Policy Council of the System Dynamics Society
Eliot Rich, VP Finance
VP Finance Budget Proposal
25 November 2020

### **Budget Proposal for 2021**

Attached is a proposed SDS budget 2021 and a comparison to 2020. It supports the virtualization of our accounting and financial operations, executes a hybrid conference in Chicago, and funds specific programs through PC designations.

Net Ordinary Income for operations during the 2021 year is projected at -\$77,852, as compared to our current projected 2020 gain of about \$3,077. This budget reflects our changes to a virtual operations model which reduces our overhead expenses significantly. We also use conservative estimates for revenue as well as a cushion for possible negative outcomes from the move from our contracted in-person conference to a hybrid meeting.

Conference revenue is anticipated to be slightly higher in 2021, and may include some in person activities, thought all of this remains quite uncertain. Conference expenses, on the other hand, are assumed to be significantly higher as there remains uncertainty in the contract we have signed with the hotel and we want to budget sufficient funds to meet any contractual requirements that may be demanded of us. The other changes in expenditure are spread out somewhat, but this budget anticipates a higher overall level of activity in support of Society activities than we had in 2020.

The Finance Committee recommends adoption of the budget presented in Attachment 1.

MOTION: The Policy Council adopts the budget proposed by the Finance Committee for 2021.

## **Designated Uses of Society Assets**

Attachment 2 presents our net assets over time. These are the funds available to support SDS activities over the year. In 2019 our reserves were \$935,000 (\$700,523 unrestricted/ \$234,477 restricted). Our operating state was balanced through changes in conference format and economies in operations., as well as positive capital gains.

Given our current best estimate of our 2020 position, our net asset position will be like that of the previous year. Without including unrealized capital gains, we project that we will have **\$932,577** (\$699,964 unrestricted / \$232,613 restricted) in net assets at the end of the year. Our accountant advises us that it is unsound to anticipate investment gains in budget planning because of the uncertainty of returns and market losses, and we have not done so.

If the 2021 budget is adopted, we will draw down our unrestricted reserves by about 10%. At the start of FY 2021, we will have approximately **\$622,112** in unrestricted reserves remaining to back the Forrester Award, the STFF fund, and underwrite any new program initiatives, assuming no net investment income. Success in membership growth and building our endowment will help us recover this planned loss. Reserves are also subject to capital gains and losses over the future. We recommend that our portfolio be subject to closer review over the next year.

The Finance Committee recommends that the PC approve designations of unrestricted assets as listed in Attachment 3.

MOTION: The Policy Council designates the unrestricted assets of the Society for FY 2021 as proposed by the Finance Committee.

Restricted reserves can only be used for their designated purposes and have grown faster than their use over the last few years. Again, much of the growth is based on unrealized capital gains, but there is little risk of drawing down the reserved amount soon.

## Recommended PC actions to move to a balanced budget in 2022

A combination of good planning, operational changes, good fortune, and a horrible pandemic contributed to our ability to operate at break-even this year. We have implemented a new membership model, created new and exciting offerings to attract members, and increased our membership levels.

Our ability to stay at a balanced state will require continued attention to membership retention, conference costs, and creating a greater endowment to cushion us against possible market losses.

### Attachments:

- (1) 2020 Adopted and 2021 Proposed Budget
- (2) Net Assets (Anticipated Reserve balances) over time
- (3) Proposed allocations of reserves for 2021

