

DATE: OCTOBER 17, 2013

SUBJECT: QUARTERLY REPORT - PERIOD ENDED SEPTEMBER 30, 2013

### 1. FOLLOW UP FROM LAST BOARD MEETING

We are proceeding with the review and completion of 40 page document to open a EURO deposit account with Wells Fargo Bank.

### 2. PROJECT PROCESS

IRS Form 990 for 2012 was electronically filed with IRS on August 14, 2103. Extended date for filing was August 15, 2103.

General, Directors and Officers Liability and Crime Insurance coverage were renewed on August 29, 2103. Renewed coverages are effective from September 1, 2103 to August 31, 2014. Average cost per club was \$345.00 compared with \$320.00 for this year.

### 3. BANKING

Account balances as of September 30, 2013.

Wells Fargo Operating Account - \$41,674.48

Wells Fargo Savings Account - \$1,713.01

Omaha Federal Credit Union CD - \$107,272.32  
Matures February 5, 2014

Total Account Balances - \$150,659.81

### 4. Accounts Receivable

Accounts Receivable as of September 30, 2103 - \$8,999.10

Included in the above figure:

Amount due from 21 clubs for renewal of SIUSA Club Insurance Package \$7,245.00

10 clubs with receivables 90 days or more past due - \$1,458.15 I am following up with these clubs to resolve these past due accounts

All receivables are deemed collectible except for possible \$274.00.

## 5. FINANCIAL 2013

As of September 30, 2013, SIUSA had a credit with SKAL International of \$2,699.50 which will cover 2013 SI dues for approximately 44 new members.

The adjusted 2013 budget was based on 2350 members and as of September 30, 2013, we had 2369 members.

New income as of September 30, 2013 was \$50,593.81. SI Congress expenses are estimated to be approximately \$18,567.00 (registration, AV and board members transportation) and ABA fees from October to December 2013 total \$6,244.99. Deducting these amounts from the September 30, 2013 net income leaves SIUSA with \$25,686.82 for operations during the last quarter of 2013.

I would project that SIUSA will be slightly under budget overall on expenses, producing a slight net income for the year.

Our required EURO purchases to date in 2013 have been made on a breakeven basis (budget vs. actual net rate). I do not anticipate an exchange loss in 2013.

## 6. SIUSA DUES FOR 2014

The SIUSA Board has approved the following dues structure for 2014.

### ACTIVE / ASSOCIATE

SIUSA - \$66.00  
SI - \$61.00  
Total - \$127.00

### LIFE / RETIRED

SIUSA - \$66.00  
SI - \$57.00  
Total - \$123.00

### YOUNG SKAL

SIUSA - \$15.00  
SI - \$15.00  
Total - \$30.00

SI dues for 2014 increased by EURO 1 (\$1.35USD) however, the SIUSA Board only increased SI dues by \$1.00USD to SIUSA clubs. The additional 35 cents is being covered by SIUSA through its favorable purchase of EUROS.

#### 7. PURCHASE OF EUROS FOR 2014 DUES

SIUSA purchased EUROS 75,672.44 (\$101,000USD) on September 5, 2103 at an exchange rate of 1.3347 (live rate of 1.3114) in order to avert any potential EURO exchange loss in 2014. This amount covers approximately 81% of dues due to SI in 2014 based on the SIUSA approved 2014 budget. The EUROS were transferred to SKAL International as advance payment on 2014 SI dues. SKAL International provided SIUSA with a credit of EURO250 since these funds would reduce the amount of funds which SI would have to borrow during the last quarter of 2013 to cover SI operations. The total credit for 2014 SI dues is EURO 75,922.44.

The approved SIUSA USD rate for 2014 SI dues is based on an exchange rate of 1.3555.

#### 7. FLORIMOND VOLCKAERT FUND (FVF)

Donations from July 1 to September 30, 2013 were received from the following clubs.

New York

Colorado

#### 8. CLUBS VISITED (FUNCTIONS)

None

#### 9. CLUBS VISITED (BOARD MEETINGS)

September 28, 2013 to October 5, 2013

SKAL International World Congress - Carnival Glory

September 29, 2013 - SIUSA National Committee Meeting

October 1, 2013 - SKAL International General Assembly

October 4, 2013 - SIUSA Fall Board Meeting

Respectively Submitted,

Dick Knorpp

SKAL International USA

Vice President Finance

5457 Whitten Drive

Naples, Florida 34104

Phone: [239-331-3459](tel:239-331-3459)

[dick@cruisevacationsintl.com](mailto:dick@cruisevacationsintl.com)