



THE GLENDALE LYCEUM

ANNUAL REPORT

2012

Board of Directors 2012

President-Gordon Kwiecinski

ABC, Secretary-Mike Honerlaw

Education and Drama-Katie Kreidler

Entertainment-Jim Worachek

House and Grounds-Mike Besl

Membership, Youth –Katie Kreidler

Pool-Stacy Fehrenbach

Sports-Mark Godbey

Treasurer-Gary Stuart

President's Report

In February the Board established objectives we wanted to work towards in the coming year:

Maintain membership by increasing the value of a Lyceum membership and increasing participation in Lyceum sponsored events.

Improve facility utilization for membership and local community by continuing to upgrade areas such as the basement and the sunroom.

Finances should be operationally neutral by carefully monitoring expenses while pursuing opportunities for increasing revenue.

Increase visibility in the community via participation in Glendale events and an enhanced website

This year's Board worked cohesively and diligently towards meeting these objectives. Fortunately all of our "surprises" this year were positive. In the following pages you will hear from Directors in their individual reports on the success they have achieved this past year. We exceeded the objectives we established and as a result I'm pleased to report the Lyceum is in a solid position both physically and financially with an engaged and energetic membership.

Our continued success in 2012 is due in large part to the continued hard work of our energetic staff headed up by Cindy. She works behind the scenes along with Kevin, Fran, Jackie and Jennis to insure that everything runs smoothly and that our facility always looks great!

I would like to thank everyone for their support this past year. I have thoroughly enjoyed my six years on the Board and it has been my pleasure to serve. When the Lyceum was formed in 1882 the mission was "to promote social and friendly relations among its members, and to provide literary, musical and social entertainment for them and for the said Village of Glendale and its vicinity". As we celebrate our 130th anniversary, the mission is still viable and growing.

Gordon Kwiecinski

Secretary's Report

Audit - General Manager Cindy Taylor and Secretary Mike Honerlaw conducted an annual audit of the safe deposit box and found all appropriate documents present. All of the documents were placed in archival envelopes to help preserve the documents.

By-Laws – Article II, Section One of the By-Laws was amended in 2012 to help simplify the membership classifications. The new classifications and rates were made effective January 1, 2013.

Contracts – Rental income for 2012 totaled \$155,671 which was ahead of the budgeted amount of \$135,000. Rental data from 2009 through 2012 is shown below. Table 1 represents the type and number of rentals for each year. Table 2 represents the dollar amount generated by the rentals. Based upon a number of factors, it was agreed that the rental fees should be increased for all new contracts beginning in 2013. The rentals continue on a positive trend and for the 2013 year, the Lyceum had booked 16 member rentals, 22 non-member rentals and 2 business rentals prior to the New Year.

NUMBER OF RENTALS

Table 1	2009	2010	2011	2012
Member	22	20	32	32
Non-Member	18	19	29	29
Business	8	5	4	5
Pavilion			16	13
Total Rentals	<u>48</u>	<u>53</u>	<u>81</u>	<u>79</u>

REVENUE GENERATED

Table 2	2009	2010	2011	2012
Member (net revenue)	\$4,600	\$ 5,800	\$ 7,060	\$ 5850
Non-Member	\$76,500	\$88,150	\$109,968	\$135,047
Business	\$ 3,300	\$ 3,875	\$ 8,500	6,424
Pavilion		\$ 1,150		\$ 975
Total Rentals	<u>\$84,400</u>	<u>\$97,825</u>	<u>\$126,678</u>	<u>\$148,296</u>

Respectfully submitted,

Michael J. Honerlaw
Secretary, Chairman ABC
Glendale Lyceum

Education and Drama

For Education and Drama, we had a wide variety of events and entertainment that appealed to both young and old. Several programs, which fall under this classification, have become so entrenched in the personality of the club that they practically run by themselves. That speaks volumes for the membership and creates treasured traditions handed down each year with increasing spirit and enthusiasm.

