



New York State Council of Health-system Pharmacists

REPORT OF TREASURER

William Allan Prescott, Jr.

2022 House of Delegates

I. Responsibility of the Director

- The Treasurer shall serve as a custodian of the New York State Council of Health-system Pharmacists (NYSCHP) funds. He/she shall invest and disburse the funds at the discretion of the Board of Directors. He/she shall prepare periodic statements on the financial condition of the organization. The Committees of the Treasurer include Executive Committee on Finance and the Audit Committee.

II. Committees of the Division

Executive Committee on Finance

Chair: William Prescott

Members: Heide Christensen, Ruth Cassidy, Angela Chang, Andrew Kaplan, and Shaun Flynn

Activities: Establish a budget for the Council annually; Monitor Income/Expenditures and Profit/Loss quarterly; Monitor account data to analyze financial trends monthly; Identify new sources of income annually.

Audit Committee

Chair: Bruce Pleskow

Members: William Prescott, Phil Manning, Heidi Christensen, Ruth Cassidy, Angela Chang, Andrew Kaplan, Shaun Flynn and Jon Murray (CHMS Comptroller).

Activities: Provide external review and input regarding the Council financials.

Meetings this Fiscal Year: 10/2021; 4/2022 (pending)

III. Strategic Plan Tasks: Status Update (Financials)

Current Account Balances, 2/1/2022	
Checking - Pioneer Acct #317	\$214,653.77
Brokerage - Acct #9859	\$204,291.08
Savings - Acct #5876	\$200,315.86
SBA Loan	(\$149,900.00)
TOTAL	\$469,360.71
PAC Checking - Pioneer Acct #4911	\$48,067.06

Account Summary, Quarter-End (current Fiscal Year):

FY21/22	Sep-21	Dec-21	Mar-22	Jun-22
Checking - Pioneer Acct #317	141,591.73	153,305.06		
% Change vs. prior FY	28.3%	55.2%		
PAC Checking - Pioneer Acct #4911	48,067.06	48,067.06		
% Change vs. prior FY	NC	NC		
Brokerage - Acct #9859	206,957.95	212,654.50		
% Change vs. prior FY	43.8%	40.2%		
Savings – Acct #5876	200,048.37	200,298.85		
% Change vs. prior FY	0.1%	0.1%		
SBA Loan	\$149,900.00	\$149,900.00		
TOTAL (Less PAC)	548,798.05	566,258.41		
% Change vs. prior FY	20.8%	25.7%		
TOTAL (Less PAC and SBA Loan)	398,898.05	416,358.41		
% Change vs. prior FY	31.0%	38.5%		

Account Summary, Quarter/Year-End (past 2 Fiscal Years):

