

Manufacturing America's Future



NATIONAL TOOLING AND MACHINING ASSOCIATION



Trustee Meeting

2016 Annual Convention

Date: March 3, 2016
Presenter: Doug DeRose, Secretary/Treasurer, NTMA

Trustee Meeting March 3, 2016 - Treasurer's Report

Balance Sheet

December 31,

	2015	2014		2015	2014
<u>ASSETS</u>			<u>LIABILITIES</u>		
CURRENT ASSETS	\$1,833,902	\$1,796,002	CURRENT LIABILITIES	1,423,737	1,532,266
LONG-TERM INVESTMENTS	3,688,415	3,315,265	LONG-TERM LIABILITIES	0	0
PREPAID ASSETS	200,468	272,043	TOTAL LIABILITIES	1,423,737	1,532,266
OTHER ASSETS	126,694	127,173			
TOTAL ASSETS	5,849,479	5,510,483	TOTAL EQUITY	4,425,742	3,978,217
			TOTAL LIABILITIES AND EQUITY	5,849,479	5,510,483

Trustee Meeting March 3, 2016 - Treasurer's Report

Balance Sheet

December 31,

	<u>2015</u>	<u>2014</u>		<u>2015</u>	<u>2014</u>
CURRENT ASSETS			FIXED ASSETS		
CURRENT ASSETS	\$557,199	\$508,073	PROPERTY AND EQUIPMENT		
ACCOUNTS RECEIVABLE			FURNITURE AND EQUIPMENT	427,029	407,660
PREPAID DUES	177,380	109,819	BRANDING	104,400	104,400
PREPAID CONTRIBUTIONS, ADVERT & OTHER	1,110,872	1,137,105	NTMA-U	226,850	207,726
DEBT COLLECTIBLE ALLOWANCE	(101,925)	(69,090)	BUILDING	43,371	37,856
INVESTMENTS	30,797	26,316	WORK IN PROCESS	3,625	17,500
EXPENSES	59,580	83,779		<u>805,275</u>	<u>775,143</u>
CURRENT ASSETS	1,833,902	1,796,002	LESS ACCUM DEPRECIATION	(604,808)	(503,099)
			TOTAL FIXED ASSETS	<u>200,468</u>	<u>272,043</u>
LONG-TERM INVESTMENTS			OTHER ASSETS		
POLICY RESERVE FUND	2,651,048	2,503,257	DUE FROM SUBSIDIARIES		19
PROJECT/OPPORTUNITY	594,201	362,007	INVEST IN SUBSIDIARIES (At Cost)	120,000	120,000
FINANCING LINE OF CREDIT	443,167	450,000	DEPOSITS	6,694	7,153
LONG-TERM INVESTMENTS	3,688,415	3,315,265	TOTAL OTHER ASSETS	<u>126,694</u>	<u>127,173</u>
			TOTAL ASSETS	<u>5,849,479</u>	<u>5,510,483</u>

