

**2013 SECOND MEETING  
ARRL BOARD OF DIRECTORS  
Windsor, CT  
July 19-20, 2013**

**Report of the Chief Financial Officer**

This report represents, if my math is correct, my 48<sup>th</sup> report to a regularly scheduled meeting of the ARRL Board of Directors. It reports on the first half of a year which began with some uncertainty from an economic perspective and, in recent days, an economy that has showed even more mixed signals about where it is headed at the moment and what is likely to happen down the road. Consumer confidence, by some measures, is improving as did the stock market through most of the first half of the year. But recent signals from the Federal Reserve about a reduction in stimulus spending over the next 12 months and its impact on interest rates, coupled with financial worries in Asia, have roiled the markets in this country. Despite this uncertainty, the ARRL continues to make progress, showing growth in membership and reasonably good financial results during a time where many not-for-profit organizations are struggling.

My January report to the Board made these observations about the new year:

*“2013 will be an interesting and challenging year. As we noted in the Plan Summary, our expectations are mixed. With the recent actions of the Congress, there are still significant financial uncertainties surrounding the resolution of budget cuts and the debt ceiling which have been “kicked down the road” by about 3 months. And, in keeping with this, we have used conservative financial projections and not proposed major additions to our resource allocations for new programs. Time will tell. We hope to continue to grow the membership and, if we can, then there might be additional resources to allocate down the road. That would be a happy problem as they say.”*

At the half way point, I have to say that I think we were correct in being conservative regarding our approach to the year, despite the fact that many of the dire predictions surrounding the federal budget cuts have not seemed to materialize. There is a lot of activity at Headquarters in preparation for the coming Centennial and we are in a good position financially. Trying to do too much can result in nothing being done well and hurt the organization. This isn't to say we haven't made progress on a number of different fronts, but that our approach to 2013 was a good one.

**Financial Results**

The regular monthly financial reports are included as an addendum to this report. My comments will focus, in large part, on the year-to-date results.

## Overall

From a simple comparison of the bottom line (income from operations) to the original Plan, it could be said that the operating gain of almost \$57,000 through the first six months is well ahead of expectations. While this would be accurate, it doesn't tell the whole story. Total revenues from all sources, including contributions, did not quite meet our original goals for the period and it was significant under budget spending that drove the positive bottom line and the very favorable comparison to the planned loss for the first six months of the year.

With most of the major operating revenue sources running ahead of expectations for the first six months and, as noted above, expenses running well under budget, Net Available Income was more than projected during the period. NAI for 2013 so far totals \$1.55 million, about \$226,000 more than planned.

Earned revenues from voluntary contributions have lagged our projections throughout most of the first half of the year. Through June, the organization earned \$327,000 of revenues from all contribution sources in comparison to the projection of \$452,000. Significant shortfalls from expectations have come in the areas of the Defense Fund and the Education and Technologies Fund. The latter, while significant, does not impact the bottom line directly as this income represents "transfer" from the fund to cover spending on specific Education Fund items. The shortfall from Plan represents less spending than expected in the first six months of the year. The Defense Fund shortfall, however, does impact the bottom line directly as we record these contributions as income as they are received. One bright spot this year is the results from the Diamond Club solicitations. So far, in the first six months, we've received almost \$149,000 in contributions from this source in comparison to the year-to-date objective of \$130,000. These contributions are also more than received in the same period of a year ago. Another bright spot, although it isn't reflected directly in the income statement numbers, is the results from the Second Century Campaign. So far, over \$5 million in cash, securities and pledges have been received.

As indicated in the Treasurer's report, despite the June decrease in market values, the portfolio was able to generate \$535,000 of unrealized gains in the first half of the year.

## Income

Revenues in the income segment totaled \$6.78 million in the first six months of the year, slightly (1%) more than planned. It is also, however, slightly less than earned in the same period of last year. June's result was not as good as the other month's however, finishing about with about \$75,000 less in earned revenues than planned.

Through the first six months, revenues from publication sales and related revenues stand at \$1.77 million, about \$37,000 more than planned. Sales have been good for most of the year, although the June results cut the favorable variance by more than 50% as sales for the month were \$59,000 less than planned. Titles/categories that have performed well this year, in comparison to our original expectations are the *ARRL Repeater Directory*, *Ham Radio License Manual*, Other

Books and Membership Supplies. On the flip side, those where sales have not met our expectations so far this year includes the *ARRL Handbook* products, Training Aids, and RSGB publications. Sales of Training Aids are a little soft, likely the result of the fact that there is no new license manual (i.e. question pool update) this year. In the RSGB category we are speculating that, in their Centennial year, their titles have been geared more to their history than technical titles, and these new books don't have as big a market in our membership on this side of the pond.

Revenues from subscriptions to our two other periodicals, *QEX* and *NCJ*, have fallen a bit short of our expectations at the midway point of the year. Total revenues from these two sources stood at \$116,000, about \$7,000 less than planned. It is also about \$9,000 less than earned in the same period of 2012. Unfortunately, these revenues run in cycles and the publications are directed to niche markets so it is difficult to predict the actual pattern of revenues within the calendar year. Subscription revenues for these two periodicals have fluctuated within a very narrow range over the past four or five years so a small variance at this point in the year isn't a cause for concern at this time.

As I have said several times so far this year in monthly reports, sales of Advertising and the related revenues continue to defy gravity. Total revenues were, once again, ahead of Plan for the year-to-date and are showing an increase over the same period of last year. All of this was achieved in a continuing downturn in the print advertising business. While advertising revenues was one of only two major revenues sources to meet the monthly target in June, the \$1.28 million earned in 2013 was \$33,000 more than planned for the period. It's also about \$16,000 more than earned in the same period of a year ago. It is interesting to note that the lion's share of the year-to-date variance comes in revenues generated from print advertising in *QST*.

Membership has continued to climb throughout the first half of 2013. We finished June with 161,352 members overall, an increase of 1,074 members (0.7%) since the end of 2012. That was also 1,470 members ahead of where we expected to be at this point. With that increase in membership, as you would suspect, dues income has also continued to rise. Through the first six months, earned dues totaled \$2.9 million, about \$28,000 more than projected. It was also \$45,000 more than earned a year ago, both impressive metrics. The fact that our membership continues to grow, albeit slowly, is a testament to the hard work of the staff and volunteers in the field.

One area that has not kept up with our original projections so far in 2013 is the category of Program Fees. While there are several different fees that make up the total in this category, the large percentage of the overall revenues is comprised of DXCC fees (including Logbook of the World) and fees from the ARRL VEC. Both of these sources are running behind our original projections for the year so far, although VEC fees are slightly ahead of last year's level at the end of June. DXCC and VEC fees are \$14,000 and \$5,000 less than their respective targets (\$257,000 and \$237,000) through the six months. These shortfalls were offset by better than planned results in a couple of other sources such as fees earned from the QSL Bureau, the CQ award implemented in LoTW and IARP fees. For the record, the total of all Program Fees so far in 2013 is \$532,000 about \$15,000 less than originally planned.