Two of these traditions are the **Book Club** and the **Gourmet Dinner Club**. Both have dedicated members that require no prompting or oversight. They are both well attended; one creates inspiring and delicious meals, and the other savors the insights and discussion of a good book. Each group brings together new and old members which is all part of the fiber of this club.

The **Wine Club** was started and met several times during the year. As a new group, this event will evolve and we look forward to it becoming a standard tradition.

The **Holiday Tea** was not held this year due to lack of participation. As with many things, sometimes we need to take a rest and look to the future for some reinvention or a new fresh perspective. It will be offered again in 2013 and we are open to suggestions.

Dinner of the Month: a nice blending of members to enjoy a meal together, including wonderful conversations along with some entertainment, education or the theater. This year offered some all three.

February – the curtain called for *The Last of the Red Hot Lovers*. A delightful vignette featuring Myrna Stuart and Jay Wheeler with Jim Wesselman as opening narrator.

March – both young and old were dazzled by Lagniappe, a whimsical group of musicians featuring jazz and ushering in Mardi Gras to the Lyceum.

April – for dog and cat lovers, Dr. Melis Shyan-Norwalsa shared her insights and “whisperings” on animal behavior.

May – twice the fun this month. The first DOM was captivated by CCM drama students who performed a short play showcasing their talents and music.

The latter part of May brought Butch Jones, UC's football coach, who shared inside information and stories, setting an enthusiastic tone for the upcoming football season.

September – the club was proud to present, Joe D’Amato, member and published author, who told of his trip to Sicily and his inspirations for his book, The Seeds of the Lemon Grove. The Wine Club started the evening featuring a Sicilian wine tasting.

October – our very own Scotch afficiando, Jay Wheeler, hosted an educational scotch tasting from several regions of Scotland.

-The Cincinnati Civic Orchestra performed their concert “The American Civil War, Our History Our Heritage”. Thanks to Larry and Hildy Bonhaus for this annual event.

December – the year wrapped up with cocktails and singing to jazz pianist, Rob Allgeyer. We were enchanted with the beautifully decorated Lyceum Library, the revelry of being with good friends, and the entertaining music. It was agreed that this should be a Lyceum tradition.

The passion of the members, the generosity of helping hands, and the spirit of *coming together*, created a very successful year.

Respectfully submitted,

Donna Wesselman, Education & Drama Director

ENTERTAINMENT REPORT

This is my 4th year as Director in charge of Entertainment. 2012 was a challenging and rewarding year. The year started out on New Year's Day with a lovely Brunch featuring the Smith's Frittata, egg casseroles, pastries, smoked salmon with Bloody Mary's and Mimosas. (45) members attended, which was somewhat disappointing given the terrific spread of food and effort by the committee. This event was not repeated in 2013, but we may bring it back in 2014 after a year off.

Next came the Super Bowl Party, featuring chili with potluck desserts and appetizers. (23) members attend Super Bowl XLVI featuring the Giants and Patriots presented in HD on our 150" Projection TV. With smaller crowds attending this event, the Super Bowl Party be an event we move to the new Pub in the basement in future years.

Feb 18th was the date of the very special Valentines Dinner. (23) Ladies were treated to a night of pampering and gourmet food prepared by their very own husbands under the supervision of Head Chief Mike Gramaglia. This is one of the Lyceum's most popular events, often selling out just weeks after the date is announced. Hopefully you have your reservation in for Feb 16th this year when Joe D'Amato will reprise his role as head chef.

As a thank you to all the members who volunteered for a committee in 2011, the Directors hosted a Volunteer Appreciation Cocktail Party February 25th. Wonderful Prizes to local Glendale Merchants were raffled to members who volunteered the past year, with additional chances for those who signed-up to work on a 2012 committee. Volunteering is so important for many of these Lyceum events. It seems like we are tapping the same members over and over to volunteer. If you haven't volunteered for an event recently, please consider calling Cindy and signing up to help at an event. There are always volunteer opportunities announced in the Forum each month, please sign-up, you will be happy you did!

Spring kicked off in wonderful fashion with a Spring Dance. It has been a while since we had a real "Spring Dance", and the committee did a wonderful job recreating Prom Nights of the 50's thru the 90's featuring a great DJ and food and popular drinks from each decade. (41) Members attended.....those that weren't there missed a great party!

