

## U.S. Space & Rocket Center

### Highlights of the Statement of Financial position – month ending December 2018

#### Bottom line up front:

- Camp income, our largest income line, is on plan
- Museum admissions, merchandise sales and food service sales are doing very well; all other income lines within plan
- Expenses are tracking lower, as we had planned, to accomplish major preservation work
- Advancement income is lagging by \$200,000 for need preservation funds. But, has brought in \$200,000 of Camp education development income.

#### Operating Income (loss) Cumulative Variance:

- Museum admissions significantly ahead of last year and plan; based on visitor counts. Special events and food service running ahead of plan. We are holding up well to the new external competition in the Huntsville/Madison area.
- Included in the R&M line, \$400K of Saturn V preservation work that is to be completed, but not earned. Correcting a significant timing issue.
- Outside services and other expenses are significantly favorable to plan due to staff primarily focused on donor/insurance projects. Some of this needed work will be completed in late Q2 or early Q3.

#### Non-Operating Income (loss):

- Licensing income was a budgeted \$175,000 from the South Korean Space Camp license. We remain hopeful this is just a slip of one to two months.
- Capital contributions are behind but, have always been hard to predict.

**Cash:** Excellent!



# ASSEC Business & Executive Committee Meeting

16 January 2019

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**U.S. Space & Rocket Center**  
**STATEMENT OF FINANCIAL POSITION for Internal Reporting (non-GAAP)**  
**For the Three Months Ending Sunday, December 30, 2018**  
(Dollars in Thousands)

	December			Fiscal Year Cumulative to date			FY 2018 Cum to date	Comparison FY 2018 to FY 2019
	Actuals	Budget	Variance	Fiscal Year 2019				
	Actuals	Budget	Variance	Actuals	Budget	Variance		
<b>Revenues</b>								
Admissions	\$340	\$255	85	\$1,094	\$833	261	\$1,053	41
Merchandise Sales	283	188	95	816	676	140	646	170
Food Service Sales	79	54	25	269	205	64	274	(5)
Special Events/Night Functions	199	192	7	518	494	24	564	(46)
Discounts/Refunds	(10)	(8)	(2)	(23)	(20)	(3)	(19)	(4)
Camp Income	562	306	256	1,565	1,578	(13)	1,527	38
Other Income	385	184	201	535	532	3	273	262
<b>Total Operating Revenue</b>	<b>1,838</b>	<b>1,171</b>	<b>667</b>	<b>4,774</b>	<b>4,298</b>	<b>476</b>	<b>4,318</b>	<b>456</b>
			57.0%			11.1%		10.6%
<b>Expenses</b>								
Cost of Goods Sold	172	246	(74)	840	835	5	729	111
Full Time Employees	646	539	107	1,462	1,402	60	1,412	50
Leased Employees	709	657	52	1,901	1,896	5	1,762	139
Payroll & Related	395	351	44	938	912	26	740	198
Utilities	100	93	7	349	318	31	324	25
Repairs & Maintenance	438	349	89	515	701	(186)	123	392
Insurance	55	43	12	166	133	33	132	34
Outside Services	138	147	(9)	281	399	(118)	504	(223)
Advertising	45	67	(22)	147	176	(29)	184	(37)
Interest Expense	26	31	(5)	79	91	(12)	91	(12)
Other Expenses	212	336	(124)	799	1,053	(254)	965	(166)
<b>Total Operating Expenses</b>	<b>2,936</b>	<b>2,859</b>	<b>77</b>	<b>7,477</b>	<b>7,916</b>	<b>(439)</b>	<b>6,966</b>	<b>511</b>
			-2.7%			5.5%		
<b>Operating Income (Loss)</b>	<b>(1,098)</b>	<b>(1,688)</b>	<b>590</b>	<b>(2,703)</b>	<b>(3,618)</b>	<b>915</b>	<b>(2,648)</b>	<b>(55)</b>

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	Actuals	Budget	Variance	Fiscal Year 2019				
	Actuals	Budget	Variance	Actuals	Budget	Variance		
<b><u>Non-Operating Revenue (Expenses)</u></b>								
<b>Revenues</b>								
Lodging Tax (AL HB774, Restricted Use)	118	106	12	335	327	8	321	14
Licensing Income (SK License)	0	175	(175)	18	228	(210)	73	(55)
State Appropriations	94	88	6	283	264	19	264	19
Capital Contributions (non-cash)	0	5	(5)	0	5	(5)	0	0
Capital Contributions (cash)	0	42	(42)	0	126	(126)	0	0
<b>Total Non-Operating Revenue</b>	<b>212</b>	<b>416</b>	<b>(204)</b>	<b>636</b>	<b>950</b>	<b>(314)</b>	<b>658</b>	<b>(22)</b>
<b>Expenses</b>								
Depreciation	250	250	0	750	750	0	810	(60)
Cap Expenditures (as expended w/ commitments)	0	0	0	0	0	0	0	0
<b>Total Non-Operating Expenses</b>	<b>250</b>	<b>250</b>	<b>0</b>	<b>750</b>	<b>750</b>	<b>0</b>	<b>810</b>	<b>(60)</b>
<b>Non-Operating Income (loss)</b>	<b>(38)</b>	<b>166</b>	<b>(204)</b>	<b>(114)</b>	<b>200</b>	<b>(314)</b>	<b>(152)</b>	<b>38</b>

# Cash Management

as of Dec 11, 2019

	<b>Dec 2018</b>	<b>Dec 2017</b>	<b>Positive Change</b>
Cash	3,123,128	798,536	2,324,592
Line of Credit	0	0	0
Accounts Payable	-879,930	-676,978	-202,952
Short-term Cash Position	2,243,198	121,558	2,121,640
Long-term Debt	9,303,193	9,861,843	551,112
Foundation Cash	1,236,757	2,687,521	
Deferred Camp revenue	3,462,187	2,687,521	

# Back up – FY2019 ASSEC Approved Financial Plan



**Priority order below (Approval in October ASSEC meeting)**

**We need \$2M:** Shift 40% of normal R&M or, \$400K. Use \$1M cash from FY18 operations. Obtain \$600K from Advancement income.