### VP Finance 2020 Budget Proposal

### Attachment 1 System Dynamics Society 2021 Proposed Budget vs. 2020 Proposed Budget and estimated EOY

# SDS Budget

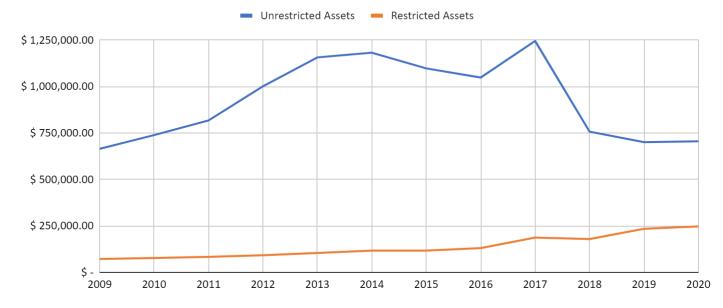
11/25/2020     2021 Budget     2021 Estimate     2020 Budget     2020 Budget     2020 Budget       Ordinary Income/Expense Income     4100 - Annual Conference     \$217,673     \$196,807     \$294,843     \$294,843       4100 - Annual Conference     \$373,000     \$80,065     \$83,000     \$250,000     \$250,000       4200 - Journal Income     \$373,000     \$80,065     \$83,000     \$58,000       4300 - Other Income     \$25,000     \$13,181     \$40,500     \$40,500       4600 - Fundraising and Donations     \$40,000     \$13,318     \$40,500     \$45,000       4600 - Fundraising and Donations     \$10,000     \$5,500     \$50,000     \$15,000       5000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000 - Awards     \$10,500     \$10,500     \$10,500     \$10,500       5000 - Awards     \$50,000     \$14,890     \$17,500     \$10,500       5100 - Field Dev				Device d C/DA	A de ete el 42/40
Budget     Estimate     Budget     Budget       Ordinary Income/Expense Income     4100 - Annual Conference     \$217,673     \$196,807     \$294,843     \$294,843       4100 - Annual Conference     \$37,500     \$35,985     \$226,000     \$20,000       4000 - Journal Income     \$37,500     \$35,985     \$226,000     \$20,000       4000 - Membership Dues     \$88,125     \$80,322     \$69,600     \$60,600       4000 - Product Revenue     \$25,000     \$13,318     \$40,500     \$15,000       4600 - Fundtraising and Donations     \$40,000     \$36,000     \$15,000     \$61,2943       NEW - Dana Meadows Awards Transfer     \$9,250     \$55,500     \$512,943     \$512,943       Stoon - Awards     \$19,450     \$6,000     \$10,500     \$10,500       \$100 - Contriautity of Employment     \$0     \$0     \$10,000     \$13,318       \$200 - Continuity of Employment     \$0     \$0     \$0     \$0     \$10,000       \$200 - Continuity of Employment     \$0     \$0     \$0     \$13,516     \$142,096     \$12,000     \$135,500     \$135,500	11/25/2020	0004		Revised 5/20	Adopted 12/19
Ordinary Income/Expense Income     Vision     Vision<					
Income     \$217,673     \$196,807     \$294,843     \$294,843       4100     Annual Conference     \$37,500     \$35,985     \$22,000     \$22,000       4200     Journal Income     \$37,500     \$35,985     \$22,000     \$26,000       4200     Journal Income     \$30,000     \$80,065     \$63,000     \$60,600       4300     Other Income     \$0     \$1,181     \$0     \$0       4400     Product Revenue     \$25,000     \$13,318     \$40,000     \$36,000     \$15,000       4500     Fundraising and Donations     \$10,000     \$7,132     \$5,000     \$512,943       NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500     \$10,500     \$10,500       5000     Awards     \$19,450     \$6,000     \$10,500     \$10,500       5050     Bank & CC Fees     \$19,450     \$6,000     \$10,500     \$10,500       5150     Contracted Expenses at Ualbany     \$0     \$0     \$0     \$0     \$0     \$0       5150     Contracted Expenses CHMS     \$5,000     \$14,8,901	Ordinary Income/Expanse				
4100 - Annual Conference     \$217,673     \$196,807     \$224,843     \$224,003       4100 - Journal Income     \$37,500     \$35,985     \$22,000     \$22,000       4000 - Membership Dues     \$88,125     \$80,322     \$69,600     \$63,000       4000 - Product Revenue     \$25,000     \$11,811     \$50     \$50       4400 - Product Revenue     \$25,000     \$13,318     \$40,500     \$41,500     \$41,000     \$36,600     \$15,000     \$450,000     \$460,000     \$46,000     \$36,600     \$51,500     \$41,500     \$41,000     \$57,500     \$51,2,943     \$512,943 </td <td></td> <td></td> <td></td> <td></td> <td></td>					