Investment income is running behind our projections. As discussed in a couple of the more recent monthly financial reports, some of this is due to a change in how we report the investment income on the endowment but, overall, we are still missing our targets. As you may remember, we are now allocating a portion of the investment income (interest and dividends) to earnings on the capital campaign and we report this balance on the “contributions” page of our internal reports. If you include this balance with the amount reported here in the Income segment, the shortfall is significantly less. It should be noted, however, that our investment income is lower than in the past as a significant amount of fixed income investments matured last year and this year, and there was no way we could re-invest them at similar interest rates. Therefore, investment income will be less this year and into the future.

Expenditures in the Income segment of the operation are running well under budget through the first six months of the year. Total spending in this segment was \$5.23 million at the end of June which was \$152,000 less than budgeted. Noteworthy are the savings that have been realized in the production of QST, primarily the result of a slight change in the paper grade for the magazine. Monthly savings will be in the range of \$7,000. Almost all other departments are under budget for the year-to-date although, it is likely that some of the favorable variances represent timing differences which will reverse themselves, at least in part, during the remainder of the year.

### **Spending**

As in the Income segment, spending on advocacy, member programs and governance was, in total, under budget for the first six months of the year. Significantly, June spending represented almost 40% of the entire favorable variance for the year-to-date. Spending in these categories totaled \$1.82 million through June, about \$239,000 less than planned.

Significant variances include Public Relations which is the result of the retirement of Alan Pitts, WIAGP, late last year and the time in between that event and the promotion of Sean Kutzko, KX9X, to the position. Also, the Contest Branch and DXCC are well under budget as well. For Contest, it is mostly the expected expense of the awards which is likely a timing difference which will reverse later in the year. DXCC is under spent across several expense items including compensation. This may be the result of fewer applications (and less revenue) than anticipated so far this year. As noted earlier in this report, spending from the Education and Technology Fund is well below expectations to this point in the year but there is no direct impact on the bottom line as these expenses are funded through voluntary contributions in the Fund.

VEC is one of the few areas with a budget overage so far this year, with about half of the overage coming in the compensation expense. Staff outages have increased the level of overtime and other part-time staff costs. Field Services was over budget in the first half of the year but some of the overage was attributed to member contact travel which is driven by legitimate requests from the field that are within our rules for staff attendance at hamfests and conventions. And, has been previously reported, the cost of the Board meeting in New Orleans exceeded our budgeted expectations.

## Cash Flow

As we begin the “summer slump” where cash flow, historically, runs negative through the summer months, we saw the same thing happen this year. June’s cash flow was a negative \$334,000 as the monthly cash receipts from operations dipped below the levels we had been seeing in the first five months of the year. There were also transfers of contributions to the investment portfolio that had been received in the prior month and had contributed to the positive cash flow in May. For the year, total cash flow is a negative \$412,000. We have yet to transfer any funds from the investment portfolio to operations but are likely to do so in the near future.

## Operational Results

Significant progress was made on several IT projects that were priorities scheduled to be completed this year, but there is still much work to accomplish. In addition, there was the work of the new sub-committee of the Administration and Finance Committee which was constituted in January to report on Logbook of the World. This group, as you would suspect, involved resources from the ARRL IT Department, specifically the time of Michael Keane, K1MK, ARRL IT Manager.

But work goes on in other departments as well, although most of the organizational administrative and support work goes on behind the scenes and receives little, if any, fanfare. The Controller’s Department, under the direction of Diane Middleton, continues to operate smoothly and, in addition, was able to complete the following projects:

- Completed what was hoped to be the final audit of the ARRL Defined Benefit Pension Plan. However, since we are still waiting for the results of the audit of the termination by the Pension Benefit Guaranty Corporation (PBGC), despite not having any assets left in the Plan, we may have to prepare a final financial statement for the plan year ending May 31, 2014, to finally and officially, close the Plan.
- Worked with our auditors, Cohn Reznick, in their completion of the annual audit of the ARRL financial statements. Once again, the audit went extremely smoothly because of the preparation of the staff and we received another “unqualified” opinion on our December 31, 2012 financial statements.
- Subsequent to the financial statement audit, the staff completed and filed the annual Form 990 (tax return) for 2012. It should be noted that this was the earliest we’ve filed in several years. A copy was provided to the Board for review prior to the filing in accordance with current IRS regulations.
- Completed the 2012 Economic Census (OS-81302) from the US Department of Commerce. While this filing asks for information on a fairly summary level, trying to decipher the government’s definitions and information requests takes more time than one might suspect.

- Created the first of what will be several new filings under the Patient Protection and Affordable Care Act (called Obamacare by many), Form 720 which is the calculation of the Patient-Centered Outcome Research (POCRI) fees. While a relatively small fee (about \$125 annually based on the average number of lives covered in our health insurance plan), working through the new instructions was a bit of a problem. I can only imagine what the reporting is going to look like when the whole Act is implemented in the future.

In another project, reported on extensively last year, we completed the installation of a new HVAC system for the back half of the Headquarters building. With rising temperatures recently, Air Temp, Inc., the vendor, was recently in the building to do a follow-up and everything was found to be in good working condition.

And, last but not least, the Information Technology Department was kept busy in the first six months of the year. As noted above, significant progress was made on several projects, both software and hardware. Of note, the following were important accomplishments:

- Completed the coding of the e-store software and began testing. Currently awaiting internal user testing results so modifications to the code can be made before full implementation.
- Completed conceptual design and requirements definition for DXCC software system replacement. Awaiting internal customer sign-off on requirements document before coding can commence.
- Michael Keane, K1MK, worked with a volunteer development team which culminated in the release of a new version of the Logbook of the World client-side software (TQSL v1.14). This was followed by the release of a first maintenance release (v1.14.1). The next maintenance release is currently in beta test; the alpha version of the next major release (v.1.15) is in internal testing.
- Defined an MS Access database and wrote data entry screens for it, to be used by the ARRL archivists for cataloging historical documents and artifacts.
- Designed and programmed new MS Access queries for the Contest Branch to perform standings calculations, generate score reports and print certificates. These queries are being run against contest score data kept in the same database (ARRL Information System) that is used by the ARRL web site when listing contest results.

On the infrastructure side of the IT operation, several projects were completed in the first half of the year:

- Installed a larger capacity back-up system (Barracuda) which includes sending a copy of the full back-up off-site to the “Cloud” for disaster recovery purposes.

- Installed a new back-up generator for powering the equipment and cooling in the computer room on the second floor. As part of this project, we relocated several servers and supporting hardware to the computer room from what we call the “phone closet” on the second floor.
- Continued the deployment and configuration of the new Exchange 2010 mail server to replace the old version. Migration of the individual mail boxes is now underway and should be completed before the end of the month.

And while all of this was going on, the IT staff had to deal with e-mail issues including a denial of service attack on the servers which filter spam for the arrl.org and arrl.net e-mail addresses. While the attack has abated, the after effects continue to linger as several ISPs continue to periodically block e-mail flowing through those servers. We were not impressed with the response of our spam filtering (and arrl.net) vendor throughout this episode so, as a result, we are actively negotiating with a new vendor to replace Edge Network Services. We are in the process of finalizing the contract and, once that is completed, we will begin the process of planning for the changeover including the appropriate communications to the users of the arrl.net service.