The Memorial Day weekend kicked off the 2012 Summer in grand fashion. Friday May 25th was the season's first Summer TGIF, which was also an Open House for prospective new members, and was attended by (139) members and guests. Monday we followed with a Traditional Patriotic Memorial Day picnic featuring Pulled Pork and Chicken. (214) members attended, bringing the total Memorial Day weekend attendance up to 353...wow! The July 4th Picnic featured Popeye's Fried Chicken, Mooney's baked beans and Door Knobs. (151) members attended. The Labor Day Picnic concluded the summer with a menu of Montgomery Inn Pulled Pork and Chicken, Gobey's famous baked beans and Apple Pie a la mode. (111) members attended. The

Summers are busy and fun at the Lyceum. Holiday picnics are always well attended (476 total) and the TGIFs averaged (80) per week for a (1045) total summer TGIF attendance.

October 20th a group of (21) took the Keeneland Bus Trip. This is a fun event with Bloody Marys, tailgate lunch and a day of thoroughbred racing at its finest. However the attendance has been down the past several years and we can no longer justify a chauffeured driven motor coach bus. If we do this event again in 2013, it will have to be with member driven rented vans to keep the event cost neutral.

A new event was introduced Nov 20th as a group of 18 rented (2) vans and drove the Bourbon Trail in Kentucky. We visited the Woodford Reserve Distillery in the morning, had lunch at the award winning and charming Holly Hill Inn, and concluded the afternoon with either shopping at Midway Kentucky or a tour of the Buffalo Trace Distillery. The day trip was a lot of fun. We learned something, had a great lunch, saw some beautiful horse farms and quaint small towns, and were back at the Lyceum before 7pm. This is something we may want to repeat in 2013 with a different venue.

Nov 23rd the Lyceum for the 3rd consecutive year hosted the GMPPPA (Glendale Men's Ping Pong, Putting, Paddle Association) event open to the Glendale community. This annual stag event, always held during the Ohio State – Michigan football game, was again on Thanksgiving weekend which kept the attendance down somewhat. We had 49 men attending the football Game and 20 in the Paddle tournament. We will continue this tradition by hosting the event again at the Lyceum in 2013. The Ohio State – Michigan football game will not be on Thanksgiving weekend in 2013, so we are expecting a better turnout. All the men of Glendale are invited to this event, so it is good publicity for the Lyceum showing off our club to the community.

Year's Eve in 2012 was a low keyed informal event where members brought food, drinks, games, iPods, video's, etc to share. This was a no charge event and 50 attended, including a lot of families and kids. Everyone seemed to have a great time.

We again had a full slate of events throughout the year that were frequent and varied, with something for everyone. Overall, attendance was up at most events and the spirit of volunteerism is alive and strong at the Lyceum – we could not have enjoyed these wonderful events without your participation. Many thanks for the support of fellow Board members and to all of the membership that made these events possible.

Respectfully submitted,
Jim Worachek, Entertainment Director

House and Grounds Report

We are stewards of a wonderful, historic facility that has served our membership well for over 120 years. Family and community memories are made here. We continue to preserve its traditional, historic character while keeping the facilities up-to-date. We strive to maximize its usefulness for our members, while managing operating and capital expenditures.

In 2012 we invested in several projects to maintain and enhance our facility.

