

April 2005

Financially the year has not started well for SCCA Inc. The club has had a swing of over one hundred thousand but this is due to timing. The revenues are there and this will even out as the quarter goes on. The net operating income was an eighty-two thousand loss against a projected profit of twenty-two thousand.

The Clubs investments took a hit in January but have more than rebounded in February. This program last year meant seven hundred memberships. The loss in memberships in Rally is about one thousand, which is why our membership numbers are flat at this time.

One projection that was off was driver licenses, which was eighty thousand under budget. It was assumed that everyone would renew early just to get the GCR. But it appears everyone is going to wait until JUST before the first race to renew. (Myself included, but that is for another reason). Sanction fees in club and Solo are also below budget by fourteen thousand and that is due to schedule timing and will pick-up as the quarter goes on.

Also the fall out from the ProRally decision of last year has started to come home to roost the Subaru membership program has been dropped. This impacts the membership numbers. Also this is reflected in the license renewal numbers. (ProRally licenses).

Jeff Dahnert our CFO has assured us we will be back on budget by the end of the first quarter.

By the time you read this the Valley Motors suit will be settled with both sides feeling satisfied.

A quarter midget association based in Topeka about leaving USAC and being aligned with us has approached Steve Johnson. This would be a much needed (youth) step in our program ladder. Our always-busy President also recently testified in front of the Kamas legislature in favor of a Star Bond issue for Heartland Park. If granted this additional ten million will be the capital to make Heartland a world-class facility. Star Bonds are repaid from the sales tax generated at the track.

In ProRacing all accounts payable are caught up. The inter company fund is paid down to one hundred thousand and Pro projects it to be paid off by the end of the first quarter. World Challenge car counts appear to be way up for this year including many Vipers. World Challenge has moved a date from Road America to the Cleveland GP. A move to a larger audience in a larger market.

Enterprises showed a profit in January and sold five SRF's. They also have not drawn on their line of credit. The spec tire issue for SRF's is far from being resolved. The ball is in Yokohama's court and we are awaiting their response.

Speaking of spec tires: the CRB has to date received one hundred nine letters in favor of a spec tire for Spec Miata compared to eleven against a spec tire. Have you written the CRB yet?

Until next month;

Duck-Out