



NAVY LEAGUE

of the United States



Howard B. Siegel
Senior Director of Finance

October 4, 2006

To: Members of the Budget/Audit and Steering Committees
Subject: September 2006 Budget Execution Report

Membership decreased 283 members during September, resulting in a total membership of 63,612 at September 30, 2006. By comparison, total membership was 65,744 at September 30, 2005.

Income

Income thru September 2006 was \$6,965,439 and represents 87.9% of the annual budget.

- Annual Membership was \$734,964 reflecting the loss of 2,198 members for the nine months ending September 30.
- 327 Community Affiliates have paid to date. This is a decrease of 19 from the YTD of 346 affiliates in 2005.
- Corporate Gold reflects the new membership of the Canadian Embassy, the upgrade of Accenture, Booz Allen Hamilton, Curtiss-Wright and Smith's Detection from corporate membership and the renewal of ATK, BAE Systems, Boeing, DRS, General Dynamics, KBR and Raytheon. This represents 5 new gold members-3 above our budgeted goal.
- Corporate Membership reflects 104 member payments. This is a decrease of 25 from the YTD payments of 129 in 2005.
- Business Associate Membership reflects 26 payments for the nine months. This is an increase of 6 from the YTD of 20 in 2005. Overall, this represents 11 new ones this year. Our goal was 2 new members. Many came from upgraded Community Affiliates.
- September *Seapower* 2006 had 23.167 pages of paid advertising with advertising income of \$132,408 reflecting a 7% rate increase for 2006. For the year 2006, *Seapower* has 196.501 pages of paid advertising (\$1,239,711 YTD) as compared to last year's count of 167.668 pages (\$980,645 YTD).
- Unrestricted contributions of \$409,216 consist of: \$125,000 from the Schiff Foundation, \$180,000 from the calendar/label program, and the balance in miscellaneous donations. Also, please note that an anonymous donor contributed \$25,000 towards the Navy League History Book program.

Expenses

Expenses thru September 2006 were \$6,374,145 and represent 80.4% of the expense budget.

Sincerely,

Howard B. Siegel

**Navy League of the United States
Budget Execution Report
For the Nine Months Ended
September 30, 2006**

	YTD Actual 2006	YTD Budget 2006	YTD Over/(Under) Budget	YTD Actual 2005	Annual Budget 2006	Percent of Annual Budget
INCOME						
INDIVIDUAL MEMBERSHIPS (NET)	\$ 734,964	\$ 840,000	\$ (105,036)	\$ 789,210	\$ 1,100,000	66.8%
LIFE MEMBERSHIP FUND	630,000	630,000	0	500,000	630,000	100.0%
COMMUNITY AFFILIATES (NET)	77,800	82,300	(4,500)	83,200	110,000	70.7%
CORPORATE GOLD MEMBERSHIPS	150,000	137,500	12,500	112,500	175,000	85.7%
CORPORATE MEMBERSHIPS	416,000	529,000	(113,000)	516,000	680,000	61.2%
SPECIAL TOPIC BREAKFASTS	3,350	3,000	350	1,000	5,000	67.0%
BUSINESS ASSOCIATE MEMBERSHIPS	39,000	34,000	5,000	30,000	40,500	96.3%
SEA POWER MAGAZINE	1,298,144	1,090,666	207,478	1,052,633	1,317,005	98.6%
DISTRIBUTIONS FROM INVESTMENT PORTFOLIO						
THOMPSON TRUST FUND	76,189	27,500	48,689	757,015	37,000	205.9%
NLF & NLUS ENDOWMENT FUNDS	633,645	585,000	48,645	480,000	465,000	136.3%
SUBSIDY FOR RENT&DEPREC NET OF BLDG PLEDGES & RENTAL INCOME						
BUILDING PLEDGES & OTHER RESTRICTED FUNDS	8,550	100,000	(91,450)	8,300	250,000	3.4%
RENTAL INCOME	49,173	49,172	1	49,173	65,563	75.0%
SEA-AIR-SPACE	2,410,672	2,329,586	81,286	2,381,553	2,329,586	103.5%
CONTRIBUTIONS-UNRESTRICTED	409,216	370,000	39,216	260,846	675,000	60.6%
IDC PHONE PROGRAM	5,960	2,000	3,960	16,560	5,000	119.2%
ROYALTIES	955	4,000	(3,045)	2,007	16,000	6.0%
OTHER	21,622	21,000	622	18,073	25,000	66.5%
TOTAL INCOME	\$ 6,965,439	\$ 6,834,724	\$ 130,715	\$ 7,058,069	\$ 7,925,654	87.9%
EXPENSES						
PRESIDENT'S SUPPORT	\$ 161,010	\$ 177,610	\$ (16,600)	\$ 113,760	\$ 236,800	68.0%
OPERATIONS AND SUPPORT	3,091,471	2,887,363	204,088	2,571,065	3,921,430	78.8%
MEMBERSHIP AND MARKETING	121,184	151,675	(30,491)	135,236	211,800	57.2%
REGIONAL ACTIVITIES	64,870	72,500	(7,630)	71,479	79,000	82.1%
DEVELOPMENT & CORPORATE AFFAIRS	78,729	185,265	(106,536)	53,419	313,050	25.1%
COMMUNICATIONS	67,768	73,350	(5,582)	53,401	105,000	64.5%
YOUTH PROGRAMS & EDUCATION	400,087	400,250	(163)	390,556	532,000	75.2%
SEAPOWERS MAGAZINE						
ADVERTISING	481,379	454,068	27,311	387,456	561,482	85.7%
EDITORIAL	566,881	545,654	21,227	507,957	684,592	82.8%
SEA-AIR-SPACE	1,247,714	1,189,275	58,439	1,155,246	1,189,275	104.9%
NATIONAL CAPITAL COUNCIL'S SHARE	93,053	91,225	1,828	98,105	91,225	102.0%
TOTAL EXPENSES	\$ 6,374,145	\$ 6,228,255	\$ 145,890	\$ 5,537,680	\$ 7,925,654	80.4%
CONTRIBUTION TO UNRESTRICTED FUND BALANCE						
	\$ 591,294	\$ 606,469	\$ (15,175)	\$ 1,520,389	\$ -	#N/A

