

11/97

December 29, 1997

To:

Gary Noller Joe Chin Bernie Chase Jim Buckle Ed Marsh Ron Ellis

Subject: ADVA Financial Statements for November 1997

It has been very busy month and these statements are late.

Sorry that the page comparing actual to budget is not included.

I will send out a more complete set of schedules for the December month end.

Rick

December 10, 1997

To:  
Gary Noller  
Bernie Chase  
Jim Buckle  
Joe Chin  
Ed Marsh  
Ron Ellis

Subject: Banking relationship with Fleet Bank

Fleet Bank is sticking it to us beginning January of 1998 on fees for maintaining the current ADVA checking account. The estimated cost of continuing this account as it exists today will be about \$600 per year. This cost increase is resulting from a new fee schedule which includes charges for each check deposited. It hits ADVA hard because of the large volume of relatively small (\$12) checks received each year for membership dues.

For your information, the current agreement we have with Fleet is called "Business Interest Checking" which is available only to non-profit organizations and sole proprietorships and not to large commercial customers. Under a "Business Interest Checking" agreement, Fleet will charge ADVA as follows:

**Monthly Fee of \$16** or \$192 per year.

**Deposit fee of 12 cents per item.** ADVA probably deposits at least 2,500 checks per year and this fee will be \$300 or more per year.

**Deposit ticket charge of 95 cents per ticket.** ADVA has 50 (or so) deposit tickets per year and this fee will be about \$48 per year.

**Item paid fee of 19 cents per check.** We write around 120 checks per year and this fee will be about \$23 per year.

**Returned Deposited Item fee of \$6 each.** We receive about 8 bad check per year and this would cost \$48.

Since we have maintained healthy levels of balances in the account up-to-now, Fleet had not been charging ADVA any extra fees for the items described above. Perhaps we may have been getting an unusually good deal as most banks across the country do charge maintenance and activity fees for business accounts. Non-profit organizations typically get some break from commercial rate schedules but most probably do

not receive free checking services. My guess is that very few non-profits get by as cheaply as the current arrangement ADVA set up with and enjoyed with the old Shawmut Bank (which was acquired and became part of Fleet Bank.)

Fleet does pay minimal amounts of interest (about 1%) on the checking balance that, in effect, has compensated them for handling account activity. ADVA's average balance last year was probably at least \$6,000 which Fleet made (at least) a 4% profit or \$240.

If we switch to a non-interest bearing type of account, for example, Fleet will give us credit with an "earnings allowance" to offset fees which works the same way as interest crediting. An "earnings allowance", however, is still unlikely to offset the bulk of the new fee increases and would require some vigilance to keep the balance at an optimal level.

In the end result, even with a non-interest bearing account, it appears that Fleet will still charge ADVA for at least \$400+ per year over and above what it is costing us now for checking account services. Even though ADVA carries a number of sizeable CD's with Fleet, this business affiliation has no impact on the new fee schedule and will not lower the cost of carrying a checking account.

We do have the option to move the account to a different bank in the New England area. It seems to make the most sense to maintain the account at a bank with a branch near Bernie's home, as we do not want to delay or risk losing deposits by mailing them across country.

At this point in time, I will study our options further and get back to you with some alternatives. My purpose in writing this at this time is just to keep everyone informed of the situation. I am not sure how much other banks charge in the Boston area but I do know it is possible to get the same banking services for less in other areas of the country. In Minneapolis, for example, a full service commercial account can be maintained for \$24 per month (or \$288 per year) and a non-profit group would qualify for a discount from the commercial rate.

*Rick*

P.S. Fleet Bank is based in Providence RI which had a long history of harboring crooks, pirates, and bandits during the 1700's. Along with lousy renewal rates on CD's, I do sense that the "Bankers" from Providence are indeed trying to rob us on checking account fees. Perhaps history never changes.

# ADVA Account Balances Report

(Includes unrealized gains)

As of 11/30/97

12/21/97

Selected Accounts

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Acct	11/30/97 Balance
<b>ASSETS</b>	
<b>Cash and Bank Accounts</b>	
97-Apr1	4,500.85
97-Mar22	5,898.28
98-Apr18	4,515.40
98-Feb17	4,724.80
98-Oct 13	4,025.52
Fleet NOW Acct	6,928.18
Museum Cash	47.72
<b>TOTAL Cash and Bank Accounts</b>	<b>30,640.75</b>
<b>Other Assets</b>	
Post Office Bal	-5.65
<b>TOTAL Other Assets</b>	<b>-5.65</b>
<b>Investments</b>	
Vanguard	
Fixed Inc ST Corp	36,022.52
<b>TOTAL Vanguard</b>	<b>36,022.52</b>
<b>TOTAL Investments</b>	<b>36,022.52</b>
<b>TOTAL ASSETS</b>	<b>66,657.62</b>
<b>LIABILITIES</b>	
<b>OVERALL TOTAL</b>	<b>66,657.62</b>

