

Memorandum



To: IAC President, IAC Executive Committee, IAC Board of Directors

From: Jordan Ashley, IAC Treasurer & IAC Finance Committee

Date: November 2, 2025

Subject: **FYE2027 Budget**

Summary

- The proposed budget for the Fiscal Year Ending 2/28/2027 contains only a small number of changes as the Finance Committee feels that the expenses of the organization are nearly as lean as possible without impacting programming or member benefits. The budget has been reviewed by the Finance Committee and recommended to the Board of Directors for approval.
- The Finance Committee notes that due to the 2025 US Nationals running into October, financials related to the US Nationals have not and will not be received from EAA until after the fall meeting, therefore, the budget assumes that the financial data as recorded by the Nationals Contest Director at the annual Nationals budget meeting, and reflected in the proposed 2026 US Nationals Budget is accurate as compared to final financial data from EAA.
- This budget reflects net income changes primarily related to significantly increased fundraising efforts by the Nationals Contest Director/Team as well as conservative adjustments to reflect income driven data to date and a significant decrease in expected income from the Insurance Royalty Program.
- Nationals related budget lines are based on 2025 budget figures as noted above and reflect a breakeven US Nationals budget for 2026. Based on the past three years of data & the excellent fundraising efforts of the US Nationals team, it is expected that the US Nationals will reflect a net positive bottom line as has occurred for the last 3 years in 2026.
- This budget also reflects a decreased expectation of interest earned on our CDAR's investments with US Bank due to a softening trend of 10-25 basis points per 6 months as relayed by our US Bank Representative.
- This budget reflects budget proposals from the Editor and Executive Director related to the Magazine and expanded travel opportunities in support of the organization. The full magazine proposal may be found in the Editors report and is supported by the Treasurer.
- This budget assumes the continued contest sanction fee of \$65 per competitor for 2026. The organizational budget is not able to balance nor be in compliance with the P&P's if contest sanctions fees are removed for 2026.
- This budget complies with P&P 207.3.1.3 (a) & (b).

Individual variances from current budget of note that are outside of a normal expected annual increase:

Revenue:

- **Membership Dues:** This budget reflects a 12-month average of 3580 members. As relayed on the Executive Directors Report.
- **Nationals Registrations:** Increased due to the strong attendance of the 2025 Nationals
- **Merchandise Sales:** Decreased to reflect conservative approach based on incomplete sales data to date as noted in the report summary.
- **Advertising:** Slight increase due to anticipated increase in magazine page count allowing for increased ad space/efforts.
- **Nationals Donations:** Increased due to the strong showing of sponsorship support for the 2025 Nationals.

Expenses:

- **Personnel:** Decreased to reflect the change in Editor from a W-2 to a 1099 position and to support the continuation of a 1099 contractor for social media/marketing efforts.
- **Printing:** Slight increase to account for the proposal from the Editor to expand the page count of the magazine.
- **Outside Professional Services:** Increase as noted above in Personnel change as well as a 30% increase in video recording expense for the US Nationals.
- **Meetings and Travel:** Increased to account for the Editor not being located in the Midwest and to account for additional travel costs related to the Executive Director for the US Nationals.
- **Membership Awards & Fulfillment:** Increased to account for the change in awards costs for the US Nationals.

Non-Operating Income and Expenses:

- Investment Income: Total Investment of \$435,617 invested in the following manner: \$325,795 CDARS @ 3.15% for 26 weeks, remaining \$109,822 reinvested for 13 weeks at 3.48% to allow for access to funding if necessary. The market is softening so this budget offers conservative investment figures reflective of this.

Total Net Income for FYE2027 is projected at approximately: \$28,193.60

The proposed FYE2027 Budget follows on page 3.

International Aerobatics Club, Inc.
FYE 2027 Proposed Budget

Account	Proposed Budget	Current Budget	Variance to PY Budget
<u>Income</u>			
Membership Dues	\$ 268,581.00	\$ 268,581.00	\$ -
Nationals Registrations	\$ 48,000.00	\$ 40,000.00	\$ 8,000.00
AirVenture Sponsorships	\$ 19,350.00	\$ 16,125.00	\$ 3,225.00
Advertising	\$ 24,500.00	\$ 22,500.00	\$ 2,000.00
Insurance Royalties	\$ -	\$ 500.00	\$ (500.00)
General Merchandise sales	\$ 31,300.00	\$ 36,335.00	\$ (5,035.00)
Donations - Nationals + General	\$ 42,000.00	\$ 28,000.00	\$ 14,000.00
Released from Restricted Accounts for US	\$ 48,000.00	\$ 41,000.00	\$ 7,000.00
Nationals & Teams	\$ 46,975.00	\$ 46,475.00	\$ 500.00
Other revenues	\$ 528,706.00	\$ 499,516.00	\$ 29,190.00
<u>Expense</u>			
Personnel	\$ 80,493.01	\$ 99,755.25	\$ (19,262.24)
Cost of Goods Sold - Merchandise	\$ 17,300.00	\$ 17,800.00	\$ (500.00)
Postage	\$ 21,400.00	\$ 20,000.00	\$ 1,400.00
Magazine Printing	\$ 55,000.00	\$ 50,000.00	\$ 5,000.00
Marketing & Social Media	\$ 12,000.00	\$ 12,000.00	\$ -
Outside Professional Services	\$ 107,590.00	\$ 94,300.00	\$ 13,290.00
Meetings and travel	\$ 31,575.00	\$ 24,500.00	\$ 7,075.00
Equipment Rental - Nationals	\$ 22,250.00	\$ 21,000.00	\$ 1,250.00
Membership, Awards & Fulfillment	\$ 34,000.00	\$ 29,000.00	\$ 5,000.00
Bank & Credit Card Fees	\$ 13,155.00	\$ 13,303.20	\$ (148.20)
Office and Administration	\$ 23,960.00	\$ 19,700.00	\$ 4,260.00
Administrative Fees - EAA	\$ 66,911.25	\$ 63,725.00	\$ 3,186.25
Insurance	\$ 21,115.64	\$ 20,110.13	\$ 1,005.51
Depreciation	\$ 4,462.50	\$ 4,250.00	\$ 212.50
IAC Building	\$ 300.00	\$ -	\$ 300.00
8699 - Other expense	\$ -	\$ -	\$ -
Total - Expense	\$ 511,512.40	\$ 489,443.58	\$ 22,068.82
Net Operating Income (Loss)	\$ 17,193.60	\$ 10,072.42	\$ 7,121.18
<u>Non-Operating Income & Expenses</u>			
Net Non-Operating Income (Loss)	\$ 11,000.00	\$ 16,500.00	\$ (5,500.00)
Net Income (Loss)	\$ 28,193.60	\$ 26,572.42	
3% of Gross Income Required for P&P207	15,861.18	14,985.48	
% Variance to P&P 207	44%	44%	
\$ Variance to P&P 20	12,332.42	11,586.94	