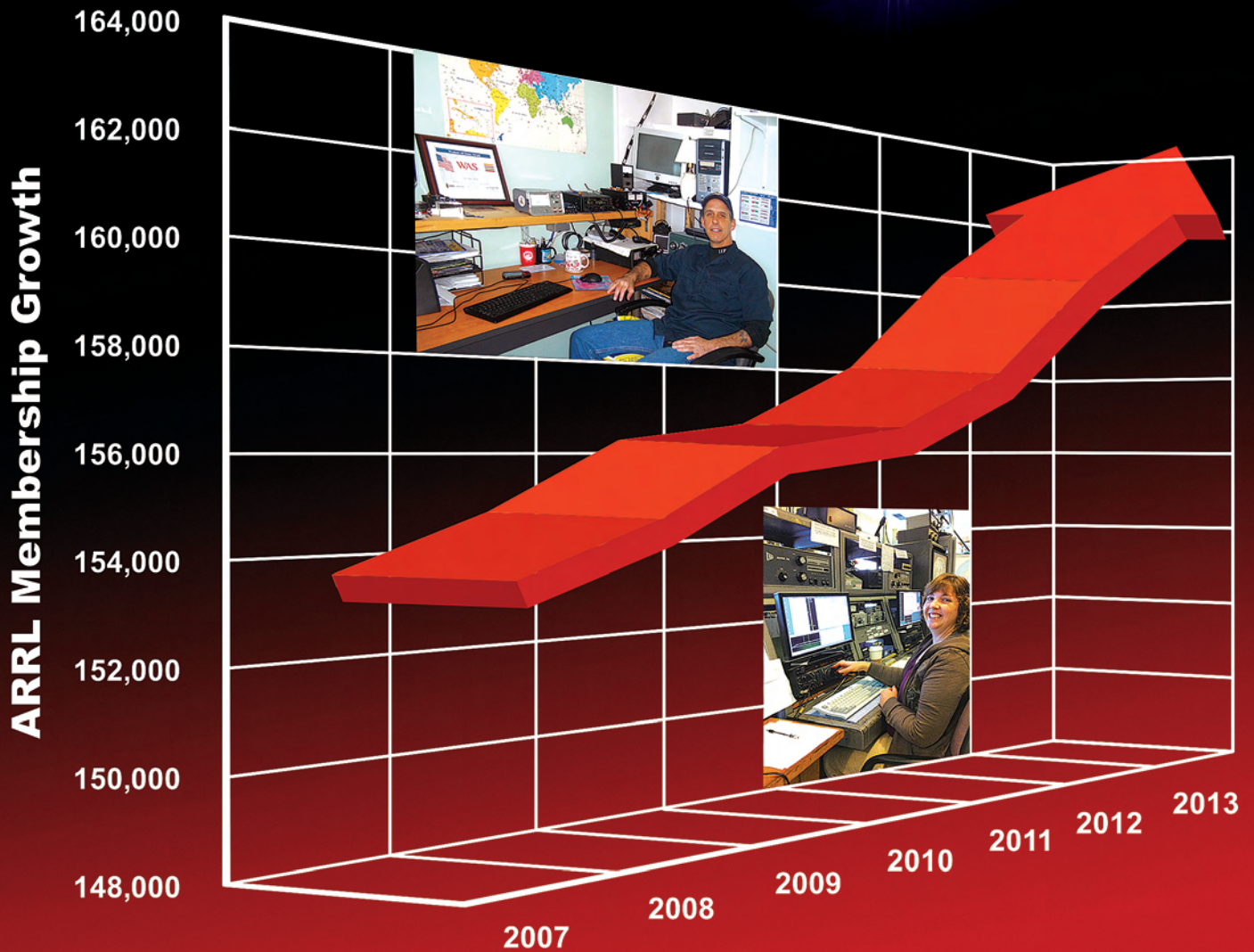




2013 Annual Report

Devoted Entirely to Amateur Radio



American Radio Relay League



Annual Report

2013

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About the Cover:

Membership is what makes all things the ARRL does, possible. While our membership has waxed and waned over the decades, we have seen our membership grow steadily since 2006. As the number of licensed radio amateurs in the United States reaches an all-time high, more amateurs are seeing the value and importance of belonging to and supporting the ARRL as the national association for Amateur Radio.

ARRL gratefully acknowledges the support of every ARRL Member.

Top Photo: Charlie Reppert, KD8OSD, of Marysville, MI, is a new Amateur Radio licensee and ARRL member. [Charlie Reppert, KD8OSD, photo].

Bottom Photo: Joan Dille, K6YL, is extremely active using digital modes, such as RTTY. She frequently acts as an "elmer" (mentor) to newer amateurs at the Stanford Amateur Radio Club in Stanford, CA. [Larry Rebarchik, N6DB, photo].



About ARRL

Founded in 1914 by Hiram Percy Maxim and Clarence Tuska, the American Radio Relay League (ARRL) is the national association for Amateur Radio in the US. Today, with over 162,000 members, ARRL is the largest organization of radio amateurs in the world. Our mission is simple:

“To promote and advance the art, science, and enjoyment of Amateur Radio.”

We base our mission on what we call the **Five Pillars: Public Service, Advocacy, Education, Technology, and Membership.**

Our co-founder, Hiram Percy Maxim. A celebrated inventor and entrepreneur, Maxim created the American Radio Relay League in 1914 to help facilitate the relaying of messages via Amateur Radio. This first “network” of organized amateurs helped send messages farther than any one station could reach at that time.



Station manager Joe Garcia, NJ1Q, operating at W1AW, The Hiram Percy Maxim Memorial Station.

- Public Service**
- Advocacy**
- Education**
- Technology**
- Membership**

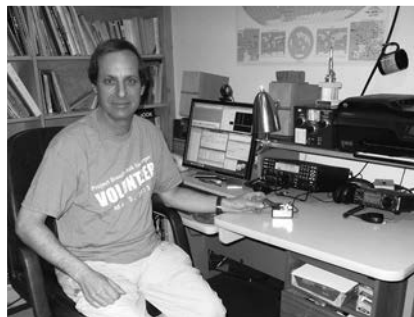
Many people become Amateur Radio operators because of their interest in radio technology and experimentation. ARRL is a leader in helping amateurs learn about technology and advance the state of the art.

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What is Amateur Radio?

Amateur Radio (Ham Radio) is a popular service and hobby in which federally licensed participants operate communications equipment. The hobby of Amateur Radio is a mix of public service, fun, and experimentation. The Service of Amateur Radio is a core element of neighborhoods and municipalities across the United States. In times of disaster, Amateur Radio repeatedly has been the only means of communication into or out of an affected area, providing critical information to authorities at the time when it is most needed. Licensed amateurs proudly serve their communities voluntarily, without compensation. Although amateurs get involved with radio for many reasons, they all have in common a basic knowledge of radio technology and operating principles, and pass an examination for the Federal Communications Commission (FCC) license to operate on radio frequencies known as the "Amateur Bands." These bands are radio frequencies reserved by the FCC for use by hams at the interval from just above the AM broadcast band all the way up into extremely high microwave frequencies.



ARRL Headquarters, located in Newington, Connecticut, has a staff of over 100 that serves the needs of our members. ARRL's Headquarters station, W1AW, transmits bulletins of interest to radio amateurs a minimum of 5 days per week. We also maintain an office in Fairfax, Virginia for interaction with federal agencies and other entities in the Washington, DC area.





A Message from ARRL's President

Although preparations for the ARRL's Centennial in 2014 occupied a great deal of our attention this year, 2013 was considerably more than merely a launch pad for the celebration.

For the seventh consecutive year, ARRL membership grew. I believe that one reason for this is the excellent work done by the ARRL's Section Managers, the Field Organization, and many other ARRL volunteers all over the country. They are proof to their fellow hams that the ARRL does not exist only within the four walls of the Headquarters building in Newington. They put a human face on a large, national organization. They build confidence in the ARRL as no one else can do.

In today's publishing environment, while many magazines of all sorts are barely clinging to life, *QST* continues to thrive, attracting high-quality articles submitted by members, and support from advertisers large and small. The evolving Digital Edition of the magazine is especially popular among members outside the contiguous 48 states. Be assured that there has been no discussion of discontinuing the print edition. We have no interest in fixing something that is so conspicuously not broken!

When the ARRL was founded in the early 20th century, living in the past was not an option because Amateur Radio didn't have one. Today we have a century's worth of admirable legacy, and conflicts sometimes arise between maintaining what is, because we like it, and inventing what can be, because we need it. While I understand the logistical problems and emotional fall-out from change in Amateur Radio, I believe the worst way to honor our past is to insist on living in it. That is not the spirit in which our League was formed. Through the new science of radio, ARRL's first members were enthusiastically helping to change the world. Today's ARRL emulates them by advocating for new technology and its applications. In so doing, we keep faith with our history by enabling our future.

The challenge is to determine which changes are in the long-run best interests of Amateur Radio and which are not. This year, the Board of Directors decided to oppose altering the FCC's Rules on encryption but to request eliminating Rules from the 1980s that restrict data mode symbol rates. The Board petitioned the FCC to grant new spectrum at 472 – 479 kHz and kept careful watch on threats to existing allocations at the other end of the spectrum brought about by the popularity of wireless broadband. Another subject of concern has been the appropriate role of CubeSats in the amateur bands, where a good fit must be achieved between spectrum protection on the one hand and ground-breaking experimentation by young scientists on the other.

The application of technology to benefit the public was uppermost in the minds of the ARRL's founders. Today, public service continues to motivate both volunteers and experimenters. Disasters such as the Colorado wildfires and floods and the Boston Marathon bombing brought out the best in ARRL's public service volunteers, as did many disasters that did not gain nationwide attention. In addition, the ARRL stayed in touch with leaders of the national Amateur Radio society in the Philippines during the typhoon there.

Collaboration with our sister societies around the world through the International Amateur Radio Union is a key part of the ARRL's advocacy effort. This year the ARRL took part in the IARU Region 2 (western hemisphere) conference of national societies, held in Mexico. There we talked about issues of common concern and strengthened relationships that will be important at future regional and worldwide spectrum management conferences. Indeed, preparation has already begun for the 2015 World Radiocommunication Conference. The ARRL's Washington staff is involved in those preparations both under the auspices of the IARU and as participants in United States government committees.

This year we celebrated the 75th anniversary of the W1AW Headquarters station, which bears the call sign of our founder and first president. We sponsored Teachers Institutes, funded by members' donations, that show teachers how to incorporate hands-on education on modern wireless technology into their classrooms. Maybe one of the children in those classrooms will someday write this president's report to future ARRL members.

