

February 6, 2020

To: ADFM Board of Directors and Finance Committee

FR: Amanda Weidner, Executive Director
Chelley Alexander, MD, Treasurer
Dana J. Greco, CAE, Chief Financial Officer

RE: December 2019 Year-end Financial Statements

Great year-end 2019! Membership dues exceeded budget as did the Annual Winter Meeting budget and these two events create the majority of ADFM's income stream, so well done.

Here's a snapshot of where we ended 12-31-19:

INCOME

- Membership Dues Revenue - At 12-31-19 we had \$262,361 dues income which is \$5,676 higher than budgeted and \$5,077 higher than the 12-31-18 dues income of \$257,284.
We have 98 Chair plus Administrators, 54 Chairs only, 5 Associate Administrators, 1 Emeritus, 29 Associate and 5 Lifetime Associate in our active membership (total 192).
At 12-31-18 we had \$257,284 dues income and 110 Chair plus Administrators, 41 Chair-Only, 4 Administrators, 2 Emeritus, 16 Associate members and 4 Lifetime Associates (total 177). We were helped by adding additional membership types.
- Investment interest, dividends, and year-end gains of \$16,564 are below the same time last year by \$923.
- Investment MV Change of \$36,118 is in the black this year which was not the case at year-end 2018 when we had (\$26,899) in the red.
- Public Member Pilot – Funding from FMAHealth ended in 2018
- Annual Winter Meeting income of \$192,600 came in over budget by \$10,100; and above last year by \$17,012.
(NOTE for conference *net income*: Financially the winter meeting was a huge success! Budgeted *net income* for the conference was \$67,580 and our actual net income at 12-31-19 is \$86,336. Additional income was received from the Fellows workshop with more fellows this year than budgeted and we received a significantly higher than budgeted room rebate. On the expense side we were lower in almost all categories. Careful expense management played a part in the lower expenses.)
- CAFM support was on budget.
- The ADFM Fellowship had income of \$18,820 which is higher than budgeted by \$7,860. We had a total of 10 fellows for 2019. \$10,000 was received from the ABFM Foundation for Fellowship Expansion Planning Summit.
- BRC had income of \$8,590 which is higher than budgeted by \$5,700. This is due new BRC consultations not budgeted.

EXPENSES

- The staff salaries/management agreement line represents the ADFM agreement with STFM to provide staffing services. The agreement amount is representative of ADFM staff salaries (except for the project manager and new program coordinator) plus a 20% service fee to STFM for providing all other services.
- The data/special project manager expenses are paid quarterly to the University of Washington.
- The new program coordinator expenses are paid quarterly to the University of Washington.
- Publication expenses are in line with the Annals of Family Medicine budget.
- Operating expenses are \$7,816 higher than the same time last year. Notes for operating expenses: Fonteva Association Management System was new in 2018. There were no legal fees in 2019. Credit Card fees are also higher as compared to the same time last year as a result of more sales items being paid with credit cards. Credit card rates have remained stable at around 3.5%. Business Relations are over budget due to additional professional development and search for new Executive Director.
- Board expenses are right on budget and \$4,226 higher than at the same time last year because there was no Board Development at the same time last year.
- Liaison/Liaison Dues - expenses are higher by \$3,686 as compared to budget mainly because of increased ABFM Fellowships expenses. In 2019 dues paid (\$500) was to be a part of the American Association for the Advancement of Science. We will add a budget line for this in 2020.
- Special Projects & Fellowships – The Public Member Pilot expenses support a pilot case study of outside public member perspectives. To date \$1,985 has been used from the \$3,600 expense budget, the ADFM Fellowship expenses, \$1,472, are higher than the \$100 budget because some staff travel was applied to the program. The BRC expenses, \$2,714, are lower than budgeted because consultation expenses were not as high as budgeted.
- Winter meeting expenses are \$8,655 lower than budgeted, which contributed to a great net income on the conference.
- The University of Missouri New Chair Workshop came in at \$2,377 for 2019, which was only \$300 higher than budgeted.
- The Center for History of Family Medicine was on budget for 2019.
- Expenses approved to be paid from existing reserves are for FMAHealth travel in 2019. These approved expenses are added back to the net income calculation to reflect actual net income earned from operations.

We ended the 2019 year with a net operating surplus of \$52,833! This surplus is about the same as the last year-end surplus of \$51,115. We thank you for your contributions and appreciate your efforts to further ADFM!