

Treasurer's Report
Fall 2012 Board Meeting
September 8, 2012

I am happy to report that the SSA is financially sound. This is due to the continued cost control of our Chief Administrative Officer and stronger than expected dues income from membership growth. Year to Date July 31, 2012 we have a \$40,000 Net Capital Increase on Operating Revenues of \$558,000.

Membership Statistics

Membership growth and retention an ongoing issue seems to have turned the corner this year. So far we have added 216 members this year. As of the end of August, our membership was 10,665 vs. 10,652 a year ago. To give this some perspective, in January of 2012 our membership was 10,449. Below is the summary of the membership for the years 2012, 2011 and 2010.

	Three Year Member Comparison				
	2012	2011	2010	V 2011	V 2010
Jan	10,449	10,804	10,940	(355)	(491)
Feb	10,386	10,732	10,856	(346)	(470)
Mar	10,460	10,767	10,802	(307)	(342)
Apr	10,511	10,785	10,826	(274)	(315)
May	10,553	10,793	10,837	(240)	(284)
Jun	10,655	10,793	10,935	(138)	(280)
Jul	10,644	10,690	10,849	(46)	(205)
Aug	10,665	10,652	10,865	13	(200)

It is interesting to note that most of this increase from January is in the Full member category with an increase of 201 members. It is too early to tell if the "Let's Go Gliding" marketing campaign is the reason, but I am encouraged by the increase in membership.

P&L Summary & Analysis – Year to Date July 31, 2012.

Revenue

Total revenue for the period ended July 31, 2012 is \$558,000 against a budget of \$576,000 an unfavorable variance of \$17,000. The major drivers are Dues Income \$351,000 (\$15,000 over budget), Net Convention Revenue \$37,000 (\$31,000 under budget) Contribution to the Eagle Fund \$14,000 (\$13,000 under budget) and Sanction Fee income \$20,000 (\$7,000 over budget). The other income categories are almost on budget.

Expenses

Total Operating Expenses were \$508,000 against a budget of \$498,000 a \$10,000 favorable variance. Contest Expenses \$9,000 (\$9,000 over budget) this is a loan to the PowerFlam loner pool to purchase PowerFlam units and payment to a cross country camp held the week before Region 6 Contest at Caesar Creek Soaring Club, Postage Expense \$61,000 (11,000 under budget), Marketing Expense is \$32,000 (\$32,000 over budget). SSA hired a marketing firm to help publicize the World Soaring Championships and the Let's Go Gliding national marketing campaign. This expense is funded by the anonymous donation.

Net Capital Increase of \$40,000 is \$14,000 under budget.

2012 Forecast

Attached is the latest 2011 Forecast. SSA Operations is expected to end the year with an \$11,000 Net Capital increase at December 31, 2012.

Audit

The audit of December 2011 is complete and Johnson & Miller issued financial statements with an unqualified opinion. Copies of the audit report will be available at the October Board meeting. As you read this report, Johnson & Miller will have completed and filed the income tax returns for SSA Operations and the SSA Foundation.

Several years ago, when volunteers took over the majority of the contest administrative processes, the ExCom agreed to return to the Competition Committee excess sanction fees for use by that committee. (Excess fees are sanction fees paid less contribution to the World Team less direct office expenses associated primarily with sending medallions to). In the past they have purchased scales, contributed to the PowerFlarm fund and contributed to cross country camps. The calculation of the excess occurs at the completion of each contest year. At the end of 2011 the amount available to the Competition Committee was about \$37,000. This year I discussed with the audit team setting this liability up on the books of SSA Ops. The conclusion of the discussion with the audit team was that this is a liability between two SSA Ops reporting units and therefore would not be shown in the financial statements. Rather than set up complicated internal accounting policies, we agreed to account for the excess fund as we have historically done.

I ask the Board to approve that the SSA engage Johnson & Miller Company to perform the annual audit of the books and records of the SSA and the SSA Foundation for 2012, and associated tax filings.

Other

The accounting system upgrade was completed this summer along with server upgrades. These technology upgrades were funded from an allocation from the anonymous donation.

Respectively submitted,

David H. Pixton
Director at large
SSA Treasurer

Attachments:

July SSA Operations Profit and Loss Statement
July SSA Operations Balance Sheet
2012 Forecast
2012 Membership Metrics