### **What Remains for 2013?**

From a financial perspective, the League’s results through June are good, certainly better than planned on the bottom line. But because of the make-up of the variance (almost the entire bottom line variance coming from under budget spending) I’m not willing to predict at this point that we finish the year much better than our original Plan. And while the markets have had a positive influence on our total net assets overall in the first six months, June was not a good month in the market and it remains to be seen what the on-going reaction will be to the Federal Reserve’s pronouncement about the scaling back of their asset buying program. We certainly don’t attempt to plan for this in our financial results, but it does impact our overall net asset position which, to this point, is still very strong.

Preparations will also begin in earnest for the Centennial year. There are a list of projects intended to “spruce up” the Headquarters building with things like painting of common areas, new carpet in areas where it is time to do so, and refurbishing flooring in others. We are in for an active second half of 2013.

### **In Closing**

For the most part, we have stayed the course throughout the first half of 2013 while overcoming some hurdles along the way. Each issue we ran into provided a learning experience for those involved and I was proud of the way people pulled together to solve some unusually vexing issues. Financially, we’re in good shape, something that can’t be said for many not-for-profit organizations and we look to go into next year with the resources to implement a successful Centennial celebration for the organization.

All of what was accomplished can’t be done without the staff at Headquarters who, in the case of my areas of responsibility, generally work behind the scenes. They aren’t recognized often

unless something goes wrong, but that's the way support groups tend to operate. If you get the chance while in Newington, take a moment to stop by and thank them for their efforts. I try to do so, on a regular basis, but sometimes it's nice to hear it from someone else.

And we couldn't do what we do without the support of the Board and the various committees. For me specifically, that means the Administration and Finance Committee which continues to provide solid guidance and opinions.

If anyone has any questions about this report before the meeting, please don't hesitate to contact me.

Respectfully Submitted,

Barry J. Shelley, N1VXY  
Chief Financial Officer



**ARRL**  
**FINANCIAL RESULTS PACKAGE**  
**June 30, 2013**

<b>AMERICAN RADIO RELAY LEAGUE, INC.</b>		
<b>BALANCE SHEET</b>		
<b>As of June 30, 2013 and June 30, 2012</b>		
	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
Cash & Short Term Investments	\$1,464,561	\$2,449,839
Accounts Receivable, Net	448,901	464,480
Contributions Receivable, Net	760,094	455,916
Inventory, Net of Reserve	781,999	750,206
Prepaid Expenses	188,376	178,203
Investments at Market	19,005,770	19,024,528
Land, Building & Equipment, Net of Accumulated Depreciation	891,216	462,817
<b>TOTAL ASSETS</b>	<b>\$23,540,917</b>	<b>\$23,785,989</b>
<b>LIABILITIES &amp; FUNDS</b>		
<b>Liabilities:</b>		
Accounts Payable	\$152,756	\$279,939
Other Accrued Liabilities	422,534	386,477
Deferred Membership Dues - Term	3,508,094	3,428,040
Deferred Membership Dues - Life	6,754,852	6,512,823
Pension Liability	0	2,756,939
<b>TOTAL LIABILITIES</b>	<b>10,838,236</b>	<b>13,364,218</b>
<b>Fund Balances:</b>		
Unrestricted	4,296,662	3,962,476
Designated Unrestricted	0	0
Temporarily Restricted	1,675,359	1,579,021
Permanently Restricted	6,730,660	4,880,274
<b>TOTAL FUND BALANCES</b>	<b>12,702,681</b>	<b>10,421,771</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>\$23,540,917</b>	<b>\$23,785,989</b>

**AMERICAN RADIO RELAY LEAGUE, INC.**

**SUMMARY**

**June 2013**

	June			Year-To-Date			2012
	Actual	Plan	Variance	Actual	Plan	Variance	Actual YTD
REVENUES	\$1,015,851	\$1,091,192	(\$75,341)	\$6,780,451	\$6,706,425	\$74,026	\$6,849,104
EXPENSES	811,253	867,978	56,725	5,234,552	5,386,539	151,987	5,227,817
NET AVAILABLE INCOME	204,598	223,214	(18,616)	1,545,899	1,319,886	226,013	1,621,287
MEMBER PROGRAM EXPENDITURES	264,803	359,678	94,875	1,816,860	2,055,981	239,121	1,893,114
SUB-TOTAL	(60,205)	(136,464)	76,259	(270,961)	(736,095)	465,134	(271,827)
CONTRIBUTIONS	46,588	84,662	(38,074)	327,479	451,535	(124,056)	369,055
INCOME FROM OPERATIONS	(13,617)	(51,802)	38,185	56,518	(284,560)	341,078	97,228
PENSION PLAN TERMINATION	0	0	0	0	0	0	0
GAIN/(LOSS) ON INVESTMENT	9,236	0	9,236	105,903	0	105,903	585,361
NET EXCESS (DEFICIT)	(\$4,381)	(\$51,802)	\$47,421	\$162,421	(\$284,560)	\$446,981	\$682,589
UNREALIZED GAIN (LOSS)	(\$298,234)			\$535,145			(253,764)

**AMERICAN RADIO RELAY LEAGUE, INC.**

**INCOME**

**June 2013**

	<b>June</b>			<b>Year-To-Date</b>			<b>2012</b>
	<b>Actual</b>	<b>Plan</b>	<b>Variance</b>	<b>Actual</b>	<b>Plan</b>	<b>Variance</b>	<b>Actual YTD</b>
<b>REVENUES</b>	<b>\$1,015,851</b>	<b>\$1,091,192</b>	<b>(\$75,341)</b>	<b>\$6,780,451</b>	<b>\$6,706,425</b>	<b>\$74,026</b>	<b>\$6,849,104</b>
Product Sales	210,895	269,711	(58,816)	1,773,834	1,736,438	37,396	1,803,582
QST and Magazines	12,645	16,206	(3,561)	116,355	123,028	(6,673)	125,171
Advertising	201,017	200,510	507	1,282,885	1,249,740	33,145	1,266,929
Membership Dues	475,334	474,958	376	2,903,490	2,875,605	27,885	2,858,465
Program Fees	76,103	87,110	(11,007)	532,002	546,590	(14,588)	544,773
Interest/Dividends	27,287	27,642	(355)	112,684	135,444	(22,760)	215,521
2014 Convention Revenue	0	0	0	0	0	0	0
Other	12,570	15,055	(2,485)	59,201	39,580	19,621	34,663
<b>EXPENSES</b>	<b>\$811,253</b>	<b>\$867,978</b>	<b>\$56,725</b>	<b>\$5,234,552</b>	<b>\$5,386,539</b>	<b>\$151,987</b>	<b>\$5,227,817</b>
Product Sales	190,675	219,787	29,112	1,340,116	1,353,345	13,229	1,322,531
QST and Magazines	226,159	245,428	19,269	1,382,755	1,423,147	40,391	1,418,727
Advertising	20,173	19,659	(514)	125,209	123,887	(1,321)	117,043
Membership Dues	63,352	77,487	14,135	459,793	474,877	15,084	426,971
Investment Advisor Fees	0	0	0	0	0	0	20,200
2014 Convention Expenses	819	0	(819)	1,217	10,000	8,783	0
Support:	<b>\$310,076</b>	<b>\$305,618</b>	<b>(\$4,458)</b>	<b>\$1,925,462</b>	<b>\$2,001,283</b>	<b>\$75,821</b>	<b>\$1,922,345</b>
Administration	63,871	69,450	5,579	407,741	414,808	7,067	399,436
Development/Fundraising	21,968	19,133	(2,835)	169,006	222,548	53,542	221,167
2nd Century	20,996	15,109	(5,887)	95,719	93,116	(2,603)	70,740
Comptroller	64,182	65,268	1,086	445,135	444,940	(195)	450,134
Information Technology	77,840	70,563	(7,277)	453,324	446,127	(7,197)	411,549
Administrative Services	22,243	19,463	(2,780)	120,534	121,627	1,093	116,197
Personnel	0	3,426	3,426	(6,768)	7,406	14,174	11,704
Building	38,976	43,206	4,230	240,771	250,711	9,940	241,418
<b>NET AVAILABLE INCOME</b>	<b>\$204,598</b>	<b>\$223,214</b>	<b>(\$18,616)</b>	<b>\$1,545,899</b>	<b>\$1,319,886</b>	<b>\$226,013</b>	<b>\$1,621,287</b>
Product Sales	20,220	49,924	(29,704)	433,718	383,093	50,625	481,051
QST and Magazines	(213,514)	(229,222)	15,708	(1,266,400)	(1,300,119)	33,718	(1,293,556)
Advertising	180,844	180,851	(7)	1,157,676	1,125,853	31,824	1,149,886
Membership Dues	411,982	397,471	14,511	2,443,697	2,400,728	42,969	2,431,494
Program Fees	76,103	87,110	(11,007)	532,002	546,590	(14,588)	544,773
Investment Income	27,287	27,642	(355)	112,684	135,444	(22,760)	195,321
2014 Convention	(819)	0	(819)	(1,217)	(10,000)	8,783	0
Other and Support	(297,506)	(290,563)	(6,943)	(1,866,261)	(1,961,703)	95,442	(1,887,682)

