

June 2005

The budget projected a loss of \$2,000 for March, however the actual net operating income was \$49,000. However, as of the end of March, the club's operating income is behind the budgeted income by \$24,000, year to date. Although the decrease in membership has continued, it is showing signs of bottoming out and stabilizing at around 56,000 members. Membership income for March was \$23,000 less than budgeted. Sanction fees exceeded budget by \$11,000 to help offset the loss in membership income. License revenue is currently behind budget by \$19,000, but is expected to recover and be back on target by the end of the second quarter. The executive team has used a combination of alternative revenue sources as well as cost cutting, to close the gap in the budget.

In summary, at the end of the first quarter SCCA Inc. is close to their budgeted operating income. However, the shortfalls in membership income will require management to maintain close control of expenses throughout 2005. Chief Financial Officer Jeff Dahnert, who furnished this information, will provide greater detail when he addresses the entire board at the mid-May meeting.

In February, Pro Racing produced a net income of \$25,000, which was \$49,000 more than the net loss of \$24,000 projected by the budget. Pro Racing expenses have been down, resulting in a net income of \$57,000 year to date, which is \$38,000 ahead of budget. That is why the inter-company account is paid in full, as I reported last month.

The SRF spec tire test in Pueblo CO was postponed until Mid-May. Three brands of tires are to be tested. The lines of communication are once again opened between Yokohoma and Enterprises. I am told there is a proposal before the CRB to make SRFs race on the tire they qualify on. Watch Fastrack for updates on this hot subject. Enterprises is selling all three brands of cars. Five more spec formula cars are on their way to the states; that brings the count close to 100 sold. The move to make the SCCA formula car a regional-only class is on the agenda for our May meeting, and the CRB tells us that this will be put in the Fastrack for member input. This move is expected to help increase the car count and thus move toward making the numbers necessary for national approval. Enterprises has not drawn on its line of credit. The RFQ for the Spec Miata will be going-out May 17<sup>th</sup>.

SCCA University is being reconstituted and placed under Region development due to a change in its relationship to the IRS. I should be able to provide more details in next month's column.

The theme of the 2006 national convention will be "Fast Forward>>Together." The theme signifies that we can move forward into the future, while recognizing and honoring the past if we work as a cohesive team at all levels. (Also more to follow on this subject next month).

The first quarter report for club racing is good. Eleven schools compared to ten in 2004, twenty-nine regionals compared to twenty-five in 2004, with nationals holding with sixteen both years. As of April 29<sup>th</sup> we have 205 entries for the Run-Offs with four and a half months to go. Also at the Run-Offs this year there will be a SCCA Galleria in the membership tent, which will feature the work of SCCA artisans.

Another topic on the agenda for the May meeting is a possible reversion to recording BOD voter identities as a way to make the way business is conducted more transparent. Stay tuned to the Fastrack news. The BOD will also drop in to Heartland Park during the May meeting, for a progress report. The Kansas state legislature authorized the Star bonds for the track improvement.

As you probably know by now, the 2006 Run-Offs have moved back to the old October dates. The change was necessitated by the Kansas City NASCAR race, some local conventions, and other factors. In addition, as you may have heard, the Solo Nationals have moved to Heartland Park for 2006, and the track needs the turnaround time to get ready. The BOD will examine restoring the September dates for Run-Offs after this year.

The average temperatures in Topeka for the first week of October (the testing week) are: average high 70, average low: 48, with an average .42 inches of precipitation. For the second week of October the numbers are: 72 for the average high, 42 for the average low, with .53 inches of rain.

At the May BOD meeting we will review the Run-Offs profit and loss sheet. There is also at least one big announcement expected to come out of the May meeting.

Until then

Duck Out