Welcome to the second century!

73,

Kay Craigie

Kay Craigie, N3KN
President, ARRL

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Annual Report of the Chief Executive Officer for 2013

To The Board of Directors of The American Radio Relay League

The eve of the ARRL's Centennial Year is a good time to take stock of our Amateur Radio avocation and its national association.

Amateur Radio is healthy. Here in the United States the total number of FCC-licensed radio amateurs stands at more than 717,000 and continues to grow as we welcome more than enough newcomers to offset expiring

licenses and Silent Keys. In 2013 there were 28,886 new licenses issued — the largest “freshman class” since 2009.

More important than raw figures are the signs that activity is also on the upswing. This year, newcomers and Old Timers alike enjoyed good propagation conditions on the higher HF bands and new, narrowband data modes optimized for weak-signal communications. Developments in software defined radio (SDR) and digital voice technologies are creating whole new fields of experimentation and application. Inexpensive microcontroller platforms such as Arduino and simple computers such as Raspberry Pi offer endless opportunities for creative problem solving. The continued relevance of Amateur Radio in public service and emergency communications is demonstrated all too frequently, as in Colorado during its widespread wildfires and severe flooding earlier this year.

As the pages of *QST* document every month, radio amateurs are seeking and meeting new challenges: launching high altitude balloons, backpacking their portable gear into the wild, conquering the upper microwave bands, or just squeezing another decibel or two out of an antenna. If you've become bored with Amateur Radio, you're not paying attention; there's always something new to try, always more to learn.

The ARRL is healthy, too. In 2013 we saw our seventh straight year of membership growth. Members are the most important ingredient to our success, particularly when they become active volunteers. Thanks to our loyal advertisers and the members who purchase their products, the *QST* page count is envied by other association publishers, and we are proud that members can now access the Digital Edition of *QST* with even more content and at no additional cost. *The ARRL Handbook*, always a standard-setter and the flagship in our library of publications, has raised the bar even higher with the 2014 Centennial Edition. The Second Century Campaign is off to a good start toward the goal of increasing the ARRL Endowment by \$10 million.

There will be much to celebrate next year. It is rare for any association to reach its Centennial Year, much less with its founding vision intact and such a bright future ahead. The ARRL is one of these. Yet, we cannot let our pride blind us to the challenges we face.

Largely because of our continuing role in disaster communications — our ability to bridge gaps in communications infrastructure and to communicate without having to rely on any infrastructure at all — Amateur Radio in the United States is in the public eye and mind. This has helped offset some of the effect of instant communication via mobile phones and the Internet increasingly being taken for granted, but that is not necessarily true in other countries; many of our sister societies in the International Amateur Radio Union are struggling to retain and attract members. Radio signals do not respect borders; for Amateur Radio to flourish here we must have strong partners throughout the world.

Nor are we immune to demographics. A very large proportion of ARRL members are so-called Baby Boomers, born in the years after World War II. That generation is moving into retirement and eventually will diminish and disappear, as have the preceding generations. We can be certain that Amateur Radio will continue to exist as long as there is a strong organization representing its interests, but there can be no doubt that it will change as newer, younger radio amateurs take the reins.

Those of us who are now active owe the enrichment that Amateur Radio has brought to our lives to those who came before us. Whether or not the previous generations of radio amateurs intended to do so, they developed traditions, social frameworks, and activities that made Amateur Radio what it was when each of us discovered it. For whatever reason, we became attracted to what they had built and made it a part of ourselves, in turn adding to their legacy with our own creations and achievements.

Hiram Percy Maxim and many others laid the foundation for what we now enjoy as Amateur Radio. We have built upon that foundation. We have succeeded in protecting and expanding the operating privileges that they bequeathed to us and have developed radio communications capabilities that even Mr Maxim's powerful intellect could not have led him to imagine.

As the ARRL enters its Centennial Year we can say with confidence that with a strong ARRL, the next generation will be able to do the same.

Sincere 73,

David Sumner, K1ZZ
Chief Executive Officer



Dave O'Farrell, WBØIXV (L), and Doug Tabor, N6UA (R), were two of the many radio amateurs that provided disaster communications support during the Colorado flooding in September 2013. [Dave O'Farrell, WBØIXV, photo]

Public Service

Recognition of Amateur Radio as a public service is listed in the Federal Communications Commission's Part 97 Regulations governing Amateur Radio:

"(a) Recognition and enhancement of the value of the Amateur Service to the public as a voluntary noncommercial communication service, particularly with respect to providing emergency communications."

ARRL's volunteer Amateur Radio operators help their communities and nation, in good times and bad, through community events, disaster response, and various outreach programs.

Emergency Preparedness

Response Activities

Despite 2013 being a quiet hurricane season with only two hurricanes, it was not a quiet year for Amateur Radio public service.



The Marathon Amateur Radio Communications (MARC) consortium of clubs at the Boston Marathon, 2013. This year, a terrorist attack at the finish line gave these trained radio amateurs much more than routine traffic to pass. [Bruce Tinkler, N9JBT, and Nick Weber, W3BER, photo]

Moore, Oklahoma Tornado — May 20, 2013. Moore, Oklahoma was struck by an EF5 tornado that resulted in 24 fatalities, 377 injuries, and an estimated \$2 billion in damages. Amateur Radio played a key role in two ways: Amateur Radio helped provide the National Weather Service with ground truth reports on the storm. During the recovery period, amateurs also assisted with communications for the American Red Cross. ARRL HQ provided ARES vests for amateurs assisting with recovery.

Boston Marathon Bombing — April 15, 2013. As in years past, amateurs helped provide communications along the marathon route. Amateur Radio communication support became critical in the aftermath of the bombings, when conventional telecommunications systems, such as cellular telephone, quickly became overloaded.

Colorado Floods — September 2013. Severe flooding occurred in portions of Colorado when a slow-moving cold front stalled and clashed with warm humid air from the south. Eleven counties were impacted by the floods over several months, with Boulder County being the hardest hit. Colorado ARES volunteers worked with served agencies to provide communications support, including support for search and rescue efforts.

Typhoon Haiyan — November 2013. Typhoon Haiyan, one of the strongest tropical cyclones ever recorded, devastated the Philippines, resulting in over 6000 fatalities and \$2.8 billion in damages. Amateur Radio played a critical role in providing communications support and relaying health and welfare messages. Due to extremely difficult transportation logistics into the affected area, ARRL provided financial support to the Philippines Amateur Radio Association (PARA) to address the critical shortage of communications equipment instead of providing amateur gear from the ARRL Ham Aid program.

Other Activities

In March 2013, Federal Emergency Management Agency (FEMA) Administrator Craig Fugate, KK4INZ, met with ARRL leadership at FEMA Headquarters in Washington, DC. Fugate, an ARRL member, spoke with ARRL President Kay Craigie, N3KN, ARRL Chief Executive Officer David Sumner, K1ZZ, ARRL General Counsel Chris Imlay, W3KD, and ARRL Emergency Preparedness Manager Mike Corey, KI1U, about Amateur Radio's role in public service and disaster communications. This discussion resulted in work beginning on a new Memorandum of Understanding (MOU) between FEMA and ARRL. By the end of 2013, the new MoU was near completion.



The communications trailer of the Lake County (FL) Amateur Radio Emergency Services (ARES) team. LCARES frequently helps their community by providing communications during civic events, such as the Mount Dora, FL Bicycle Festival. They're also ready to respond to hurricanes and other disasters. [Eli Blanco, N4ELI, photo]

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The ARRL Emergency Preparedness Program continued to work with multiple national partners through cooperation and collaboration with National Volunteer Organizations Active in Disasters, American Red Cross, the National Hurricane Center, the National Weather Service, FEMA, the National Public Safety Telecommunications Council, and the International Association of Emergency Managers.

The Emergency Preparedness Program has made a concerted effort in 2013 to take more advantage of social media resources. The ARRL_ARES Twitter feed now reaches over 7000 followers, including FEMA Administrator Craig Fugate, National Hurricane Center Director Dr Richard Knabb, The Weather Channel's Jim Cantore, Red Cross National Headquarters, and Salvation Army headquarters. This has allowed ARRL to increase its audience regarding Amateur Radio public service communications activities. LinkedIn and Facebook have provided even more outreach.

Field Organization

Composed entirely of volunteers, the Field Organization represents ARRL to our members throughout the United States and to the outside world. Member-elected Section Managers and a host of section-level appointees help assure that the needs of our members are addressed correctly.

In 2013, the ARRL Field Organization maintained close to 7700 appointees in 71 sections. Eight new Section Managers came on board, and there were four balloted Section Manager elections. Field Organization members, including ARES and National Traffic System members, were prepared to serve when needed in their communities, their sections, and throughout the country. The Simulated Emergency Test in the fall and SKYWARN Recognition Day — co-sponsored by the National Weather Service and ARRL in December — were annual events that generated a lot of activity.

Field Organization staff members Steve Ewald, WV1X, Leona Adams, W1LGA, and Chuck Skolaut, KØBOG, provided a wide variety of administrative support and guidance to the Field Organization, including the Official Observer/Amateur Auxiliary to the FCC and the Volunteer Monitoring programs. In September, the Field Organization Team, with support from several Headquarters staff members, also hosted 10 new Section Managers for an orientation workshop in Newington.

Advocacy

ARRL is Amateur Radio's proactive advocate and representative voice in achieving regulatory and legislative success. Through our efforts in Washington and on the international stage through the auspices of the International Amateur Radio Union, ARRL works to ensure that access to the Amateur Radio spectrum remains available and free from interference as well as from acquisition by commercial interests. Our Media and Public Relations strategies focus on promoting Amateur Radio to the news media and to the world at large.

International Administration

ARRL's staff in Fairfax, Virginia, continued preparations for the 2015 World Radiocommunication Conference (WRC-15), where several items affecting Amateur Radio are on the agenda. Working with IARU volunteers, Chief Technology Officer Brennan Price, N4QX, and Technical Relations Specialist Jonathan Siverling, WB3ERA, are seeking an affirmative and adequate outcome on WRC-15 agenda item 1.4, which calls for consideration of a secondary allocation to the Amateur Service between 5250 and 5450 kHz. The opposition is strong and substantial, and success is far from certain, but Fairfax staff contributed to the work necessary to make it possible in relevant meetings of International Telecommunication Union Study Groups and Working Parties, Inter-American Telecommunication Commission Committees, and in advocacy before domestic regulators.



ARRL's volunteer Amateur Radio operators help their communities and nation, in good times and bad, through community events, disaster response, and various outreach programs.



