

Race Report

Scott Schulte wins, Shigeomi Hirabayashi 1st in Spec Racer - Scott Schulte continued his winning streak in the closed wheel race group, but Iain Waugh in his GT3 RX7 ran a very close 2nd for the entire race. Maybe next time we'll see a yellow car in the winners circle. Eric Inouye driving a Camero stayed with the leaders for the first few laps, but just couldn't keep pace as the race wore on. Shigeomi Hirabayashi in his first ever SCCA race, managed to win the Spec Racer group. What a great race!

Gary Tamura Wins, Steve Hirasuna 1st in Formula Ford - The open wheel group was once again dominated by the Formula Mirage cars, although Bob Sato managed a 3rd place finish in his Formula Continental. Lee Jensen led early in the race followed closely by Chris Messer. Unfortunately the leaders touched wheels giving Gary Tamura an opportunity for another win. Steve Hirasuna and Tom Burke were nose to tail for the entire race, but Steve managed to hang on for a victory in the Ford race.

1995 SCCA TREASURER'S REPORT

PRESENTED BY PETER HYLTON

MINNEAPOLIS, MN FEBRUARY 16, 1995

At present we are six weeks short of our fiscal yearend. Thus, the numbers I am about to give you regarding departmental operations are not final, but rather are projections of our anticipated yearend position. The Club Racing Department is expected to end the year with a surplus of approximately \$503,000. Solo is projected to show a surplus of around \$61,000, and Corporate Services will show a surplus of around \$157,000. Road Rally and Pro Rally will show losses of around \$5,000 and \$18,000, respectively. Member Relations activities, which have no major offsetting income, are projected to show a \$86,000 loss. Risk Management activities will show a \$128,000 surplus while the Administration account will show a loss of about \$226,000. This leaves us with a net projected surplus for Club operations of roughly \$515,000. Taking into account allowable depreciation charges of around \$90,000, we project a positive cash flow for club operations of \$605,000. Careful cash flow management permitted us to get through the year without ever having to touch the \$500,000 credit line which I discussed last year as a hedge against off-season expenses.

We now have a pair of subsidiary corporations. I'll begin with the newer of the two. SCCA Pro Racing Ltd. became a truly separate entity for the first time on April First, 1994. We all trust that this date will not prove to be symbolic. The new for-profit corporation began operations with a \$200,000 capitol investment and a credit line of \$300,000. As with any new organization, the first year incurred a number of start-up costs and Pro Racing is expected to end the year with a loss of about \$455,000. Taking into account depreciation of \$20,000 leave them with a negative cash flow for this fiscal year of \$435,000. If we combine Pro Racing Ltd. activities into the parent organization activities we have something akin to what we have traditionally thought of as SCCA Inc. The net result is a yearend projected surplus of \$60,000 or a positive cash flow of \$170,000.

This brings me to the point in my report where everyone usually cringes -- SCCA Enterprises. While Pro Racing Ltd.'s first year numbers may look like a for-profit April Fools joke, Enterprises has finally gained a modicum of respect. For one thing, since the restructuring of Enterprises' long term debt in August of 1993, they have made 17 consecutive monthly payments that helped the club finances to the tune of \$128,000. The short term line of credit is also being paid back and should be eliminated during 1995. Which means that I have high hopes that when I stand here next year the level of Enterprises indebtedness to the Club will actually have decreased for the first time in its history. I have that Enterprises would pay off its debt when "pigs fly over a frozen hell". Well, the porkers aren't exactly winging among the clouds yet, but they're looking a lot more flight worthy than when I began this job. Enterprises should end the fiscal year showing a modest profit, and having made a critically important reduction in their debt to SCCA.

At present, our assets include \$806,000 of cash and short term assets and \$1,896,000 in property. Our long term assets total \$411,000 including the loan to Thunderhill Park. It should be noted that Thunderhill has already reduced the amount of their loan from SCCA from \$300,000 to \$216,000 in only a year. The net worth of the two subsidiaries is carried at \$542,000. This places the club's total assets at approximately \$3,656,000. With our liabilities at a normal level of \$764,000, we retain a net worth of about \$2,892,000, essentially unchanged from last year.