**AMERICAN RADIO RELAY LEAGUE, INC.**

**SPENDING**

**June 2013**

	June			Year-To-Date			2012
	Actual	Plan	Variance	Actual	Plan	Variance	Actual YTD
<b>MEMBER PROGRAM</b>							
<b>EXPENDITURES</b>	<b>\$264,803</b>	<b>\$359,678</b>	<b>\$94,875</b>	<b>\$1,816,860</b>	<b>\$2,055,981</b>	<b>\$239,121</b>	<b>\$1,893,114</b>
<b>Advocacy</b>	<b>\$58,622</b>	<b>\$79,415</b>	<b>\$20,793</b>	<b>\$340,068</b>	<b>\$412,854</b>	<b>\$72,786</b>	<b>\$445,118</b>
Washington	44,066	50,520	6,454	286,335	290,602	4,267	296,539
International/IARU	10,019	21,315	11,296	40,702	64,475	23,773	102,997
Public Relations	4,537	7,580	3,043	13,031	57,777	44,746	45,582
<b>Membership/Vol Programs</b>	<b>\$118,205</b>	<b>\$143,276</b>	<b>\$25,071</b>	<b>\$798,656</b>	<b>\$870,818</b>	<b>\$72,162</b>	<b>\$801,708</b>
Administration	19,345	19,827	482	125,311	126,473	1,162	121,725
Contest	6,994	8,942	1,948	56,729	87,600	30,871	80,755
DXCC/Awards	31,881	55,340	23,459	238,637	272,256	33,619	231,925
QSL Bureau	3,979	4,734	755	38,336	37,826	(510)	30,016
W1AW	12,276	10,542	(1,734)	65,407	66,866	1,459	60,872
Field Services	22,244	23,150	906	152,347	141,224	(11,123)	148,663
Emergency Preparedness & Response	15,092	10,506	(4,586)	84,034	77,163	(6,871)	84,833
Section Expenses	6,394	10,235	3,841	37,855	61,410	23,555	42,919
<b>Educational Programs</b>	<b>\$22,638</b>	<b>\$54,839</b>	<b>\$32,201</b>	<b>\$117,628</b>	<b>\$208,112</b>	<b>\$90,484</b>	<b>\$111,771</b>
Education Services	10,794	14,019	3,225	78,087	91,107	13,020	52,884
Educ & Technology	11,844	40,820	28,976	39,541	117,005	77,464	58,887
<b>VEC</b>	<b>\$26,185</b>	<b>\$29,385</b>	<b>\$3,200</b>	<b>\$198,695</b>	<b>\$186,521</b>	<b>(\$12,174)</b>	<b>\$209,847</b>
<b>LAB</b>	<b>\$30,672</b>	<b>\$32,473</b>	<b>\$1,801</b>	<b>\$196,963</b>	<b>\$208,186</b>	<b>\$11,223</b>	<b>\$197,136</b>
<b>Governance</b>	<b>\$8,481</b>	<b>\$20,290</b>	<b>\$11,809</b>	<b>\$164,850</b>	<b>\$169,490</b>	<b>\$4,640</b>	<b>\$127,534</b>
Divisions	3,373	9,540	6,167	42,567	57,240	14,673	43,786
Officers	2,332	4,000	1,668	8,751	20,000	11,249	7,736
Board Meetings	1,386	0	(1,386)	91,516	70,000	(21,516)	52,020
Committees	1,390	6,750	5,360	22,016	22,250	234	23,992

**AMERICAN RADIO RELAY LEAGUE, INC.**  
**CONTRIBUTIONS / INVESTMENT ACTIVITY**

**June 2013**

	June			Year-To-Date			2012
	Actual	Plan	Variance	Actual	Plan	Variance	Actual YTD
<b>CONTRIBUTIONS AND</b>							
<b>SUPPORT</b>	<b>\$46,588</b>	<b>\$84,662</b>	<b>(\$38,074)</b>	<b>\$327,479</b>	<b>\$451,535</b>	<b>(\$124,056)</b>	<b>\$369,055</b>
<b>Unrestricted</b>	<b>\$24,004</b>	<b>\$20,000</b>	<b>\$4,004</b>	<b>\$180,267</b>	<b>\$165,500</b>	<b>\$14,767</b>	<b>\$164,373</b>
Diamond Club	20,062	15,000	5,062	148,582	130,000	18,582	123,649
Miscellaneous	3,942	5,000	(1,058)	31,685	35,500	(3,815)	40,724
Member Loyalty	0	0	0	0	0	0	190
<b>Donor-Restricted: "Uses"</b>	<b>\$22,584</b>	<b>\$64,662</b>	<b>(\$42,078)</b>	<b>\$147,212</b>	<b>\$286,035</b>	<b>(\$138,823)</b>	<b>\$204,682</b>
<u>Capital Campaign Earnings</u>	\$4,912	\$0	4,912	\$29,328	\$0	29,328	\$0
<u>Defense:</u>	\$2,155	\$20,000	(\$17,845)	\$54,473	\$120,000	(\$65,527)	\$72,677
Advocacy	1,996	3,608	(1,612)	47,780	80,290	(32,510)	54,064
Fundraising	159	16,392	(16,233)	6,693	39,710	(33,017)	18,613
<u>Education &amp; Technology:</u>	\$11,844	\$41,121	(\$29,277)	\$39,548	\$133,890	(\$94,342)	\$82,804
Program	11,844	40,821	(28,977)	39,541	117,010	(77,469)	59,098
Fundraising	0	300	(300)	7	16,880	(16,873)	23,706
W1AW Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$17,678
<u>Legal Research &amp; Resource</u>	440	500	(60)	1,480	3,100	(1,620)	830
<u>Lab Fund</u>	0	41	(41)	0	245	(245)	0
<u>Preservation of Artifacts</u>	233	0	233	383	0	383	135
W1AW	0	0	0	0	6,800	(6,800)	0
Ham Aid	0	0	0	0	0	0	7,058
ARDF	0	0	0	0	0	0	0
E. Smith Earnings	3,000	3,000	0	22,000	22,000	0	22,000
Colvin Award	0	0	0	0	0	0	1,500
Star Technology Fund	0	0	0	0	0	0	0
Project Goodwill	\$0	\$0	0	\$0	\$0	0	0
<b>GAIN/(LOSS) ON SALE</b>							
<b>OF INVESTMENTS</b>	<b>\$9,236</b>	<b>\$0</b>	<b>\$9,236</b>	<b>\$105,903</b>	<b>\$0</b>	<b>\$105,903</b>	<b>\$585,361</b>