ARRL leadership travelled to Washington, DC in March to meet with FEMA Administrator Craig Fugate, KK4INZ. L-R: ARRL General Counsel Chris Imlay, W3KD; ARRL CEO David Sumner, K1ZZ; ARRL Emergency Preparedness Manager Mike Corey, K11U; ARRL President Kay Craigie, N3KN; FEMA Administrator Craig Fugate, KK4INZ; FEMA Chief Technology Officer Ted Okada, K4HNL. Fugate is a proponent of Amateur Radio, saying it has "...a long and legendary history of public service to the nation." [Photo courtesy Craig Fugate, KK4INZ]



Montana Governor Steve Bullock (seated, right) signs Montana House Bill 148 into law. The law exempts Amateur Radio operators from distracted driving regulations and also protects local jurisdictions from unreasonable tower height regulations. Bill sponsor Pat Connell, WA7PDC (seated, left), and ARRL Montana Section Manager George Forsyth, AA7GS, look on. [William Erhardt, K7MT, photo]

International Amateur Radio Union (IARU)

The ARRL serves as the International Secretariat of the IARU, providing support to the officers and other volunteers of Amateur Radio's worldwide federation of national Amateur Radio organizations. The most important mission of the IARU is to serve as the voice of Amateur Radio at the International Telecommunication Union (ITU) and regional telecommunications organizations. In 2013 this included an IARU exhibit at the ITU Telecom World 2013 event, held in Bangkok in November. Most of the ITU-related meetings during the year were held in Geneva and involved preparations for the next World Radiocommunication Conference to be held in 2015.

Conferences of the three regional organizations of the IARU are held annually on a rotating basis. In 2013 it was the turn of Region 2, comprising the Americas. The ARRL was represented at the September conference in Cancun, Mexico by President Craigie, First Vice President Roderick, International Affairs Vice President Bellows, Chief Executive Officer Sumner, and Technical Relations Specialist Jonathan Siverling, WB3ERA.

The IARU website is www.iaru.org.

International Education and Goodwill

Three students from two countries (Barbados and Ecuador) attended the annual United States Telecommunications Training Institute (USTTI) Amateur Radio Administration Course in Newington, October 3 – 7, 2013, with units taught by a number of ARRL staff members. All students were regulators for their countries, and at least one is active in Ecuador's efforts at the ITU. This class continues to be a valued outreach initiative to international decision makers who have as much of a say as anyone from the United States. CTO Price taught the course, and Assistant to the CEO and Meeting Planner Lisa Kustosik, KA1UFZ, coordinated the League's participation with USTTI and hosted the students.



The most important mission of the IARU is to serve as the voice of Amateur Radio at the International Telecommunication Union (ITU) and regional telecommunications organizations.

Washington

The year was a busy year for the ARRL in terms of domestic regulatory and legislative affairs. During 2013, the ARRL filed petitions or comments with the FCC on a broad range of topics and items that could affect the Amateur Service, including ET Dockets No. 13-49, No. 12-338, WT Docket No. 12-283, RM-11625, and RM-11699. We continue to await FCC action on the ARRL petition to create a new MF allocation for the Amateur Service at 472 – 479 kHz.

In November the ARRL petitioned the FCC to delete the symbol rate limits in §97.307(f) of its Amateur Service rules and to replace them with a maximum data emission bandwidth of 2.8 kHz on frequencies below 29.7 MHz. The petition does not affect HF sub-bands, change restrictions on automatically controlled digital stations, or permit digital voice transmissions in data or RTTY sub-bands. This petition seeks to allow newer digital technologies on the HF bands while ensuring that a bandwidth limit, which currently does not exist for digital stations, is in place to protect narrowband modes of operation.

State-Level Regulatory Items

The legislative landscape at the state (and some local) levels tended to focus on distracted driving laws, some of which had the potential to affect Amateur Radio mobile operation. Many of these proposed laws protected routine Amateur Radio use while driving, but some because of their language would limit or prohibit most mobile operation. The ARRL has been successful in numerous cases in securing language that protects the licensee while recognizing the fact that distracted driving is a legitimate traffic safety issue over which state and local authorities have responsibilities. This area will continue to be an area of focus for the ARRL as we move forward.

During 2013, Ohio joined the ranks of states with a state-level PRB-1 statute on the books. Thirty states now have incorporated PRB-1 language, which prevents state and local land use authorities from precluding Amateur Radio communications and requires



ARRL First Vice President Rick Roderick, K5UR, and President Kay Craigie, N3KN, at the 2013 ARRL Board of Directors meeting in New Orleans.

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reasonable accommodation of such communications, into their state laws.

The ARRL also continues to seek the extension of this protection to include private land-use regulations, such as restrictive covenants, deed restrictions, and homeowner association regulations (CC&Rs). Working with our Washington consultants, the ARRL continues to develop a working relationship with members of the US Congress in hopes of obtaining the desired relief for thousands of amateurs across the country.

Media and Public Relations

2013 saw change in the PR department as Sean Kutzko, KX9X, was promoted to Media and Public Relations Manager after serving ARRL for 6 years as Contest Branch Manager. Kutzko replaces Allen Pitts, W1AGP, who retired in 2012 after 9 years of service. The PR Committee also lost one of its long-standing members, Don Carlson, KQ6FM, who succumbed to pancreatic cancer.

PR efforts in 2013 remained split between promotion within the amateur community and to the general public. The Public Relations Committee began work on revising the popular PR-101 course, a vital component for education of our Public Information Officers (PIOs). 2013 saw 25 new PIOs join our ranks. The PR e-mail reflector stands strong with 505 members and is a great resource for information sharing. PR was a major component of the 2013 ARRL Hurricane Webinar, held on July 15. A record high attendance of 410 amateurs tuned in to the live webcast, with many more watching a video of the webcast after the event was over. We will continue to train PIOs and amateurs in general on how to engage in media and public relations more effectively.

Work was completed on a promotional DVD, "ARRL at 100: A Century of Ham Radio," which was the creation of former ARRL PR Manager Allen Pitts, W1AGP. The video will be a key component of the ARRL's Centennial celebration during 2014.

Kutzko penned an article for *QST* on guidelines for PIOs as well as a piece detailing the work by Amateur Radio volunteers in the Colorado flooding in 2013. That article focused on the efforts of an amateur in Kansas to make contact with his daughter, [who was in flood-ravaged Estes Park, and who had a serious medical condition.]

In the media, ARRL was able to get Amateur Radio national and international coverage due to response efforts for many large-scale disasters, including Typhoon Haiyan in the Philippines and the Colorado floods. Thanks to ARRL press releases, news organizations from NBC to *The Denver Post* reported on emergency response efforts in Colorado. ARRL also facilitated communications among National Public Radio, the BBC World Service, and the Philippine Amateur Radio Association during Typhoon Haiyan. The BBC World Service aired a 3-minute piece on Amateur Radio's Response the Sunday after Typhoon Haiyan that had a potential audience of 256 million people, according to BBC audience research.

Social Media

The PR department has ramped up its social media interactions on Facebook and Twitter. Over 5000 people "liked" the ARRL Facebook page in 2013, bringing the total number of "friends" to 35,505. The amount of interaction we have with our friends on Facebook has increased, with more real-time exchanges and user questions answered. A conscious effort has been made to improve Members' ham radio experience via our Facebook page, alerting them in real time to significant goings-on in the Amateur Radio world. For example, ARRL has used Facebook to great success to highlight our presence at conventions for those who cannot personally attend.

ARRL's channel on YouTube, ARRLHQ, has over 3500 subscribers and 650,000 unique views. The channel features product reviews by the ARRL Lab, instructional videos, and interviews with prominent as well as everyday members of the Amateur Radio community.

ARRL also maintains five Twitter accounts with a total of 31,195 followers, more than double the number of followers tallied at the end of 2012. As more people engage with social media as a primary mode of information sharing, ARRL will expand our use of these tools for better member engagement.



Sean Kutzko KX9X

2013 saw change in the PR department as Sean Kutzko, KX9X, was promoted to Media and Public Relations Manager after serving ARRL for 6 years as Contest Branch Manager.



ARRL reaches out to thousands of members and prospective members through social media platforms such as Facebook.





Education is one of the most basic reasons for the League's existence. From expanding the knowledge base of amateurs worldwide to promoting Amateur Radio in the classroom, ARRL's educational materials and programs represent the world's finest knowledge base of Amateur Radio.



ARRL Education and Technology Program Coordinator Mark Spencer, WA8SME, has been helping introduce Amateur Radio into classrooms across the United States for many years. [Steve Ford, WB8IMY, photo].

Education

Education is one of the most basic ways in which ARRL serves Amateur Radio. From expanding the knowledge base of amateurs worldwide to promoting Amateur Radio in the classroom, ARRL's educational materials and programs represent the world's most comprehensive knowledge base of Amateur Radio.

Education Services

Education & Technology Program (ETP)

Our impact in classrooms continues to grow as the reach of our donor-funded professional development opportunity, the Teachers Institute on Wireless Technology, expands. The Teachers Institute (TI) program is a fundamental component of the Education & Technology Program (ETP) portfolio of resources made available to schools and schoolteachers in order to advance the integration of electronics and radio science — as well as the hands-on learning offered by ham radio — into school curricula. An overarching objective of the ETP is wireless technology literacy for all citizens.

We offered three sessions of our professional development workshops in 2013. These included two sessions of the Introduction to Wireless Technology (TI-1), and one advanced seminar — our TI-2, Remote Sensing and Data Gathering — sponsored by Dayton Amateur Radio Association. New curriculum rolled out during the advanced

TI on remote sensing included resources to help teachers explain analog-to-digital conversion and the translation of analog sensor readings of the environment into digital data. A total of 34 teachers participated in the three Institutes. Five School Station grants and three Progress Grants were awarded through the ETP grant program in 2013. Ham Radio Outlet continued their generous support by providing equipment for the program at significant discount.

During 2013, ARRL's ETP Director Mark Spencer, WA8SME, developed resources that showcased research projects planned for upcoming AMSAT Fox CubeSat launches, including

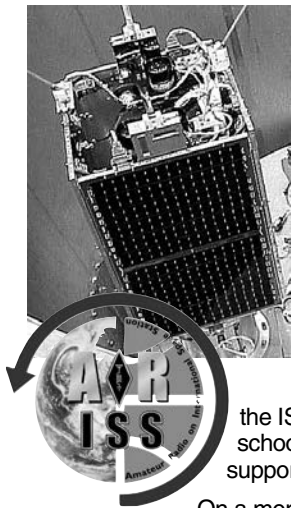
During 2013, ARRL's ETP Director Mark Spencer, WA8SME, developed resources that showcased research projects planned for upcoming AMSAT Fox CubeSat launches, including hands-on manipulatives to help teachers introduce these projects to their students.

hands-on manipulatives to help teachers introduce these projects to their students. He also further refined the sea buoy vehicle designed to carry a sensor pack that stores and transmits data via packet radio. This sea buoy will be featured as a classroom resource that teachers can use to involve students with environmental research at the next TI-2 on Remote Sensing and Data Gathering.

