

Minutes

CBA Board Meeting
July 30, 2011
JJForge, Middletown, CA

Board members present

1. Lowell Chaput
2. Dennis Dusek
3. Herb Upham
4. Tom Owens
5. Alan Drew
6. Mario Baggiolini
7. John McLellan
8. _Georg O' Gorman

Board Members Absent

1. Lance Jensen
2. Robert Jensen
3. Ruel Darling

Committee members Present

Mike Mumford
Jim Austin
Lisa Guthrie

AGENDA

1. President's Announcements – Lowell Chaput
 - a. Welcome to Tom Owens, our new CBA Treasurer
2. Attendance – Herb Upham
 - a. Board Members:
 - i. Absent 3
 - ii. Present 8
 - b. Guests:
 - i. 4 + Host Joe Felber
3. Approval of Agenda – Herb Upham
 - a. No additions at this time
4. Approval of April Minutes – Herb Upham
 - a. Approved by e-mail vote
5. Treasurer's Report – Tom Owens
 - a. April and yearend report, tabled at April meeting is still pending Tom Owens to resolve within

Approved Sept 1, 2011 Herb Upham Secretary

2 weeks (**ACTION ITEM**)

- b. June report
 - i. Attached, John McLellaqn moved and Mario Baggiolini seconded, unanimously accepted subject to audit.
- c. I have opened a new P.O. Box for the treasurer it is:

P.O. Box 1295

Ripon, CA 95366

Please update your records. Julie will keep hers open until it expires in December or so and hopefully we can have a smooth transition.

Committee Reports:

1. 2011 Spring Conference - Dave Vogel
 - a. No report ... final accounting shows a profit of \$ 13,215.68 (see Treasurer's Report)
2. 2012 Spring Conference - Jim Austin
 - a. Budget supplied (attached at end of Treasurer's Report)
 - b. Other information ... logo ready for publicity and site visit complete ...
 - c. Announcement cards available for WSBC
3. 2013 Spring Conference – Josh Buhlert/Dennis Dusek
 - a. Dennis reports planning is under way for 2013 and possibly 2014...
4. Membership - Lance Jensen
 - a. See attached report ...
 - b. Proposed Membership clarification: Approved by voice vote **ACTION ITEM** *update web and magazine membership statements as below...*
 - c. The CBA welcomes anyone interested in blacksmithing, from beginners to professionals. Dues cover membership for the fiscal year.. The membership year is from April 1st through March 31st of the following year. It is not prorated. CBA offers three levels of membership
 - d. Renewing Membership
 - e. All memberships expire on March 31st regardless of when, during the previous year, you joined, so be sure to renew your membership to continue to enjoy the people, events and resources that make the CBA a valuable organization
5. Publication - Eden Sanders
 - a. Report was rejected ... Dennis to communicate to Eden.

6. Magazine - Mike Mumford
 - a. Verbal report ...
7. Website – Stu Henry
 - a. See attached e-mail message on CC non compliance
ACTION ITEM *all membership applications are to have credit card information removed and replaced with a statement to use the calsmith.org web site for all membership credit card transactions.*
8. Library - Laura Parker
 - a. I have no new news to report for the library. I have asked Mike Mumford to change my library "contact" email address to be : artprofarc@sbcglobal.net
9. Grants - Daniel Dole/Kirk McNeill
 - a. No activity to report from Dan and Kirk
10. Education - Josh Buhlert

Dennis provided a verbal update on activities and raised the question of funding education events and how to offset expenses with event income. **ACTION ITEM** *Finance committee to recommend a resolution at next meeting.*
11. Election Committee – need chair
 - a. Dennis D. volunteered to act as election chair for next election ... report due at October meeting including coordination for resumes, photos and ballet in Magazine
12. Finance Committee - Alan Drew
 - i. See report at end of this document ...
13. Safety Committee - Georg O'Gorman
 - a. No issues to report
14. Policies and Procedures - John McLellan
 - a. No changes to report
15. Conference Coordinator – Mario Baggiolini
 - a. New position ... conference guidelines under review to be implemented immediately when the review is complete

Old Business:

- Western States Conference - Herb Upham
 - (a) Update
 1. Mike Chisolm will be unable to coordinate one of the "Wars" teams ... is there another leader re-coordinate ... the second team? Maybe Dennis will ask around.
 - (b) Future proposal: (agreed on)
 1. 1. CBA host the 2013 WSBC jointly with the CBA Spring Conference
 Cost to be conference cost for all attendees if they prove membership in their local association
 Other associations will be asked to provide sponsorship for demonstrators or activities (set-up, clean-up etc)
 Consider making joint conference on day longer if sufficient demonstrators are available
 Create a contest for participants ... could be individual juried items based on a theme and time to produce

2. Dennis and Herb to present idea to WSBC principals at conference in August

ii) If we can get 100 extra people from other Asso and if we charge \$100 per ticket that gives us an extra \$10,000 to work with. If we can get 200 extra people. = \$20,000 to work with

- Fall event merchandise - Herb Upham
 - a) Artwork ... Grill +CBA + web address
 - b) Cost ... Sweat shirt T shirts
 - Steve Bondi book - Herb Upham
 - a) Bondi family wants editorial input ... Herb to continue conversation
 - Review Stipends – Alan Drew
- Submitted by Alan Drew, Finance Committee Chair.

The issue of officer stipends was discussed at the Spring Conference Board meeting.

I was asked to do some research into possible alternatives to paying stipends.

I thought the best way to begin was to ask a few questions of sitting and past officers.

These are the people with firsthand knowledge of the tasks asked of them.

I did not interview the Magazine editor because I don't believe that we could possibly consider that he do his job without compensation.

What I found was that, after spending some time on the job, all believed that the demands of the job warranted a stipend.

The amount of actual work hours spent on their respective CBA jobs varied from 10 to 25 hours per month.

When considering if any part of these officers' jobs could be efficiently subbed out to a professional service rather than keeping them in house I arrive at these two conclusions.

1.) It would be more expensive to use an outside firm. (Please refer to example of outsourced pricing for typical Treasurer's duties.)

2.) CBA would lose some measure of control, communication and expediency if we engaged an outside firm to handle these jobs.

The expectation of performance is higher when the officer is receiving a stipend.

Each of the officers I interviewed acknowledged a greater obligation to perform their tasks in a timely and professional manner because they are being paid to do the job.

It is my opinion that the stipends are the most efficient and cost effective way to promote performance in these important positions for the long term.

Approved Sept 1, 2011 Herb Upham Secretary

It is also important to note that these officers accepted their jobs with the agreement that they would have this compensation.

In my opinion, the board would have to wait to impose any changes in stipend compensation until the respective officer's term had expired.

I would suggest that the Board adopt a standard **performance review process** for all paid officers.

That said, any person wishing to run for an officers position on the platform that they will **not** accept a stipend should be free to do so.

New Business:

1. Oktoberfest
 - a. (Message to Mike Mumford from Dave Nourot) See attached daft file that you sent me with the changes in cost and date for late registration. All registration slots were increased \$5 from last year and the late date was kept 4 days ahead of the event. I liked your idea of including something to look in the web site for any last minute information . Hopefully Dennis will have some info on the Education event. Thanks David Budget presented ...
2. Next Meeting Oktoberfest, Sept 30, 7 pm
3. Claudio Bottero sculpture (see Koaches message & photos) Secretary to reply to Joe that we are seeking other gallery opportunities for now.
4. **NEW POLICY** *Libraries may join CBA at the member price to receive magazine.*
5. January 2012 Board Meeting to be by teleconference.

Correspondence:

Secretary: President:

Heather, Adam's Forge: Secretary to respond.

Wayne Parris, Wayne's World: Secretary to respond.

Comments and questions:

Meeting adjourned at 1:04 pm ...