4150 · Summer School Income     \$37,500     \$35,985     \$25,000     \$25,000       4200 · Journal Income     \$73,000     \$80,065     \$63,000       4000 · Membership Dues     \$88,125     \$80,322     \$69,600     \$69,600       4000 · Membership Dues     \$88,125     \$80,322     \$69,600     \$60,500       4400 · Product Revenue     \$25,000     \$13,318     \$40,500     \$40,500       4600 · Fundraising and Donations     \$40,000     \$36,000     \$15,000     \$15,000       Atom     Fundraising and Donations     \$40,000     \$35,000     \$50,000       Total Income     \$491,298     \$450,809     \$512,943     \$512,943       NEW · Dana Meadows Awards Transfer     \$9,250     \$5,500     \$5000     \$10,500     \$10,500       5000 · Awards     \$19,450     \$6,000     \$10,500     \$10,500     \$10,000     \$12,399     \$12,399       5100 · Field Dev     \$10,000     \$5,883     \$13,794     \$10,000     \$10,500     \$10,500       5200 · Contracted Expenses at Ualbany     \$0     \$0     \$0     \$0     \$0		\$217 673	\$196 807	\$294 843	\$294 843
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4000 · Membership Dues     \$88,125     \$80,322     \$69,600     \$69,600       4300 · Other Income     \$0     \$11,81     \$0     \$50       4400 · Product Revenue     \$25,000     \$13,318     \$40,500     \$40,600       4600 · Product Revenue     \$25,000     \$13,318     \$40,500     \$40,600       4600 · Fundraising and Donations     \$40,000     \$36,000     \$51,500     \$51,000       Total Income     \$491,288     \$456,809     \$512,943     \$512,943       NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500     \$10,500     \$10,500       5000 · Awards     \$19,450     \$6,000     \$10,500     \$10,600       5050 · Bank & CC Fees     \$16,500     \$15,511     \$12,309     \$12,309       5100 · Field Dev     \$10,000     \$5,983     \$13,794     \$10,000       5100 · Contracted Expenses at Ualbany     \$0     \$149,900     \$170,200     \$175,000       5270 · Salary Expense     \$207,334     \$135,104     \$135,500     \$132,600       5360 · Journal Expense     \$3,000     \$148,900     \$4,000     \$24,800					
4300 · Other Income     \$0     \$1,181     \$0     \$0       4400 · Product Revenue     \$25,000     \$13,318     \$40,600     \$40,600     \$40,600     \$40,600     \$40,600     \$40,600     \$40,600     \$40,600     \$40,600     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$50,000     \$512,943 <t< td=""><td></td><td></td><td></td><td></td><td></td></t<>					
4400 · Product Revenue     \$25,000     \$13,318     \$40,600     \$40,500       4500 · Sponsor Dues and Donations     \$40,000     \$36,000     \$15,000     \$15,000       4600 · Fundraising and Donations     \$10,000     \$7,132     \$5,000     \$5000       Total Income     \$491,298     \$460,809     \$512,943     \$512,943     \$512,943       NEW · Dana Meadows Awards Transfer     \$9,250     \$5500     \$500     \$500     \$10,500     \$10,500       Gross Profit     \$500 · Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000 · Continuity of Employment     \$0     \$0     \$0     \$0       5200 · Continuity of Employment     \$0     \$13,616     \$486     \$22,000     \$142,096     \$142,096       5380 · Annual Conference Expenses     \$93,000     \$19,560     \$142,096     \$142,096 <td< td=""><td>•</td><td></td><td></td><td></td><td></td></td<>	•				
4500     Sponsor Dues and Donations     \$40,000     \$35,000     \$15,000     \$15,000     \$15,000       4600     Fundraising and Donations     \$10,000     \$7,132     \$56,000     \$55,000       Total Income     \$491,298     \$450,809     \$512,943     \$512,943     \$512,943       NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500     \$500,548     \$466,309     \$512,943     \$512,943       Expense     \$000     Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000     Awards     \$19,450     \$6,000     \$10,500     \$10,500       5000     Awards     \$19,450     \$6,000     \$10,500     \$10,500       5100     Expense     \$10,000     \$5,983     \$13,794     \$10,000       5100     Contracted Expenses at Ualbary     \$0     \$0     \$0     \$0       5200     Contracted Expenses     \$50,000     \$148,900     \$170,200     \$175,000       5270     Salary Expense     \$20,000     \$142,096     \$142,096     \$142,096     \$142,096     \$142,096					