The ETP is possible only because of the generous donations of individuals and Amateur Radio clubs who share in the passion of Amateur Radio and understand its benefit for hands-on learning with STEM (Science, Technology, Engineering, and Mathematics) subjects. By the end of 2013 we had provided resources in the form of curriculum materials, professional development, and/or grants for radio station equipment and other resources to more than 630 schools/teachers through this outreach program.

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Amateur Radio on the International Space Station (ARISS)

The international program team of the three US partners — NASA, AMSAT, and ARRL — along with the ARISS program international Amateur Radio satellite volunteer organizations and space agency partners, successfully executed 21 US and 68 international school contacts with astronauts on the International Space Station (ISS) during 2013. The international partners supported a total of 89 worldwide scheduled Amateur Radio contacts between schools, educational organizations, and public events during the year. Fourteen of the US contacts were supported locally as direct contacts; seven were executed via telebridge. Increased ARRL Headquarters involvement with the program in 2013 included reviewing proposals and selection of 26 US schools/organizations for contacts scheduled for May 2013 to November 2014. ARRL Education participated in NASA-hosted orientation phone calls with each of the selected schools, providing the opportunity to promote Amateur Radio curriculum and ETP resources, and to make introductions between schools and the local ham radio community.

The ARISS program partnership faced a number of challenges during 2013 with the reduction of administrative support from NASA due to budgetary cuts and radio station equipment failures on board the ISS. The program is currently utilizing a backup radio, which offers decreased capability for the scheduled school contacts that are the central educational outreach focus of the program. The challenge to raise funds to support the development and transportation of replacement equipment looms large for 2014.

On a more positive note, ARISS European partners, led by the European Space Agency (ESA) successfully completed development and delivery of a “Ham TV” system for the ISS Columbus module. This system will be commissioned in early 2014. European Amateur Radio ground stations will be able to provide video as well as audio for scheduled school contacts utilizing a system of linked ground stations receiving the digital video as the ISS passes overhead.

Continuing Education Program — Public Service and Emergency Communications Training

Our Introduction to Emergency Communications online course is the foundation course of our training program for Amateur Radio volunteers who want to assist their communities in times when the communications infrastructure fails.

During 2013, we enrolled 313 students in 12 online and one hybrid (combination of classroom and online) sessions of the Introduction to Emergency Communication course. Twenty-two volunteer mentors were active supporting the course during the year. Field instruction of the course and the ability to offer field exams for a course completion certificate is an alternative deployment of the training designed to address the varying needs and access capabilities of hams throughout the country. Thirty-one field exam sessions for the course were offered during the year. Nine field classes were conducted. Twenty-three students successfully completed the final assessment for the Public Service and Emergency Communications Management for Radio Amateurs (EC-016) course, indicating their intention to take on leadership roles in the ARES field organization.



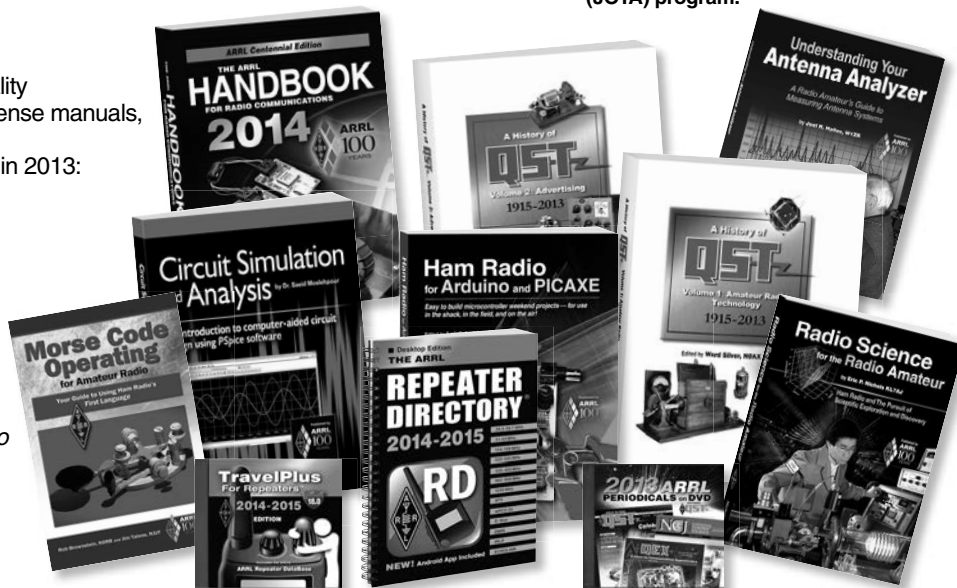
Amateur Radio and Scouting have a long association. ARRL continues to provide support to Scouting in the United States, most notably through the “Jamboree On The Air” (JOTA) program.

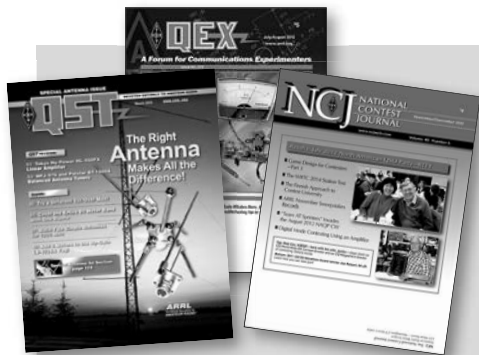
ARRL Publications

ARRL continues to provide the highest quality Amateur Radio publications — journals, license manuals, books, software, and educational courses.

The following publications were introduced in 2013:

- 2013 ARRL Periodicals DVD-ROM
- 2013-2014 ARRL Repeater Directory
- TravelPlus CD-ROM, Version 17.0
- Radio Science for the Radio Amateur
- Ham Radio for Arduino and PICAXE
- Understanding Your Antenna Analyzer
- Morse Code Operating for Amateur Radio
- Circuit Simulation and Analysis
- History of QST Volumes 1 and 2
- The 2014 ARRL Handbook





Periodicals

In addition to producing a wide variety of books, CDs, and software, ARRL publishes three periodicals, *QST*, *QEX*, and *NCJ*.

QST — In 2013 we continued to make improvements to *QST* to enhance its overall readability, with special attention to enhancing writing quality. In 2013 we published several theme issues that were highly popular with readers: DIY (Do It Yourself) in January, Antennas in March, Public Service in September, and DXing in October.

Readership of the Digital Edition of *QST* magazine continued to grow in 2013. With the introduction of our app for Android devices, the “mobile” audience has increased to the point where it rivals the number of members who read *QST* on desktop and laptop computer. We continue to make use of multimedia opportunities in each issue with video and audio clips. Members have enthusiastically embraced digital *QST* with several thousand opting to discontinue delivery of the print edition.

QEX — The Forum for Communications Experimenters, *QEX* is published 6 times a year. Edited by Larry Wolfgang, WR1B, *QEX* continues to provide the premier technical content Amateur Radio operators worldwide have come to expect. Circulation remained stable throughout 2013 with approximately 6500 subscribers.

NCJ — *NCJ*, the National Contest Journal, is a bimonthly publication designed for the specific interests of the contest community. While the subscriber base is relatively small at 1800 individuals, this figure has been stable over several years, reflecting the loyalty of the readership.

ARRL News: Keeping Members Informed

No other organization covers Amateur Radio events like ARRL. Between the pages of *QST*, the ARRL website, podcasts, and e-mail newsletters, ARRL remains the most authoritative source for news and information about Amateur Radio.

The ARRL Letter

Sent at no charge via e-mail 50 times each year to the more than 88,000 ARRL members who elect to receive it, The ARRL Letter is the standard bearer for current Amateur Radio news. The ARRL Letter offers a thorough and reliably accurate overview of the latest news of importance to ARRL members in particular and to the Amateur Radio community in general. Other Amateur Radio news outlets often cite The ARRL Letter in their own reports.

Breaking, Current News on the ARRL Website

The ARRL Web home page features a “news crawl” — continually updated news of interest to the Amateur Radio community — by Rick Lindquist, WW1ME. The site attracts approximately 375,000 unique visitors each month; page views are around 160,000 per day. Ranked by page views, Amateur Radio news is the most-visited area of the ARRL website.

Amateur Radio News in *QST*

Each month, *QST*, the ARRL's flagship publication and membership journal, features a variety of news. The monthly “Happenings” column includes an overall news summary, while other columns, including “Public Service,” “Amateur Radio World,” “How's DX?,” “Eclectic Technology,” “The World Above 50 MHz,” and “Exam Info,” focus on special-interest news. Feature articles report on news of major events, such as the semiannual meetings of the ARRL Board of Directors.

The ARRL Audio News Webcast/Podcast

The weekly ARRL Audio News provides a digest of top news stories each week in radio newscast format for airing on repeaters and nets. This service is available from the ARRL Web site as well as Apple iTunes. Almost 250 repeaters and other Amateur Radio outlets in the US and around the globe reported that they were airing our ARRL Audio News in full or in part.

2013 saw Media and Public Relations Manager Sean Kutzko, KX9X, take over production of ARRL Audio News. He has worked to increase membership involvement with the program, featuring ARRL members providing an ARRL Audio News “ID” and audio clips of major stories, such as emergency traffic being handled during Typhoon Haiyan in the Philippines.

ARRL/W1AW Bulletins

News staff also prepares a full menu of general and special-interest bulletins, including regular information about DX, satellites and Keplerian elements, propagation and news bulletins. ARRL/W1AW bulletins are transmitted over the air every weekday (except holidays) from the Hiram Percy Maxim Memorial Station, W1AW, and are distributed via e-mail to ARRL members who subscribe.



W1AW Station Manager Joe Carcia, NJ1Q, reads an on-air bulletin during ARRL Field Day. W1AW celebrated 75 years in 2013. [RJS photography, photo]

Annual Report

Devoted Entirely to Amateur Radio

Technology

Amateur Radio has always been about incorporating the latest technology, from the development of regeneration in the 1910s to current applications of digital communications modes and software-defined transceivers. Many people become radio amateurs specifically to experiment with electronics and radio technology.