Trustee Meeting March 3, 2016 - Treasurer's Report

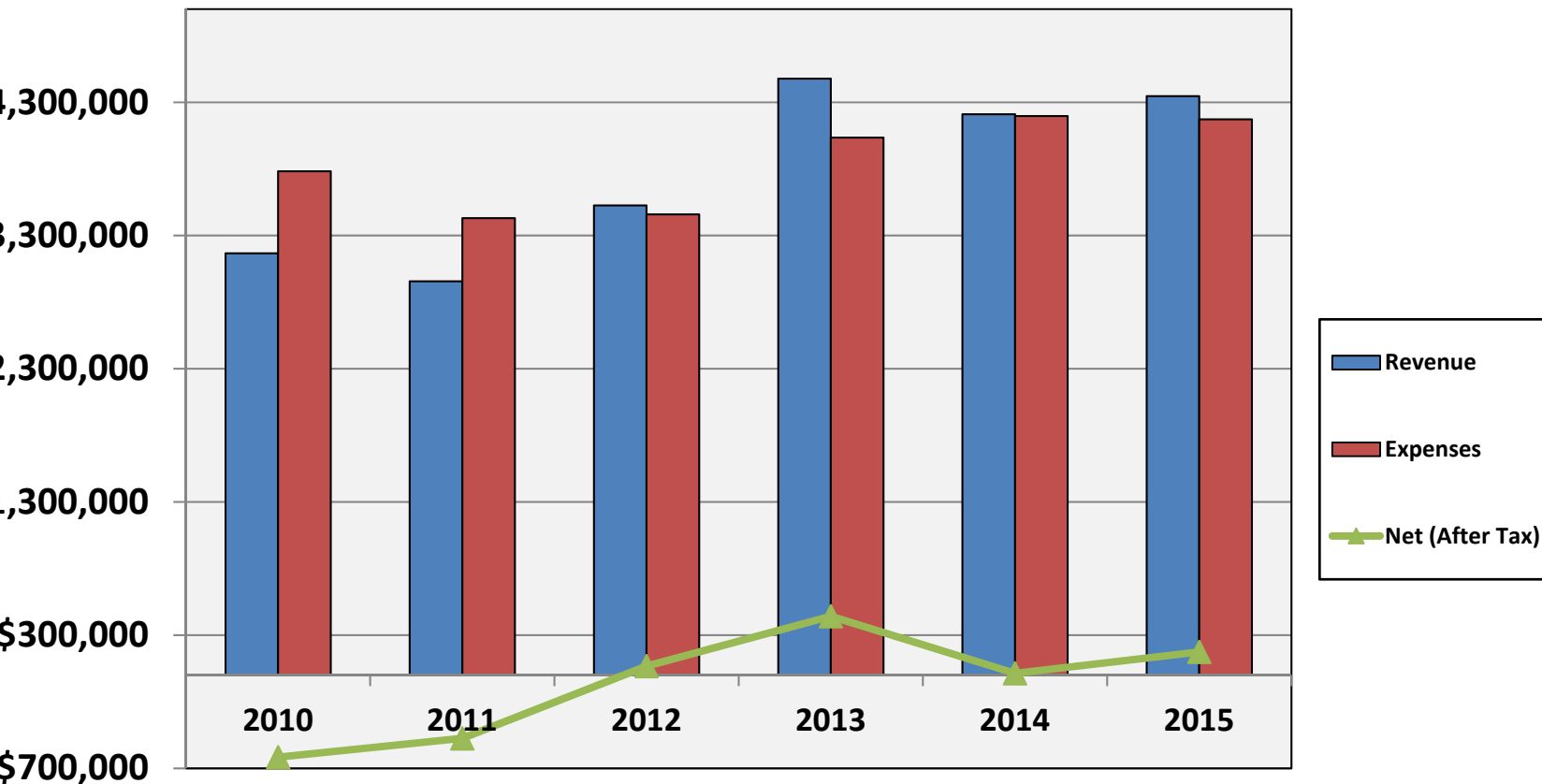
Balance Sheet

December 31,

	2015	2014		2015	2014
ASSETS			EQUITY		
LIABILITIES			MEMBERS' EQUITY		
ACCOUNTS PAYABLE	280,820	373,565	BEGINNING EQUITY	3,978,217	1,210,727
EXPENSES	538,019	539,189	EXCESS OF INCOME FOR YEAR	447,525	2,767,490
REVENUE	604,899	619,512		4,425,742	3,978,217
CURRENT LIABILITIES	1,423,737	1,532,266	TOTAL LIABILITIES AND EQUITY	5,849,479	5,510,483
LONG-TERM LIABILITIES					
LIABILITIES	1,423,737	1,532,266			

Non-Operating Surplus \$273,151
 (activity from investments)
Operating Surplus 174,374