**American Radio Relay League**

**Detailed Income Statement**

**June 30, 2013**

	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>RECONCILIATION BY TOTALS</b>								
<b>REVENUES</b>								
PUBLICATIONS & PRODUCTS	210,895	269,711	(58,816)	1,773,834	1,736,438	37,396	1,803,582	3,741,271
ADVERTISING	201,017	200,510	507	1,282,885	1,249,740	33,145	1,266,929	2,542,585
DUES & SUBSCRIPTIONS	487,979	491,164	(3,185)	3,019,845	2,998,633	21,212	2,983,636	6,008,778
PROGRAM & SERVICE FEES	76,103	87,110	(11,007)	532,002	546,590	(14,588)	544,773	1,012,150
INVESTMENT INCOME	36,523	27,642	8,881	218,587	135,444	83,143	800,882	276,416
CONTRIBUTIONS & SUPPORT	46,588	84,662	(38,074)	327,479	451,535	(124,056)	369,055	1,076,164
OTHER	12,570	15,055	(2,485)	59,201	39,580	19,621	34,663	117,410
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<b>TOTAL REVENUES</b>	<b>1,071,675</b>	<b>1,175,854</b>	<b>(104,179)</b>	<b>7,213,833</b>	<b>7,157,960</b>	<b>55,873</b>	<b>7,803,520</b>	<b>14,774,774</b>
<b>DIRECT COSTS</b>								
PUBLICATIONS & PRODUCTS	102,952	118,214	(15,262)	787,187	772,263	14,924	780,661	1,700,965
MEMBERSHIP & SUBS	171,187	192,166	(20,979)	1,058,820	1,090,353	(31,533)	1,075,441	2,167,249
ADVERTISING	-	-	-	-	-	-	-	-
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<b>TOTAL DIRECT COSTS</b>	<b>274,139</b>	<b>310,380</b>	<b>(36,241)</b>	<b>1,846,007</b>	<b>1,862,616</b>	<b>(16,609)</b>	<b>1,856,102</b>	<b>3,868,214</b>
<b>ADMINISTRATIVE EXPENSES</b>								
HEADQUARTERS	787,041	886,751	(99,710)	5,002,699	5,349,004	(346,305)	5,094,379	10,607,104
BOARD OF DIRECTORS, OFFICERS & COMMITTEES	8,480	20,290	(11,810)	164,851	169,490	(4,639)	127,533	340,027
SECTION LEVEL	6,396	10,235	(3,839)	37,855	61,410	(23,555)	42,917	122,820
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<b>TOTAL ADMIN EXPENSES</b>	<b>801,917</b>	<b>917,276</b>	<b>(115,359)</b>	<b>5,205,405</b>	<b>5,579,904</b>	<b>(374,499)</b>	<b>5,264,829</b>	<b>11,069,951</b>
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<b>TOTAL EXPENSES</b>	<b>1,076,056</b>	<b>1,227,656</b>	<b>(151,600)</b>	<b>7,051,412</b>	<b>7,442,520</b>	<b>(391,108)</b>	<b>7,120,931</b>	<b>14,938,165</b>
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<b>NET EXCESS (DEFICIT) FROM OPERATIONS</b>	<b>(4,381)</b>	<b>(51,802)</b>	<b>47,421</b>	<b>162,421</b>	<b>(284,560)</b>	<b>446,981</b>	<b>682,589</b>	<b>(163,391)</b>
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American Radio Relay League								
Detailed Income Statement								
June 30, 2013								
	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>REVENUES:</b>								
<b>PUBLICATION AND PRODUCT SALES:</b>								
ARRL Handbook	12,669	15,000	(2,331)	131,232	141,240	(10,008)	138,353	706,572
Repeater Directory	11,700	16,135	(4,435)	111,727	99,635	12,092	94,018	165,773
Ham Radio License Manual	27,428	28,000	(572)	250,941	236,464	14,477	252,880	438,464
Training Aids	26,211	35,000	(8,789)	208,678	215,779	(7,101)	233,694	410,779
Non-ARRL Publications	11,963	14,061	(2,098)	87,939	90,770	(2,831)	102,246	168,745
Royalty Items	16,662	20,000	(3,338)	107,827	110,000	(2,173)	92,442	226,809
Other Books	54,034	65,862	(11,828)	476,830	454,362	22,468	474,895	888,222
RSGB	4,192	7,000	(2,808)	34,372	44,874	(10,502)	46,100	90,453
Other Pubs/Product Sales	673	-	673	3,105	-	3,105	3,069	-
Membership Supplies	21,848	27,250	(5,402)	150,251	135,656	14,595	140,259	199,156
e-download-Repeater Directories	1,973	-	1,973	9,433	-	9,433	11,726	-
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	189,353	228,308	(38,955)	1,572,335	1,528,780	43,555	1,589,682	3,294,973
Apparel Comissions	-	-	-	2,368	1,500	868	1,358	3,000
Other Products: Publishing Rights	-	12,600	(12,600)	3,349	12,600	(9,251)	3,760	25,200
On-line Courses	1,358	1,840	(482)	10,914	11,040	(126)	11,469	22,080
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	1,358	14,440	(13,082)	16,631	25,140	(8,509)	16,587	50,280
Postage/Handling Fees	25,638	29,963	(4,325)	201,742	200,518	1,224	204,242	432,018
Sales Returns and Allow.	(5,454)	(3,000)	(2,454)	(16,874)	(18,000)	1,126	(6,929)	(36,000)
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<b>TOTAL PUBLICATION AND PRODUCT SALES</b>	<b>210,895</b>	<b>269,711</b>	<b>(58,816)</b>	<b>1,773,834</b>	<b>1,736,438</b>	<b>37,396</b>	<b>1,803,582</b>	<b>3,741,271</b>
<b>ADVERTISING</b>								
QST	187,644	188,250	(606)	1,151,108	1,122,775	28,333	1,129,331	2,250,635
QST Specialty	-	-	-	40,937	42,500	(1,563)	44,376	65,500
Electronic Advertising	3,028	3,050	(22)	21,704	18,300	3,404	18,187	36,600
Ham Ads	733	875	(142)	4,147	5,250	(1,103)	5,526	10,500
QEX	1,900	1,125	775	5,493	3,375	2,118	3,380	6,750
NCJ	2,072	1,800	272	6,489	6,200	289	7,949	12,400
WEB Banners	5,450	5,110	340	28,965	29,340	(375)	29,625	60,000
All Other Advertising	190	300	(110)	24,042	22,000	2,042	28,555	100,200
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<b>TOTAL ADVERTISING</b>	<b>201,017</b>	<b>200,510</b>	<b>507</b>	<b>1,282,885</b>	<b>1,249,740</b>	<b>33,145</b>	<b>1,266,929</b>	<b>2,542,585</b>
<b>MEMBERSHIP DUES AND SUBSCRIPTIONS</b>								
Term Membership Dues	432,986	432,539	447	2,649,263	2,621,091	28,172	2,603,832	5,247,464
Life Membership Dues	42,348	42,419	(71)	254,227	254,514	(287)	254,633	509,028
QST: Dealer	1,508	1,292	216	8,118	7,752	366	8,536	15,504
QEX Subscriptions	9,265	12,090	(2,825)	84,282	90,228	(5,946)	91,411	182,302
NCJ Subscriptions	1,872	2,824	(952)	23,955	25,048	(1,093)	25,224	54,480
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<b>TOTAL DUES &amp; SUBSCRIPTIONS</b>	<b>487,979</b>	<b>491,164</b>	<b>(3,185)</b>	<b>3,019,845</b>	<b>2,998,633</b>	<b>21,212</b>	<b>2,983,636</b>	<b>6,008,778</b>