The ARRL Lab

In 2013, the Lab staff provided general technical input to General Counsel Chris Imlay, W3KD, on various rulemaking and compliance matters including ARRL's FCC filings related to RF safety, the petition to obtain access on LF, and the proposed receiver performance standards being considered by the FCC. Laboratory Manager Ed Hare, W1RFI, and Senior RFI Engineer Mike Gruber, W1MG, also provided substantial input to Mr Imlay as part of ARRL's efforts to obtain better enforcement of FCC rules.

Hare continued his involvement with a number of industry committees. He is the ARRL representative on the ANSI accredited C63[®] EMC Committee, serving as Vice Chair of its subcommittee on interference-immunity. In 2013 he was the Secretary of the IEEE EMC Society Standards Development Committee. He was also elected in late 2013 to serve on the Board of Directors of the IEEE Electromagnetic-Compatibility Society, having been previously appointed by its Board to fill a vacancy. These leadership roles maintain an important seat for Amateur Radio at the head of these industry tables. In 2013, he also served the IEEE locally, holding the position of Chair of the Connecticut Section.

In the Field

The Laboratory's Senior Test Engineer Bob Allison, WB1GCM, and Mike Gruber tested convention attendees' 2 meter and 70 centimeter handheld radios at the Dayton Hamvention. This public outreach was very well received by Hamvention attendees.

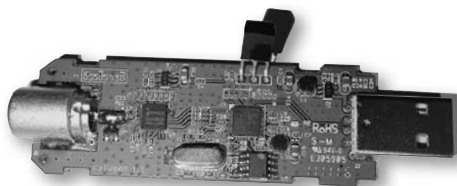
Product Reviews

According to our most recent research study, *QST* Product Reviews are among the most popular content offerings in the magazine. Members and manufacturers alike can count on ARRL test engineers to provide accurate and unbiased reviews of all types of Amateur Radio equipment and accessories. Testing of 37 devices for Product Review was completed in the ARRL Lab in 2013.

Bob Allison and *QST* Editor Steve Ford, WB8IMY, produced in-depth video overviews of many of these items for the Digital Edition of *QST*.

Technical Information Service

Under the leadership of the Laboratory's Senior Engineer Zack Lau, W1VT, the Lab staff provided, through their TIS (Technical Information Services), support for more than 4000 member questions in 2013. The use of the ARRL technology forums has been steady, replacing some part of the individual service provided one-on-one to members. See www.arrl.org/forum.



Robert Nickels, W9RAN, gave ARRL members plans for an easy-to-build introductory software defined radio (SDR). [Robert Nickels, W9RAN, photo]

Mitch London, KD5HCV, Joe Jelinski, KC2KG, and Alan Russell, KE5DTR, establish a high-speed mesh network to help keep tabs on runners in New Mexico's Big Bend 50 Ultra Marathon. [Paul Kinney, KD5VRU, photo]

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Members and manufacturers alike can count on ARRL test engineers to provide accurate and unbiased reviews of all types of Amateur Radio equipment and accessories.



Tony Emanuele, WA8RJF, during an ARRL 10 GHz and Up Contest. [Stephan Gocala, KB8VAO, photo]





Radio Frequency Interference (RFI)

During 2013, Mike Gruber fielded 225 new inquiries from members about RFI problems, including 51 power line cases. Based on ARRL Lab staff estimates, about 65% of the reports ARRL receives continue to be referred to ARRL information on the subject, with no further inquiry by the member. About 35% of our cases do involve ARRL contact with the utility, and 20% of the total power line cases are referred to the FCC. Of these, only approximately 20% are resolved by the FCC, resulting in an ever-growing number of FCC cases. Additional statistics are available in the ARRL EMC Committee report.

Gruber also tested over 40 LED and CFL light bulbs. He used the results of this testing as part of a *QST* article on the interference potential of these products, which appeared in the October 2013 issue. He also wrote an article on emergency generator hookups, which appeared in the November 2013 issue.

Over the summer, Gruber investigated reports of tripping AFCI breakers. Specifically, some AFCI breakers were reported to trip in the presence of a nearby amateur radio transmitter. With assistance from W1AW Station Manager Joe Carcia, NJ1Q, Gruber tested every major AFCI breaker he could find, using the wiring and transmitters at W1AW. The problem was traced to a specific model of Eaton breaker. Gruber was able to successfully resolve this matter with assistance from the manufacturer. Complete details appeared in the November 19, 2013 ARRL news story, "ARRL Helps Manufacturer to Resolve Arc Fault Circuit Interrupter RFI Problems."



At the 2013 Dayton Hamvention, ARRL Laboratory Supervisor Ed Hare, W1RFI (L), and Laboratory Engineer Mike Gruber, W1MG (R), demonstrated how an ultrasonic receiver can be used to pinpoint noise sources.



Charlie Reppert, KD8OSD, of Marysville, Michigan is a new Amateur Operator and ARRL member.

Membership is the backbone of ARRL. Without the belief and support of our members, none of the work we do in Public Service, Advocacy, Technology and Education would be possible. Our commitment to serving members is paramount in everything we do.

Membership

The members of ARRL remain the lifeblood of everything ARRL does. Without the support of our members, ARRL's work in Public Service, Advocacy, Technology, and Education simply would not be possible. Our commitment to serving our members remains the top priority for ARRL. ARRL offers numerous benefits, services, and programs for the enjoyment and enrichment of our members.

Membership

There were 162,215 members by the end of December — a gain of 1937 members over 2012; and our seventh straight year of membership growth.

The largest sources of new member acquisition came from segmenting our large databases and developing effective, targeted membership campaigns conducted by mail and e-mail. New licensees are another source of significant membership acquisition, and 4% of all acquisition came from applications received at hamfests and conventions, and through clubs.

Membership acquisition in 2013:

- 19%..... Direct Mail responses (within 120 days of mailing)
- 18%..... Website
- 12%..... Renewal notices
- 12%..... New ham mailings
- 11%..... E-mailings
- 4%..... Field-based recruitment
- 24%..... All other sources
- 100%..... TOTAL

Annual Report

Devoted Entirely to Amateur Radio

HQ Volunteers

In anticipation of ARRL's Centennial Convention in 2014, an effort was undertaken to recruit additional volunteers to help lead tours of our headquarters. There are currently 35 volunteers — all ARRL members from throughout Connecticut. Just under 800 tours were given to visitors in 2013. Tour guides regularly take pictures of visitors, which are posted to ARRL's Facebook page. This effort has helped boost the organization's Facebook presence and has contributed to a richer relationship with our members.

Member Benefits

Efforts to promote and service our existing suite of Affinity Membership Benefits continued throughout 2013: Equipment and Club Insurance Programs (Hays), ARRL Visa credit card (US Bank), and group discounted auto and home insurance (MetLife). We renegotiated and renewed our agreement with US Bank in July.

Centennial Celebration

A new version of the ARRL membership certificate commemorating the 100th anniversary was introduced during the summer. Members can generate the certificates online any time during the 2014 year.

Digital Content

ARRL continued to push for more content in digital form in 2013, in direct response to increasing member requests.

Digital Edition of *QST*

The ARRL worked to incorporate many avenues for viewing the Digital Edition of *QST* since its 2012 inception. The latest application available is the Android application, which the ARRL unveiled to members in October 2013. Prior to this, the only options for viewing Digital *QST* were through a desktop browser or the iOS/Apple application.

In the first month of its launch, nearly 50 users viewed Digital *QST* through the Android application, compared to 200 members who used the iOS application. Today that number has jumped to nearly 700 Android application users and over 2300 iOS users. Members have consistently said that being able to download *QST* and have it on hand within minutes is helpful and convenient.

In 2013, the month of February was the least-viewed month, with just over 4400 page views; December had the highest page views of the year, rounding off at about 15,550.

ARRL.org

The arrl.org website received 17,729,110 unique views in 2013, a 3% decrease from 2012. However, the total users of arrl.org — including new and returning visitors — has increased 12% since last year.

Internet Explorer (33%) is the most popular browser members choose to use when perusing the website, followed closely by Firefox (25%) and Chrome (20%).

The most-viewed page of the website is the ARRL landing page with 2,738,251 unique page views in 2013. Logbook of The World is the second highest with 750,957 unique page views, a 29% increase from 2012.

The amount of new visitors to the ARRL site increased 4% from 2012 to 2013, rounding out at about 37% new visitors and 63% returning visitors. The bounce rate — landing on a page and leaving without interacting with the content — for returning visitors has gone down 4% since 2012, which means that returning users are actively viewing pages longer and interacting within the site from the initial page they viewed.



ARRL Outgoing QSL Bureau Associate Rose-Ann Lawrence, KB1DMW, manages the incoming and outgoing QSL bureaus. The Bureau is one of our most popular member benefits, regularly handling over one million QSL cards a year.



ARRL VEC staffers Amanda Grimaldi, KB1VUV (L), and China Chaney (R), are part of the team that processes exam sessions at ARRL Headquarters. [Maria Somma, AB1FM, photo]



As one of three FCC-authorized Club Station Call Sign Administrators, ARRL VEC processed and transmitted over 1100 club licenses for the FCC in 2013. ARRL is also one of five FCC-authorized 1x1 Special Event Call Sign Coordinators and has processed nearly 90% of the 10,027 Special Events authorized and documented in the 1x1 database since the program's inception in September 1997.

ARRL Volunteer Examiner Coordinator Program (VEC)

The Volunteer Examiner Coordinator (VEC) system was created to oversee licensing activities and ensure the ability of the Amateur Service to continue to grow and prosper. The ARRL VEC program is one of 14 VEC programs in the USA and has maintained a strong and visible presence in the Amateur Radio community. We have over 29 years of service, operating as a knowledgeable information source for a wide range of licensing issues.

Amateur Radio Exams, Exam Oversight, and Licensing Administrative Services

ARRL VEC is by far the largest of the Volunteer Examiner Coordinator (VEC) groups in the country, coordinating approximately 70% of all Amateur Radio exams. A total of 6804 ARRL sponsored exam sessions were administered in 2013 compared to 6831 in 2012. 34,896 exam applicants were served in 2013 compared to 32,866 in 2012. Exam elements were slightly up from 42,473 last year to 45,292 this year.

ARRL VEC continues to participate as a member of the National Conference of VECs Question Pool Committee. The five member committee prepared a revised Technician class question pool (Element 2) for examination use by the amateur community. The new pool was released in December and will become effective beginning July 1, 2014 and it will remain valid until June 30, 2018.

As one of three FCC-authorized Club Station Call Sign Administrators, ARRL VEC processed and transmitted over 1100 club licenses for the FCC in 2013. ARRL is also one of five FCC-authorized 1x1 Special Event Call Sign Coordinators and has processed nearly 90% of the 10,027 Special Events authorized and documented in the 1x1 database since the program's inception in September 1997.