**Transaction Report**  
11/1/97 Through 11/30/97

12/21/97

Selected Accounts

Date	Acct	Num	Description	Memo	Category	Clr	Amount
			BALANCE 10/31/97				28,780.70
11/14...	97-N...	TXFR		[97-Nov 11]			-5,865.48
11/5/97	97-N...	TXFR		[97-Nov 5@]			-10,393.00
11/5/97	Fleet ...	DEP		Int Inc	R		9.91
11/5/97	Fleet ...	TXFR		CD Redemption	R		10,393.00
11/5/97	Fleet ...	DEP		General Dep.	R		511.00
				Museum Inc.	R		6.00
				Corporation Tax	R		-15.00
11/6/97	Fleet ...	1483	Commonwealth ...	Membership Exp.	R		-762.76
11/6/97	Fleet ...	1484	Bernie Chase	42 TShirts	T Shirts Exp.		-294.00
11/6/97	Fleet ...	1485	Rollie Castranova		Finan Off. Exp.	R	-36.62
11/6/97	Fleet ...	1486	Richard H. Olson		Archives Exp.	R	-156.00
11/6/97	Fleet ...	1487	Les Hines		Museum Exp.	R	-15.47
11/6/97	Fleet ...	1488	Ken Turner		General Dep.	R	483.00
11/6/97	Fleet ...	1489	Void		Int Inc	R	9.80
					Int Inc	R	16.27
11/10...	Fleet ...	DEP			Int Inc	R	2.10
11/12...	Fleet ...	DEP			CD Redemption	R	5,865.48
11/13...	Fleet ...	DEP			Dep. Vanguard	R	-17,000.00
11/14...	Fleet ...	DEP			Int Inc	R	21.51
11/14...	Fleet ...	TXFR			Recruitment		-50.00
11/14...	Fleet ...	1490	Vanguard Fixed ...		T Shirts Exp.	R	-1,170.00
11/17...	Fleet ...	DEP			General Dep.	R	399.00
11/18...	Fleet ...	1491	Brother Love's Tr...	DC Reunion, Te...	Museum Inc.	R	103.20
11/18...	Fleet ...	1492	Shirts Illustrated		1998 Renuion		-2,000.00
11/20...	Fleet ...	DEP			General Dep.	R	366.00
					Museum Inc.	R	24.75
11/23...	Fleet ...	1493	S.E. Chapter AD...	Advance	Int Inc	R	16.66
11/26...	Fleet ...	DEP			Int Inc	R	16.71
11/28...	Fleet ...	DEP			Int Inc	R	21.83
11/28...	Fleet ...	DEP			Int Inc	R	14.63
11/28...	Fleet ...	DEP			General Dep.	R	24.00
					T Shirts Inc	R	143.00
11/18...	Vang...	BuyX	1,572.618 Fixed ...		[Vanguard]		17,000.00
11/28...	Vang...	ReinvD	12.121 Fixed Inc...		_DivInc		130.79
			TOTAL 11/1/97 - 11/30/97				-2,179.69
			BALANCE 11/30/97				26,601.01
			TOTAL INFLOWS				35,578.64
			TOTAL OUTFLOWS				-37,758.33
			NET TOTAL				-2,179.69

ADVA Cash Flow Statement  
7/1/97 Through 11/30/97

12/21/97  
Selected Accounts

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Category Description	7/1/97- 11/30/97
<b>INCOME/EXPENSE</b>	
<b>INCOME</b>	
General Dep.	9,530.20
Int Inc	819.41
Museum Inc.	1,705.90
T Shirts Inc	143.00
DivInc	455.94
<b>TOTAL INCOME</b>	<b>12,654.45</b>
<b>EXPENSES</b>	
1998 Renuion	2,000.00
Adjutant's Exp.	334.92
Archives Exp.	156.00
Bad Check	12.00
Corporation Tax	15.00
Finan Off. Exp.	85.65
Membership Exp.	806.86
Museum Exp.	950.92
Newsletter	4,253.60
Recruitment	271.33
T Shirts Exp.	1,934.50
Transfer	25.00
Uncategorized Expe...	0.00
<b>TOTAL EXPENSES</b>	<b>10,845.78</b>
<b>TOTAL INCOME/EXPENSE</b>	<b>1,808.67</b>

## ADVA Cash Flow Statement

11/1/97 Through 11/30/97

12/21/97

Selected Accounts

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Category Description	11/1/97- 11/30/97
<b>INCOME/EXPENSE</b>	
<b>INCOME</b>	
General Dep.	1,783.00
Int Inc	129.42
Museum Inc.	133.95
T Shirts Inc	143.00
DivInc	130.79
<b>TOTAL INCOME</b>	<b>2,320.16</b>
<b>EXPENSES</b>	
1998 Renuion	2,000.00
Archives Exp.	156.00
Corporation Tax	15.00
Finan Off. Exp.	36.62
Membership Exp.	762.76
Museum Exp.	15.47
Recruitment	50.00
T Shirts Exp.	1,464.00
Uncategorized Expe...	0.00
<b>TOTAL EXPENSES</b>	<b>4,499.85</b>
<b>TOTAL INCOME/EXPENSE</b>	<b>-2,179.69</b>

# Monthly T-Shirt Revenues & Expense

7/1/97 Through 11/30/97

12/21/97  
Selected Accounts

Category Description	7/1/97	8/1/97	9/1/97	10/1/97	11/1/97	OVERALL TOTAL
<b>INFLOWS</b>						
T Shirts Inc	0.00	0.00	0.00	0.00	143.00	143.00
<b>TOTAL INFLOWS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>143.00</b>	<b>143.00</b>
<b>OUTFLOWS</b>						
T Shirts Exp.	43.00	400.00	0.00	27.50	1,464.00	1,934.50
<b>TOTAL OUTFLOWS</b>	<b>43.00</b>	<b>400.00</b>	<b>0.00</b>	<b>27.50</b>	<b>1,464.00</b>	<b>1,934.50</b>
<b>OVERALL TOTAL</b>	<b>-43.00</b>	<b>-400.00</b>	<b>0.00</b>	<b>-27.50</b>	<b>-1,321.00</b>	<b>-1,791.50</b>