California Blacksmith Association

Treasurer's Report

By Julie Henry



Board of Directors Conference Call • July 28th, 2011

New Treasurer: Tom Owens
Email: treasurer@calsmith.org/tomo@odcengr.com
Ph: 209-522-8031
Mailing Address: PO Box 1295
Ripon, CA 95366

07/24/11

California Blacksmith Association
Balance Sheet Standard
As of July 24, 2011

	<u>Jul 24, '11</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 — Checking	
1005 — Main Checking ...	6,889.61
1035 — Merchant Acct 8...	9,065.75
1050 — Sect. Acct 6404	<u>431.29</u>
Total 1000 — Checking	16,386.65
1100 — Savings	
1105 — Savings 0334	50,654.96
1150 — CD savings	<u>15,931.30</u>
Total 1100 — Savings	<u>66,586.26</u>
Total Checking/Savings	<u>82,972.91</u>
Total Current Assets	<u>82,972.91</u>
TOTAL ASSETS	<u>82,972.91</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
2060 — WF Visa -7362	<u>184.00</u>
Total Credit Cards	<u>184.00</u>
Total Current Liabilities	<u>184.00</u>
Total Liabilities	184.00
Equity	
3000 — Opening Bal Equity	-5,586.07
3100 — Funds	
3120 — Grant Fund	41,736.80
3200 — Operating Budget	<u>71,250.00</u>
Total 3100 — Funds	112,986.80
3300 — Allocated Funds	-112,986.80
3900 — Funds Balance	79,277.71
Net Income	<u>9,097.27</u>
Total Equity	<u>82,788.91</u>
TOTAL LIABILITIES & EQUITY	<u>82,972.91</u>

California Blacksmith Association
 Profit and Loss by Class
 April 1 through July 26, 2011

07/26/11

	2012 Spring Conf	2011 Spring Conf.	Ongoing	TOTAL
Ordinary Income/Expense				
Income				
4000 — Dues	0.00	0.00	25,140.00	25,140.00
4100 — Conf Income				
4101 — Registration	0.00	27,622.71	0.00	27,622.71
4103 — Iron in hat	0.00	1,243.00	0.00	1,243.00
4104 — Auction	0.00	6,395.00	0.00	6,395.00
4106 — Merchandise Sales	0.00	2,423.00	0.00	2,423.00
Total 4100 — Conf Income	0.00	37,683.71	0.00	37,683.71
4200 — Event Income				
4201 — Evt registration	0.00	0.00	5,244.00	5,244.00
Total 4200 — Event Income	0.00	0.00	5,244.00	5,244.00
4299 — Bank Interest	0.00	0.00	50.48	50.48
4300 — Miscellaneous Income				
4305 — Merch/Memorabilia Sales	0.00	0.00	70.00	70.00
Total 4300 — Miscellaneous Income	0.00	0.00	70.00	70.00
Total Income	0.00	37,683.71	30,504.48	68,188.19
Expense				
5000 — Magazine				
5003 — Magazine postage	0.00	0.00	857.46	857.46
5004 — Printing	0.00	0.00	2,660.79	2,660.79
5005 — Magazine Editor	0.00	0.00	5,760.00	5,760.00
Total 5000 — Magazine	0.00	0.00	9,278.25	9,278.25
5050 — Web Expenses	0.00	0.00	211.24	211.24
5100 — Conf expense				
5101 — Site/setup	1,000.00	930.00	0.00	1,930.00
5102 — Demos	0.00	5,204.00	0.00	5,204.00
5103 — Lodging	0.00	776.20	0.00	776.20
5104 — Sales exp	0.00	2,423.00	0.00	2,423.00
5106 — Food exp	0.00	11,665.00	0.00	11,665.00
5107 — Supplies	0.00	5,489.83	0.00	5,489.83
5108 — Misc conf exp	200.00	260.00	0.00	460.00
Total 5100 — Conf expense	1,200.00	26,748.03	0.00	27,948.03
5300 — Ed/Training				
5306 — Ed. Event Demonstrator	0.00	0.00	1,000.00	1,000.00
5305 — Misc. Ed. Expense	0.00	0.00	2,478.00	2,478.00
5304 — Workshop materials	0.00	0.00	300.00	300.00
Total 5300 — Ed/Training	0.00	0.00	3,778.00	3,778.00
5400 — Scholarships				
5410 — Other schools	0.00	0.00	200.00	200.00
Total 5400 — Scholarships	0.00	0.00	200.00	200.00
6000 — Admin				
6070 — Processing Fees	0.00	315.00	0.00	315.00
6015 — Secretary's Expense	0.00	0.00	7.95	7.95
6013 — Registration	0.00	0.00	596.45	596.45
6012 — Board meetings/travel	0.00	0.00	2,032.46	2,032.46
6014 — Office expense	0.00	0.00	49.99	49.99
6016 — Postage	0.00	0.00	112.85	112.85
6018 — Officer Stipend	0.00	0.00	7,200.00	7,200.00
6030 — Bank charges	0.00	0.00	83.94	83.94
6040 — CC Discount Fees	0.00	0.00	1,399.26	1,399.26
6050 — Lease, CC Machine	0.00	0.00	261.00	261.00
6060 — Membership	0.00	0.00	120.00	120.00
Total 6000 — Admin	0.00	315.00	11,863.90	12,178.90
6100 — Ins				
6110 — Accident Insurance	0.00	0.00	1,201.50	1,201.50
6112 — D & O Insurance	0.00	0.00	1,250.00	1,250.00
6114 — Liability Insurance	0.00	0.00	3,045.00	3,045.00
Total 6100 — Ins	0.00	0.00	5,496.50	5,496.50
Total Expense	1,200.00	27,063.03	30,827.89	59,090.92
Net Ordinary Income	-1,200.00	10,620.68	-323.41	9,097.27
Net Income	-1,200.00	10,620.68	-323.41	9,097.27

