



REPORT OF THE TREASURER

AFICS/NY accounts are maintained under the supervision of the Treasurer and the collaboration of the Deputy Treasurer. The Auditors, like the Members of the Board and AFICS Management, provide their services on a voluntary basis and render an independent opinion on the Financial Statements of AFICS/NY and the Charities Foundation.

Every effort is normally made to ensure that audited financial statements are ready for presentation at the Annual Assembly. The Lockdown due to COVID has made it impossible to produce statements for audit. It is anticipated that in 2022 all past work will be revised in accordance with established procedures and audits will become the rule every year.

Although we expect that the statements might need to be adjusted based on upcoming audits, we consider that any changes will not materially affect the essential status of the AFICS financial position or of the Foundation. We expect that this will be accomplished later in the year.

The explanations below refer to the Unaudited Financial Statements of both - AFICS/NY and its Charities Foundation.

AFICS/NY Financial Statements

For the period ending 31 December 2021, AFICS/NY counted 2,866 active members, consisting of life members, annual members, associate life members, associate annual members. AFICS/NY has also granted honorary memberships, and honorary life memberships to persons over the age of 85.

AFICS/NY total income for the 2021 calendar year was \$46,750, which represents a decrease of 24.0% over 2020 income of \$61,575. By comparison, total expenditures for 2021 amounted to \$116,466, versus \$40,140 in 2020, representing a significant increase, most notably the write-off of delinquent accounts, expenses related to the 50th Anniversary Gala,



and a significant new investment in contracting for an electronic voting system to assist with the annual elections, which has greatly improved the timeliness and efficiency of the election process, and made it feasible during the lockdown period. As a result, AFICS registered a loss for 2021 at the level of \$69,716.

Membership Dues and Accounts Receivable for Unpaid Dues

A pattern of nonpayment of Annual Membership dues has been noted already for several years that increased most significantly in 2021. The incidence of higher rates of delinquency compared to past years began after the storm Sandy affected AFICS capability to deliver its Bulletin to Members. Together with the issuance of AFICS' Anniversary Bulletin (further below) another effort was made to collect unpaid dues.

In the past, and up to the year 2018, the AFICS/NY Treasury regularly wrote off the accounts of non-paying members who had reached 3 years in arrears. This practice was suspended pending the results of dues-collection efforts described above. Efforts are being made once again in 2022 to realize payment of dues from Members who have become delinquent. We have reached the conclusion however that many of those dues will remain unpaid, and to be prudent, have written off of 80% of the balance shown in the 2020 accounts.

Our financial policy regarding write-off of delinquent Members' accounts is to write-off unpaid balances from Accounts Receivable that have accumulated for three consecutive years. We propose to resume the practice for 2022 statements, after the Members' accounts are brought up-to-date based on payments received during 2022.

Annual Members can apply to convert their membership from Annual Status to Life Membership by paying a lump sum.

Assets



Assets at year-end 2021 are \$139,588 as compared to \$218,090 at the end of 2020. This represents a year-to-year decrease of 36.0%, half of it due to the write-off of delinquent dues. Nevertheless, Accounts Receivable from members' unpaid dues has been reduced to \$9,045 from a high of \$45,225.

Liabilities and Fund Balance

AFICS is currently operating without any liabilities; in the past, year-end Employer US Taxes that had accrued were a recurrent liability that reflected a delay between payroll processing and deposit to the US Treasury by the AFICS Treasury. This feature has disappeared due to the adoption of a new payroll service to process the AFICS monthly payroll. It has brought efficiency and simplicity, leading to automatic payment of all liabilities through the vendor's established procedures at the time the payroll is processed. It proved invaluable during the months of Lockdown.

AFICS Long-Term Projection

As mentioned above, AFICS has experienced a period of rising non-payment of dues by Annual Members. Income from this source was a significant contribution to annual operating expenses, and we need to diligently pursue Members to keep their accounts current. In addition, the United Nations has in the last two years greatly reduced its financial support for AFICS.