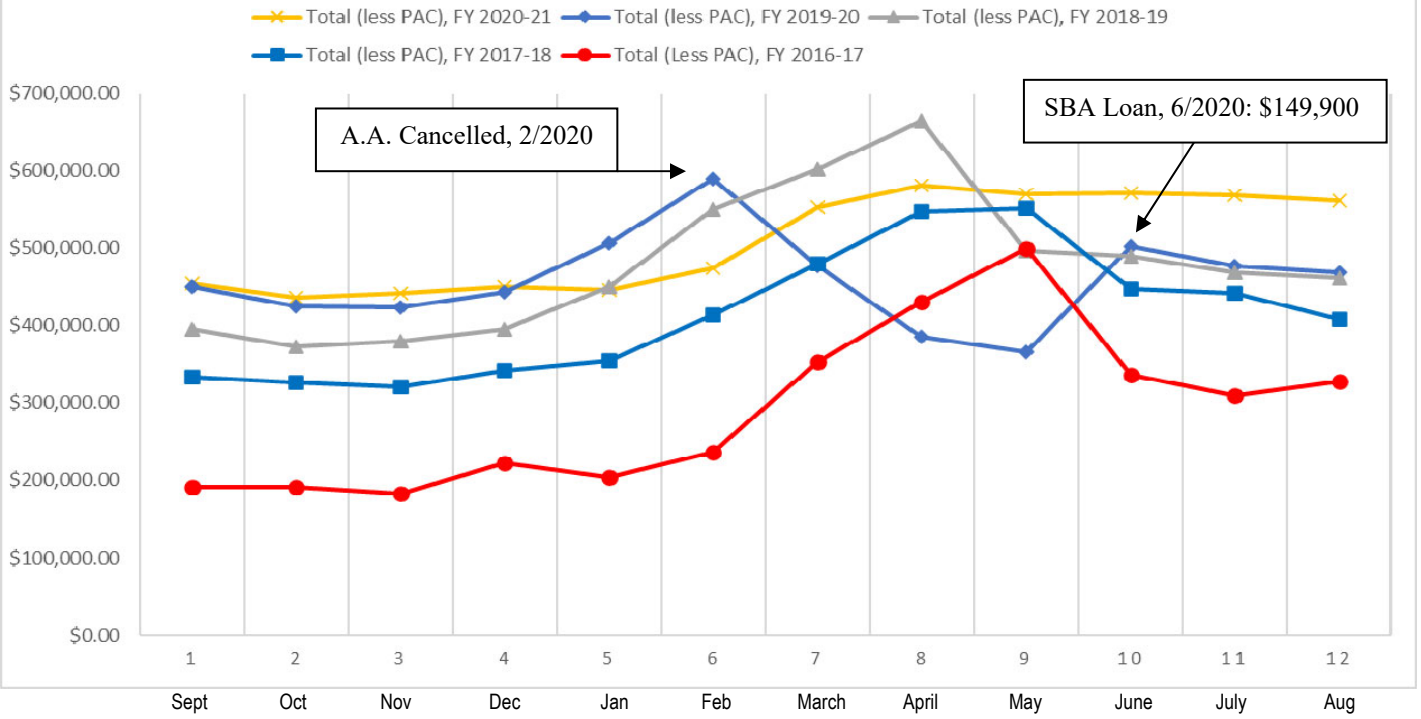
FY20/21	Sep-20	Dec-20	Mar-21	Jun-21
Checking - Pioneer Acct #317	110,388.35	98,792.73	198,578.48	212,685.10
% Change vs. prior FY	-34.8%	-34.8%	-43.3%	-41.5
PAC Checking - Pioneer Acct #4911	48,067.06	48,067.06	48,067.06	48,067.06
% Change vs. prior FY	NC	NC	NC	NC
Brokerage - Acct #9859	143,871.34	151,717.91	153,874.49	159,102.49
% Change vs. prior FY	-48.9%	-48.0%	21.7%	14.7%
Savings – Acct #5876 ^a	200,048.23	200,098.65	200,148.00	200,197.90
SBA Loan	\$149,900.00	\$149,900.00	\$149,900.00	\$149,900.00
TOTAL (Less PAC)	454,307.92	450,609.29	552,600.97	571,985.49
% Change vs. prior FY	0.7%	1.7%	15.9%	13.9%
TOTAL (Less PAC and SBA Loan)	304,407.92	300,709.29	402,700.97	422,085.49
% Change vs. prior FY				19.8%

Footnotes: ^a Established August 2020 and transferred \$200,000 from checking to savings (8/7/2020).