Total Operating Revenue & Expenses

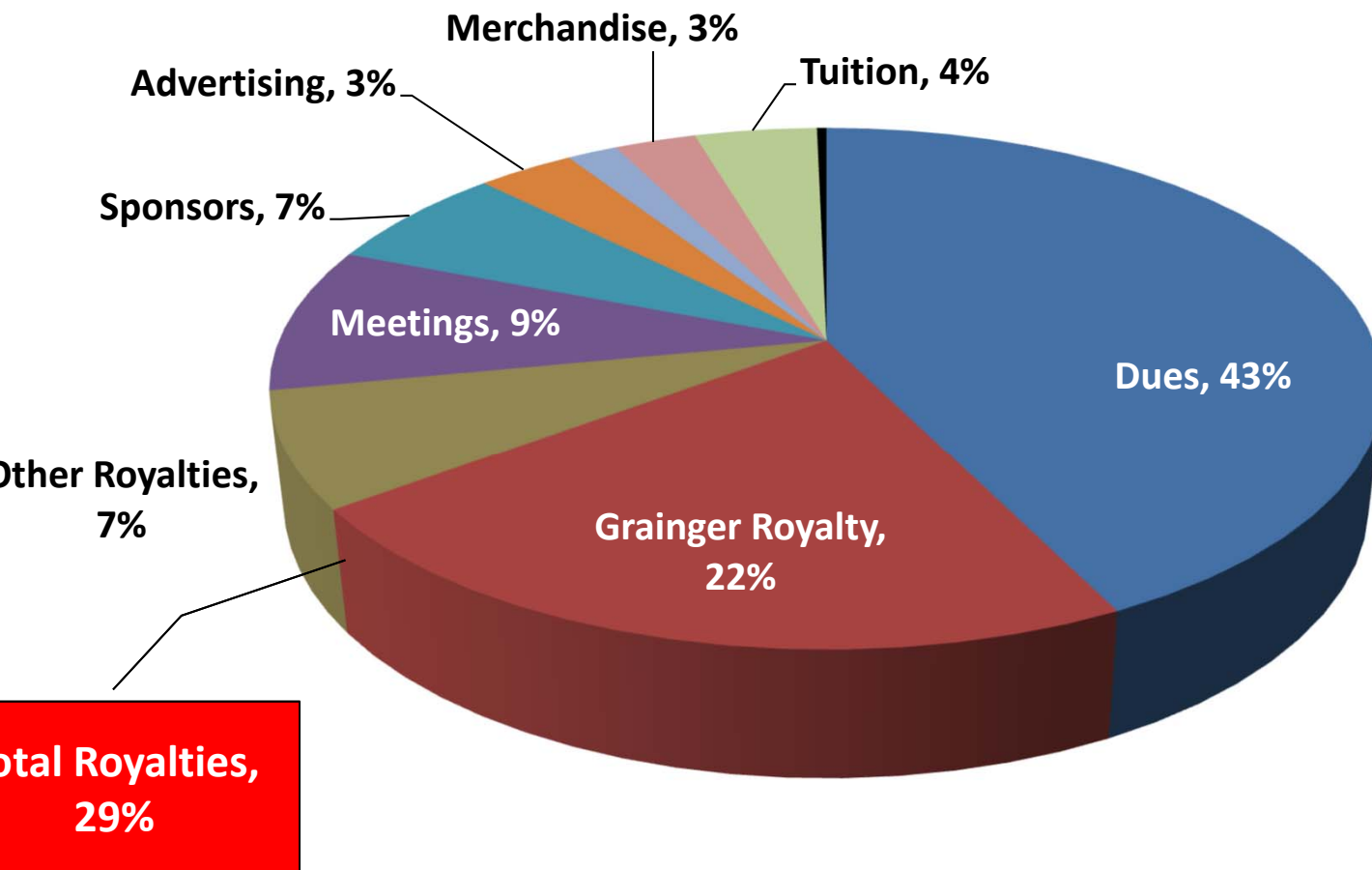


Trustee Meeting March 3, 2016 - Treasurer's Report

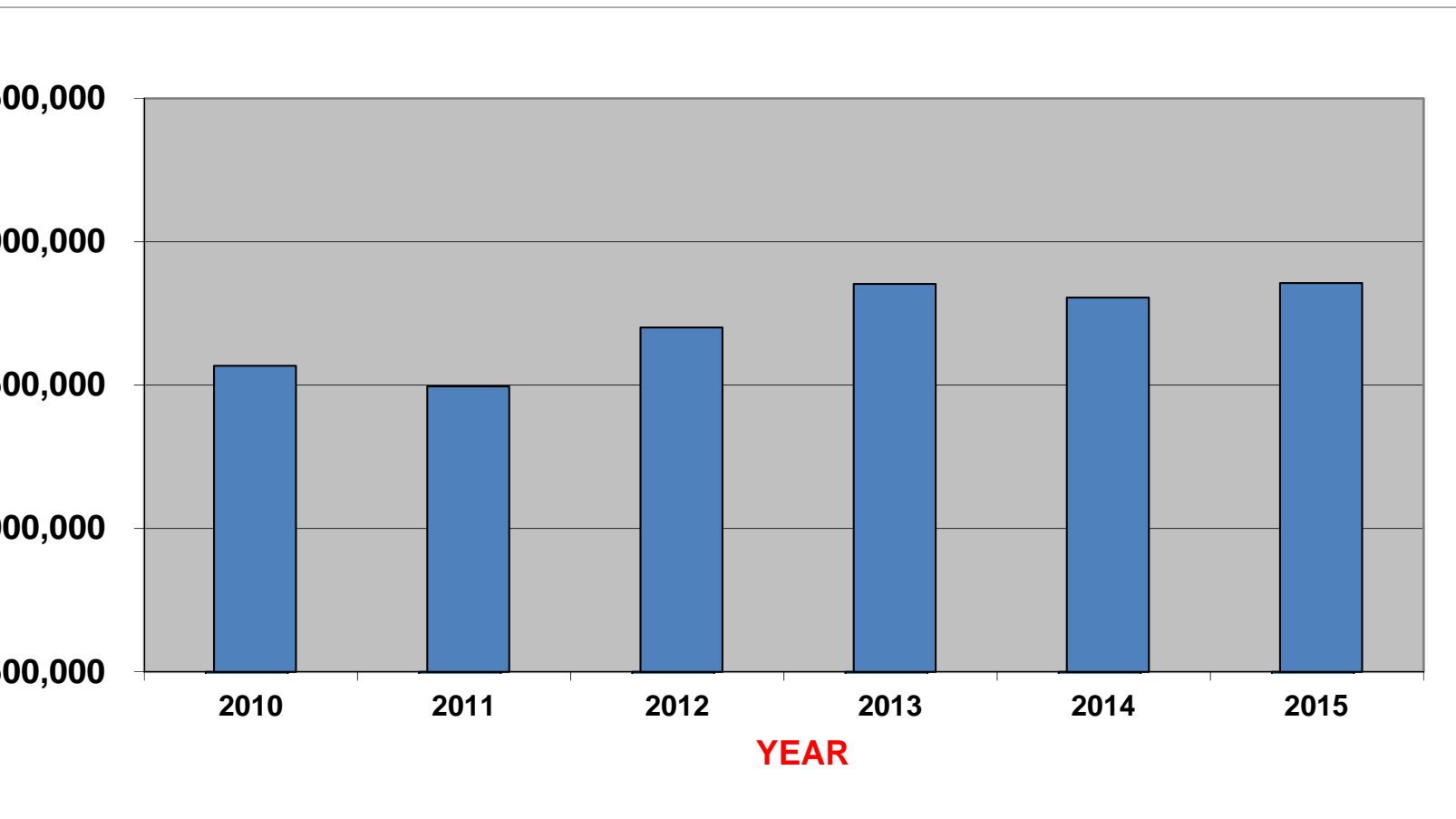
Operating Statement

	2015 YTD						Prior Year	
	Actual		Budget		Variance		Actual	
	\$	% of Revenue	\$	% of Revenue	\$ + (-)	%	\$	% of Revenue
Books	\$1,856,047	42.7%	\$1,898,464	42.7%	(\$42,417)	2.2%	\$1,805,458	42.9%
Support	95,203	2.2%	80,000	1.8%	15,203	(19.0%)	103,257	2.5%
Support	27,971	0.6%	37,300	0.8%	(9,329)	25.0%	47,796	1.1%
Support	11,805	0.3%	30,000	0.7%	(18,195)	60.7%	25,960	0.6%
Support	145,941	3.4%	157,500	3.5%	(11,559)	7.3%	143,804	3.4%
Revenue	390,996	9.0%	623,545	14.0%	(232,549)	37.3%	433,493	10.3%
Revenue, Grainger	958,779	22.1%	1,016,648	22.9%	(57,869)	5.7%	966,883	23.0%
Revenue, Grainger	74,214	1.7%	100,500	2.3%	(26,286)	26.2%	84,860	2.0%
Revenue from Subs	237,625	5.5%	8,000	0.2%	229,625	(2,870.3%)	156,513	3.7%
Revenue from Subs	2,550	0.1%	10,000	0.2%	(7,450)	74.5%	29,450	0.7%
Revenue from Subs	76,127	1.8%	85,000	1.9%	(8,873)	10.4%	47,164	1.1%
Revenue from Subs	184,655	4.2%	160,000	3.6%	24,655	(15.4%)	143,264	3.4%
Revenue from Subs	284,555	6.5%	242,000	5.4%	42,555	(17.6%)	222,845	5.3%
Revenue	4,346,467	100.0%	4,448,957	100.0%	(102,490)	2.3%	4,210,748	100.0%