We have issued or renewed nearly 1500 International Amateur Radio Permits (IARPs) since the program was established in June 1999. IARPs permit instant operating authority by US amateurs when traveling to participating Central and South American countries.

ARRL VEC also processed and transmitted electronically to the FCC over 7000 address changes and license renewals for ARRL Members in 2013. This service to members continues to be a strong draw.

The ARRL VEC Volunteer Examiner Honor Roll recognizes the top 25 ARRL VEs according to the total number of exam sessions they have participated in since their accreditation. The VE Honor Roll appears quarterly, in the March, June, September, and December issues of *QST*. Participating as a Volunteer Examiner (VE) is a fun family activity. There are many VE teams that have multiple family members who are enthusiastic about volunteering together. The husband-and-wife team of Harry Nordman, ABØSX, and Jeanette Nordman, ABØYX, of the Cliff Cave VE Team in MO have participated as VEs in an astounding combined total of 1017 ARRL exam sessions!

In 2013, 1946 new Volunteer Examiners (VEs) were added to our program, bringing the total number of ARRL Accredited VEs to an all-time high of 37,717. We've seen an increase in the number of applications from General and Amateur Extra class radio amateurs who want to give back to their community by serving as ARRL examiners and instructors.

ARRL VEC manages the Amateur Extra Class Certificate Program, which acknowledges the success of licensed Amateur Extra class operators.

Amateur Radio Licenses: The Upward Trend Continues

The total number of US amateurs in the FCC database continues to grow each year. As of December 31, 2013, the amount of licensees reached a high of 717,201. This is an all-time high for Technician, General and Amateur Extra class licensees as well. The number of Technicians, Generals and Amateur Extras also peaked at the end of 2013 at 349,163, 167,257 and 133,391, respectively.

Annual Report Devoted Entirely to Amateur Radio

The two charts on the right illustrate new and upgraded FCC license activity over the past 3 years. Results through the end of 2013 demonstrate that successful upgrade applications have decreased slightly. One healthy trend is the number of new licenses has increased by 7% over the last year and an incredible 20% over 2011.

Radiosport

Radiosport refers to the competitive side of Amateur Radio — on-air competitions and achievement awards. Most competitions occur over a weekend, while the achievement awards document a lifetime's worth of on-air accomplishments. Since 1935, the ARRL DX Century Club awards program has been one of the standard-bearers for measuring an amateur's abilities. On-air contests promote operating skills and technical expertise and also foster international goodwill. Contesting and operating awards, along with the very successful Logbook of The World database of over 500 million two-way contacts (QSOs), are some of the most-used and appreciated benefits we offer our members.

Awards

2013 saw the creation of the Logbook of The World Committee. With over 62,000 users and a database of more than half a billion two-way QSOs, LoTW is a runaway success and one of the most-used benefits to ARRL members. It is now the primary way ARRL members apply for on-air operating awards. Led by ARRL Board member Greg Widin, KØGW, the LoTW Committee oversees improvements to ensure LoTW is easy to use and performs to the expectations of our members. Several improvements to LoTW servers and hardware have resulted in faster performance, and a team of volunteers have also updated the TQSL software that users rely on to upload log data to the LoTW system. The time needed to process a DXCC application has dropped significantly; see the Awards table for detail.

Online submissions for ARRL awards, specifically the DXCC award, has reduced the amount of paper processing and editing of awards by Awards Branch data-entry staffers. The number of paper QSLs being checked at hamfests and conventions is dropping noticeably; however, as the sheer volume of online applications increases, the data-entry staffers remain as busy as ever.

There has been a steady increase in the use of digital applications, reducing the number of paper cards we review. We have begun to notice a decrease in the number of paper QSL cards being reviewed at conventions and hamfests and being sent to ARRL HQ for review.

NEW FCC LICENSES

Totals Issued Per Year: 2011 Through 2013

YEAR	2011	2012	2013
TOTALS	24,072	27,082	28,886

UPGRADED FCC LICENSES

Totals Issued Per Year: 2011 Through 2013

YEAR	2011	2012	2013
TOTALS	10,337	10,283	9,325



Award/Program	2012	2013
DXCC		
Credits Received	1,337,968	1,347,368
Credits Processed	1,491,661	1,391,848
Applications Received	13,325	14,793
Applications Processed	14,301	15,058
Logbook of The World		
Total QSO Records	467,138,965	548,927,464
Active Certificates	82,041	93,733
WAS		
WAS Certificates	641	671
WAS Triple Play	143	182
CQ WPX Award		
Applications	303	692
LoTW Credits	149,040	259,181
VUCC		
VUCC Applications	481	502
Grids Credited	45,462	46,375
Awards		
Average Paper Awards Processing Time	4 weeks	2 weeks
Average LoTW Awards Processing Time	4 days	2 days
Outgoing QSL Bureau		
Cards Received	808,500	795,500
Card Shipped	731,440	781,000



Ron Pollack, K2RP of Encinitas, CA, proudly shows off his ARRL Five Band Worked All States plaque. He did it with a simple station: 100 W and a wire antenna. [Paul Williamson, KB5MU, photo]

Contest Branch

ARRL received a record-high 28,370 contest logs in 2013, up 9% from last year. This was the eighth straight year where ARRL has received more than 20,000 logs. The events that saw the highest participation include the 10 Meter Contest (4959 entries), the ARRL DX CW contest (4198 entries), and the IARU HF World Championships (4039 entries). With a secondary peak in this solar cycle, activity on the high bands, especially 10 meters, has contributed significantly to contest participation and official entries. Also notable is the continued increase in CW contest logs; while CW has not been required to earn an Amateur Radio license for some time, participation in CW operating events is exploding. Active amateurs simply love CW operating.

The Contest Branch processed, printed, and mailed 10,200 certificates in 2013. This does not include reprints or additional copies. Certificates are issued for 14 contests. The plaque program count for 2013 was 415. This figure also does include additional copies.

Work continues to move the contest log-processing mechanism forward. Thanks to ARRL staff and Contest Branch volunteers, improvements to log submission, getting contest results out faster, and more rapid awards distribution continue to be fine-tuned. ARRL offers 14 competitive events (excluding Field Day and Straight Key Night, which are not contests), and we will always strive to get results out faster.



On-air contests such as the ARRL RTTY Roundup demonstrate the best of the technological and operating skills of Amateur Radio.

Clubs

The number of ARRL Affiliated clubs is 2244 after adjusting for inactive clubs. In 2013, we supported 78 sanctioned conventions and 419 sanctioned hamfests.

W1AW

W1AW is the flagship Amateur Radio station of the ARRL. It remains the highlight of the ARRL tour. Visitors are encouraged to operate W1AW while on their visit; many of the 800 tours at ARRL HQ in 2013 included operating the station at W1AW. 2013 was the 75th Anniversary of the creation of W1AW.

On-Air Activities

19,648 QSOs were made from W1AW in 2013; over half of those were made by visitors to ARRL Headquarters.

W1AW participated in the February Straight Key Century Club (SKCC) Weekend Sprintathon, making 202 contacts on 80, 40, 20, and 15 meters. HQ Operators were granted the privilege of using ARRL co-founder Hiram Percy Maxim's original straight key from his spark-gap transmitter, "Old Betsy," which provided a thrill for all who made contact with W1AW that weekend.

W1AW participated in the November Phone Sweepstakes, one of ARRL's signature contests. 891 contacts were made on 80 through 10 meters over the weekend. W1AW also participated in the New England region MARS preparation exercise by both transmitting and receiving local weather reports using voice and digital modes.

Seven members of the US Power Squadrons (USPS) operated W1AW to promote the 100th anniversary (in 2014) of both the American Radio Relay League and the United States Power Squadrons, as well as the 75th Anniversary of W1AW. The event also commemorated those who founded these organizations. It also celebrated the partnership between ARRL and USPS and their shared century of public service.



The new club station of the Collington Community Radio Club, K3CCR, has provided a public service in their retirement community, thanks to the efforts of Karl Elder, KB3US (L), and Dick Wilder, K3DI (R), among others. [Jamie Windon, photo]

Advocacy

W1AW assisted the ARRL Lab in presenting to engineers from Eaton Corporation the arc breaker test bed and the issues with arc breakers tripping in the presence of RF.

Also in November, ARRL staff hosted a Radio Merit Badge class for some Boy Scouts. W1AW assisted the ARRL Lab in the testing of various arcbreakers.

ARRL co-founder Hiram Percy Maxim's rotary spark-gap transmitter, "Old Betsy," was repaired and made operational again, much to the delight of visitors.



Chief Development Officer
Mary Hobart, K1MMH

Development

Supporting Amateur Radio and ARRL

Development

Overview

The Development Office experienced successes and challenges in 2013. The transition of responsibility for department operations to Individual Giving Manager Lauren Clarke, KB1YDD, has gone smoothly as she continues to take on more responsibilities. Her plans for each area of fund raising for 2013 were strong and she adapted well to challenges as the year progressed, especially with regard to the Spectrum Defense Fund. Her initiative, planning and execution enabled the Chief Development Officer Mary Hobart, K1MMH, to devote her time to the important Second Century Campaign to build the ARRL Endowment. The year's results were mixed, with good success in both Diamond Club and Education campaigns, while the Spectrum Defense Fund fell short of its goal. Expenses for each area of Development were carefully scrutinized and changes in techniques and benefits updated.

ARRL offers a wide variety of ways members can tailor their support of the League's fundraising efforts based on their own interests:

The Second Century Campaign

The SCC moved forward during 2013 and ended the year with \$6,079,753 in gifts and commitments to the campaign. In 2013, \$2,448,400 in gifts and commitments to the ARRL Endowment were received. Cash and securities valued at \$319,249 came in during 2013, exceeding the budget target of \$237,000. Total cash received from all years reached \$1,278,690. Beginning in January 2013, Development reconciled gifts, commitments and cash each month with the ARRL Finance Office. A reconciled monthly report was distributed to the ARRL Board of Directors each month.



The ARRL Board of Directors approved the \$10 million goal for the Second Century Campaign to be reached by the end of the ARRL centennial year. Progress toward that goal jumped in May 2013 with a \$1,000,000 commitment just prior to the public announcement of the campaign at Hamvention in Dayton. Receptions for campaign prospects were hosted in Minnesota by Scott Wright, K0MD, and in Georgia by Ken Byers, K4TEA. Additional 2013 campaign events were attended by Chief Development Officer Hobart to cultivate prospects at the annual open house at the Maryland home of Frank Donovan, W3LPL, at the 6 Meter BBQ at the Texas home of Dick Hanson, K5AND, and at the W9DXCC gathering in Chicago. Second Century Committee member Bob Allphin, K4UEE, represented the Second Century Campaign Committee at meetings at The International DX Convention in Visalia, California, and at SEDCO in Tennessee.