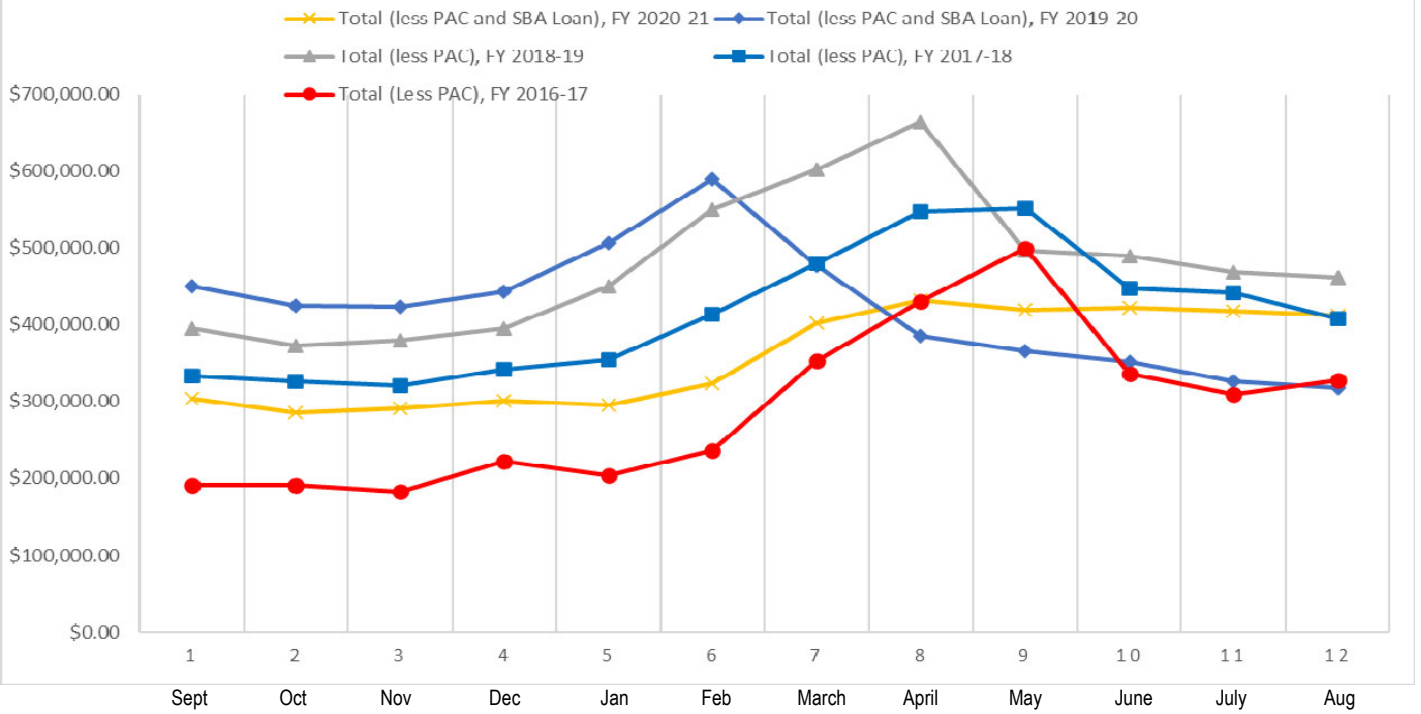
FY19/20	Sep-19	Dec-19	Mar-20^a	Jun-20^b
Checking - Pioneer Acct #317	169,273.67	151,537.19	350,212.58	363,400.32
% Change vs. prior FY	35.3%	8.1%	5.9%	73.1%
PAC Checking - Pioneer Acct #4911	48,067.06	48,067.06	49,067.06	49,067.06
% Change vs. prior FY	-2.6%	-0.6%	-0.6%	-0.6%
Brokerage - Acct #9859	281,654.26	291,741.57	126,438.42	138,696.91
% Change vs. prior FY	4.0%	14.5%	-53.6%	-50.3%
TOTAL (Less PAC)	450,927.93	443,278.76	476,651.00	502,097.23
% Change vs. prior FY	13.9%	15.5%	-20.9%	2.6%

Footnotes: ^a 3/11/20 - Transfer \$150,000 from brokerage to checking; ^b 6/29/20: Deposit to checking of \$149,900 loan

ACCOUNT SUMMARY



ACCOUNT SUMMARY



Fiscal Year 2019/20:

- Summary: Prior to cancellation of the Annual Assembly, the financial condition of the Council was stable, with checking and brokerage accounts increasing year-over-year. The Council incurred loss of revenue due to cancellation of the 2020 Annual Assembly (see 2021 HOD report for additional details). In 2018 and 2019, the Annual Assembly comprised 52% and 54% of the Council's revenue, respectively, demonstrating the Council's reliance on this event for its financial wellbeing. The Council's Executive Director, Shaun Flynn, was instrumental in positioning the Council to survive this unexpected and unfortunate event.
- Action items:
 - o Jan. 2020: BOD voted to discontinue lobbyist contact – future savings ~\$50,000 annually (effective 1/1/2021)
 - o March 2020: Transferred \$150,000 from brokerage account to checking account (3/11/2020)
 - o June 2020: BOD approved a membership dues increase of ~ 3% across membership categories
 - o June 2020: Secured a Small Business Association Loan in the amount of \$149,900 payable over 30 years at an interest rate of 2.75% (6/29/2020); first payment due 6/2022.
 - o Aug. 2020: Established a savings account and transferred \$200,000 to said account (8/7/2020)