California Blacksmith Association
Profit and Loss by Class

January 1 through July 24, 2011

	2011 Spring Conf.	Wayne's World
Ordinary Income/Expense		
Income		
4000 — Dues	0.00	0.00
4100 — Conf income		
4101 — Registration	30,230.71	0.00
4103 — Iron in hat	1,243.00	0.00
4104 — Auction	6,395.00	0.00
4106 — Merchandise Sales	2,423.00	0.00
Total 4100 — Conf income	40,291.71	0.00
4200 — Event income		
4201 — Evt registration	0.00	785.00
4200 — Event income - Other	0.00	50.00
Total 4200 — Event income	0.00	835.00
4299 — Bank interest	0.00	0.00
4300 — Miscellaneous income		
4301 — Contributions/gifts	0.00	0.00
4302 — Grants	0.00	0.00
4303 — Library fees	0.00	0.00
4305 — Merch/Memorabilia Sales	0.00	0.00
Total 4300 — Miscellaneous income	0.00	0.00
Total Income	40,291.71	835.00
Expense		
5000 — Magazine		
5003 — Magazine postage	0.00	0.00
5004 — Printing	0.00	0.00
5005 — Magazine Editor	0.00	0.00
Total 5000 — Magazine	0.00	0.00
5050 — Web Expenses	0.00	0.00
5100 — Conf expense		
5101 — Site/setup	930.00	0.00
5102 — Demos	5,204.00	0.00
5103 — Lodging	776.20	0.00
5104 — Sales exp	2,423.00	0.00
5106 — Food exp	11,665.00	0.00
5107 — Supplies	5,489.83	0.00
5108 — Misc conf exp	260.00	0.00
Total 5100 — Conf expense	26,748.03	0.00
5200 — Event expense		
5202 — Evt demos	0.00	600.00
5206 — Evt food	0.00	900.00
5207 — Evt supplies	0.00	700.00
Total 5200 — Event expense	0.00	2,200.00
5300 — Ed/Training		
5306 — Ed. Event Demonstrator	0.00	0.00
5305 — Misc. Ed. Expense	0.00	0.00
5303 — Instructor training	0.00	0.00
5304 — Workshop materials	0.00	0.00
Total 5300 — Ed/Training	0.00	0.00
5400 — Scholarships		
5410 — Other schools	0.00	0.00
Total 5400 — Scholarships	0.00	0.00
5800 — Safety, Ed/Training	0.00	0.00
6000 — Admin		
6070 — Processing Fees	328.00	0.00
Total 6000 — Admin	328.00	0.00
6100 — Ins		
6110 — Accident insurance	0.00	0.00
6112 — D & O insurance	0.00	0.00
6114 — Liability insurance	0.00	0.00
Total 6100 — Ins	0.00	0.00
Total Expense	27,076.03	2,200.00
Net Ordinary Income	13,215.68	-1,365.00
Net Income	13,215.68	-1,365.00

CBA OKTOBERFEST 2011

FRIDAY, SEPTEMBER 30 - SUNDAY, OCTOBER 2

EVERYONE MUST PREREGISTER

AN ACCURATE HEADCOUNT IS NECESSARY TO PLAN FOR FOOD AND TOILETS

LATE REGISTRATION FEE OF \$ --- IF NOT REGISTERED BY Sep.26,2011.