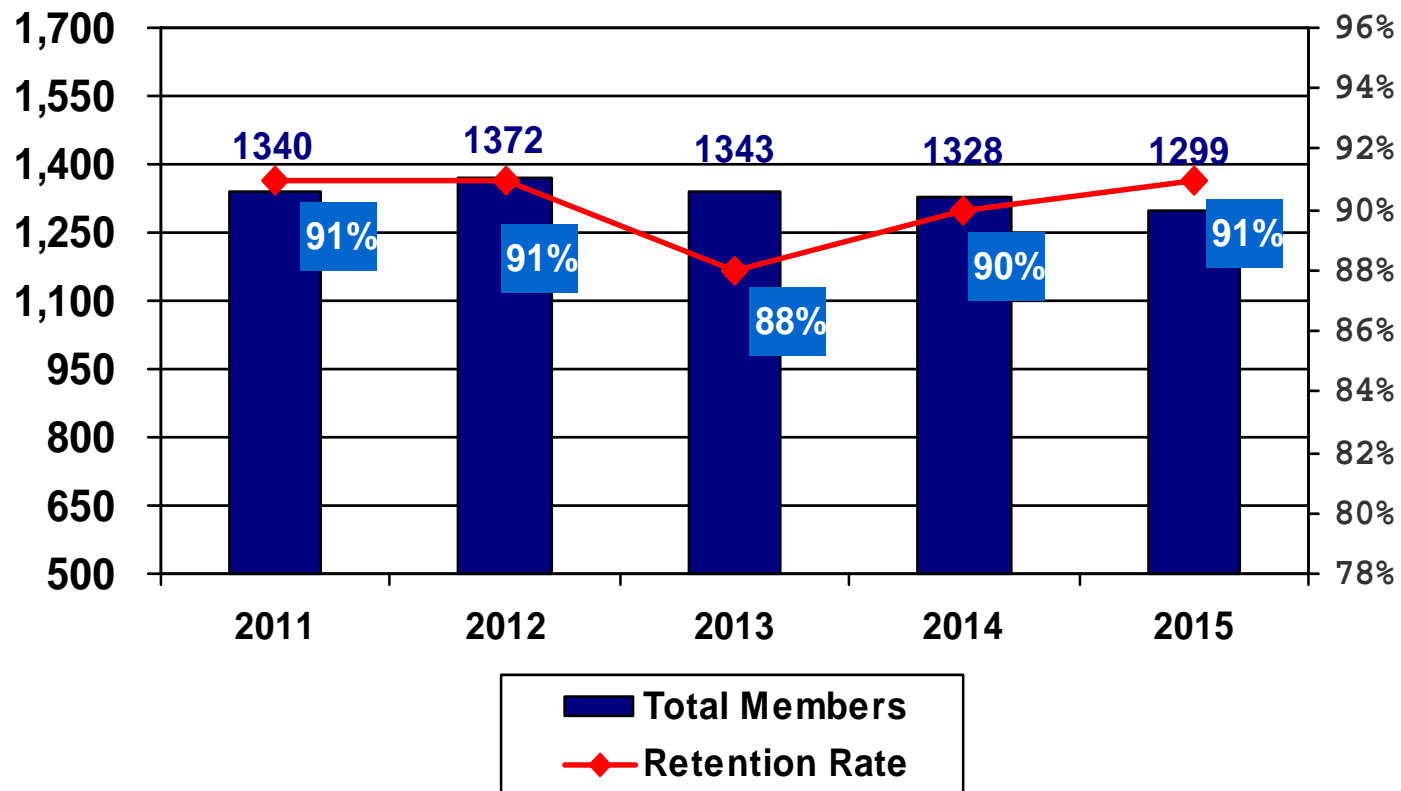
2015 Revenue Percentages



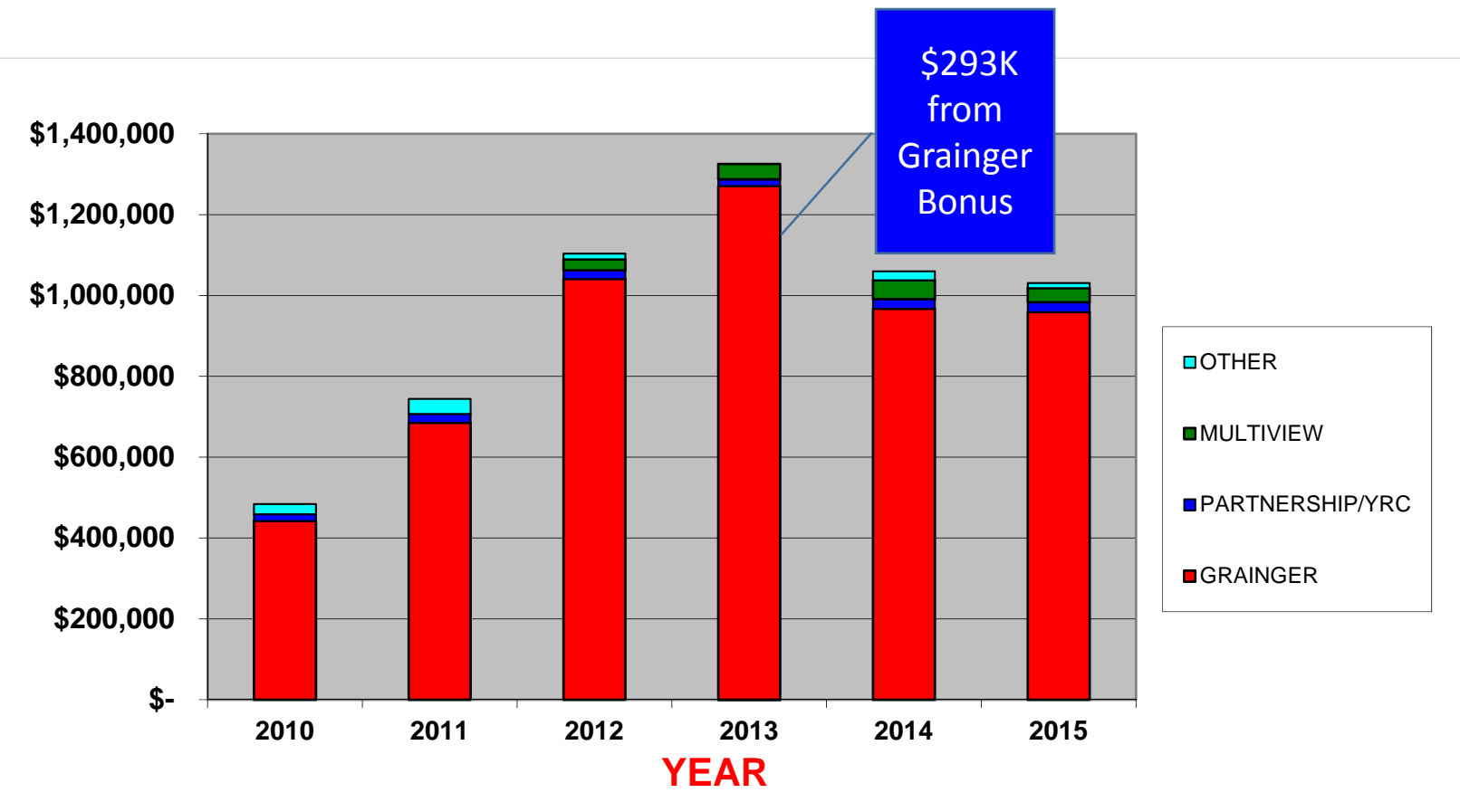
Annual Dues Revenue



Annual Member Retention (5-Years)