4600 - Fundraising and Donations     \$10,000     \$7,132     \$5,000     \$5,000       Total Income     \$491,298     \$450,809     \$512,943     \$512,943       NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500     \$500,048     \$456,309     \$512,943     \$512,943       Expense     \$500 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5050 - Awards     \$19,450     \$6,500     \$10,500     \$10,500     \$10,500       5050 - Contracted Expenses at Ualbany     \$0     \$8,817     \$8,817     \$8,817     \$0       5200 - Contracted Expenses CHMS     \$50,000     \$148,900     \$170,200     \$175,000       5270 - Salary Expense     \$207,334     \$135,104     \$135,500     \$142,096     \$142,096       5380 - Summer School Expenses     \$30,000     \$4,000     \$4,000     \$4,000     \$4,000       5600 - Journal Expense     \$23,000     \$24,800     \$22,000     \$25,000     \$25,000       5600 - Marketing     \$40,000     \$24,000     \$24,000     \$12,900     \$12,900       5600 - Miscellaneous Expense					
Total Income     \$491,298     \$450,809     \$512,943     \$512,943       NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500     \$500,548     \$456,309     \$512,943     \$512,943       Expense     \$000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5050 - Bank & CC Fees     \$16,500     \$15,511     \$12,309     \$12,309       5100 - Field Dev     \$10,000     \$5,983     \$13,794     \$10,000       5200 - Continuity of Employment     \$0     \$0     \$0     \$0       5200 - Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       5250 - Contracted Expenses     \$93,000     \$148,900     \$170,200     \$142,996					
NEW - Dana Meadows Awards Transfer     \$9,250     \$5,500       Gross Profit     \$500,548     \$456,309     \$512,943     \$512,943       Expense     \$000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       5050 - Bank & CC Fees     \$16,600     \$15,511     \$12,309     \$12,309       5100 - Field Dev     \$10,000     \$5,983     \$13,794     \$10,000       5150 - Contracted Expenses at Ualbany     \$0     \$0     \$0     \$0       5200 - Continuity of Employment     \$0     \$0     \$0     \$0     \$0       5250 - Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       5270 - Salary Expense     \$207,334     \$135,104     \$135,500     \$132,500       5360 - Summer School Expense     \$13,616     \$486     \$22,000     \$22,600     \$22,600     \$22,600     \$22,600     \$22,600     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000     \$22,000	-				
Gross Profit     \$500,548     \$456,309     \$512,943     \$512,943       Expense     \$000 - Awards     \$19,450     \$6,000     \$10,500     \$10,500       \$050 - Bank & CC Fees     \$16,500     \$15,511     \$12,309     \$12,309       \$100 - Field Dev     \$10,000     \$5,983     \$13,794     \$10,000       \$510 - Contracted Expenses at Ualbany     \$0     \$8,817     \$8,817     \$0       \$200 - Continuity of Employment     \$0     \$0     \$0     \$0     \$0       \$250 - Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       \$250 - Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       \$250 - Contracted Expenses     \$93,000     \$13,550     \$142,096     \$142,096       \$360 - Annual Conference Expenses     \$93,000     \$4,000     \$4,000     \$4,000       \$400 - Insurance     \$3,000     \$4,000     \$4,000     \$4,000     \$24,800     \$12,900       \$650 - Marketing     \$40,000     \$24,800     \$20,000     \$2,000     \$2,000     \$2,000 <t< td=""><td>•</td><td></td><td></td><td> ·<b>-</b>,- ·•</td><td>+<b>;- ·-</b></td></t<>	•			· <b>-</b> ,- ·•	+ <b>;- ·-</b>