In prior years, the United Nations contributed to AFICS activities in a variety of ways that subsidized the cost of operations, producing effective delivery of the AFICS Mission at a reasonable cost to Members. Printing a Bulletin is an expensive proposition, and the support of the United Nations was invaluable in helping AFICS deliver this part of its mission through absorption of printing and mailing costs. Except for the creative effort of developing the Bulletin, AFICS bore no expense for the project. Unfortunately, this support has ended.

With reduced income – should it become a long-term trend, AFICS needs to develop a new operating model that will enable the Association to stay



viable: to conserve frequent contact with its Members; to bring to Members the news and the contacts and the support relevant to retirees; and, most significantly, to deliver engaged representation of retiree interests within the UN system on relevant issues, especially in Medical Insurance and Pension matters.

Charities Foundation Financial Statements

The Charities Foundation's main mission is to provide assistance to needy Members of AFICS. In support of this mission, the Foundation is an Internal Revenue Code, Section 501(c)3 charitable organization and a NY corporation under Section 402 of the Not-for-profit Corporation Law.

The Foundation may accept voluntary contributions in support of its mission; it has received steady support from Members over the years. These contributions qualify for income tax deduction, but contributors should seek tax guidance on the matter.

Total Income exclusively from interest on bank accounts for the 2021 calendar year was \$966, representing small voluntary contributions received from Members. This represents a material decrease compared to 2020, which included a bequest of \$25,000. Total expenditure for 2021 amounted to \$3,500, comprising one grant to humanitarian causes. No applications for assistance to individuals were received for 2021.



Audited financial statements

As stated above, we will consult our Auditors on modalities to have AFICS and Charities Foundation Financial Statements audited for 2019 through 2021. We should like to take this opportunity to thank our Auditors, Ms. Paula Saddler and Mr. Sergei Shiskin for their continued service and support to the Association. Their advice and guidance have been invaluable throughout the years.

Activities relating to the 50th Anniversary of the founding of AFICS/NY

Starting in the fourth quarter of 2020, the following activities were undertaken to mark during 2021, the 50th Anniversary of the Founding of AFICS.

1. AFICS 50th Celebration – Dec 9, 2020
2. AFICS 50th Gala – May 4, 2021
3. A Special Anniversary Bulletin was distributed to all active Members.

A Raffle was conceived as a means of raising funds to pay incidental expenses of the 50th Anniversary. The Bulletin was conceived as a means of engaging as many Members as possible in describing their experiences. AFICS attempted to include as much of the contributed material as possible. Inevitably, some contributions were left to be published later, depending on the availability of resources and the means available for distribution.

A special Table is attached to this Report to indicate the costs associated with the various 50th Anniversary activities and the related income during the years 2020 and 2021. The Raffle drew \$4,900 and UNFCU contributed \$10,000 in the late quarter of 2020 toward the printing of the Bulletin. The United Nations was approached to help with the cost mailing of paper copies, which was limited to postage of copies mailed nationally.

Members were asked to indicate a preference for receiving a paper or digital copy via the AFICS website. The Board approved the support needed to bring the anniversary celebration to a successful close.



ASSOCIATION OF FORMER INTERNATIONAL CIVIL SERVANTS
RUE DE LA PAIX 110, 1000 BRUXELLES, BELGIUM
TEL: +32 (0)2 220 93 200 FAX: +32 (0)2 220 93 202
www.afips.org/other/afips

Consolidated information relating to the financial budget of the 50th
Anniversary Observation is attached, comprising the income and expenses
of 50th Anniversary activities over the two years, 2020 and 2021.

An acknowledgement of gratitude goes to the former Treasurer, Angel Silva,
for his assistance and support with keeping the accounts and records current
during this period of disruption.

A handwritten signature in black ink, appearing to read 'M A Chiulli'. The signature is fluid and cursive, written over a horizontal line.

M A Chiulli
Treasurer
10 June 2022