- Replaced the blower motors in the ballroom HVAC system.
 - Repaired gutters, replaced old screens with copper strainers, established regular cleaning schedule.
 - Installed new copper downspouts on front portico.
 - Applied polyurethane to the floors in the ballroom, tearoom, and sunroom.
 - Picnic tables: Member volunteers replaced the wood on metal frame tables, and built new wood tables.
 - Installed a sump-pump and drain tile in the basement.
 - Purchased artificial Christmas tree for Library - due to fire code.
 - Purchase new commercial vacuum for main building.
 - Replaced condensation lines on pool house HVAC system.
 - Kitchen Plumbing: Replaced strainers in sinks, cleaned out sink drains and floor drains, replaced old grease trap, relocated grease trap to properly hook up drains.
 - Hired a consultant to conduct engineering study of acoustics in the sunroom. Data gathered will be used in the selection of acoustical treatment for the sunroom in 2013.
 - Obtained quotes to repair pool deck and selected contractor. Repairs are scheduled for late-spring 2013.
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- Basement Project: Member-volunteers are in the process of building out the space in an English pub design. The project committee put in many hours of planning and research prior to starting. Over a dozen members have pitched in to help. Special recognition is due to Dick Gregory and Bill Skillingstad, who have been working several days a week for the last three months. We hope to have the space functional in mid to late March.
 - The board wishes to thank all those who have volunteered time, talent and treasure to the basement project so far. To compliment the donation of time and talent, we will conduct a fundraising effort to help further defray the cost of the new space.

There are a number of projects that are budgeted for the 2013-year.

- Finish the basement remodeling project
- Acoustical treatment for the sunroom
- Sealing the driveway and parking lot
- Refinish the hardwood floors in the library
- Repair plaster cracks in library ceiling
- Repair overhead lights in kitchen and repair chandeliers in the ballroom.
- Repair the pool deck.

- Paint the pool.
- We will also update the long-range plan for mechanical systems.

Thanks to Cindy, Kevin, and Fran for their efforts to make sure the Lyceum stays in great shape for our members, guests and rental clients. A special thanks to the many members who donated time, talent, and treasure for several projects throughout the year.

Respectfully submitted,

Michael L. Besl

MEMBERSHIP REPORT

The Glendale Lyceum had another successful year of recruiting!

We proudly welcomed **eleven** new adult members and **nine** new children:

Ryan Cooper

Jan & Joe Dubinski

Bobbie Jo & Chuck Ehlers and their children Hayden, Rebekah, Max, and Vedika

Jana & Chris Monzel and their children Mary Grace, Jacob, and Andrew

Nancy & Dave Moore

Jennifer & Mike Reynolds and their children Jack and Miles

We are also very pleased to welcome back, by reinstatement, **six** members:

Amy (Simonson) Cooper

Nancy Kurlin

Jean & Tom Macejko

Jean & Tom Smith

Unfortunately, we had **six** resignations. We also had an additional **seven** Junior Members (upon age 22) resigning in good standing but paying the step-up fee to Regular Member which assures them acceptance should they seek reinstatement in the future.

It is with great sadness that we note the passing of **four** longtime Lyceum members:

DeDe Brinker
Jeanne Green
Arlyn Johnson
Joan Mooney

The Glendale Lyceum currently has **457 total members**. The breakdown of the membership classifications is as follows:

Honorary: 68, (+3 from 2011)
Regular Retired: 59, (+18 from 2011)
Regular Senior: 204, (-13 from 2011)
Junior (ages 23-26): 6
Children (ages 6-22): 87
Minor (ages 0-5): 21
Non-Resident: 6
Paddle Only: 6

It is my belief that the Lyceum is best perceived by prospective members not through formal recruiting measures but by experiencing firsthand all the Lyceum has to offer. We have something for everyone and each event has a unique appeal. I continue to encourage the membership to help spread the word about The Lyceum, Glendale's hidden gem. Remember, we are not only members of the Lyceum but its owners as well.

Please do your part in ensuring our long-term success by inviting new neighbors and non-member friends to several different events. This enables them to get a real feel for our club and to see for themselves the value and benefit that membership to the Lyceum has to offer.

Respectfully submitted,

Katie Kreidler, Membership & Youth Activities Director

Pool Report

The pool was open this year from May 25th through Labor Day, September 3rd. Aside from everyday operations, we also had a number of well-attended special events.

Ladies' Spa Day: offering spa services, lunch, and relaxing kid-free pool time with friends

2 Adult Pool Parties: a casual "potluck" in June, followed by our traditional "Steak & Potato" grill-out in August

Kid's Pool Party: complete with tattoo & manicure stations, sundae bar, and inflatable water slide!