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5100 - Field Dev     \$10,000     \$5,983     \$13,794     \$10,000       5150 - Contracted Expenses at Ualbany     \$0     \$8,817     \$8,817     \$0       5200 - Continuity of Employment     \$0     \$0     \$0     \$0     \$0       5250 - Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       5270 - Salary Expense     \$207,334     \$135,104     \$135,500     \$136,500       5360 - Annual Conference Expenses     \$93,000     \$19,550     \$142,096     \$142,096       5360 - Summer School Expense     \$13,616     \$446     \$25,000     \$25,000       5400 - Insurance     \$3,000     \$4,000     \$4,000     \$4,000       550 - Marketing     \$40,000     \$24,800     \$24,800     \$24,000       560 - Office Expense     \$12,000     \$10,338     \$12,900     \$12,900       560 - Product Dev.     \$25,000     \$24,800     \$24,000     \$24,000       580 - Professional Fees     \$12,000     \$10,338     \$12,900     \$12,900       590 - Depreciation Expense     \$0     \$0     \$0 <t< td=""><td>5000 · Awards</td><td>\$19,450</td><td>\$6,000</td><td>\$10,500</td><td>\$10,500</td></t<>	5000 · Awards	\$19,450	\$6,000	\$10,500	\$10,500
5150 · Contracted Expenses at Ualbany     \$0     \$8,817     \$8,817     \$8,817     \$0       5200 · Continuity of Employment     \$0     \$0     \$0     \$0     \$0       5250 · Contracted Expenses CHMS     \$5,000     \$148,900     \$170,200     \$175,000       5270 · Salary Expense     \$207,334     \$135,104     \$135,500     \$135,500       5350 · Annual Conference Expenses     \$93,000     \$19,550     \$142,096     \$142,096       5360 · Summer School Expense     \$13,616     \$486     \$25,000     \$4,000       5400 · Insurance     \$3,000     \$4,000     \$4,000     \$4,000       5500 · Journal Expense     \$23,000     \$24,800     \$32,600     \$32,600       5650 · Marketing     \$40,000     \$24,800     \$24,800     \$12,000       5650 · Office Expense     \$12,000     \$10,338     \$12,900     \$12,900       5700 · Officer Expenses     \$40,000     \$24,800     \$12,900     \$12,900       5700 · Officer Expenses     \$14,000     \$40,000     \$44,000     \$44,000     \$44,000     \$44,000     \$40,000     \$54,000 </td <td>5050 · Bank &amp; CC Fees</td> <td>\$16,500</td> <td>\$15,511</td> <td>\$12,309</td> <td>\$12,309</td>	5050 · Bank & CC Fees	\$16,500	\$15,511	\$12,309	\$12,309
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5250 · Contracted Expenses CHMS   \$5,000   \$148,900   \$170,200   \$175,000     5270 · Salary Expense   \$207,334   \$135,104   \$135,500   \$135,500     5350 · Annual Conference Expenses   \$93,000   \$19,550   \$142,096   \$142,096     5360 · Summer School Expense   \$13,616   \$486   \$25,000   \$4000     5400 · Insurance   \$3,000   \$4,000   \$4,000   \$4,000     5500 · Journal Expense   \$23,000   \$23,000   \$32,600   \$32,600     5550 · Marketing   \$40,000   \$24,800   \$24,800   \$10,000     5600 · Miscellaneous Expense   \$22,000   \$0   \$2,000   \$2,000     5650 · Office Expense   \$12,000   \$10,338   \$12,900   \$2,000     5650 · Office Expense   \$40,000   \$2,988   \$10,000   \$2,000     5650 · Office Expenses   \$40,000   \$2,988   \$10,000   \$40,000     5800 · Product Dev.   \$25,000   \$13,000   \$54,000   \$40,844   \$41,500     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0   \$0     5078,400   \$459,321	5150 · Contracted Expenses at Ualbany	\$0	\$8,817	\$8,817	\$0
5270 · Salary Expense     \$207,334     \$135,104     \$135,500     \$135,500       5350 · Annual Conference Expenses     \$93,000     \$19,550     \$142,096     \$142,096       5360 · Summer School Expense     \$13,616     \$486     \$25,000     \$25,000       5400 · Insurance     \$3,000     \$4,000     \$4,000     \$4,000       5500 · Journal Expense     \$23,000     \$22,000     \$32,600     \$32,600       5550 · Marketing     \$40,000     \$24,800     \$24,800     \$10,000       5600 · Miscellaneous Expense     \$2,000     \$0     \$2,000     \$2,000       5650 · Office Expense     \$12,000     \$10,338     \$12,900     \$12,900       5700 · Officer Expenses     \$4,000     \$2,988     \$10,000     \$40,000       5800 · Product Dev.     \$25,000     \$13,000     \$54,000     \$54,000       5850 · Professional Fees     \$0     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0 <tr< td=""><td>5200 · Continuity of Employment</td><td>\$0</td><td>\$0</td><td>\$0</td><td>\$0</td></tr<>	5200 · Continuity of Employment	\$0	\$0	\$0	\$0