**American Radio Relay League**

**Detailed Income Statement**

**June 30, 2013**

	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>REVENUES:</b>								
<b>PROGRAMS &amp; SERVICE FEES</b>								
QSL Bureau Service	2,883	3,805	(922)	27,616	25,155	2,461	27,229	49,805
DXCC Fees and Receipts	33,720	40,335	(6,615)	243,197	257,460	(14,263)	270,727	504,350
CQ Awards	1,812	2,030	(218)	14,101	11,350	2,751	-	26,755
Contest Fees	812	535	277	8,894	9,915	(1,021)	11,427	20,415
Lab Fees	11	50	(39)	319	400	(81)	222	825
Volunteer Exam Fees	36,161	39,405	(3,244)	232,072	236,760	(4,688)	230,263	399,000
IARP Fees	220	150	70	1,812	700	1,112	580	1,300
Vanity Renewal Fees	305	700	(395)	2,730	4,250	(1,520)	3,395	8,500
Non-Member FCC changes	179	100	79	1,261	600	661	930	1,200
<b>TOTAL FEES</b>	<b>76,103</b>	<b>87,110</b>	<b>(11,007)</b>	<b>532,002</b>	<b>546,590</b>	<b>(14,588)</b>	<b>544,773</b>	<b>1,012,150</b>
<b>INVESTMENT INCOME</b>								
Interest/Dividend Income	27,287	27,642	(355)	112,684	135,444	(22,760)	215,521	276,416
Gain/(Loss) from Sale of Investments	9,236	-	9,236	105,903	-	105,903	585,361	-
<b>TOTAL INVESTMENT INCOME</b>	<b>36,523</b>	<b>27,642</b>	<b>8,881</b>	<b>218,587</b>	<b>135,444</b>	<b>83,143</b>	<b>800,882</b>	<b>276,416</b>
<b>CONTRIBUTIONS &amp; SUPPORT</b>								
Contributions - Unrestricted	3,942	5,000	(1,058)	31,685	35,500	(3,815)	40,534	100,500
Contributions - Diamond Club	20,062	15,000	5,062	148,582	130,000	18,582	123,649	300,000
Contributions - Member Loyalty	-	-	-	-	-	-	190	-
Contributions - Restricted	22,584	64,662	(42,078)	147,212	286,035	(138,823)	204,682	675,664
<b>TOTAL CONTRIBUTIONS &amp; SUPPORT</b>	<b>46,588</b>	<b>84,662</b>	<b>(38,074)</b>	<b>327,479</b>	<b>451,535</b>	<b>(124,056)</b>	<b>369,055</b>	<b>1,076,164</b>
<b>OTHER REVENUES</b>								
Royalties	936	1,975	(1,039)	4,780	4,350	430	4,213	7,200
Affinity Credit Card	4,145	2,800	1,345	16,110	16,800	(690)	13,881	33,600
Insurance Commission	-	-	-	-	-	-	-	13,600
Affinity Insurance Royalty	479	3,680	(3,201)	2,616	5,580	(2,964)	2,149	7,860
Gain/(Loss) from Sale of Assets	342	-	342	342	-	342	582	-
Auction Revenue	-	-	-	105	-	105	-	10,000
Misc. Other Income	6,668	6,600	68	35,248	12,850	22,398	13,838	45,150
<b>TOTAL OTHER REVENUES</b>	<b>12,570</b>	<b>15,055</b>	<b>(2,485)</b>	<b>59,201</b>	<b>39,580</b>	<b>19,621</b>	<b>34,663</b>	<b>117,410</b>

American Radio Relay League								
Detailed Income Statement								
June 30, 2013								
	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>DIRECT COSTS:</b>								
<b>DIRECT COSTS OF PUBLICATIONS AND PRODUCTS:</b>								
ARRL Handbook	3,211	6,300	(3,089)	32,896	59,321	(26,425)	36,326	296,760
Repeater Directory	3,348	5,970	(2,622)	38,612	36,865	1,747	31,556	61,336
Ham Radio License Manual	3,259	4,480	(1,221)	29,666	37,835	(8,169)	31,274	70,155
Training Aids	3,578	7,000	(3,422)	29,796	43,156	(13,360)	46,549	82,156
Non-ARRL Publications	8,379	9,140	(761)	58,858	59,002	(144)	68,136	109,687
Royalty Items	17,733	8,600	9,133	51,015	47,300	3,715	44,040	97,528
Other Books	14,832	13,831	1,001	132,909	95,416	37,493	98,193	186,527
RSGB	2,710	3,920	(1,210)	23,280	25,130	(1,850)	28,753	50,654
Other Pubs/Product COGS	590	-	590	2,771	-	2,771	2,810	-
Membership Supplies	8,792	10,900	(2,108)	59,892	54,262	5,630	56,133	79,662
On-line Course Expense	-	1,290	(1,290)	1,260	4,590	(3,330)	1,530	7,830
e-Book Expenses	-	-	-	-	-	-	657	-
Publications Forwarding Expense	25,314	36,529	(11,215)	244,617	244,605	12	266,281	527,195
Advertising/Promotion Expense	-	-	-	5,200	2,200	3,000	2,200	7,200
In-House Pub Use	9,206	8,254	952	64,415	50,581	13,834	57,223	100,275
Obsolete Inventory	2,000	2,000	-	12,000	12,000	-	9,000	24,000
<b>TOTAL DIRECT PUBLICATION AND PRODUCT SALES</b>	<b>102,952</b>	<b>118,214</b>	<b>(15,262)</b>	<b>787,187</b>	<b>772,263</b>	<b>14,924</b>	<b>780,661</b>	<b>1,700,965</b>
<b>DIRECT COSTS OF MEMBERSHIPS AND SUBSCRIPTIONS:</b>								
QST Publication Expense	84,784	84,874	(90)	509,103	511,173	(2,070)	502,664	1,016,989
QST Insertion Costs	-	5,600	(5,600)	16,822	16,800	22	16,367	28,000
QST Forwarding Expense	73,404	80,143	(6,739)	464,705	488,358	(23,653)	484,826	974,216
QST Electronic Production Exp.	2,617	2,700	(83)	13,400	16,200	(2,800)	16,838	32,400
QEX Publication Expense	-	5,700	(5,700)	15,951	17,100	(1,149)	20,409	34,200
QEX Forwarding Expense	3,863	5,300	(1,437)	16,375	16,800	(425)	16,832	33,600
NCJ Publication Expense	4,103	5,079	(976)	14,037	15,237	(1,200)	10,851	30,474
NCJ Forwarding Expense	2,416	2,770	(354)	8,427	8,685	(258)	6,654	17,370
<b>TOTAL DIRECT MEMBERSHIP &amp; SUBSCRIPTION COSTS</b>	<b>171,187</b>	<b>192,166</b>	<b>(20,979)</b>	<b>1,058,820</b>	<b>1,090,353</b>	<b>(31,533)</b>	<b>1,075,441</b>	<b>2,167,249</b>
<b>DIRECT COSTS OF ADVERTISING:</b>								
Client On-line Services	-	-	-	-	-	-	-	-
<b>TOTAL DIRECT ADVERTISING COSTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

