

## **Treasurers Report January 2010 Board Meeting**

I am happy to report that the financial health of the Soaring Society of America continues to be strong through November 2009. We closed November with year-to-date Total Revenue of \$923,600, over budget by \$52,500 and Net Capital Increase of \$70,900, over budget by \$85,000. I anticipate that this excellent financial performance will continue through the balance of the year and that we will close 2009 with Total Revenue of \$979,000 and Net Capital Increase of \$48,000.

While our financial situation remains strong, we saw a decrease in our dues paying membership categories (Associate, Business, Business Family and Full, Family, Life, and Youth) from January – 11,104 to November 10,949, a decrease of 155 members. Life membership was audited during the year by the SSA Foundation and the result was a downward adjustment to this membership category of 43 members. Of more concern was the decrease in Full members of 141. We saw a large increase in the Introductory category of membership due in part to the much publicized Navy program with the Mid-Atlantic Soaring Association. Please see the membership metrics table below.

This fall, Judy Blalack resigned her position as Accounting Manager of the Soaring Society of America. Misty LeBreton joined the staff as our Accounting Manager in December. Misty has a degree in accounting from the New Mexico State University and is working on her MBA. Misty's background in accounting and general management will be an asset to our organization.

The 2008 Audit of the SSA books was completed in August. *The auditors have issued an unqualified opinion for the second year in a row.* I have received the engagement letter for the 2009 audit which is scheduled to start in May of 2010.

### **2010 Budget**

The 2010 Budget is complete. The budget assumes (compared to estimated 2009 results):

- Increase in membership of 132 members across all categories;
- Annual dues remain the same;
- Dues income decreases \$12,000 related to the implementation of the Chapter Rebate program;
- Net Convention revenue of \$31,000 excluding allocation of staff time;
- Continued weakness in member contributions;
- Increase in Net Merchandise income related to the Convention;
- Compensation, Benefits and Taxes increase 9%;
- Continued capital spends on essential building maintenance and replacement of office work stations;
- Net Capital Increase of \$58,000.

I move that the 2010 SSA Operations Budget be approved.

## November Year-to-Date Results

**Operating Revenue** was \$923,600 and is \$52,500 over budget. Dues revenue was \$33,500 over budget. Magazine Advertising Revenue was \$121,600 and is \$5,000 over budget. Contributions were \$85,500 and are \$23,200 over budget. This variance is because of one member's generous contribution of \$25,000. Net Merchandise Revenue was \$80,900 and is under budget by \$2,400. Sanction Fees unfavorable variance of \$5,600 is a result of a change in how we account for Sanction Fees compared to how this line item was budgeted. Hilton Cup Accounting Services were \$11,100 over budget.

**Operating Expenses** were \$837,100 and under budget by \$24,700. \$12,900 of this variance is cost to digitize Soaring magazine and the Sailplane Directory budgeted in the first half of 2009 that has not been incurred. Digitized Soaring magazine has been launched and digitization of past issues will continue in 2010. The Sailplane Directory project has been delayed until 2010. Compensation, Benefits and Taxes were under budget \$13,100 due to the staff forgoing salary increase this year. \$8,000 of this variance is for expenses budgeted for SSA Committee spending and \$10,800 in SSA HQ Promotion expenses. Postage is under budget by \$5,700 for a number of reasons: not mailing sanction kits (these are now on line); merchandise sales are down; fewer requests for promotional items this year than last. Offsetting unfavorable variance is FAST expense of \$26,600. The balance of the savings to budget is cost control by our Chief Administrative Officer Denise Layton.

**Net Capital Increase** for the period ending November 30th is \$86,500 which is \$85,000 over budget.

**Balance Sheet** – there are no issues with the balance sheet at November month end.

Please see the November SSA Operations Financial Statements attached below.

## Membership and Other Metrics

The table below shows January, June (as reported at the September Board meeting) and November data as reported by the SSA Office.

	<u>January</u>	<u>June</u>	<u>November</u>	<u>Change CM - Jan</u>
Associate	250	250	237	(13)
Bus Full	32	31	30	(2)
Bus Fam	70	74	72	2
Business	97	104	102	5
Family	272	278	276	4

Life	982	980	939	(43)
Full	8,758	8772	8617	(141)
Youth	643	722	676	33
	<u>11,104</u>	<u>11,211</u>	<u>10,949</u>	<u>(155)</u>

	<u>January</u>	<u>June</u>	<u>November</u>	<b>Change CM - <u>Jan</u></b>
Affiliate	3	3	3	0
Chapter	133	134	134	1
Division	7	7	7	0
Intro	70	97	201	265

Respectfully submitted

David Pixton  
SSA Treasurer  
Director at Large