribute
Endowment Allocation	\$9,600	\$9,600	\$0	\$0	\$0	\$0	\$0	\$9,600
Total Expenses	\$107,700	\$89,294	\$105,450	\$100,449	\$113,280	\$112,458	\$117,253	\$107,700

¹⁰ Account service charges

¹¹ From Merchant's Bank (for JRR costs paid by authors) and from OSNA (for membership dues/journal subscriptions).

¹² Primarily, Back Issue Management by Allen Press

Expenses	Budget 2014	2014	Budget 2015	2015	Budget 2016	2016 YTD	Budget 2017	Comments
Percent of budgeted for current FY		83%		95%		99%		
Overall Gain or Loss	\$0	\$27,777	\$0	\$42,149	\$0	-\$11,285	\$0	\$0

INCOME

MEMBERSHIP: Although declining over the years (Table 1), our membership dollars track with those of other societies managed by OSNA. More information can be found in the Membership Committee's Report.

Table 1. RRF membership receipts since 1997, as reported to the RRF treasurer by OSNA, percent of previous year, and percent difference from the all-year average. 1997 was the first full year of membership management by OSNA.

Year	Membership Receipts	Percent of Previous Year	% Difference from all-year average (\$38,951)
1997	\$41,545		7%
1998	\$31,229	75%	-20%
1999	\$40,251	129%	3%
2000	\$54,101	134%	39%
2001	\$40,216	74%	3%
2002	\$29,338	73%	-25%
2003	\$45,430	155%	17%
2004	\$22,282	49%	-43%
2005	\$52,597	236%	35%
2006	\$43,766	83%	12%
2007	\$33,371	76%	-14%
2008	\$36,332	109%	-7%
2009	\$34,497	95%	-11%
2010	\$42,398	123%	9%
2011	\$38,752	91%	-1%
2012	\$41,504	107%	7%
2013	\$32,659	79%	-16%
2014	\$40,855	125%	5%
2015	\$36,521	89%	-6%
2016 to date	\$18,251	50%	-53%

1998 - New OSNA director and series of changes at Allen Press.

2004-05 - Renewal notices mailed late; 2004 receipts were low and 2005 receipts were high.

CONFERENCES: Raptor Research Foundation made a profit of \$13,500 from the 2015 Raptor Research Foundation conference in Corpus Christi, TX (Table 2).

Table 2. Seed money, income, and profit or <loss> for RRF conferences since 1998.

Year	Location	Seed Money	Income	Profit or <Loss>
1998	Ogden, Utah	\$10,000	\$19,296	\$9,296
1999	La Paz, Mexico			\$2,631
2000	Jonesboro, Arkansas	\$1,000	\$1,698	\$698
2001	Winnipeg, Manitoba	\$1,000	\$766	<\$234>
2002	NAOC, New Orleans, LA	not requested		
2003	Anchorage, Alaska	\$1,000	\$6,523	\$5,523
2004	Bakersfield, California	\$1,000	\$11,031	\$10,031
2005	Green Bay, Wisconsin	\$1,500	\$10,405	\$8,905
2006	NAOC, Veracruz, Mexico	\$10,250	\$13,740	\$3,490
2007	Foglesville, Pennsylvania	\$1,500	\$1,849	\$349
2008	Missoula, Montana	not requested	\$4,707	\$4,707
2009	Pitlochry, Scotland	not requested	\$2,225	\$2,225
2010	Ft. Collins, Colorado	\$1,500	\$11,857	\$10,357
2011	Duluth, Minnesota	\$1,500	\$10,146	\$8,646
2012	NAOC, Vancouver, BC	\$10,779	\$27,161	\$16,383
2013	Bariloche, Argentina	\$2,596	\$8,350	\$5,754
2014	Corpus Christi, TX	\$1,500	\$17,655	\$16,155
2015	Sacramento, CA	\$1,500	\$15,000	\$13,500
2016	Cape May, NJ	\$1,500		
2017	Salt Lake City, Utah	Not requested		

OTHER PUBLICATIONS AND ROYALTIES: Raptor Research Foundation has a variety of publications other than the Journal for sale, all residing with the Treasurer's assistant. Research Reports #6 – Ancestral Kestrel, and #9 – Burrowing Owl, continue to be the best sellers, although all of our publications are available for sale through the website (raptorresearchfoundation.org). In 2013, we invested in high-quality pdfs which are available from our website for the same price (minus postage) as hard copies.