5350 · Annual Conference Expenses     \$93,000     \$19,550     \$142,096     \$142,096       5360 · Summer School Expense     \$13,616     \$486     \$25,000     \$25,000       5400 · Insurance     \$3,000     \$4,000     \$4,000     \$4,000       5500 · Journal Expense     \$23,000     \$23,000     \$32,600     \$32,600       5550 · Marketing     \$40,000     \$24,800     \$24,800     \$10,000       5600 · Miscellaneous Expense     \$2,000     \$0     \$2,000     \$2,000       5650 · Office Expense     \$12,000     \$10,338     \$12,900     \$12,900       5700 · Officer Expenses     \$4,000     \$2,988     \$10,000     \$10,000       5800 · Product Dev.     \$25,000     \$13,000     \$54,000     \$24,800     \$41,500       5850 · Professional Fees     \$104,500     \$40,844     \$41,500     \$41,500       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0 <td>5250 · Contracted Expenses CHMS</td> <td>\$5,000</td> <td>\$148,900</td> <td>\$170,200</td> <td>\$175,000</td>	5250 · Contracted Expenses CHMS	\$5,000	\$148,900	\$170,200	\$175,000
5360 · Summer School Expense     \$13,616     \$486     \$25,000     \$25,000       5400 · Insurance     \$3,000     \$4,000     \$4,000     \$4,000     \$4,000       5500 · Journal Expense     \$23,000     \$23,000     \$32,600     \$32,600     \$32,600       5550 · Marketing     \$40,000     \$24,800     \$24,800     \$10,000     \$600 · \$10,000     \$560 · \$10,000     \$560 · \$10,000     \$560 · \$2,000     \$10,000     \$560 · \$2,000     \$10,000     \$560 · \$2,000     \$10,000     \$560 · \$2,000     \$10,000     \$560 · \$2,000     \$10,000     \$10,000     \$560 · \$2,000     \$10,000     \$10,000     \$560 · \$2,000     \$10,000     \$10,000     \$10,000     \$560 · \$10,000     \$10,000     \$10,000     \$560 · \$10,000     \$10,000     \$54,000     \$54,000     \$54,000     \$54,000     \$54,000     \$54,000     \$54,000     \$54,000     \$590 · \$20 · \$0     \$0	5270 · Salary Expense	\$207,334	\$135,104	\$135,500	\$135,500
5400 · Insurance     \$3,000     \$4,000     \$4,000       5500 · Journal Expense     \$23,000     \$23,000     \$32,600       5550 · Marketing     \$40,000     \$24,800     \$10,000       5600 · Miscellaneous Expense     \$2,000     \$0     \$2,000       5650 · Office Expense     \$12,000     \$10,338     \$12,900       5700 · Officer Expenses     \$4,000     \$2,988     \$10,000       5800 · Product Dev.     \$25,000     \$13,000     \$54,000       5800 · Product Dev.     \$25,000     \$13,000     \$54,000       5800 · Product Dev.     \$25,000     \$13,000     \$54,000       5850 · Professional Fees     \$104,500     \$40,844     \$41,500       5900 · Depreciation Expense     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0       Total Expenses     \$578,400     \$459,321     \$700,015     \$677,405       Net Ordinary Income     -\$77,852     -\$3,011     -\$187,072     -\$164,462	5350 · Annual Conference Expenses		\$19,550	\$142,096	\$142,096
5500 · Journal Expense   \$23,000   \$32,600   \$32,600     5550 · Marketing   \$40,000   \$24,800   \$24,800   \$10,000     5600 · Miscellaneous Expense   \$2,000   \$0   \$2,000   \$2,000     5650 · Office Expense   \$12,000   \$10,338   \$12,900   \$12,900     5650 · Office Expense   \$12,000   \$10,338   \$12,900   \$12,900     5700 · Officer Expenses   \$44,000   \$2,988   \$10,000   \$10,000     5800 · Product Dev.   \$25,000   \$13,000   \$54,000   \$24,800   \$41,500     5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     50 · So   \$0   \$0   \$0   \$0   \$0     Solo · Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5360 · Summer School Expense	\$13,616`	\$486	\$25,000	\$25,000
5550 · Marketing   \$40,000   \$24,800   \$24,800   \$10,000     5600 · Miscellaneous Expense   \$2,000   \$0   \$2,000   \$2,000     5650 · Office Expense   \$12,000   \$10,338   \$12,900   \$12,900     5700 · Officer Expenses   \$4,000   \$2,988   \$10,000   \$10,000     5800 · Product Dev.   \$25,000   \$13,000   \$54,000   \$54,000     5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     500 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Soft Add   \$459,321   \$700,015   \$677,405   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5400 · Insurance				