LOCATION - Fritz Hagist's Ranch
34895 Kruse Ranch Road, Cazadero, California
Shop 707/847-3362, Home 707/847-3935
Chairman: Dave Nourot, 707/745-1133

PREREGISTRATION - online or by mail
Online. www.calsmith.org, Events, Oktoberfest
Mail. Check payable to CBA, send to
CBA Secretary Herb Upham
4747 Vine Hill Road
Sebastopol, CA 95472

OKTOBERFEST COST

Members: \$90. \$120 after Sep.26,2011
Family Members: \$60. \$90 after Sep.26,2011.
Include names of all who will attend.
You must be a CBA member to attend.
One can join upon registering for Oktoberfest.
CBA Annual Dues:
\$55 for individual membership.
\$65 for business and family membership.

SET UP - Arrive on Friday.

Site Opens Friday. Arrive early to unload and get a good camping or tailgating site.
Nearest markets: Guerneville/Sebastopol (SE 35 miles) and Gualala (N 25 miles).
Arrive before dark - very difficult to find in the dark/fog.

AUCTION & IRON IN THE HAT RAFFLE*

Please bring items for these fun fund raising events.
Donate something of value for the auction.
Bring a couple of items worth having for Iron In The Hat.
PLEASE, NO JUNK. The more items there are, the more tickets we can sell and the more chances to win!
*This is how CBA pays for its programs and events.

PROGRAM

First Meal will be -----.

Approved Sept 1, 2011 Herb Upham Secretary

Friday dinner and evening slide show presentation.
Friday night open forges 'til midnight.
Gallery, tailgating, demos go all day Saturday and Sunday morning.
Open forging BETWEEN scheduled workshops.
Saturday evening program: Auction, Iron In The Hat, and FRITZ'S HOMEMADE ICE CREAM.

COURTESY & SAFETY

ABSOLUTELY NO DOGS ALLOWED.

DRIVE SLOWLY once you get off SR 1.

This event has a big impact on this rural neighborhood which extends for several miles. PLEASE be cautious and courteous, especially when driving through Plantation Camp on Kruse Ranch Road. Keep road dust to a minimum, and watch out for animals and people.

CHILDREN MUST BE SUPERVISED AT ALL TIMES.

HIGH GRASS FIRE DANGER. Be cautious.

BRING SAFETY GLASSES AND HAND TOOLS.

This is a co-op event - everyone works to make it happen, so plan to participate.

LODGING - Camping on site (tents or small RVs)

Hot showers are available.

Prepare for all weather: hot, cold, fog, rain, sun.

If sites are full or you prefer a motel:

Motels

Fort Ross Lodge	707/847-3333
Salt Point Lodge	707/847-3234

Campgrounds

Salt Point State Park	707/847-3221
Fort Ross State Park	707/847-3708
Ocean Cove Camp (private)	707/847-3422

[next page is map and directions, same as previous]

VP Report

Job Descriptions: We are moving people around to fill the voids. If things don't work we will change it. Lets give these changes a chance. The way I look at it is the only constant thing is change.

1) Who are the committee chairs and committee members:

A) Grants and Scholarships: Dan Dole and Kirk Mc Neill

B) ABANA and Western States Rep: Herb Upham

C) Education: Josh Buhlert Chair- Alex and Dennis committee members

D) Finance: Alan Drew Chair - ??? Bob Jenson committee members

E) Membership: Lance Jensen Chair - John Mc Lellan committee member

F) Publications: Eden Sanders Chair - Mike and Stu committee members

G) Safety: Georg O' Gorman Chair

H) Promotions: Looking for the right person

I) Board Conference Chair: Mario Baggiolini Chair- Georg O'Gorman and George Dunajski committee members

J) Elections Committee: Looking for the right person. Need someone soon.

A promotion is a big responsibility. I have not found the person to do this job. This position will take a lot of stress off of the Education and will also work closely with Membership, Publication and the membership at large.

If I cannot find someone to fill these two spots I will put an ad on the web site and take interviews.

Dennis wants a report from publications on goals for the committee, as well as how well they are being implemented and are there any road blocks that can be seen. Due in three weeks.