**Navy League of the United States
Budget Execution Report
For the Nine Months Ended
September 30, 2006**

	YTD Actual 2006	YTD Budget 2006	YTD Over/(Under) Budget	YTD Actual 2005	Annual Budget 2006	Percent of Annual Budget
PRESIDENT'S SUPPORT						
NATIONAL PRESIDENT'S TRAVEL	35,133	41,000	(5,867)	46,264	55,000	63.9%
PRES. RECOGNITION FUND	10,637	15,000	(4,363)	8,266	20,000	53.2%
STEERING COMM. / OTHER MEETINGS	14,008	25,000	(10,992)	7,929	25,000	56.0%
SENIOR VICE PRESIDENT	-	-	-	3,000	1,000	0.0%
CORPORATE SECRETARY EMERITUS	15	1,500	(1,485)	603	2,000	0.8%
AWARDS	16,838	22,000	(5,162)	15,832	29,000	58.1%
MARITIME POLICY	6,438	3,000	3,438	2,528	3,000	214.6%
PROXY CARDS	1,577	1,800	(223)	1,575	1,800	87.6%
NAT'L CONV. & WINTER MEETINGS	72,507	60,810	11,697	27,762	85,000	85.3%
NAT'L PRES. REPRESENTATION	691	7,500	(6,809)	-	10,000	6.9%
CONTINGENCY	3,166	-	3,166	-	5,000	63.3%
TOTAL PRESIDENT'S SUPPORT	161,010	177,610	(16,600)	113,760	236,800	68.0%