Fiscal Year 2020/21:

- Summary: The NYSCHP worked to restabilize its finances through reduction of expenditures and establishment of new ways to generate income during the pandemic. End-of-year net income was \$97,655, exceeding the budgeted net income of -\$35,500 by \$133,155.
- Action items:
 - o September 2020: Approved a budget that included cost-saving measures, with all expenditures deemed “non-essential” to the mission of the Council removed. Excluding expenses for the AA and residency program, which were nominal for the virtual event, budgeted expenses were reduced from \$446,000 in 2018-19 to \$348,000 in 2019-20, representing a 22% decrease.
 - o April 2021: The AA was held virtually in 2021. This event was profitable, primarily due to industry support. Revenue = \$184,357 + \$10,000 (residency program) = \$194,357 vs. Expenses = \$21,736 yielding a profit of \$172,621.
 - o August 2021: Transferred \$50,000 from checking to brokerage (8/24/21).
 - o August 2021 (end-of-FY): The total account balance (less the PAC and SBA loan) = \$411,714.57, a 29% increase from August 2020.
- Several local chapters donated their 2021 reimbursements back to the Council.

Fiscal Year 2021/22:

- Budget: NYSCHP budget for FY 2021/22 was approved by BOD. This budget included cost-saving measures established in 2020/21 and assumed an in-person AA. Budgeted expenses were reduced from \$664,414 in 2019-20 to \$577,750 in 2021-22. The Council incurred \$50,000 savings by discontinuing the lobbyist contract.
- Analysis of total account balance (checking, brokerage, and savings), excluding PAC and the SBA loan, indicate our funds have increased 59% since this time last year (\$469,361 vs. \$295,618).
- Key income areas:
 - o Membership (see Director of Chapter Services report for membership trends):
 - Represented 20-25% of the Council's income in 2017-19. This increased to 62% in 2019-20 due to cancellation of the 2020 AA. In 2020-21, membership represented 38% of the Council's income.
 - In 2021-22, it is anticipated that total membership income will be lower than previous FYs based on membership trends, but that the % income will normalize with an in-person AA.

	2017-18	2018-19	2019-20	2020-21	2021-22 (budgeted)
Income	\$147,700	\$169,400	\$165,800	\$176,100	\$160,000
% total income	21%	24%	62%	38%	26%

- Membership retention is vital to the financial health of the Council
- Annual Assembly:
 - Represented 50-55% of the Council's income in 2017-19. Represented 0% of the Council's income in 2019-20 due to cancellation of the 2020 AA. In 2020-21, the virtual AA was profitable: The primary income source was the exhibit hall, and expenses were negligible (primarily to pay for software to execute the exhibit hall) because the Hilton and City Center agreed to let us out of our 2021 contract and tack on to 2023, which saved the Council \$42,000.

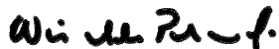
	2017-18	2018-19	2019-20	2020-21	2021-22 (budgeted)
Income, AA/RP	\$359,500	\$375,200	\$2,600	\$217,800	\$348,000
% total income	52%	54%	1%	46%	58%
Profit/Loss	\$190,000	\$188,300	-\$7,400	\$196,000	\$198,000

- A successful 2022 AA is vital to the financial health of the Council
- BOD discussed how to repay the SBA loan. It was decided that it was in the best interest of the Council to repay over time (with interest). While paying off the loan now would have avoided interest, the interest rate is low (2.75%) and repaying the loan over time will provide a buffer in our savings account, should we need the money in the future; it is unlikely we will be able to obtain this type of loan in the future as this was associated with COVID-19 relief.

IV. **HOD Recommendations:** Status Update - None.

V. **Review of Position Statements:** Status Update - None

Respectfully submitted,



William Allan Prescott, Jr.
Treasurer, NYSCHP