Pizza Lunches: poolside lunch, every Thursday in August

Doggie Day: after Labor Day our four-legged friends ruled the pool!

We had a host of new lifeguards on staff this season, so we focused our first few weeks on tweaking and communicating lifeguard rules and on updating the lifeguard code of conduct. We also installed a Pool Rules sign at the main pool entrance to remind members and guests of their responsibility to maintaining pool safety. I am pleased to report that there were no serious health or safety issues at the pool the season.

As for sun safety, we continued to offer complimentary sunscreen in the pool hut. Thank you to the Andy Caress Melanoma Foundation and Bob & Candy Caress for keeping us stocked with high-quality sunscreen this year. In addition, those frequenting the baby pool voiced appreciation of the cantilevered umbrella, which replaced the shade canopy previously covering the child's swim area.

There were no major extraneous pool expenses this year, however there are a couple of important improvements to be completed prior to opening day 2013. The uneven pool deck will be made level, and the interior of the pool will get a fresh coat of paint. These are both necessary repairs that will improve both the safety and the appearance of the pool area.

Finally, I would like to thank you for your suggestions, comments, help, and support this year. It was all of us together who made the pool a fun and safe place to spend time with family, friends, or that favorite book. Cheers to making many more summer memories at the Lyceum pool!

Respectfully Submitted,

Stacy Fehrenbach, Pool Director

SPORTS REPORT

Sporting events at the Lyceum during 2012 provided numerous opportunities to participate in Clay Court Tennis, Platform Tennis and Golf.

GOLF

The 2012 Glendale Lyceum Golf Outing was held at the Hamilton Elk Golf Club, on a beautiful June Saturday, with forty club members and guests in attendance. The weather was beautiful, the course was in great shape, and everyone had a wonderful time. Prizes were awarded to first through fourth place finishers, as well as closest to the pin and a skins game. Many thanks to the Golf Outing Committee: Mike Fasoldt, Alan Dohan, Bob Gruber, Gary Stuart and Tris Colaizzi.

TENNIS

Despite experiencing one of the hottest summers on record, we had another successful tennis season. The Club tournament saw over thirty members participate. Robbie Caress did another wonderful job helping take care of the courts and conducting clinics and private lessons for both children and adults. Most encouraging was the large turnout we had for the children's clinic. In terms of maintenance, wind screens were reinforced with roping. We installed a new net on court #4 and new net cranks on courts #2 and #4. Finally, we purchased a new tape/line cleaner. Much thanks to Cindy, Stacey Fehrenbach and Robbie Caress for all their guidance and help.

PLATFORM TENNIS

Platform tennis (aka Paddle) continues to grow in popularity at the Lyceum and throughout Cincinnati. Our Division 3 Men's team took 1st place in their league during the regular season and won their year-end tournament. Congrats to Carlos DeJesus, Thad Karbowsky, Bob Kooris, Fabian Schmahl, Erik Simonson, Ian Smith, Andy Taylor and Scott Vaaler. Our own Lyceum Paddle Tournament saw over 18 members participate, with the championship won by Scott Vaaler and Ron Visscher. A major improvement in our courts was made this October with the installation of new and brighter lighting. 400 watt metal halide fixtures were replaced with 1,000 watt stadium style fixtures. Paddle players contributed half of the necessary funds, with the other half coming from unused paddle maintenance budget. We are now one of only a few clubs in the city with this level of enhanced lighting. Many players have commented favorably about the improvement.

GMPPPA

The Glendale Men's Paddle and Ping Pong Association (GMPPPA) held another well-attended event on the Saturday after Thanksgiving. Throughout the day, men participated in tournaments involving paddle, ping pong and golf putting. Jim Worachek arranged for some great food and liquid refreshments, enjoyed while watching the OSU-Michigan football game.

I have learned much during my first year on the Lyceum board and as director of Sports. I always appreciate your support, including comments and suggestions. It is only you're your participation that our programs will succeed. I hope to see more of you on the courts!