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	YTD Actual 2006	YTD Budget 2006	YTD Over/(Under) Budget	YTD Actual 2005	Annual Budget 2006	Percent of Annual Budget
OPERATIONS AND SUPPORT						
EXECUTIVE DIRECTOR TRAVEL	4,447	4,500	(53)	3,523	6,000	74.1%
NETWORK & INTERNET COSTS	70,877	34,875	36,002	31,761	46,500	152.4%
EQUIPMENT RENTAL & MAINTENANCE	43,948	45,000	(1,052)	42,396	63,000	69.8%
TAXES & FEES	22,208	12,200	10,008	10,430	13,000	170.8%
INSURANCE	25,116	45,000	(19,884)	33,310	45,000	55.8%
PROFESSIONAL FEES	51,076	35,000	16,076	29,140	35,000	145.9%
DEPRECIATION	191,250	172,503	18,747	94,500	230,000	83.2%
SUBS&PUBS/EMPL.RELATIONS/MISC.	21,765	15,000	6,765	20,701	20,000	108.8%
OFFICE LEASE EXPENSE	767,765	525,000	242,765	435,434	700,000	109.7%
MOVING COSTS	-	-	-	19,794	-	#N/A
TELEPHONE	12,497	20,250	(7,753)	20,622	27,000	46.3%
POSTAGE	33,620	40,000	(6,380)	37,626	50,000	67.2%
STATIONERY & PRINTING	4,927	10,500	(5,573)	9,033	12,000	41.1%
ALMANAC HARD COSTS	8,305	9,000	(695)	8,219	9,000	92.3%
SUPPLIES	7,583	8,500	(917)	10,734	10,000	75.8%
SALARIES AND BENEFITS						
SALARIES	1,408,517	1,493,000	(84,483)	1,373,708	2,102,000	67.0%
PAYROLL TAXES	123,472	129,000	(5,528)	117,590	170,000	72.6%
MEDICAL/DENTAL PLAN	150,773	165,375	(14,602)	155,955	220,500	68.4%
RETIREMENT PLAN	86,646	67,500	19,146	67,583	90,000	96.3%
PROFESSIONAL DEVELOPMENT	1,628	2,000	(372)	895	2,000	81.4%
EMPLOYMENT FEES	700	3,750	(3,050)	1,919	5,000	14.0%
BANK AND LOCKBOX FEES	54,353	49,430	4,923	46,196	65,430	83.1%
TOTAL OPERATIONS AND SUPORT	3,091,471	2,887,383	204,088	2,571,065	3,921,430	78.8%

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MEMBERSHIP AND MARKETING						
AWARDS	2,532	2,500	32	1,680	2,500	101.3%
CHARTERS	-	400	(400)	-	800	0.0%
COMMUNITY AFFILIATES						
PLAQUES	3,074	6,000	(2,926)	6,895	7,500	41.0%
PROMOTION	-	-	-	-	-	#N/A
MEMBERSHIP SERVICING	39,416	47,000	(7,582)	33,547	60,000	65.7%
TRAVEL & TRAINING	112	750	(638)	15	1,000	11.2%
TOTAL MEMBER SERVICES	45,137	56,650	(11,513)	42,137	71,800	62.9%
MARKETING BROCHURES	-	7,000	(7,000)	-	7,000	0.0%
MEMBER BENEFIT BROCHURES	-	-	-	-	3,500	0.0%
BRANDING & TRADEMARK	-	2,000	(2,000)	-	2,000	0.0%
MEMBERSHIP APPLICATIONS	-	-	-	1,721	10,000	0.0%
NEW MEMBER ACQUISITION	74,646	70,000	4,646	80,554	100,000	74.6%
PROMOTIONAL MATERIAL	1,399	13,000	(11,601)	10,824	13,000	10.8%
IN-HOUSE SEADS / SEAPOWER	-	3,025	(3,025)	-	4,500	0.0%
TOTAL MARKETING	76,047	95,025	(18,978)	93,099	140,000	54.3%
TOTAL MEMBERSHIP AND MARKETING	121,184	151,675	(30,491)	135,236	211,800	57.2%
REGIONAL ACTIVITIES						
REGION & AREA SUPPORT						
REGION PRESIDENT'S SUPPORT	31,035	32,000	(965)	31,326	32,000	97.0%
AREA/COUNTRY PRES. SUPPORT	15,402	16,000	(598)	15,687	16,000	96.3%
TOTAL REGION & AREA SUPPORT	46,437	48,000	(1,563)	47,015	48,000	96.7%
TRAVEL-REGIONAL ACTIVITIES	18,433	24,500	(6,067)	24,464	31,000	59.5%
TOTAL REGIONAL ACTIVITIES	64,870	72,500	(7,630)	71,479	79,000	82.1%
DEVELOPMENT & CORPORATE AFFAIRS						
CAPITAL CAMPAIGN	-	-	-	2,797	-	#N/A
PLANNED GIVING PROGRAM	-	50,000	(50,000)	-	50,000	0.0%
TECHNOLOGY, RESEARCH & COMM	-	4,000	(4,000)	2,794	5,000	0.0%
DIRECT MAIL	50,174	30,000	20,174	4,032	130,000	38.6%
CFC & OTHER ADVERTISEMENTS	-	40,000	(40,000)	-	40,000	0.0%
DONOR RECOGNITION	7,075	-	7,075	12,567	-	#N/A
TRAVEL AND ENTERTAINMENT	4,603	15,000	(10,397)	9,049	20,000	23.0%
TOTAL DEVELOPMENT	61,851	139,000	(77,149)	31,238	245,000	25.2%
COUNCIL INCENTIVE REBATES	3,140	9,000	(5,860)	3,600	15,000	20.9%
SPECIAL TOPIC BREAKFAST SERIES	3,908	6,000	(2,092)	2,415	10,000	39.1%
PLAQUES & AWARDS	1,658	1,125	533	1,619	1,500	110.5%
CORP. MEMBER SUPPORT	-	2,250	(2,250)	751	3,080	0.0%
GOLD CORP. MEMBER SUPPORT	638	4,815	(4,177)	4,694	4,815	13.3%
TRAVEL & ENTERTAINMENT	2,414	9,000	(6,586)	1,720	12,000	20.1%
PRINTING SERVICES	4,892	9,075	(4,183)	7,381	11,655	42.0%
EXECUTIVE FORUM / REGIONAL EVENTS	228	5,000	(4,772)	-	10,000	2.3%
CNO/CEO FUNCTION	-	-	-	-	-	#N/A
TOTAL CORPORATE AFFAIRS	16,878	46,265	(29,387)	22,181	68,050	24.8%
TOTAL DEVELOPMENT & CORPORATE AFFAIRS	78,729	185,265	(106,536)	53,419	313,050	25.1%

