Treasurer’s Report

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Sept. 2010
Summary

• Final numbers for 2009:
  – Operating surplus of +491K
  – Investment returns of +764K
  – Reserves at end of 2009: 2.9M

• 2010 budget on track
  – Conferences and workshops doing well
  – Budgeted +22K operating surplus; current forecast is for +167K surplus
  – No forecast yet for investment returns
<table>
<thead>
<tr>
<th>Item</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010 Budget</th>
<th>2010 Adjust</th>
<th>2011 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transactions Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Xplore</td>
<td>894.4</td>
<td>749.1</td>
<td>763</td>
<td>708</td>
<td>665</td>
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<tr>
<td>Nonmembers</td>
<td>280</td>
<td>263</td>
<td>234</td>
<td>222</td>
<td>218</td>
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<tr>
<td>Members (print)</td>
<td>66.4</td>
<td>55</td>
<td>47</td>
<td>46</td>
<td>43</td>
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<tr>
<td>Other (e.g. voluntary page charges)</td>
<td>14.2</td>
<td>21</td>
<td>15</td>
<td>21</td>
<td>22</td>
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</tr>
<tr>
<td><strong>Total Tran Income:</strong></td>
<td>1255</td>
<td>1088</td>
<td>1059</td>
<td>998</td>
<td>948</td>
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<tr>
<td><strong>Transactions Expense</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Editing</td>
<td>-415</td>
<td>526</td>
<td>-486</td>
<td>-567</td>
<td>-536</td>
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<tr>
<td>Printing</td>
<td>-149</td>
<td>158</td>
<td>-141</td>
<td>-134</td>
<td>-120</td>
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</tr>
<tr>
<td>Other (Xplore + fees)</td>
<td>-16</td>
<td>18</td>
<td>-10</td>
<td>-10</td>
<td>-11</td>
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<tr>
<td><strong>Total Tran Expense:</strong></td>
<td>-580</td>
<td>-702</td>
<td>-638</td>
<td>-711</td>
<td>-667</td>
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<tr>
<td><strong>Net from Transactions:</strong></td>
<td>675.4</td>
<td>386.2</td>
<td>421.3</td>
<td>286</td>
<td>316(+30)</td>
<td>281</td>
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<td>IEEE Charge</td>
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<td>-308</td>
<td>-350</td>
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<tr>
<td>Conference Xplore</td>
<td>280</td>
<td>197</td>
<td>311</td>
<td>210</td>
<td>234(+24)</td>
<td>210</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>578.7</td>
<td>327.8</td>
<td>424.2</td>
<td>146</td>
<td>80</td>
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<tr>
<td>Conference Income</td>
<td>796</td>
<td>604</td>
<td>1084</td>
<td>660</td>
<td>505</td>
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<tr>
<td>Conference Expense</td>
<td>-701</td>
<td>-532</td>
<td>966</td>
<td>-660</td>
<td>473</td>
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<tr>
<td><strong>Net from Conferences:</strong></td>
<td>94.6</td>
<td>71.9</td>
<td>118</td>
<td>0</td>
<td>91(+91)</td>
<td>32</td>
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<tr>
<td>Member Dues</td>
<td>80.9</td>
<td>83</td>
<td>80</td>
<td>84</td>
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<td>Newsletter</td>
<td>-34.9</td>
<td>-38.6</td>
<td>-26</td>
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<tr>
<td>Committee expenses</td>
<td>-70</td>
<td>-117</td>
<td>-86</td>
<td>-150</td>
<td>-119</td>
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</tr>
<tr>
<td>Other</td>
<td>-23</td>
<td>-19</td>
<td>-23</td>
<td>-20</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net from members:</strong></td>
<td>-47</td>
<td>-72.6</td>
<td>-51</td>
<td>-124</td>
<td>-91</td>
<td></td>
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<tr>
<td><strong>Operating Surplus:</strong></td>
<td>635.2</td>
<td>343</td>
<td>491</td>
<td>22</td>
<td>167(+145)</td>
<td>21</td>
</tr>
<tr>
<td>Investment returns</td>
<td>98.6</td>
<td>-1235</td>
<td>764.4</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>Net surplus:</strong></td>
<td>733.8</td>
<td>-893</td>
<td>1255</td>
<td>22</td>
<td>167</td>
<td>21</td>
</tr>
</tbody>
</table>
Xplore Revenue

• T: total IEEE Xplore revenue (~$30M/year)
• IT society revenue:

\[ T[0.1 \cdot \frac{1}{\text{# of IEEE societies}} + 0.55 \cdot \frac{\text{IT downloads}}{\text{IEEE downloads}} + 0.35 \cdot \frac{\text{IT articles}}{\text{IEEE articles}} + 0.1 \times \text{old formula}] \]

• Conference publications treated separately
Trans. IT Downloads

Paper Downloads

IT percentage of downloads
Trans. IT Content

# of Articles Published

IT percentage of articles

- IEEE Articles
- IT Articles
Xplore Revenue Summary

• Percentage of Xplore revenue IT receives slowly decreasing
  – # of IT downloads relatively flat, whereas # of IEEE downloads slowly increasing
  – # of IT articles relatively flat, whereas # of IEEE articles slowly increasing

• Total IEEE Xplore revenues seem to be flat
  – Reasonable given state of university libraries

• Revenues:
  – 60 cents/download
  – $430/published article
  – Total ~ 750K per year
Trans IT Creation Expenses

- Cost per page: \(~\$80 \text{ - } $90\)
  - Editing \($66.50/\text{page}\) + graphics, Xplore, etc.
- \(~6000\) pages/year
- \(~450\) articles/year
- \(12-13\) pages/article
- Total cost: \(~500K\)

- No page charges
Trans. IT Income Summary

- Revenue: $430/article + $0.60/download
- Cost: $1000/article
- Net curve also includes non-member Trans. Revenue and print revenue & expenses
- IEEE charge: ~350K/year
Trans. Printing & Mailing

- Approximately 140K per year
- Mailing costs make up 40%

- Cost/print subscriber: $105 in 2009
- Print subscription fees:
  - IT Society members:
    - Member: $45 (909 in ‘09)
    - Student: $23 (59)
    - Retired/other IT: $23 (52)
  - IEEE members that are not IT Society members:
    - General: $85 (43)
    - Student: $43 (21)
    - Retired/other: $43 (1)

- Printing & mailing Transactions 6 times a year would save ~20K
Motion

• Increase print subscription rate for IT society members from $45 to $65/year.
• Increase print subscription rate for IT society students members from $23 to $33/year.
  – Maintains student/member ratio
• Leave all other rates unchanged

• Additional increases anticipated over next ~3 years to move to break-even on print subscriptions
• Members (general & student) still receive electronic access to Trans. IT