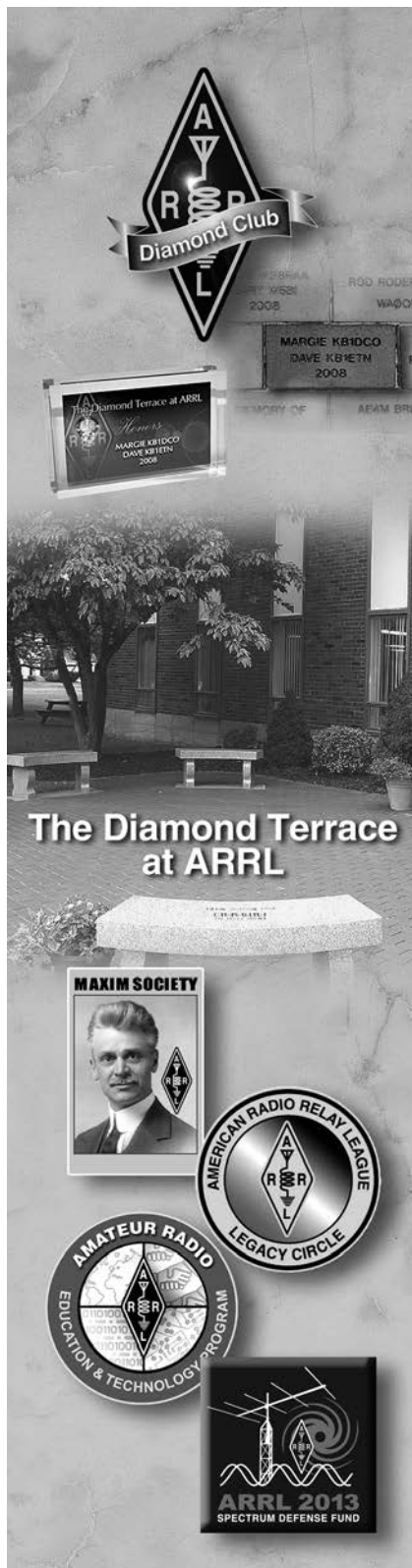
The ARRL Diamond Club

Our Diamond Club continued to be a key Development program in 2013, attracting unrestricted revenue to ARRL. Donors who support ARRL as part of the Diamond Club frequently do so to give ARRL the flexibility to use their contributions where they are needed most. In 2013, Individual Giving Manager Lauren Clarke spent time reviewing and changing the benefits structure of both the Diamond Club and the Maxim Society to ensure that reasonable benefits were being delivered cost effectively and efficiently.

One important change in fund raising for the Diamond Club was the addition of the Diamond Club as a giving option on the Development Donation Form. In addition, the DONATE NOW button was added to the ARRL website's home page, providing users with easy one-click access to the online donation form. The creation of additional Development "slider panels" for the home page of the ARRL website has expanded the reach and awareness of all Development fund raising programs, including the Second Century Campaign. The website displays one panel for a Development program every week to coordinate with fund solicitations.

"I can think of no better place to fund the future of ham radio than the ARRL. Leaving a legacy from my life-long hobby is important to me."

Craig Thompson, K9CT



During 2013, the Diamond Club produced revenue of \$302,777, exceeding the budget target of \$300,000. A new buck slip encouraging Diamond Club participation was included with ARRL membership cards and produced 106 members upgrading to Diamond Club, nearly double the number produced in 2012. Other positive results include a 38% increase in new Diamond Club members during the year and a \$10 increase in the average contribution from renewing Diamond Club donors.

In 2007, ARRL Development designed and implemented the Diamond Terrace of personalized, inscribed bricks. During 2013, changes in the handling of this popular aspect of the Diamond Club included the “mapping” of the bricks in the Diamond Terrace so that visitors and staff can easily locate individual bricks upon request. As of December 31, 2013, the total number of bricks installed in the Diamond Terrace reached 1332. In 2013, Development offered a personalized certificate to replace the Lucite replica memento. Two versions of the certificate were created — one for a donor who places a brick for him/herself and/or one for an inscribed brick that is placed in memory or tribute.

ARRL Maxim Society

ARRL's Maxim Society recognizes ARRL donors whose lifetime giving to various campaigns has reached \$10,000 or more. In 2013, the Maxim Society benefits were evaluated and revised as new members were sent a list of benefits from which they could select. The Maxim Society grew to 140 members by the end of 2013. Membership in the Maxim Society is an important component in the cultivation of prospects for the Second Century Campaign.

The Legacy Circle

The Legacy Circle acknowledges members who have provided for ARRL in their estate plans. Currently there are 136 participants in the Legacy Circle, including 18 estate commitments from Legacy Circle donors to the Second Century Campaign valued at more than \$3 million.

Spectrum Defense Fund

The Spectrum Defense Fund presented the biggest challenge for fund raising in 2013. With two planned mail campaigns, results for the year yielded \$294,414 in contributions. ARRL represents a strong position for Amateur Radio with regard to protection of our spectrum. It is the generous responses of ARRL members that provide annual funding for activities at home and abroad.

The Development Office continues to offer the annual Spectrum Defense pin and mug as benefits for contributions of \$50 or more. While we have seen a decrease in members requesting these premiums (75 percent of Spectrum Defense donors opt out), those donors that did request a gift collectively gave more than \$105,000 to the Fund in 2013.

During the final weeks of 2013, donors were encouraged to contribute to the Spectrum Defense Fund as part of the Year End Appeal.

Education & Technology Fund

This fund provides financial resources for the Education & Technology Program, including the Teachers Institutes. The initial solicitation to members in the autumn of 2013 reached \$79,313. Major gifts to the Teachers Institutes contributed \$94,194. The Education & Technology Fund ended the year with a solid \$142,832 balance.

W1AW Endowment

Development seeks member support for the W1AW Endowment Fund every other year. This endowment fund supports the historic Hiram P. Maxim Memorial Station, W1AW, and helps to maintain the building and both the active and historical equipment housed therein. In 2013, the W1AW Endowment was a giving option for donors to support through the Second Century Campaign. During 2013, ARRL received \$10,470 in contributions to the W1AW Endowment.

Annual Report

Devoted Entirely to Amateur Radio



ARRL First Vice President Rick Roderick, K5UR, followed by Craig Thompson, K9CT, was the guest speaker at the 13th Annual ARRL Donor Recognition Reception held on May 16, 2013 in Dayton, Ohio. Roderick and Thompson spoke on the merits of ARRL and the avocation of Amateur Radio, and the importance of giving back through the Second Century Campaign.

Honoring ARRL's Long-Term Members

Each year the ARRL Member Loyalty Program recognizes the ARRL members whose support has reached the 40-, 50-, 60-, 70-, or 80-year milestone. In 2013, nearly 4000 members reached a decade milestone — the largest group acknowledged since this program moved to the Development Office. In 2013, Development produced 48 commemorative plaques for members of 50 years or more. Plaques were produced at no cost for members of 70 and 80 years, as directed by the Board of Directors.

Other Development Efforts

ARRL was approved for participation in the Combined Federal Campaign (CFC) for the fall of 2013. The CFC for federal employees runs concurrently with the United Way Community Campaign and generates revenue directly to ARRL. For 2013, ARRL has received total commitments of \$38,277.61 and \$24,795.69 in revenue.

ARRL Donor Reception

The 2013 Annual Donor Recognition Reception on the Thursday evening before the Dayton Hamvention assumed more importance than ever. The evening was the public announcement of the \$10 million Second Century Campaign goal to a gathering of key ARRL donors. Nearly 160 attendees heard the heartwarming stories told by ARRL Vice President Rick Roderick, K5UR, about his personal journey in Amateur Radio. His remarks were followed by those of campaign donor Craig Thompson, K9CT, who shared thoughts on why he chose to participate in the campaign. It was one of the most moving and successful evenings in recent memory and one that launched the public announcement of the campaign in grand style.



ARRL recognized Maxim Society members at the 13th Annual ARRL Donor Recognition Reception was held at Meadowbrook Country Club in Clayton, Ohio on the Thursday evening before Hamvention®.



Southeastern VHF Society President Charles Osborne, K4CSO (center), presents a donation from ARRL-affiliated club to Southern Florida Section Manager David Fowler, K4DLF (left), and Southern Florida Assistant Section Manager Jeff Beals, WA4AW (right). The donation benefitted the ARRL Spectrum Defense Fund. [Chuck Hoover, K0VXM, photo]



Rick Roderick, K5UR, and his wife Holly, visit with International Affairs, ARRL Vice President, Jay Bellows, K0QB.



ARRL Chief Development Officer Mary Hobart, K1MMH, with Second Century Campaign Committee Member, Mike Valentine, W8MM.



2013 ARRL Leadership Donors

ARRL gratefully acknowledges the following individuals and organizations for their generous support in 2013 with donations of \$1000 or more. Donors listed below contributed to the ARRL Diamond Club, Spectrum Defense Fund, the Education & Technology Fund, and the W1AW Endowment Fund.

Dwayne Allen, WY7FD,
and Katie Allen, WY7KRA
C. Dwight Baker, W4IJY

Baker Family Foundation,
W5IZ and W5JKB

Michael C. Bales, KC7GTY

Sherman Banks, W4ATL,
and Mary Banks, K4MRY

John L. Barber, N5JB

Glen Barney, NY3E

John Beaston, K7TY

Robert Beaudet, W1YRC

Richard P. Beebe, K1PAD

Mark A. Behrens, W4GP

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Linda Bittner, K6GRL

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Ralph "Gator" Bowen, N5RZ

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Alan E. Brown, K5AB

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Frank Butler, W4RH

Ken Byers, K4TEA

Randall J. Bynum, NR6CA

Lee Ciereszko, N4TCW

Dr. Thomas A. Clark, K3IO

Andrew W. Clegg, W4JE

Thomas Clements, K1TC

Stephen Cornell, K4AHA

Kay Craigie, N3KN,
and Carter Craigie, N3AO

Gerald E. Crawford, K7UPJ

Mark J. Crony, W4ZF

Richard G. Dittmer, Sr, KH6SAT

Frank Donovan, W3LPL

Lawrence H. Drayton, KD3FB

In Memory of
Jake McClain Driver, KC5WXA

Joseph J. Dubeck, NA9A

Daniel J. DuBray, K14RSD

Timothy J. Duffy, K3LR

Martin S. Ewing, AA6E

Marjorie and Harry Flasher, AC8G

Andrew Forsyth, AF3I

Bruce Frahm, K0BJ

Ken Garg, W3JK

James C. Garland, W8ZR

Craig Goldman, K2LZQ

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Ted Hannah, K3CL

Michael Hightower, KF6SJ

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Scott Wright, K0MD

Anonymous: 12



Maxim Society Donors

The Maxim Society honors individuals and organizations whose lifetime contributions to ARRL exceed \$10,000. This distinctive program, named for ARRL founder Hiram Percy Maxim, was created in 2002.