American Radio Relay League								
Detailed Income Statement								
June 30, 2013								
	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>HEADQUARTERS OPERATIONS:</b>								
Salaries Regular	412,984	425,148	(12,164)	2,645,646	2,702,603	(56,957)	2,587,174	5,501,950
Salaries Overtime	3,304	2,767	537	27,533	19,667	7,866	36,920	36,949
Commissions and Bonuses	850	250	600	5,475	7,000	(1,525)	9,700	15,000
Employee Recognition /Awards	-	50	(50)	50	300	(250)	316	8,360
Temporary Employees	-	-	-	1,766	-	1,766	3,205	-
Benefit Allocation	-	(1)	1	-	3	(3)	-	(1)
Employee Benefits	115,692	123,543	(7,851)	704,084	755,541	(51,457)	681,867	1,482,643
Employee Relocation	-	-	-	-	-	-	4,501	-
Recruiting Advertising	-	500	(500)	1,956	1,000	956	2,165	2,000
Legal and Professional	9,000	9,000	-	54,000	54,000	-	54,000	108,000
Accounting/Audit Fees	-	-	-	37,500	37,500	-	42,500	50,000
Other Consultants	16,171	19,244	(3,073)	103,479	118,595	(15,116)	114,530	233,450
Education Grants	-	-	-	3,029	5,000	(1,971)	-	10,000
Promotional Materials	-	-	-	612	1,500	(888)	706	1,500
Donor Recognition	4,602	300	4,302	36,252	46,465	(10,213)	27,046	50,115
Office Supplies	3,346	5,216	(1,870)	37,987	31,441	6,546	34,108	64,932
Stationery/Printing/Forms	11,824	19,694	(7,870)	114,814	167,175	(52,361)	155,149	367,331
Exhibit Expense	5,382	12,500	(7,118)	43,475	51,530	(8,055)	37,887	51,530
Expensed Equipment/Furniture	6,262	3,500	2,762	7,970	40,640	(32,670)	35,137	50,180
Computer Supplies	1,927	1,833	94	17,939	10,998	6,941	14,006	21,996
Purchased Software Packages	1,368	250	1,118	3,333	1,500	1,833	4,440	3,000
Telephone	3,270	3,456	(186)	19,932	20,748	(816)	19,528	41,517
Internet/ISP/Electronic Mail	3,279	2,810	469	16,161	16,860	(699)	15,525	33,720
ARRL.net	2,500	2,500	-	15,000	15,000	-	15,000	30,000
Postage	40,985	56,179	(15,194)	325,336	354,720	(29,384)	323,071	702,522
Dues and Subscriptions	3,104	3,515	(411)	20,353	18,980	1,373	17,056	36,875
IARU Dues	4,110	4,280	(170)	24,660	25,680	(1,020)	24,660	51,360
Business Travel	22,040	21,110	930	73,524	73,990	(466)	63,420	111,755
Overseas Travel	5,909	30,110	(24,201)	15,400	57,610	(42,210)	112,870	133,140
Member Contact Travel	5,440	2,840	2,600	23,695	19,740	3,955	22,762	42,145
Program Travel	500	33,745	(33,245)	(4,925)	38,255	(43,180)	(385)	72,000
Utilities	9,588	10,904	(1,316)	62,150	60,297	1,853	59,870	127,225
Insurance	8,059	8,135	(76)	48,363	48,810	(447)	42,869	97,620
Property Taxes	10,237	9,780	457	59,130	58,680	450	59,022	118,060
Building Maintenance	9,921	12,644	(2,723)	61,882	72,177	(10,295)	66,834	136,269
Computer Maintenance	8,801	1,042	7,759	20,366	6,252	14,114	7,218	12,504
Maintenance of Equipment	3,261	3,826	(565)	19,639	30,816	(11,177)	21,786	61,595
Rent/Leased - Equipment	3,230	4,000	(770)	22,330	24,800	(2,470)	23,367	52,450
Rent/Leased - Storage	4,265	4,265	-	25,588	25,590	(2)	26,040	51,180
Rent/Leased - Office Space	2,140	2,140	-	12,840	12,840	-	13,686	26,025
Vehicle Expenses	50	195	(145)	550	1,920	(1,370)	791	4,290
Overseas QSL Service	1,436	1,495	(59)	11,143	12,735	(1,592)	10,244	25,095
Awards Expense	1,744	3,980	(2,236)	31,624	46,565	(14,941)	51,879	69,300
CQ Award Expense	543	609	(66)	4,290	3,407	883	-	8,030
W1AW Station Expense	342	245	97	894	1,805	(911)	969	3,540
Product Review Expense	1,287	1,750	(463)	4,496	10,500	(6,004)	1,013	21,000
Lab Expense	427	442	(15)	1,882	2,652	(770)	3,429	5,300
Payroll Processing	550	536	14	3,924	4,166	(242)	3,682	7,650
Bank Service Charges	2,087	2,800	(713)	12,692	16,800	(4,108)	17,440	33,600
Credit Card Fees	17,725	18,000	(275)	109,650	108,500	1,150	113,812	217,000
Credit and Collections	50	125	(75)	300	750	(450)	1,025	1,500
Bad Debt Expense	1,000	1,000	-	6,000	6,000	-	6,000	12,000
Other Taxes and Permits	42	-	42	1,107	100	1,007	300	110
Depreciation and Amortization	16,293	14,399	1,894	105,544	98,201	7,343	102,160	197,817
Miscellaneous	114	100	14	279	600	(321)	2,079	3,975
<b>TOTAL HEADQUARTERS OPERATIONAL EXPENSES</b>	<b>787,041</b>	<b>886,751</b>	<b>(99,710)</b>	<b>5,002,699</b>	<b>5,349,004</b>	<b>(346,305)</b>	<b>5,094,379</b>	<b>10,607,104</b>