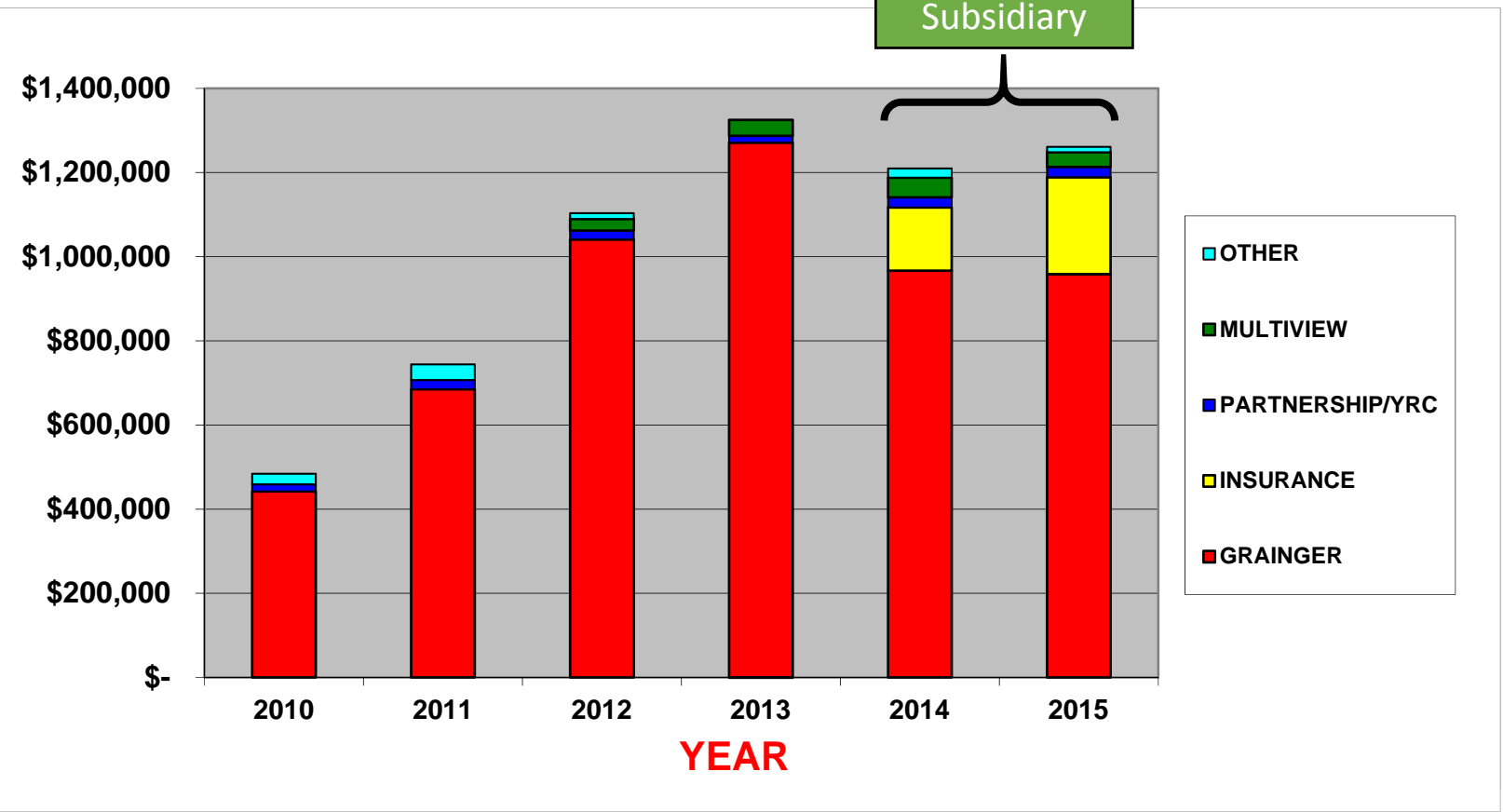


Royalty Revenue



Royalty Revenue

Includes AIX-Distribution from Subsidiary



Other Noteworthy Revenues

Textbooks	↑ 19%; due to NTMA U
Chapter Support	↓ 61%; chapter agreements changed after budget completed
Meeting Revenue	↓ 37%; registration revenue lower than budget; offset by reduction of related expenses, additional sponsorship
Tuition	↑ 15%; due to summer semester
Sponsorship	↑ 18%; Fall Conference