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COMMUNICATIONS						
TRAVEL & TRAINING	1,952	3,000	(1,048)	51	4,000	48.8%
PUBLIC AFFAIRS						
NAVY LEAGUER, NET OF ADVERTISING	27,901	21,300	6,601	22,886	28,400	98.2%
AWARDS	576	1,000	(424)	819	1,000	57.6%
REFERENCE SERVICES	3,637	4,000	(363)	398	4,000	90.9%
BROADCAST & PRINT MEDIA	293	3,500	(3,207)	4,278	6,000	4.9%
SPEAKER KITS	-	-	-	1,624	-	#N/A
FREELANCE SERVICES	3,509	3,500	9	-	5,000	70.2%
TRAVEL & MISCELLANEOUS	4,436	1,550	2,886	1,037	2,500	177.4%
TOTAL PUBLIC AFFAIRS	40,352	34,850	5,502	31,042	46,900	86.0%
LEGISLATIVE AFFAIRS						
RESEARCH, SUBS & REF.MAT'L	3,491	4,250	(759)	4,045	4,250	82.2%
CONGRESSIONAL RECEPTIONS	7,385	9,900	(2,515)	5,530	22,900	32.2%
LEGISLATIVE ADVISORY BOARD	302	750	(448)	75	750	40.3%
CAP WIZ / GRASS ROOTS PROGRAM	6,945	7,000	(55)	4,248	9,500	73.1%
CONGRESSIONAL HANDBOOKS	5,635	7,500	(1,865)	5,655	7,500	75.1%
PROMOTIONAL ITEMS	-	-	-	-	-	#N/A
POSTCARD INSERT IN SEAPOWER	-	-	-	-	-	#N/A
CONGRESSIONAL SOFTBALL TEAM	836	1,000	(164)	756	1,000	83.6%
CONGRESS / COUNCIL LEGIS. AWARDS	-	500	(500)	-	500	0.0%
PRESIDENT'S MESSAGE-PAPER	-	2,100	(2,100)	-	4,200	0.0%
TRAVEL & MISCELLANEOUS	870	2,500	(1,630)	1,999	3,500	24.9%
TOTAL LEGISLATIVE AFFAIRS	25,464	35,500	(10,036)	22,308	54,100	47.1%
TOTAL COMMUNICATIONS	67,768	73,350	(5,582)	53,401	105,000	64.5%

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YOUTH PROGRAMS and EDUCATION						
YOUTH PROGRAMS						
NAVAL SEA CADETS	395,250	395,250	0	386,250	527,000	75.0%
OTHER YOUTH	4,837	5,000	(163)	4,306	5,000	96.7%
TOTAL YOUTH	400,087	400,250	(163)	390,556	532,000	75.2%
EDUCATION						
AWARDS	-	-	-	-	-	#N/A
PUBLIC EDUCATION	-	-	-	-	-	#N/A
OCEANIC EDUCATION WEB SITE	-	-	-	-	-	#N/A
TOTAL EDUCATION	-	-	-	-	-	#N/A
TOTAL YOUTH PROGRAMS and EDUCATION	400,087	400,250	(163)	390,556	532,000	75.2%