American Radio Relay League								
Detailed Income Statement								
June 30, 2013								
	Month of June			Year-to-date			2012	2013
	Actual	Plan	Variance	Actual	Plan	Variance	YTD Actual	Total Plan
<b>BOARD of DIRECTORS, OFFICERS &amp; COMMITTEES</b>								
Divisions	3,373	9,540	(6,167)	42,567	57,240	(14,673)	43,785	114,527
President and Officers	2,331	4,000	(1,669)	8,751	20,000	(11,249)	7,736	40,000
BOD Meetings	1,386	-	1,386	91,516	70,000	21,516	52,020	125,000
Committees	1,390	6,750	(5,360)	22,017	22,250	(233)	23,992	60,500
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	8,480	20,290	(11,810)	164,851	169,490	(4,639)	127,533	340,027
Section Level Administrative Exp.	6,396	10,235	(3,839)	37,855	61,410	(23,555)	42,917	122,820
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<b>TOTAL BOARD DIRECT AUTHORIZATIONS</b>	<b>14,876</b>	<b>30,525</b>	<b>(15,649)</b>	<b>202,706</b>	<b>230,900</b>	<b>(28,194)</b>	<b>170,450</b>	<b>462,847</b>

<b>The American Radio Relay League, Inc.</b>		
<b>Statement of Changes in Financial Position</b>		
<b>June 30, 2013</b>		
Excess (deficit) of revenues over expenses		\$ 162,421
Operating items not using/(providing) cash:		
Depreciation	105,544	
Pension accrual	-	
Decrease (increase) in accounts receivable	29,541	
Decrease (increase) in inventory	4,133	
Decrease (increase) in prepaid expenses	(82,310)	
Increase (decrease) in accounts payable	(90,736)	
Increase (decrease) in other accrued liabilities	(8,490)	
Increase (decrease) in deferred membership dues - term	163,398	
membership dues - life	70,931	
		<u>192,011</u>
Gross cash from operations		354,432
Other sources (uses) of cash:		
Net sales (purchases) of investments	(1,540,940)	
Pension contributions	-	
Capital purchases	(232,568)	
Increase (decrease) in designated unrestricted funds	-	
Increase (decrease) in temporarily restricted funds	96,839	
Increase (decrease) in permanently restricted funds	931,522	
		<u>(745,147)</u>
Net Increase (decrease) in Cash and Cash Equivalents before Investment Market Adjustment		(390,715)
Increase (decrease) in Market Value of Investments		<u>535,146</u>
Net Increase (decrease) in Cash and Cash Equivalents		<u>\$ 144,431</u>

American Radio Relay League, Inc.							
Fund Activity - Contributions Received and Used							
As of June 30, 2013							
				Realized			
		Audited		Interest			
		Beg Bal.		& Capital	Pledges	Funds	Ending Bal.
Fund	Acct #	January 1, 2013	Contributions	Gains (Loss)	Received	Used	June 30, 2013
<b>Designated Unrestricted:</b>							
Preservation of Artifacts	32011-000-00	-	384	0	0	(384)	-
<b>Temporarily Restricted:</b>							
Hiram Percy Maxim Award	33001-000-00	39,974	0	618	0	0	40,592
Project Goodwill	33003-000-00	8,180	0	0	0	0	8,180
Exceptional Merit	33004-000-00	1,094,267	0	16,825	0	(22,000)	1,089,091
Legal Research & Resource	33005-000-00	159,713	6,986	0	0	(1,480)	165,219
Starr Technology Fund	33006-000-00	2,719	0	0	0	0	2,719
Rinaldo Technology Fund	33007-000-00	1,000	0	0	0	0	1,000
ARRL SAREX Fund	33008-000-00	6,710	0	0	0	0	6,710
Defense of Frequencies	33009-000-00	-	53,845	626	0	(54,472)	-
Ham Aid Fund	33010-000-00	9,866	5,442	0	0	0	15,308
Colvin Investment Earnings	33030-000-00	10,589	0	4,587	0	0	15,176
Capital Campaign Earnings	33040-000-00	-	0	29,328	0	(29,328)	-
Educational Activities	33051-000-00	3,581	0	0	0	0	3,581
Lab Contributions	33052-000-00	12,681	746	0	0	0	13,427
W1AW Fund	33053-000-00	93,025	0	14,620	0	0	107,644
Education Project	33054-000-00	124,932	108,995	1,050		(39,549)	195,429
Fund for ARDF	33055-000-00	1,284	0	0	0	0	1,284
Steven Rich Fund	33058-000-00	10,000	0	0	0	0	10,000
<b>Total Temporarily Restricted</b>		<b>1,578,520</b>	<b>176,014</b>	<b>67,654</b>		<b>(146,828)</b>	<b>1,675,359</b>
<b>Permanently Restricted:</b>							
Colvin Fund	34005-000-00	154,340	0	0	0	0	154,340
W1AW Endowment	34010-000-00	491,005	6,444	0	0	0	497,449
Youth and Education Endowment	34015-000-00	35,658	36,519	0	0	0	72,177
Defense Endowment	34120-000-00	21,500	0	0	0	0	21,500
General Endowment	34100-000-00	3,337,400	814,483	0	0	0	4,151,883
Capital Campaign-2nd Century	34020-000-00	959,441	103,775	0	0	0	1,063,217
CC-2nd Century-Youth & Education		-	10,000	0	0	0	10,000
Capital Campaign-2nd Century-Pledges	34020-563-50	799,794	0	0	(39,700)	0	760,094
<b>Total Permanently Restricted</b>		<b>5,799,138</b>	<b>971,222</b>	<b>0</b>	<b>(39,700)</b>	<b>0</b>	<b>6,730,660</b>
<b>Total Fund Activity</b>		<b>7,377,658</b>	<b>1,147,620</b>	<b>67,654</b>	<b>(39,700)</b>	<b>(147,212)</b>	<b>8,406,019</b>

<b>American Radio Relay League, Inc.</b>			
<b>Cash Flow</b>			
<b>June 30, 2013</b>			
<b>Operations</b>		<b>Investments</b>	
<b>Beginning Balance</b>	<b><u>\$979,163</u></b>	<b>Beginning Balance</b>	<b><u>\$1,107,522</u></b>
Receipts:		Receipts:	
Publication Sales	271,251	Interest	38,294
Membership Dues	417,847	Dividends	42,984
Advertising	156,263	Sales	295,563
Program Fees	76,103		
Contributions	813,640		
Other Revenue	<u>1,119</u>	Other Revenue	<u>0</u>
<b>Total Receipts:</b>	<b><u>\$1,736,223</u></b>	<b>Total Receipts:</b>	<b><u>\$376,841</u></b>
<b>Transfer from (to) Investments</b>	<b>(879,837)</b>	<b>Transfer from (to) Operations</b>	879,837
Disbursements:		Disbursements:	
Payroll and Taxes	(432,993)	Purchases	(1,544,190)
Operating Expenses	(757,891)	Other	(114)
Capital Expenses	<u>0</u>		
<b>Total Disbursements:</b>	<b><u>(1,190,884)</u></b>	<b>Total Disbursements:</b>	<b><u>(1,544,304)</u></b>
Ending Balance	<u>\$644,665</u>	Ending Balance	<u>\$819,896</u>
<b>Monthly Inc(Dec) in Cash</b>	<b><u>(\$334,498)</u></b>	<b>Monthly Inc(Dec) in Cash</b>	<b><u>(\$287,626)</u></b>
<b>YTD Inc(Dec) in Cash</b>	<b><u>(412,285)</u></b>	<b>YTD Inc(Dec) in Cash</b>	<b><u>21,570</u></b>