Trustee Meeting March 3, 2016 - Treasurer's Report

Operating Statement

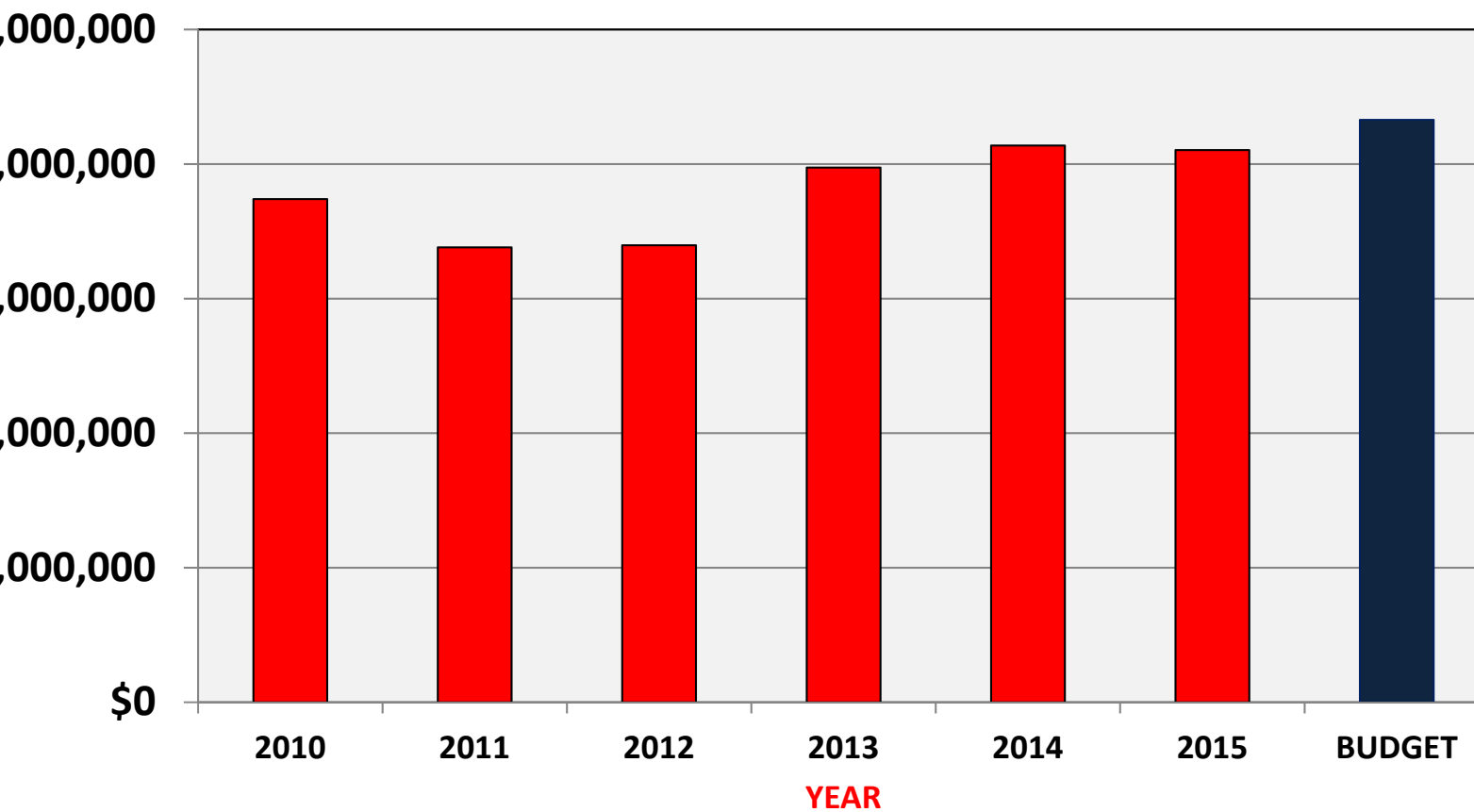
	2015 YTD						Prior Year	
	Actual		Budget		Variance		Actual	
	\$	% of Revenue	\$	% of Revenue	\$ + (-)	%	\$	% of Revenue
Benefits	1,313,767	30.2%	1,418,216	31.9%	104,449	7.4%	1,413,362	33.6%
...	188,890	4.3%	306,697	6.9%	117,807	38.4%	222,584	5.3%
...	27,056	0.6%	34,680	0.8%	7,624	22.0%	31,285	0.7%
...	33,729	0.8%	51,050	1.1%	17,321	33.9%	51,470	1.2%
...	1,857	0.0%	5,891	0.1%	4,034	68.5%	2,812	0.1%
... & Printing	82,645	1.9%	98,520	2.2%	15,875	16.1%	89,228	2.1%
...	245,508	5.6%	318,875	7.2%	73,367	23.0%	259,278	6.2%
...onal Fees	959,985	22.1%	748,936	16.8%	(211,049)	(28.2%)	610,109	14.5%
...ts	118,904	2.7%	69,712	1.6%	(49,192)	(70.6%)	100,589	2.4%
...Costs	13,653	0.3%	12,000	0.3%	(1,653)	(13.8%)	12,685	0.3%