Youth Activities

What another fun year! We kicked off the year with the always popular **Easter Bunny Breakfast** on Saturday, April 7. The weather was fantastic and the event was a success with sixty-five in attendance. Everyone was dressed in their Easter finest. Fun crafts, games, and a yummy breakfast were enjoyed by all. The Easter Bunny arrived to much fanfare and led the children to the meadow for the annual egg hunt. Always fun... rain or shine!

Kids' Camp is the highlight of the summer activities for kids at the Lyceum. Summer camp the way it is supposed to be... lazy, hazy days perfect for hanging out with friends and creating wonderful memories of summertime fun!

Our camp director was Laura Cassinelli. We were happy to have a Glendalian lead our camp activities in 2012 and we are thrilled that she has decided to return for the 2013 season.

Kids' Camp began June 12 and ended July 20. Camp traditionally runs from Tuesday through Friday, 9:30am-12:30pm. Campers enjoyed fun craft activities, games, swimming, and a lesson from our club Tennis Pro, Robbie Caress, every day. The "Shack Pack" (ages 10 -12) enjoyed a fun field trip every Friday. They went bowling, painted ceramics at The Mad Potter, played mini golf, splashed around at Coco Key Water Resort, learned how to make homemade pizza at Young Chef's Academy, and enjoyed a private tour and tasting at Jungle Jim's.

Every other Friday the fun continued after camp ended with a "Lunch Bunch" pizza party and swimming until 2pm. Always a big hit!

Kids' Camp entertained 150 kids during the 6 week session!

The Family Campout was held, in part, on Friday, July 6. The 100+ degree heat made the decision easy to cancel the "camping out" part of the Family Campout. The festivities continued after the scheduled TGIF with a family friendly movie in the back meadow on a 12ft inflatable screen. For those willing to brave the heat, humidity, and hungry mosquitos...it was a rather enjoyable event! Due to the extreme heat and dry conditions, a bonfire was not permitted. No s'mores were able to be roasted!

The tradition continued! **The 2nd Annual TGIF Chili Fest** was held on Friday, Oct. 12 and was an even bigger success than last year! The weather was great and the eight different types of chili and yummy appetizers all really helped to set the mood for fall. The pavilion was wrapped in white lights giving way to a magical glow that provided the perfect party atmosphere as the fall evening grew darker. S'mores were roasted by the fire pit and a pumpkin pinata was an added attraction for the kids. The tunes were blasted and the kids took over the dance floor, partying the night away! An event not to be missed!

Breakfast with Santa is a favorite tradition here at the Lyceum. This year it was held on Saturday, Dec. 1. The pajama party theme was continued again this year. Seventy-six people were in attendance. Fun crafts were provided and a hearty breakfast was enjoyed by all. A professional juggler entertained everyone and then a surprise visit from you know who...Santa! While waiting in line for Santa's lap, the juggler kept the kids entertained by making fun balloon creations. A great event for kids, parents and grandparents, too!

The **Holiday Cookie Class** was held on Sunday, December 9. Once again we decorated gingerbread houses. The class was full with 25 in attendance. The kids decorated their houses with colored icings and lots of candy. They also enjoyed a gift exchange during an interactive reading of *'Twas the Night Before Christmas*. Such fun... and their creations were amazing!

It has been another very fun and busy year for Youth Activities here at the Lyceum. I look forward to continuing the fun in 2013.

Respectfully submitted,
Katie Kreidler, Youth Activities & Membership Director

TREASURER REPORT

GLENDALE LYCEUM FIVE YEAR - PROFIT AND LOSS

	2008	2009	2010	2011	2012
Operating Revenues	290,157	305,153	288,278	327,489	356,157
Operating Expenses	594,523	477,304	453,481	521,271	463,598
Net Operating Income	(304,365)	(172,159)	(165,203)	(193,782)	(107,441)
Other Income	120,170	103,943	178,638	152,278	87,402
Net Profit (loss)	(184,195)	(68,216)	13,435	(41,504)	(20,039)

