



10 January, 2019

To: Skål USA President and Executive Committee Members

From: Alton Hagen, Skål USA VP Finance

Subject: Quarterly (End of Year) Financial Report for the period ending 31 December, 2019

The attached end of December (4<sup>th</sup> Quarter & End of Year/EOY), 2019 financial reports will also be posted on Skål USA's website for review:

- Year End vs. Same Time Last Year P&L (2019 vs 2018)
- Year End Income & Expenses vs. 2019 Budget
- Balance Sheet
- Accounts Receivable Aging Report

**2019 vs. 2018 Profit & Loss:**

- Skål USA dues received in 2019 were 2.8% (\$3,692) more than 2018
- Total income in 2019 was 2.3% (\$5,830) more than 2018.
- Total expenses, less Skål International dues was 18.8% (\$26,440) less than 2018
  - This difference was significantly impacted by
    - Not having to pay almost \$4,000 in 2019 to support a Skål USA club hosting an annual AGM
    - A \$10,000 total decrease in the number of payments to clubs of the \$500 support for a representative attending the AGM (including staying in the host hotel).
    - An almost \$4,000 decrease from 2018 in membership development support.
- Because of the above, we were able to end the year with net income of \$22,578
  - As opposed to the -\$217.50 at the close of 2018

### **2019 Income & Expenses vs. 2019 Budget:**

- While I anticipated a better than 2.5% decline in membership revenue when completing the 2019 budget in early 2018, I still overestimated total Skål USA membership income by 3.3% (\$4,550)
- Thankfully, total expenses for the year were 11.3% (\$29,783) below expectations/budget
  - The \$8,317 “Cost of Inventory Sold” was the result of writing down the total inventory on hand as suggested following the 2018 Audit.
  - While the total travel expenses of EC members exceeded budget by 11.7% (\$3,219), thankfully most of the other meeting related expenses, such as the NASC Congress & Winter EC meeting, came in 37.5% (\$10,339) below expectations/budget
  - Consequently, total Travel & Meeting expenses 12.9% (\$7,121) below budget.
    - I wish to give a special Shout Out to our Lisa Conway, our 2019 President for doing an outstanding job of scheduling both her Skål USA and her company business travel to yield significant savings for each.

### **Balance Sheet:**

- As noted on this report, we had \$391,814 in checking, savings and certificates of deposit at the close of the year.
  - A major reason for the \$87,543 difference from the end of 2018 is that, at that time, \$60,000 of the \$87,543 was on loan to SI Miami to assist with advance deposits required for the (very successful) Skål International Congress.
    - That \$60,000 was repaid, with interest received via In Kind contributions to off-set on board accommodations for the Skål USA President and Councilor (as the cost of their participation is covered by Skål USA).
- All three CD’s were renewed, with the goal of each maturing during the latter quarter of each calendar year as that is the time period of least cash flow to Skål USA.

### **Florimond Volckaert Fund:**

- All club contributions received during the year were forwarded to Skål International on or before 15 December, 2019

As always, please don’t hesitate to reach out to me directly with any questions you may have regarding Financial Reports or the fiscal status of Skål USA.

That being said, this is my final Financial Report for Skål USA as Mr. Arthur Allis of SI Tucson assumed the duties of your Vice President – Finance on 01 January.

It has been an honor, and indeed a distinct pleasure, to have served as the VP-Finance for Skål USA these past four years. My thanks to all of you for both your support and friendship during that time.

Respectfully,

Alton Hagen, CMP, DMCP