Conference Guideline Review committee: As of now we are waiting on two more members to add their ideas and then the committee put it in to an internal review and then submits the new guideline to the board. We need to look at this every year and make sure that the guidelines are current.

Western States 2011 Blacksmith War team: Dennis would like to propose that if any prize winning or auction money made from the CBA Blacksmith war team that the money be kept by the winning team to help pay fuel and expenses. Even if we win first place, the money would only cover expenses. Labor of Love.

Spring Conference 2013 Placerville. In Aug or Sept. Josh and Dennis would like to put down payment on the site.

Spring Conference 2014 Paso Robles . Randy Augsburger : Dennis wants to ask the Board if they will hold 2014 Paso Robles spot until Randy can make a presentation to the Board for approval.

Western States 2013. Herb / Dennis California maybe: If the NWBA does not want to host the next Western States conference we have an opportunity to do so. Some idea that we have been discussing are we would combine Western States conference with our CBA spring conference. If we brought in 100 extra people for other association and a registration price was \$100 that right there would give us an extra \$10,000 to work with. 200 people that \$20,000 to work with. But we all know the work load will increase and there will be more cost involved. Also this is a chance to show ABANA and the international blacksmiths community that California is a strong supporter of the arts. I would like to hold off until after

the conference and really see how the Northwest hosted this national conference before making the decision to go forward. So if you go, please take some notes or pictures and bring those thoughts back with you and put them on the table.

Good and Bad. Thanks!

CBA Membership Committee Report

7/20/2011

Committee members: Lance Jensen, Eden Sanders

Membership continues to increase and the current membership is at 677.

The flow of information between treasurer, secretary and committee is very good.

At the last Board Meeting the committee was going to look into different membership options.

MEMBERSHIP ISSUES:

1. The website and applications need to be clear that the membership is from the point of joining to the following March 31st. Some new members think the membership is for a calendar year not the remaining fiscal year. It also needs to be clear that the membership is not prorated. We do consider any member joining on or after January 1st as being a member for the remainder of the fiscal year and the following fiscal year.
2. As noted in issue one, questions as to why we do not prorate memberships have been raised. The Board needs to decide if this issue needs to be vetted with recommendations back to the board or if we stay with the current practice.
3. Student membership was considered by the committee but this type of membership seems to pose more problems than perceived benefit. How we would qualify a person as a student proved to be a task that would require a significant amount of effort.

Rosters continue to be sent to education and the webmaster to update the website documents.. Please let me know if there are any questions from members concerning their membership.

Lance Jensen

Membership committee Chairperson

From Stu:

The biggest exposure to non-compliance is in the storage of the paper membership application forms that

Approved Sept 1, 2011 Herb Upham Secretary

have credit card information filled out. Requirement 9 of the PCI Data Security Standard describes how cardholder data must be secured, and regarding paper records it requires that physical access to these records be controlled and that the records are destroyed once they are of no business value. Based on the language in the requirement it is doubtful that having these records in a locked house or storage locker represents compliance.

I can't seem to attach the pdf from within my company's network, I'll have to send it from home.

Given that we have a PayPal system in place that is compliant (and if it's not, it's PayPal's problem, not ours) it seems having the option to pay by credit card on a membership form offers minimal benefit for the exposure it brings.

Stu

Joe Koaches Sculpture message:

Hi to the members of the board,

The discussion around Claudio Bottero's sculpture and what to do with it was talked about at the workshop. It was tentatively agreed upon to bring the sculpture to the Gallery in Ferndale to display and generate interest in selling the piece at the Petaluma Conference in 2012. This brings up the age old problem in trying to get an appropriate price for works of art. In discussing this with leaders in Ferndale, it was suggested that we place the sculpture in the lawn at city hall for a period of 6 months or April 1, 2012 as an alternative to putting it in the Gallery. The advantages of this is the education of the general public and that it generates publicity for the CBA. We've had inquiries from the local paper and Humboldt County papers to do an article on the piece whether it goes in the city square or in the Gallery. The chamber of commerce and the Ferndale city council are very enthusiastic about having the piece in Ferndale. My personal opinion is the more advertisement we can generate around the piece, the better chances we have of selling the piece at auction for a decent price. The city council of Ferndale has always worked with the California Blacksmith Association for any event that has happened in our city. I think you will find there are willing partners in this venture if we choose to display the piece outdoors. Attached are two pictures of the site outdoors. Over and out. Joe