FIVE YEAR - BALANCE SHEET

	2008	2009	2010	2011	2012
Total Current Assets	45,867	12,214	38,516	40,379	36,017
Total Fixed Assets	695,871	755,599	731,508	690,487	674,781
Total Other/Investments	2,390,030	2,344,185	2,339,715	2,367,947	2,445,899
Total Assets	3,131,769	3,111,998	3,109,738	3,098,813	3,156,697
Total Liabilities	221,647	269,092	241,762	244,109	244,080
Total Equity	2,910,122	2,842,906	2,867,976	2,854,704	2,912,617
Total Liab. & Equity	3,131,769	3,111,998	3,109,738	3,098,813	3,156,697

	2008	2009	2010	2011	2012
Capital Expenditures	17,732	117,781	18,867	53,809	21,307
Total Value of Stock	2,427,870	2,350,146	2,344,185	2,400,509	2,447,209
Number of shares					
Procter & Gamble	38,966	38,316	36,421	35,471	35,471
J.M. Smucker	428	428	428	438	438
Dividend Income	64,076	67,335	71,619	75,214	79,075
Debt	221,262	268,832	240,772	243,705	243,705
Member Dues	145,814	140,560	132,111	135,361	147,047
Rental Income	99,616	91,040	110,999	137,544	155,671

TREASURER

The year 2012 began with a pledge by our Board members to increase revenues, control expenses and operate within our budget. Our goal was to be revenue neutral for the year. We continued to spend the necessary funds to make essential repairs which included a sump pump installation in the basement, begin the basement remodel project, and replace the aged paddle tennis lights. We achieved our goal without selling any of our Procter and Gamble stock. This judicious approach was made possible by the dues increase from 2011 and increased income from rentals in 2012.

Revenue

Total revenue from operations was \$356,156 in 2012 compared to 327,489 in 2011, an increase of 9%. Rental income was up 13% from \$137,554 to \$155,671. Non-operating income of \$87,402 was much lower than the \$152,278 in 2011 because no stock was sold in 2012.

Expenses

Operating expenses were reduced 11% from \$521,271 in 2011 to \$463,598 in 2012. This was accomplished with the help of all of the Board members exercising cost control while not reducing the value of any of our Lyceum programs. Cindy was also effective in reducing costs where possible from several of our service providers.

Income

Loss from operations in 2012 was \$107,442 down 45% from \$193,782 in 2011. We benefited from fewer needed repairs this year, while paying attention to maintaining our beautiful facility. Net loss for 2012 was \$20,039 compared to a loss of \$41,504 in 2011, a reduction of 52%.

Capital Expenditures

Capital expenditures in 2012 were \$8,593 (sump pump), \$5,521 (paddle lights), and \$7,193 (basement remodel) for a total of \$21,307. We have budgeted an amount of \$33,500 for 2013 to complete the basement remodel, improve the sunroom acoustics, repaint the pool, re-seal the driveway and parking lot, repair the library ceiling and furniture, and make needed improvements to the squash hut. All of these are necessary to maintain the integrity and enhance the value of our property.

Investments

The value of our investment portfolio continues to rise with a total value at year-end of \$2,447,209. This exceeds the value reached in 2008 when Procter and Gamble stock plummeted. The per-share price at year-end was \$66.89 versus \$66.71 at the end of 2011. Dividend income was up to \$79,075 from \$75,214 in 2011. This is further reason for us to continue to be judicious in selling stock only for necessary capital expenditures.

Debt

We are in the process of renegotiating the interest rate on our loan of \$243,705. The current interest rate is 5.25 %. Plans to make principle payments to reduce the loan are also being explored, as we made interest-only payments in 2012.

Summary

As part of presenting financial information, you have received a five-year summary of important financial data . This gives you a better look at where we have been and what you should expect in the future. Looking ahead, we continue to enjoy a growing investment portfolio, a strong balance sheet, growing membership and a Board committed to fiscal responsibility. Our strongest assets are our dedicated members, our management team of Cindy, Kevin and Fran, and a first class facility. We will continue to be challenged by the economy, rising costs, and an aging property; but working together our future never looked brighter.

Thank you for allowing me to serve the past three years on the Board. It has been a most gratifying experience.