5600 · Miscellaneous Expense     \$2,000     \$0     \$2,000     \$2,000       5650 · Office Expense     \$12,000     \$10,338     \$12,900     \$12,900       5700 · Officer Expenses     \$4,000     \$2,988     \$10,000     \$10,000       5800 - Product Dev.     \$25,000     \$13,000     \$54,000     \$54,000       5850 · Professional Fees     \$104,500     \$40,844     \$41,500     \$41,500       5900 · Depreciation Expense     \$0     \$0     \$0     \$0       5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0       Total Expenses     \$578,400     \$4459,321     \$700,015     \$677,405       Net Ordinary Income     -\$77,852     -\$3,011     -\$187,072     -\$164,462       Other Income/Expense     \$2,738     \$6,088     \$135,306     \$135,306	5500 · Journal Expense	\$23,000	\$23,000	· · · · •	\$32,600
5650 · Office Expense   \$12,000   \$10,338   \$12,900   \$12,900     5700 · Officer Expenses   \$4,000   \$2,988   \$10,000   \$10,000     5800 - Product Dev.   \$25,000   \$13,000   \$54,000   \$54,000     5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Total Expenses   \$578,400   \$459,321   \$700,015   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5550 · Marketing	\$40,000	\$24,800	\$24,800	\$10,000
5700 · Officer Expenses   \$4,000   \$2,988   \$10,000   \$10,000     5800 · Product Dev.   \$25,000   \$13,000   \$54,000   \$54,000     5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Total Expenses   \$578,400   \$4459,321   \$770,015   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462	5600 · Miscellaneous Expense	\$2,000	\$0	\$2,000	
5800 - Product Dev.   \$25,000   \$13,000   \$54,000   \$54,000     5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Total Expenses   \$578,400   \$4459,321   \$700,015   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5650 · Office Expense	\$12,000	\$10,338	\$12,900	\$12,900
5850 · Professional Fees   \$104,500   \$40,844   \$41,500   \$41,500     5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Total Expenses   \$578,400   \$459,321   \$700,015   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5700 · Officer Expenses	\$4,000	\$2,988	\$10,000	\$10,000
5900 · Depreciation Expense   \$0   \$0   \$0   \$0     5950 · Bad Debt/Uncollectable Invoices   \$0   \$0   \$0   \$0     Total Expenses   \$578,400   \$459,321   \$700,015   \$677,405     Net Ordinary Income   -\$77,852   -\$3,011   -\$187,072   -\$164,462     Other Income/Expense   \$2,738   \$6,088   \$135,306   \$135,306	5800 - Product Dev.	\$25,000	\$13,000	\$54,000	\$54,000
5950 · Bad Debt/Uncollectable Invoices     \$0     \$0     \$0     \$0       Total Expenses     \$578,400     \$459,321     \$700,015     \$677,405       Net Ordinary Income     -\$77,852     -\$3,011     -\$187,072     -\$164,462       Other Income/Expense     \$2,738     \$6,088     \$135,306     \$135,306	5850 · Professional Fees	\$104,500	\$40,844	\$41,500	\$41,500
Total Expenses     \$578,400     \$459,321     \$700,015     \$677,405       Net Ordinary Income     -\$77,852     -\$3,011     -\$187,072     -\$164,462       Other Income/Expense     -\$2,738     \$6,088     \$135,306     \$135,306	5900 · Depreciation Expense	\$0	\$0	\$0	\$0
Net Ordinary Income     -\$77,852     -\$3,011     -\$187,072     -\$164,462       Other Income/Expense     Investment Income     \$2,738     \$6,088     \$135,306     \$135,306	5950 · Bad Debt/Uncollectable Invoices	\$0	\$0	\$0	\$0
Other Income/Expense Investment Income \$2,738 \$6,088 \$135,306 \$135,306	Total Expenses	\$578,400	\$459,321	\$700,015	\$677,405 <mark>.</mark>
Investment Income \$2,738 \$6,088 \$135,306 \$135,306	Net Ordinary Income	-\$77,852	-\$3,011	-\$187,072	-\$164,462
	Other Income/Expense		_		
Net Income -\$75,114 \$3,077 -\$51,766 -\$29,156	Investment Income	\$2,738	\$6,088	\$135,306	\$135,306
	Net Income	-\$75,114	\$3,077	-\$51,766	-\$29,156

