

**MEMO TO:** IMC Ex Com  
IMC Section Leaders

**FROM:** Jon Mueller  
IMC Trustee

**RE:** Upcoming Issues BOT Meeting

In three weeks I will participate in my first Board of Trustees Meetings and there are a number of issues you may want to provide advice and commentary about. They are:

1. **Green Investments Recommendations**

**Purpose:** To recommend that the reserves of the Society be invested in environmentally responsible investments.

**Background:** Last spring the BOT asked the finance committee to review the impact of moving to “green” investments. The concern was that to invest in “green” could decrease returns. A determination has been made that “green” investments can and will maintain current returns as well or better than non-directed investments.

**Governing Rules/Procedures:** Financial Policies and Procedures, Investment Guidelines.

“The Finance Committee has broad latitude in the selection of suitable assets to properly invest.....funds.”

There is also an ASLA Bylaws reference, Article 8, Section 811.

**Action Requested:** Motion to Approve.

**My Thoughts:** Great idea, but I would like to know more about the selection process and performance evaluation of the proposed investments.

2. **FY 02 Revised and FY 03 Proposed Budgets**

**Purpose:** To present recommended adjustments to FY 02 and FY 03 budgets, anticipating a delay or lack of an insurance settlement.

**Background:** The proposed adjustments relate to a delay or lack of insurance settlement for the Montreal meeting. This represents a conservative approach to fiscal management of the association’s resources. If the settlement arrives, it will not be necessary to implement these reductions. They are:

FY 02	287,770.00
FY 03	315,160.00

Governing Rules/Procedures: ASLA Bylaws, Article 8 Section 811 BOT.

Action Requested: Approval of FY 02 and FY 03 budgets as well as the adjustments.

My Thoughts: This is a stout, but necessary bit of medicine to ensure our fiscal stability. In reviewing the reductions, I get a little bunched up about the loss of almost \$200,000 in Public and Government Affairs money with our own license battle looming. However, I don't see as we have an abundance of choices. I can provide specifics if you like.

### 3. **Reserves Authorization**

Purpose: To secure BOT approval to draw down \$400,000 from the reserves to finance the San Jose meeting.

Background: The Montreal meeting has expenses of 1.2 M. \$600,000 on payments was rolled forward from Montreal and the funds have already been spent. There will be a temporary cash deficit as we begin to pay the expenses of the annual meeting in San Jose, again, if there is no insurance settlement under #2 above we will reduce FY 03 budget by \$400,000 (315,000 currently) to make available funds to repay the \$400,000 we would be drawing from reserves.

Governing Rules/Procedures: ASLA financial Policies and Procedures, Reserve Funds of the Society, Unrestricted Reserve Fund, Article 12 By Laws, Article 8 Bylaws, Section 811.

Action Requested: Motion to approve on the basis of what is noted above:

1. If no insurance proceeds.
2. If necessary.
3. Funds to be returned to FY 03

My Thoughts: The protections are in place for this to work properly. The annual meeting is a major source of income for us. We have to have 'bridging' financing. Really what we are doing here is opening a line of credit for ourselves to be paid back in FY 03.

### 4. **Dues Increase**

Purpose: To recommend an incremental dues increase for all membership categories except students.

Background: In September 1999, the BOT passed a motion that the Membership Services Committee and the Finance Committee shall review the dues and make a recommendation based on:

1. The most recent CPI.
2. Cost of services and programs.
3. Dues as a percentage of the total budget.

Both committees have weighed in and have found that a dues increase of \$14 to \$15 is justifiable. However, given the current economic climate a smaller increase is recommended.

Governing Rules/Procedures: ASLA Constitution, Article VIII  
ASLA Bylaws, Article 6  
ASLA Bylaws, Article 8

Action Requested: Approval of a \$10.00 increase as noted above beginning October 1, 2002.

My Thoughts: If I'm counting heads correctly this should raise an additional \$110,000  $\pm$  for us at a time when every dollar counts. However, I know how it is. This represents a 4% increase on the base dues cost. This should probably be approved. Your thoughts would be appreciated.

Additional concerns: There are also consent agenda issues related to:

1. Financial Procedures on Funding Requests.
2. ASLA/CLARB Model Law Language.
3. ASLA License Policy Revisions as with the issues above.

This stuff appears to be well researched and presented. If you desire more information I'll get it to you.

If you have thoughts or concerns for me, please call or email.

Thanks,  
Jon