We have received substantial royalty income from BioOne. We also receive royalties on the Raptor Techniques Manual through the generosity of the publisher, which are routed to the endowment (by vote of the Board, 2008). We also receive royalties from U.S. sales of Jemima Parry-Jones' falconry books.

JOURNAL OF RAPTOR RESEARCH: The Journal of Raptor Research costs to authors include page charges (\$115/page), proof corrections (\$3.50 each), special charges such as major corrections and color photos, and service charges for bank transfers. The Editor-in-Chief negotiates the cost each author must pay for page charges and proof corrections; discounts are reported as "waived charges". Cost recovery is calculated by journal issue, not by fiscal year; this information is found in the Editor's Report.

We previously charged for reprints. In 2009, the system was changed to a direct order through Allen Press. This has significantly reduced our bookkeeping time and keeps the reprint costs appropriately between the printer and the author.

INTEREST FROM BANK ACCOUNTS: We maintain two cash accounts, a Business Checking Account and a Treasury Index Fund Account, which has a slightly higher interest rate, with Merchant’s Bank (Table 3). This past year, the Treasurer transferred \$40,000 from the Business Checking account to the Money Market account, as excess funds had been accumulating in the lower interest rate account. The target balance for our working checking account is \$60K.

Table 3. Current statistics for RRF accounts at Merchant’s Bank.

	Balance (9/31/16)	Annual Interest Rate (%)	Interest YTD	<Fees YTD>
Business Checking	\$81,561	0.20	\$83	\$83
Treasury Index Fund (Money Market)	\$125,382	0.35	\$239	\$0

EXPENSES

JOURNAL OF RAPTOR RESEARCH: The Journal of Raptor Research is our primary expense. A summary of JRR printing costs is included in the Editor’s report. Editorial costs for the Journal include the Editor’s compensation, Spanish translation of abstracts, and proofreading. We also reimburse the Editor for shipping, supplies, and travel. Further details can be found in the Editor’s Report.

POSTAGE: No recent significant changes.

CONFERENCE EXPENSES: Includes seed money, ECRR support, and any losses.

MEMBERSHIP FEES: Annual donation of \$500 to the Ornithological Council. In FY10-11, the board approved an extra \$400 per year for the OC’s “Strengthening Ornithology” initiative, which was decreased to \$350 annually from FY12 onward, for the “Ornithology Exchange” website.

PRESIDENT’S AND DIRECTORS’ FUNDS: Once used for mailing Conference Abstract books to International members, plaques and awards, and other presidential activities and for funding directors’ travel to conferences and RRF representative travel when requested by the directors. The President’s fund has been budgeted at \$0 for many years, and plaque/award expenses drawn directly from the Awards account. In 2015, the Directors’ Fund was allocated funding to help cover travel expenses for international directors.

OFFICERS’ and EDITOR’S TRAVEL EXPENSES: Usually budgeted from \$1-3K.

OFFICE SUPPLIES, COPYING, TELEPHONE, WEB HOSTING: Basic clerical supplies, photocopying, and other incidental expenses; telephone services when necessary; and maintenance of our domain name and website hosting.

ACCOUNTING AND LEGAL: A CPA does RRF’s taxes and corresponds with the IRS on our behalf, and we have legal representation on no-cost retainer. A one-time budget increase of \$1000 in 2015 is intended to pay for an audit following the completion of the transfer of treasurer duties to the new treasurer and business manager. This has yet to occur, so the budget

increase is proposed once again. The \$3000 intended to support a Business Manager selected by the Treasurer has not been used, but is proposed (in 2017) to be repurposed to support the use of the new MemberSuite-related Membership Manager.

CREDIT CARD CHARGES: It costs 4% of the purchase price to offer credit card purchase ability to our members and customers. Many purchases are done by overseas members who have trouble obtaining US currency, and page charges are now paid by credit card from government agencies. The substantial cost recovery makes our minimal costs for this service worthwhile. Starting with the implementation of MemberSuite in 2017, credit card processing should be achieved with a 2.5% fee.

PAYPAL: PayPal charges 2.4% for transactions, considerably more favorable to us than our other methods for receiving payment.

INSURANCE: Raptor Research Foundation has a Non-Profit Organization and Management Liability Policy, for which we pay annual premiums of approximately \$1100.

RRF MEMORIAL ENDOWMENT FUND

The RRF Memorial Endowment is used to provide grants and awards, in memory and honor of the following individuals who are significant to the values and history of the Raptor Research Foundation, Inc. These are: Dean Amadon, William Andersen, Leslie Brown, Thomas Cade, James R. Koplín, Fred and Frances Hamerstrom, and Steven Tully.