<b>USSRC Funded R&amp;M Projects</b>				
<b>Description</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>Total</b>
Crane operations		500,000	0	500,000
Internal refurbishment/paint		0	200,000	200,000
Outside painting		500,000	100,000	600,000
<b>Saturn V preservation</b>	<b>0</b>	<b>1,000,000</b>	<b>300,000</b>	<b>1,300,000</b>
Crane operations		200,000	200,000	400,000
Remove old wood/fiberglass		25,000		25,000
Repair frame		75,000	50,000	125,000
Outside painting		200,000	50,000	250,000
<b>Shuttle stack preservation</b>	<b>0</b>	<b>500,000</b>	<b>300,000</b>	<b>800,000</b>
Power wash/maintain appearance	5,000	5,000		10,000
Crane operations			150,000	150,000
Internal refurbishment		400,000	0	400,000
Outside painting			150,000	150,000
<b>Saturn IB preservation</b>	<b>5,000</b>	<b>405,000</b>	<b>300,000</b>	<b>710,000</b>
Crane operations				150,000
Internal refurbishment				50,000
Outside painting				150,000
<b>Saturn I preservation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350,000</b>
Landscaping plan		100,000		100,000
Execution on plan			350,000	1,100,000
<b>Phase 1 (walkway to DC) Masterplan</b>	<b>0</b>	<b>100,000</b>	<b>350,000</b>	<b>1,200,000</b>
Landscaping plan				200,000
Execution on plan (G-Force, Rocket Row, etc.)				2,000,000
<b>Phase 1 Exploration Park</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,200,000</b>
<b>USSRC funded R&amp;M Grand Total</b>	<b>0</b>	<b>5,000</b>	<b>2,005,000</b>	<b>1,250,000</b>
				<b>6,560,000</b>

# Operating Budget for Approval

<b>FY19 Proposed Budget</b>			
<b>Revenue</b>	<b>FY19 Request</b>	<b>FY18 Actual</b>	<b>Variance</b>
Admissions	(4,884,923.89)	(5,030,459.19)	145,535.30
Merchandise Sales	(5,563,376.09)	(4,999,014.89)	(564,361.20)
Food Service Sales	(1,573,586.10)	(1,573,586.10)	0.00
Special Events	(1,655,690.01)	(1,655,690.01)	0.00
Discounts/Refunds	81,139.02	89,597.73	(8,458.71)
Camp Income	(19,800,000.00)	(19,234,694.82)	(565,305.18)
Other Income	(2,300,465.98)	(2,280,196.24)	(20,269.74)
Advancement (Rocket Restoration)	(800,000.00)	0.00	(800,000.00)
<b>Total Operating Revenue</b>	<b>(36,496,903.05)</b>	<b>(34,684,043.52)</b>	<b>(1,812,859.53)</b>
<b>Expenses</b>			
Cost of Goods Sold	5,363,611.31	4,693,402.23	670,209.08
ASSEC - FT Salaries	5,391,895.79	5,331,030.74	60,865.05
FDN - Leased Employees	10,258,760.52	9,598,993.38	659,767.14
Temp Labor	86,680.00	0.00	86,680.00
Payroll Taxes & Benefits	3,648,818.70	3,516,691.82	132,126.88
Utilities	1,358,347.86	1,409,160.02	(50,812.16)
Repairs & Maintenance	2,600,000.00	1,027,791.77	1,572,208.23
Insurance	533,828.75	526,930.25	6,898.50
Outside Services	1,167,845.41	1,664,622.44	(496,777.03)
Advertising	674,826.79	577,045.93	97,780.86
Interest Expense	337,538.56	337,538.56	0.00
Legal & Accounting Fees	549,000.00	613,568.83	(64,568.83)
Other Expenses	4,520,464.54	4,301,936.17	218,528.37
<b>Total Operating Expenses</b>	<b>36,491,618.23</b>	<b>33,598,712.14</b>	<b>2,892,906.09</b>
<b>Total Operating Revenue</b>	<b>(5,284.82)</b>	<b>(1,085,331.38)</b>	<b>1,080,046.56</b>





### **NASA MSFC Education Training Facility (ETF) lease extension**

- The attached NASA contract requires approval since it exceeds five years of performance and the grand total is over \$100,000.
  - Base year 12/01/2018 – 11/30/2019 \$94,118
  - Option 1 -12/01/2019 – 11/30/2020 \$96,000
  - Option 2 -12/01/2020 – 11/30/2021 \$97,920
  - Option 3 -12/01/2021 – 11/30/2022 \$99,879
  - Option 4 - 12/01/2022 – 11/30/2023 \$101,876
  - Occupy 2<sup>nd</sup> floor, 7,891 sq. ft.
  
- This lease began in 2010 and has been renewed multiple times.
- Contract clauses reviewed by outside counsel
- The price per sq. ft. and occupancy terms were negotiated last fall by the USSRC CFO and the office of Human Capital.
  - The agreement continues an environment of cooperation with NASA. They allow us the use of the upstairs training and conference facilities as our need requires.
  - Mr. Larry Mack, Deputy Director of the Office of Human Capital, NASA's Marshall Space Flight Center has been instrumental in working through the transition.

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