(Source: Budget SDS 2021 Simplified, 11/24/2020)

### Attachment 2 System Dynamics Society Anticipated Reserve Balances (Updated 11/2020)

## SDS Net Assets

Unrestricted Assets available for designation (current year estimated). Restricted for information only



## Source: Budget 2020 Simplified, updated 11/24/2020

			TOTAL	Ur	restricted	R	estricted	
	Reserves Balance (EOY 2018, Audited)	\$	935,451	\$	757,082	\$	178,369	
2019	Investment income (net)	\$	195,674	\$	139,566	\$	56,108	
	Operating income (loss)	Ş	(196,125)	\$	(196,125)	ş	-	
	Change in net assets	\$	(451)	\$	(56,559)	\$	56,108	
	Reserves Balance (EOY 2019, Audited)	\$	935,000	\$	700,523	\$	234,477	
				EOY	FMV Invest	ment	s	\$850,423
	Reserves Balance (EOY 2019, Audited)	\$	935,000	\$	700,523	\$	234,477	
2020 est	Investment income (net)	\$	6,088	\$	7,952	\$	(1,864)	
	Operating income (loss)	\$	(8,511)	Ş	(8,511)			
	Change in net assets	\$	(559)	\$	(559)	\$	-	
	Reserves Balance (EOY 2020, Estimated)	\$	932,577	\$	699,964	\$	232,613	
	Change in net assets	\$ \$	(559)	\$	(559)	\$	- 232,613	
	Reserves Balance (EOY 2020, Estimated)	\$	932,577	\$	699,964	\$	232,613	
	Investment income (net)				_	\$	-	
2021 est	Operating income (loss)			\$	(77,852)	Ş	-	
	Change in net assets	\$	(77,852)	\$	(77,852)	\$	-	
	Reserves Balance (EOY 2021, estimated)	ć	854,725	Ś	622,112	Ś	232,613	

(Source: Budget SDS 2021 Simplified, 11/24/2020)

## Attachment 3 System Dynamics Society Proposed Reserve Designations

#### Proposed designations for Reserves (2021)

	Un		Unrestricted		Unrestricted		Rest	ricted
Capital Reserve			\$	265,855	•			
<b>Proposed Designations</b> Legacy Campaign Buffer Funds Chapter Development / Stff JWF award reserve				\$30,109 \$100,000 \$200,000 \$104,000				
Restricted DMA1 DMA2	Ş	932,577	\$	699,964	\$ \$ \$	211,613 21,000 232,613		

(Source: Budget SDS 2021 Simplified, 11/24/2020