Because of the relatively high balance of the Money Market account, the Treasurer would like to suggest that the board consider a transfer of \$40,000 from the Money Market account to the Endowment to support our increased budget for awards. If the board deems the matter worthy of consideration, the idea should be further discussed by the Finance Committee, in consultation with our financial advisor, and then formally brought before the board.

Table 3. Raptor Research Foundation Memorial Endowment expenses and receipts since 1998.

Year	Endowment Expenses	Endowment Donations	Adjustments ^A	Total Value
1998			\$25,000	\$72,976
1999				\$110,263
2000	(\$2,402)	\$2,768		
2001	(\$2,108)	\$97	(\$4689)	
2002	(\$3,440)	\$158		
2003	(\$3,640)	\$87		
2004	(\$2,400)	\$0	(\$10,703)	
2005	(\$3,359)	\$70		\$113,642
2006	(\$1,500)	\$60		\$112,666
2007	(\$1659)	\$110	(\$4,729)	\$126,229
2008	(\$1468)	\$90		\$86,480
2009	(\$1179)	\$3,180	\$20,000	\$131,280
2010	(\$1250)	\$227		\$135,768
2011	(\$1844)	\$120		\$144,850
2012	(\$1874)	\$32		\$157,650
2013	(\$2078)	\$60		\$181,120
2014	(\$2374)	\$264		\$197,059
2015	(\$2445)	\$722		\$193,646
2016 (9/30/16)	(\$1825)	\$77		\$207,182

^A The rule of thumb for endowments is not to draw out more than 5% of the funds annually and we've chosen to draw no more than 4.5% of the three-year rolling average of the fund value near the end of each fiscal year. This practice evens out the peaks and valleys of values. In years when adjustments aren't made, donations and expenses are carried in operating accounts.

CORPORATE INFORMATION

Raptor Research Foundation, Inc., is incorporated in Minnesota, and registered to do business in Colorado.

treasurer@raptorresearchfoundation.org

Virginia Farmier of Farthest North Business Services, in Fairbanks, Alaska, is our CPA and James Dewitt, of the law firm of Guess & Rudd, PC, Fairbanks, Alaska, is our legal counsel. As part of the transition to a business office in Reno, we will be retaining a CPA and legal counsel based in Nevada.

TREASURER'S REPORT TO THE MEMBERSHIP 2016

	Budget 2014	2014	Budget 2015	2015	Budget 2016	2016 YTD
Income						
Membership	\$39,000	\$47,146	\$30,834	\$42,084	\$35,000	\$21,901
Conference Receipts	\$2,500	-\$240	\$5,000	\$21,996	\$8,000	\$15,000
Publications and royalties	\$50,300	\$69,068	\$59,300	\$77,383	\$63,300	\$63,477
Contributions	\$100	\$600	\$100	\$725	\$100	\$364
Other Income	\$15,800	\$497	\$10,216	\$410	\$6,880	\$431
Total Income	\$107,700	\$117,071	\$105,450	\$142,597	\$113,280	\$101,173
Expenses						
J Raptor Research: Printing	\$41,800	\$20,440	\$42,000	\$47,624	\$42,000	\$62,430
J Raptor Research: Operations	\$28,650	\$21,483	\$28,450	\$28,167	\$32,050	\$20,823
Conference Expenses	\$1,500	\$1,847	\$2,000	\$2,488	\$4,000	\$575
RRF Board Expenses, including Grants, Awards, and transfers to the Endowment	\$7,100	\$4,200	\$9,600	\$6,282	\$12,600	\$5,138
Operations	\$28,650	\$41,323	\$23,400	\$15,887	\$22,630	\$23,490
Total Expenses	\$107,700	\$89,293	\$105,450	\$100,447	\$113,280	\$112,457
Overall Gain or Loss	\$0	\$27,778	\$0	\$42,150	\$0	-\$11,284

	2014	2015 YTD	2015 YTD
Memorial Endowment Fund			
Previous Year-end Value	\$181,426	\$197,059	\$193,646
Gains/(Losses)	\$15,633	-\$3,413	\$13,537
Fund Additions/(Withdrawals)			
Total Fund Value	\$197,059	\$193,646	\$207,182
Year-end Checking Account Balance	\$67,449	\$96,658	\$81,561
Year-end Savings Account Balance	\$84,922	\$85,143	\$125,382
Total RRF Assets	\$349,430	\$375,446	\$414,125

APPENDIX A: Investment Account Statement 30 September 2016
APPENDIX B: Bank Statements 30 September 2016