--

The Blacksmith Shop
(707)786-4216
www.ferndaleblacksmith.com

Photos of location available at meeting ... secretary

California Blacksmith Association
Budget and Variance Analysis Recommendations

Presented by Alan Drew & Lisa Guthrie – Finance Committee

After the confusion surrounding the Treasurer's Report at the Spring Meeting, We went to work on creating a template for a Budget Variance Analysis that has been successfully used in many board meetings. For this template to be effective, there needs to be one change to the way things have been done in the past, which is to create a line item budget.

Issues with the Spring Report:

1. The reports were printed out and presented as follows:
 - a. Balance Sheet dated April 22, 2011
 - b. Profit and Loss dated April 1, 2011
 - c. This created a situation where the numbers did not tie.

The reports should have been printed as follows to reflect the end of the fiscal year.

- d. Balance Sheet as of March 31, 2011
 - e. Profit and Loss through the period of April 1, 2010 through March 31, 2011.
 - f. The reason for the different periods being used is that the board wanted to see how much dues has been collected to date as of the date of the meeting.
 - i. Any dues collected in the current year for the next fiscal year should be posted as a liability of Pre-Paid Dues, on April 1st this is then taken out of the liability and put into the dues account via a journal entry. The amount of dues paid in advance would be evident to the Board on the Balance Sheet dated 3/31 and the budget to actual dues would be consistent year to year.
2. Suggestions for future reporting:
 - a. Create a line item budget, which can then be looked at on a regular basis with ease, budget vs. actual.
 - b. Once the line item budget is created, load it into the spreadsheet and then actuals can be put in for each meeting to see where CBA stands for the period compared to annual budget at each meeting.
 - i. One reason that a line item budget was not used is due to the difficulty in obtaining event budgets. The Treasurer could create a basic budget for each event that would be used in the case that the event coordinators didn't submit a proper budget. This would also create a goal for each event as a guideline for the event coordinators. One could start by looking the previous year's event's line item expenses as a percentage of income to establish the current line item budget and then this year's experience will help direct future event budgets.
 - c. Explanations for the variances are recorded in the far right column for each line item. For annual reporting the board can determine the threshold that demands explanation such as +/-200.00.
 3. Benefits
 - a. Having reporting in a standard format requires fewer detailed explanations during the meeting as the variances are self evident and this leaves more time for substantive discussion of issues that are budget related.
 - b. If a standard format for reporting is developed, it will be consistent not matter who is acting as Treasurer.