Trustee Meeting March 3, 2016 - Treasurer's Report

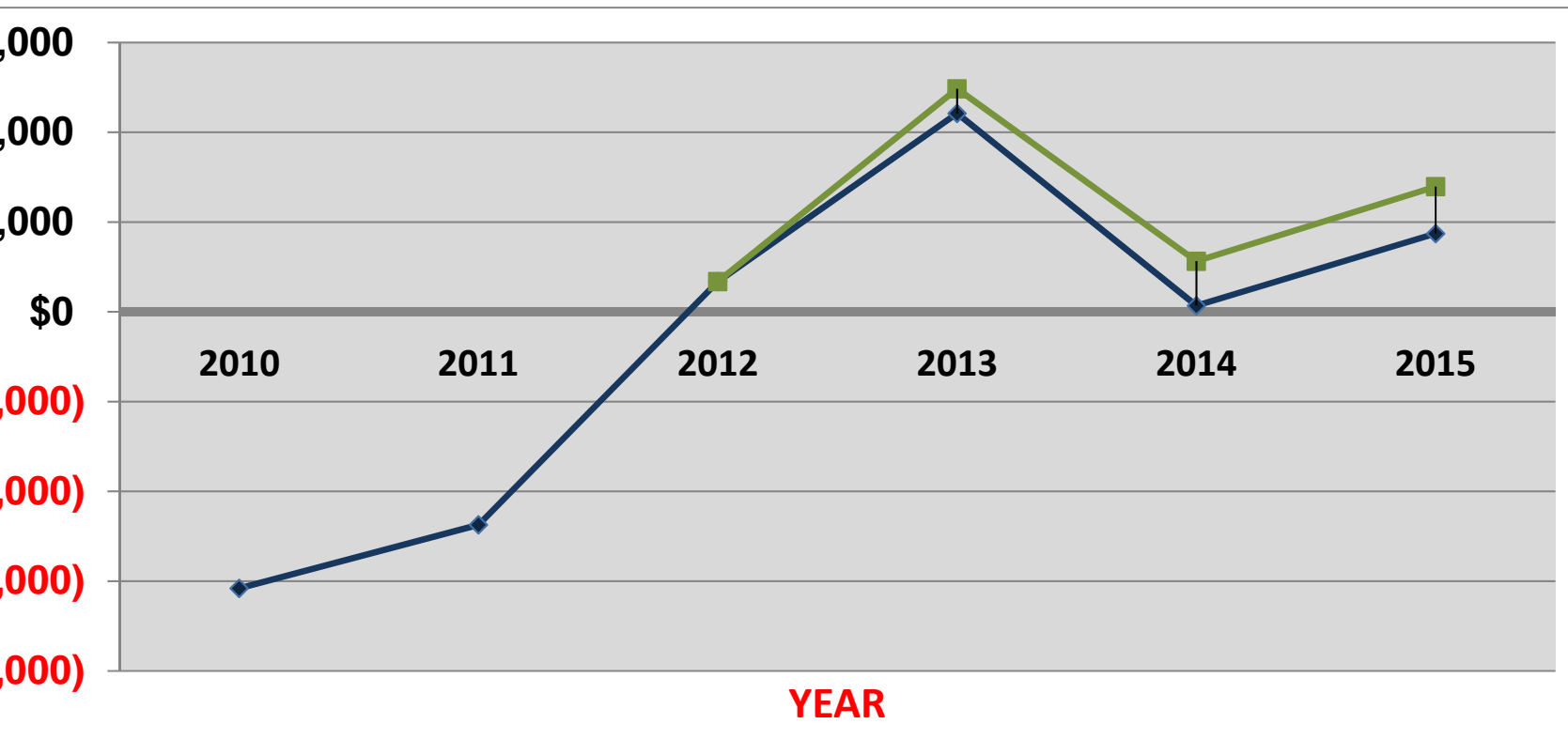
Operating Statement

	2015 YTD						Prior Year	
	Actual		Budget		Variance		Actual	
	\$	% of Revenue	\$	% of Revenue	\$ + (-)	%	\$	% of Revenue
Programs (CONT)								
Administrative Costs	9,301	0.2%	8,500	0.2%	(801)	(9.4%)	81,275	1.9%
Facility Costs	101,708	2.3%	105,030	2.4%	3,322	3.2%	93,462	2.2%
Program Expense	337,532	7.8%	304,995	6.9%	(32,537)	(10.7%)	362,160	8.6%
Capital Projects	62,928	1.4%	71,468	1.6%	8,540	12.0%	73,367	1.7%
Travel & Dues	45,822	1.1%	64,450	1.4%	18,628	28.9%	51,903	1.2%
Utilities & Other	71,290	1.6%	72,641	1.6%	1,351	1.9%	128,499	3.1%
Insurance Expense	59,826	1.4%	59,800	1.3%	(26)	(0.0%)	57,744	1.4%
Interest Expense - LOC	0	0.0%	0	0.0%	0	0.0%	87	0.0%
Depreciation Costs	429,691	9.9%	577,549	13.0%	147,858	25.6%	495,713	11.8%
Total Expenses	4,104,093	94.4%	4,329,010	97.3%	224,917	5.2%	4,137,612	98.3%
Taxes	68,000	1.6%	77,000	1.7%	9,000	11.7%	59,295	1.4%
Total Expenses	4,172,093	96.0%	4,406,010	99.0%	233,917	5.3%	4,196,907	99.7%

2015 Operating Expenses



Actual Operating Surplus/(Loss)



Surplus Less One-Time Expenses

Trustee Meeting March 3, 2016 - Treasurer's Report

Excess Revenue (Expense) After Non-Operating Activity (Investments)

	2015 YTD						Prior Year	
	Actual		Budget		Variance		Actual	
	\$	% of Revenue	\$	% of Revenue	\$ + (-)	%	\$	% of Revenue
	4,346,467	100.0%	4,448,957	100.0%	(102,490)	(2.3%)	4,210,748	100.0%
	4,104,093	94.4%	4,329,010	97.3%	224,917	5.2%	4,137,612	98.3%
Fees	68,000	1.6%	77,000	1.7%	9,000	11.7%	59,295	1.4%
Expenses	4,172,093	96.0%	4,406,010	99.0%	233,917	5.3%	4,196,907	99.7%
Revenue	174,374	4.0%	42,947	1.0%	131,427	306.0%	13,841	0.3%
Non-Operating Activity	273,151	6.3%	0	0.0%	(273,150)	0.0%	2,753,649	65.4%
Excess Revenue (Expense)	447,525	10.3%	42,947	1.0%	(141,723)	-330.0%	2,767,490	65.7%

Cash Reserves

	2016	2015
EMERGENCY RESERVE FUND	2,586,353	2,252,712
SPECIAL PROJECT/OPPORTUNITY	586,808	600,854
OPERATING LINE OF CREDIT	443,071	449,821
TOTAL LONG-TERM INVESTMENTS	<u>3,616,233</u>	<u>3,303,387</u>
SHORT-TERM SAVINGS	184,026	220,829
TOTAL INVESTMENTS	<u><u>\$3,800,259</u></u>	<u><u>\$3,524,216</u></u>

January 31,

- Internal Promissory Note has remaining balance of \$43K as of 1/31/2016
- Excess Operating Funds are paid quarterly to the Emergency Reserve Fund
- Final payment scheduled for 6/30/2016

Total Long-Term Investments held by Atlantic Trust
 \$300K received from TMHC July 2015 as Dividend
 \$100K received from operations on pay down of note during 2015

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& A SESSION



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