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SEA POWER MAGAZINE						
INCOME						
ADVERTISING INCOME	1,239,711	1,041,578	198,133	980,645	1,249,505	99.2%
COMP ADVERTISING INCOME	42,635	36,000	6,635	51,726	49,500	86.1%
SUBSCRIPTIONS & ALMANAC SALES	15,798	13,088	2,710	20,262	18,000	87.8%
TOTAL INCOME	1,298,144	1,090,666	207,478	1,052,633	1,317,005	98.6%
ADVERTISING EXPENSES						
AGENCY COMMISSION	183,964	156,237	27,727	139,279	187,426	98.2%
ADVERTISING REP'S COMMISSION	210,548	211,161	(613)	152,525	262,921	80.1%
ADVERTISING PROMOTION	12,935	15,975	(3,040)	15,908	16,875	76.6%
COMP ADVERTISING PROMOTION	42,635	36,000	6,635	51,726	49,500	86.1%
SAS RECEPTION & OTHER EXPENSES	12,735	14,000	(1,265)	12,278	14,000	91.0%
BPA AUDIT	3,227	7,900	(4,673)	778	7,900	40.9%
FULFILLMENT	7,585	7,695	(110)	7,150	10,260	73.9%
TRAVEL & MISCELLANEOUS	7,750	5,100	2,650	7,812	7,600	102.0%
BAD DEBT EXPENSE	-	-	-	-	5,000	0.0%
TOTAL ADVERTISING EXPENSES	481,379	454,068	27,311	387,456	561,482	85.7%
EDITORIAL EXPENSES						
PRINTING	295,433	302,828	(7,395)	277,073	367,916	80.3%
STORAGE	3,128	3,033	95	3,138	4,044	77.3%
DESIGN & LAYOUT	49,118	50,017	(899)	40,086	62,977	78.0%
FREE LANCE	48,453	34,764	13,689	33,531	45,738	105.9%
TRAVEL	7,064	17,160	(10,096)	21,222	23,595	29.9%
DISTRIBUTION	151,541	127,560	23,981	127,691	168,694	89.8%
LIABILITY INSURANCE	5,215	5,717	(502)	5,216	6,953	75.0%
MISCELLANEOUS	6,930	4,575	2,355	-	4,675	148.2%
TOTAL EDITORIAL EXPENSES	566,881	545,654	21,227	507,957	684,592	82.8%
TOTAL EXPENSES	1,048,261	999,722	48,539	895,413	1,246,074	84.1%
NET INCOME/(EXPENSES)	249,884	90,944	158,940	157,221	70,931	352.3%

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2006 SEA-AIR-SPACE						
INCOME						
TUESDAY LUNCHEON	18,279	17,500	779	19,810	17,500	104.5%
WEDNESDAY LUNCHEON	21,495	15,750	5,745	17,770	15,750	136.5%
CNO LUNCHEON	12,794	15,750	(2,956)	16,690	15,750	81.2%
RECEPTION & BANQUET	228,473	180,250	48,223	196,525	180,250	126.8%
SPACE RENTAL	2,083,647	2,070,336	13,311	2,099,358	2,070,336	100.6%
BURMA SIGNS	-	-	-	-	-	#N/A
MISC SPONSORSHIP	46,184	30,000	16,184	31,400	30,000	153.9%
GROSS SAS INCOME	2,410,872	2,329,586	81,286	2,381,553	2,329,586	103.5%
EXPENSES						
FUNCTIONS	969,159	898,175	70,984	895,445	898,175	107.9%
PROMOTION & PUBLIC RELATIONS	36,808	37,500	(692)	29,856	37,500	98.2%
EXPOSITION SUPPORT	6,441	9,900	(3,459)	8,783	9,900	65.1%
ADMINISTRATION	216,290	224,200	(7,910)	203,432	224,200	96.5%
PRINTING	8,043	10,500	(2,457)	8,496	10,500	76.6%
SPONSORSHIPS	10,973	9,000	1,973	9,236	9,000	121.9%
TOTAL SAS EXPENSES	1,247,714	1,189,275	58,439	1,155,246	1,189,275	104.9%
NCC'S SHARE	93,053	91,225	1,828	98,105	91,225	102.0%
NET INCOME/(EXPENSES)	1,070,106	1,049,086	21,020	1,128,202	1,049,086	102.0%