

Treasurer's Message

In the fiscal year 2003 (FY03), SIGMOD's finances ended stronger than expected and we finished with \$128,358 in the bank. The main reasons for this added liquidity are the higher than expected attendance as well as the excellent management of the 2002 SIGMOD/PODS conference in Madison, which resulted in a net profit of \$56,665. For those of you new to the treasurer's column, conference proceeds count towards the bottom line for the following fiscal year. As a slight caution, we are still expecting expenses related to the production and distribution of DiSC 2003, which have been budgeted as FY03 expenses. As a result, our "real" ending fund balance is closer to \$123k.

To put the FY03 numbers in perspective, we started the year with \$85,243 in the bank and funded many worthwhile projects, including undergraduate scholarships, maintenance and upgrades to the SIGMOD Web site, as well as production and distribution of DiSC 2003. Total FY03 expenses including projects and administrative cost but not counting the conference came to \$109,930. On the revenue side, income from dues and sales continued to decline as a result of falling membership levels: from \$113,083 in FY01 to \$91,380 in FY03. If we figure in the originally budgeted conference profit of \$6K, the gap between expenses and revenues is roughly \$12.5K. Despite our best efforts towards greater financial restraint and new sources of revenue such as the sales of Silver Edition DVD, we have to rely on the conference to provide us with the capital necessary to fund many of the membership benefits. Conference income is even more important if you take into account that currently the cost of a membership exceeds the income SIGMOD receives from its dues.

Earlier this year, in April, the SIGMOD executive committee (EC) passed the budget for fiscal year 2004 (FY04), which went into effect on July 1, 2003. It demonstrates the EC's commitment to further control spending without negatively impacting membership benefits. For example, we continue to fund the production and distribution of DiSC 2004 (\$24K), undergraduate scholarships (\$5K), awards (\$2K), and maintenance of the SIGMOD Web site (\$1K). On the other hand, we decided not to start any new initiatives and to increase revenue through sales of Silver Edition DVD and DiSC. We are also making changes to the different membership packages to help alleviate some of the strain on our budget and to better reflect their true cost to SIGMOD. Stay tuned.

The fund balance on June 30, 2004 is projected to remain around \$123K, which is \$44K above the minimum required by ACM (\$79K). ACM determines the minimum fund balance for each SIG at the beginning of the fiscal year based on the SIG's ending balance, the projected membership numbers, the budget for its conference, and the budget for any special projects the SIG wants to undertake. Not meeting this minimum would result in loss of interest payments to SIGMOD (on our fund balance) and closer scrutiny of our budget decisions by ACM.

The FY04 budget does not reflect any significant profits, which is in part due to a continued investment in DiSC, membership revenues that are projected to remain flat, and a very conservative conference budget (this was, after all, SIGMOD's first appearance at an FCRC event). Given the economic uncertainties, we believe that a balanced budget sets the right direction for a fiscally sound future and eventually a return to greater financial flexibility.

Joachim Hammer
July 2003