

Treasurer's Report
Fall 2012 Board Meeting
February 3, 2013

I am happy to report that the SSA is financially sound. Continued cost control by our Chief Administrative Officer Denise Layton and stronger than expected dues income from membership growth we finished 2012 with Net Capital Increase of \$27,200. The good news is that membership continued to grow from October when I reported our membership at 10,659. December ended with membership of 10,674 an 15 members from October and an increase of 122 members over December 31, 2011.

Membership Statistics

Membership growth and retention an ongoing issue seems to have turned the corner this year. December 31, 2012 our membership was 10,674 vs. 10,552 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	V2011	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)
Sep	10,704	10,648	10,846	56	(142)
Oct	10,659	10,594	10,834	65	(175)
Nov	10,669	10,524	10,855	145	(186)
Dec	10,674	10,552	10,861	122	(187)

It is interesting to note that most of this increase from January is in the Full member category with an increase of 218 members.

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

Revenue

Total revenue for the period ended December 31, 2012 is \$943,000 against a budget of \$971,000 an unfavorable variance of \$28,000. The major drivers are Dues Income \$598,000 (\$26,000 over budget), Net Convention Revenue \$37,000 (\$31,000 under budget) Contribution to the Eagle Fund \$84,000 (\$15,000 over budget) contributions from the Cliff Robertson Estate of \$3,200 and the Walter Burk Estate of \$24,000 are the reason for the strong Contributions number. Sanction Fee income \$28,000 (\$6,000 over budget). The other income categories are almost on budget.

Expenses

Total Operating Expenses were \$899,000 against a budget of \$911,000 a \$12,000 favorable variance. Contest Expenses \$9,000 (\$9,000 over budget) this is a loan to the PowerFlarm loner pool to purchase PowerFlarm units and payment to a cross country camp held the week before Region 6 Contest at \$36,000 (\$36,000 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 \$27,000 is \$7,000 over budget.

Balance Sheet

The balance sheet has been reviewed and normal yearend adjustments have been made. The most significant is the adjustment to the Unredeemed FAST Packages. You will recall that Johnson Miller required this reserve last year and it represents the value of FAST packages that have been sold and not submitted to Hobbs for redemption. This year's adjustment was \$9,000. Annually we settle our due to and due from with the Foundation. This request has been forwarded to the Foundation for action.

2012 World Championship

The Worlds accounting is complete and a summary of the results are presented below:

Revenue	Pre Worlds	Worlds	Total
Contributions	83,743	129,031	212,774
Pre World Entry Fees	46,038	(895)	45,143
World Entry Fees	-	133,670	133,670
Interest Income	6	12	18
Total Income	129,787	261,818	391,605
Expenses			
Bank Fees	1	243	244
IGC Fees	2,475	8,154	10,629
Insurance	1,750	1,225	2,975
Awards and Medals	711	5,095	5,807
Equipment	14,050	1,648	15,698
Meals	4,266	6,891	11,157
Website/Graphics	4,273	2,938	7,211
Promotional Items	1,376	5,309	6,685
Postage and Shipping	97	356	453
Printing	-	3,387	3,387
Lodging	2,530	65,808	68,338
Fuel Expense	-	82	82
Supplies	3,838	3,344	7,182
Towplane Expense	28,517	113,344	141,862
Travel Expenses	-	8,694	8,694
License and Permits	175	9,991	10,166

NAA Fees	-	1,851	1,851
Total Expenses	64,059	238,360	302,420
Net Income	65,728	23,458	89,185

The ExCom has decided to share 13.25% of the profit from the WGC, which is consistent with the split of the 1991 WGC. At this writing, Team Uvalde has not indicated payees for the Uvalde share. Once they do the office will cut checks.

2012 Audit

Johnson & Miller audited the merchandise physical inventory the week between Christmas and New Year as part of the 2012 audit program. It is expected that they will complete field work after the tax season and issue the audit report in late summer.

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.

I want to thank Kathey Pope, who took over as Accounting Manager early last year for her hard work. She has done a great job keeping the SSA's books and records. Financial Statements have been issued promptly each month providing the ExCom with current and relevant information to manage the Society's financial affairs.

Respectively submitted,

David H. Pixton
 Director at large
 SSA Treasurer

Attachments:

- December SSA Operations Profit and Loss Statement
- December SSA Operations Balance Sheet
- 2012 Membership Metrics