California Blacksmiths Association		Prior Year	Prior Year	Current Year	Current Year	Current Year	ACTUAL	
2011-2012 Operating Budget		2009-2010	2010-2011	2011-2012	2011-2012	2011-2012	as %	
Fiscal Yr: April 1st - March 31st		Actual	Actual	Budget	Actual	Variance	Budget	Current Year Variance Analysis +/- 200.00
# of Active Memberships (ending)				872	867	(205)	% of YR	
INCOME								
4000	Member Dues	34,315	42,735	48,000	0	(48,000)	0.00%	
4100	Conference Income							
4101	Registration	38,853	28,817	0	0	0		
4102	Meals	300	0	0	0	0		
4103	Iron in the Hat	2,317	1,480	0	0	0		
4104	Auction	15,520	9,749	0	0	0		
4105	Refund	(149)	0	0	0	0		
4106	Merchandise	3,267	3,158	0	0	0		
4107	Advertising	225	0	0	0	0		
4110	Misc. Conference Income	2,605	984	0	0	0		
4100	Total Conference Income	62,738	44,168	40,000	0	(40,000)	0.00%	
4200	Event Income							
4201	Registration	13,504	14,914	0	0	0		
4204	Iron Hat	1,074	1,280	0	0	0		
4205	Misc. Event Income	720	920	0	0	0		
4207	Auction	2,561	1,890	0	0	0		
4200	Total Event Income	17,869	18,994	7,000	0	(7,000)	0.00%	
4300	Misc. Income							
4301	Contributions/Gifts	68	340	500	0	(500)	0.00%	
4302	Grants	0	2,000	0	0	0		
4303	Library Fees	35	25	0	0	0		
4305	Merchandise Sales	4	60	300	0	(300)	0.00%	
4300	Total Misc. Income	107	2,700	800	0	(800)	0.00%	
4299	Bank Interest	605	225	500	0	(500)	0.00%	
	TOTAL INCOME	115,562	108,871	96,300	0	(96,300)	0.00%	
EXPENSE								
6200	Special Projects							
6201	Magazine Archive	1,625	0	1,000	0	(1,000)	0.00%	
6200	Total Special Projects	1,625	0	1,000	0	(1,000)	0.00%	
5000	Magazine Expense							
5003	Postage	3,163	2,861	0	0	0		
5004	Printing	26,303	24,571	0	0	0		
5005	Magazine Editor	42	0	0	0	0		
5000	Total Magazine Expense	30,796	27,332	30,000	0	(30,000)	0.00%	
5090	Website Expense	0	498	600	0	(600)	0.00%	
5100	Conference Expense							
5101	Site/Set-up	4,930	4,654	0	0	0		
5102	Demos	5,799	8,217	0	0	0		
5103	Lodging	2,572	5,397	0	0	0		
5104	Sales Expense	2,493	2,433	0	0	0		
5106	Food	10,120	6,170	0	0	0		
5107	Supplies	2,280	1,753	0	0	0		
5108	Misc Conference Expense	5,746	1,637	0	0	0		
5100	Total Conference Expense	33,940	30,161	30,000	0	(20,000)	0.00%	
5200	Event Expense							
5201	Site/Set-up	3,058	2,653	0	0	0		
5202	Demos	2,650	2,100	0	0	0		
5206	Food	8,616	7,261	0	0	0		
5207	Supplies	3,645	2,884	0	0	0		
5200	Total Event Expense	17,969	14,898	0	0	0	0.00%	
5300	Education & Training							
5306	Educ. Demonstrator	500	1,484	0	0	0		
5305	Misc. Educ. Expense	1,757	1,963	0	0	0		
5303	Instructor Training	521	1,930	0	0	0		
5304	Workshop Materials	1,700	2,475	0	0	0		
5300	Total Edu. & Training Expense	4,478	7,852	7,500	0	(7,500)	0.00%	
5400	Scholarships Expense							
5430	Other Schools	290	0	0	0	0		
5400	Total Other Scholarships	2,000	1,750	0	0	0	0.00%	
5400	Total Scholarships	2,290	1,750	3,000	0	(3,000)	0.00%	
5500	Library	0	376	500	0	(500)	0.00%	
5800	Safety Edu. & Training	0	61	0	0	0		
6000	Administration							
6070	Processing Fees	0	13	0	0	0		
6015	Secretary's Expense	1,438	221	0	0	0		
6013	Registration	918	656	0	0	0		
6030	Bookkeeping Expense	0	5	0	0	0		
6011	Tax Preparation	400	500	0	0	0		
6012	Board Meetings/Travel	4,885	1,721	0	0	0		
6014	Office Expense	500	233	0	0	0		
6016	Postage	1,061	145	0	0	0		
6018	Officer Stipend	14,400	14,400	0	0	0		
6020	Taxes & Fees	110	60	0	0	0		
6025	Returned Checks	80	0	0	0	0		
6030	Bank Charges	532	404	0	0	0		
6040	Credit Card Discount Fees	2,739	2,221	0	0	0		
6050	Lease, CC Machine	842	813	0	0	0		
6060	Membership	1,920	1,618	0	0	0		
6065	Contributions/Donations	600	500	0	0	0		
6000	Total Administration	30,436	23,512	25,500	0	(25,500)	0.00%	
6100	Insurance							
6110	Accident Insurance	1,202	1,202	0	0	0		
6112	D&O Insurance	1,250	1,250	0	0	0		
6114	General Liability Insurance	3,045	3,045	0	0	0	0.00%	
6100	Total Insurance Expense	5,497	5,497	5,800	0	(5,800)	0.00%	
	TOTAL EXPENSE	126,410	111,836	93,900	0	(93,900)	0.00%	
	NET INCOME	(10,848)	(2,965)	2,400	0	(2,400)	0.00%	
RESERVES								