Maxim Society members have supported ARRL through their contributions to the Second Century Campaign, the Diamond Club, and other funds, including Spectrum Defense and Education & Technology. Members' generosity allows ARRL to continue to offer outstanding programs and services for our members, and to promote Amateur Radio across the country and around the world. As of December 31, 2013, ARRL proudly acknowledges 140 Maxim Society members.

Allen-Heath Memorial Foundation,
K6ZIZ and K6OKO

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Merit Arnold, W6NQ

C. Dwight Baker, W4IJY

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Elliot Gross, KB2TZ

The Gryphon Fund

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Frank Morrison, KB1FZ

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and Sherry Raskin, W4SLR

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Rick Roderick, K5UR,
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Eric Scace, K3NA

Maurice L. Schietecatte, N4LZ

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John Williams, K8JW

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Mitch Wolfson, DJ0QN/K7DX

Owen Wormser, K3CB

Scott Wright, K0MD

Allen Zimmerman, K3WGR

Anonymous: 22



Legacy Circle Donors

The ARRL Legacy Circle recognizes individuals who have provided for ARRL in their wills or other estate plans. Gifts received in this capacity — unless otherwise designated — are invested in the ARRL Endowment Fund, helping to ensure the future of ARRL and the advancement of Amateur Radio.

Dave, K6XG,
and Alicia, KG6LJ, Abell
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Alan Applegate, K0BG
Andrew J. Barbour, AG4XN
Bob Barden, MD0CCE
Robert Beach, W8LCZ
Michael E. Beck, W7EDO
Mark Beckwith, N5OT
Bob Beebe, GU4YOX/KX6N
Dave Bell, W6AQ,
and Alice (Sam) Bell, W6QLT
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Steven West, W7SMW,
and Donna Karam, KC5FTN
Dan White, W5DNT
Lee Wical, KH6BZF
Allen Zimmerman, K3WGR
Anonymous: 31



Second Century Campaign Donors

ARRL is proud to acknowledge individuals and organizations who have made gifts and commitments of \$1000 or more to the ARRL Second Century Campaign through 2013. The ARRL and the Second Century Campaign Committee thank all donors to the campaign, those listed below and hundreds more, who generously contributed to this important undertaking. As of December 31, 2013, more than \$6 million was added to the ARRL Endowment, creating a solid financial foundation that will allow ARRL to continue to support and promote Amateur Radio for the next 100 years!

Dave, K6XG,
and Alicia, KG6LJ, Abell

Cliff Ahrens, K0CA

Allen-Heath Memorial Foundation,
K6ZIZ and K6OKO

Bob Allphin, K4UEE

Louis G. Arnold, K9ALP

Sherman Banks, W4ATL,
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Lee Ciereszko, N4TCW

Thomas Clements, K1TC

Jay Close, K0GEO

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Chaz Cone, W4GKF

Kay Craigie, N3KN,
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Dr. Everett W. Curry, Jr, W6ABM

Alan R. Dewey, K0AD

Richard Dievendorff, K6KR

Frank Donovan, W3LPL

In Memory of
Jake McClain Driver, KC5WXA

Timothy J. Duffy, K3LR

Rusty Epps, W6OAT

Frank Fallon, N2FF

Jim Fenstermaker, K9JF,
and Shirley Fenstermaker, W7SAF

William B. Filbert, W6NCH

Marjorie and Harry Flasher, AC8G

Andrew Forsyth, AF3I

Bruce Frahm, K0BJ

James C. Garland, W8ZR

Steve Goggans, K7LZJ,
and Lyndie Goggans, N7PKM

David H. Greenhut, N6HD

Elliot Gross, KB2TZ

Dick and Kathie Hanson, K5AND

James C. Hessler, K8JH

Mary M. Hobart, K1MMH

Fred W. Hoffert III, NA2U,
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Scott Tuthill, K7ZO

Michael Valentine, W8MM

Bob Vallio, W6RGG

Steven West, W7SMW,
and Donna Karam, KC5FTN

Dan White, W5DNT

Marty Woll, N6VI,
and Clara Woll, KJ6CNO

Owen Wormser, K3CB

Scott Wright, K0MD

The YASME Foundation

Allen Zimmerman, K3WGR

Anonymous: 5



**ARRL Headquarters
Newington, Connecticut**

One of the more positive trends for the organization, both operationally and financially, was the continuing growth in ARRL overall membership.

Total membership at the end of the year stood at 160,278, an increase of 1.6% during the year.

Financial Summary

By all measures — revenues, expenses, membership, and increase in net assets — 2013 proved to be a successful year for the ARRL. Continued membership growth, excellent results in the League's investment portfolio, and a good early response to the Second Century Campaign all contributed to strong, positive growth the organization's net assets and a strengthening of the overall financial position. What made these results even more impressive was that they were achieved in the face of what continues to be an overall sluggish recovery for the economy.

ARRL membership grew again in 2013. This was the seventh year in a row that total membership has increased, an impressive achievement in light of all that has been going on with the economy. It also speaks to the continuing growth in Amateur Radio. At the end of the year, membership in the organization stood at 162,215, which represents an increase of 1.2% over the end of the prior year. In keeping with this increase, dues income was up by 1.3% to a total of almost \$5.8 million. The continuing support of the membership through their dues is a strong asset for the organization.

Total revenues from all sources, including realized gains on investment transactions, stood at \$15.1 million for the year. This was slightly less than the year before but only due to the amount of realized investment gains taken in 2012. Almost every other category of operating revenues grew over the results posted in 2012. Revenues from publication sales increased significantly in 2013, buoyed significantly in the fourth quarter by sales of the Centennial edition of The ARRL Handbook. Total sales revenues reached over \$4.07 million, an increase of 7.9%, the highest total in many, many years. Another encouraging sign for Amateur Radio was the activity recorded by the ARRL VEC and the resulting increase in exam fees. Program and service fees of \$605 thousand were down slightly from 2012, however.

Voluntary contributions continue to play a significant role in the total revenues of the League. In 2013, over \$1 million was contributed directly by supporters and, in addition, the organization accepted estate bequests of almost \$878 thousand which contributed to the overall increase in net assets. The ARRL's Second Century Campaign was also a significant source of endowment gifts in 2013, adding \$613 thousand in cash and pledges throughout the year.

Expenses for the organization totaled \$14.8 million in 2013, down from 2012 but only because of an unusual charge to operations in that year for the termination of a defined benefit pension plan. Expense management is always a priority for the organization and will continue to be in the future.

Overall, 2013 was a good year for the ARRL financially. Even with all the demands on the organization's resources, we were able to navigate through it all and grow the organization. We were able to produce a small gain from operations and with the help of endowment gifts and strong financial markets, produce an increase in the organization's net assets of \$3.6 million. This will help as we move into the Second Century of ARRL's existence. With these results, the continued support of the membership, and prudent management of the League's resources we are in a position to meet the challenges of the next 100 years.

*American Radio
Relay League*

*Board of Directors
January 2013*

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ARRL 2013 Annual Board Meeting — New Orleans, Louisiana

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Chelmsford, Massachusetts

Northwestern Division**Jim Fenstermaker, K9JF**

Director
Vancouver, Washington

Jim Pace, K7CEX

Vice Director
Centralia, Washington

Pacific Division**Bob Vallio, W6RGG**

Director
Castro Valley, California

Jim Tiemstra, K6JAT

Vice Director
Oakland, California

Roanoke Division**Dennis Bodson, W4PWF**

Director
Arlington, Virginia

Dr James Boehner, N2ZZ

Vice Director
Aiken, South Carolina

Rocky Mountain Division**Brian Milesoshosky, N5ZGT**

Director
Albuquerque, New Mexico

Dwayne Allen, WY7FD

Vice Director
Sundance, Wyoming

Southeastern Division**Greg Sarratt, W4OZK**

Director
Huntsville, Alabama

Jim Millsap, WB4NWS

Vice Director
Acworth, Georgia

Southwestern Division**Richard Norton, N6AA**

Director
Topanga, California

Marty Woll, N6VI

Vice Director
Chatsworth, California

West Gulf Division**Dr David Woolweaver, K5RAV**

Director
Harlingen, Texas

John Robert Stratton, N5AUS

Vice Director
Austin, Texas

Independent Auditor's Report

To the Board of Directors of
The American Radio Relay League, Incorporated

Report on the Financial Statements

We have audited the accompanying financial statements of The American Radio Relay League, Incorporated, which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The American Radio Relay League, Incorporated as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion of the financial statements as a whole. The schedules of expenditures and temporarily restricted fund summary on pages 24 through 26 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CohnReznick LLP

Glastonbury, Connecticut
April 30, 2014

The American Radio Relay League, Incorporated

**Statements of Financial Position
December 31, 2013 and 2012**

Assets

	2013	2012
Current assets:		
Cash	\$ 1,191,475	\$ 1,056,949
Accounts receivable, net of allowance for doubtful accounts of \$69,934 and \$74,958	396,292	369,352
Inventories, net	710,506	786,132
Pledges receivable, current	417,796	115,950
Prepaid expenses and other current assets	113,715	418,862
Other receivables	164,848	69,388
Total current assets	2,994,632	2,816,633
Other assets:		
Investments	21,157,076	17,728,010
Long term pledges receivable, net of discount and allowance of \$351,231 and \$319,156	724,036	683,844
Land, building and equipment, net	919,417	451,393
Total other assets	22,800,529	18,863,247
Total assets	\$ 25,795,161	\$ 21,679,880

Liabilities and Net Assets

Current liabilities:		
Accounts payable	\$ 484,114	\$ 243,487
Accrued liabilities	509,672	418,701
Deferred revenue	32,428	12,324
Subtotal operational current liabilities	1,026,214	674,512
Deferred life membership dues, current	508,488	509,073
Deferred term membership dues, current	2,662,806	2,587,493
Total current liabilities	4,197,508	3,771,078
Long-term liabilities:		
Deferred life membership dues, less current portion	6,332,152	6,212,654
Deferred term membership dues, less current portion	757,004	757,203
Total long-term liabilities	7,089,156	6,969,857
Total liabilities	11,286,664	10,740,935
Commitments		
Net assets:		
Unrestricted:		
Undesignated	3,603,383	2,612,470
Board designated	5,590,584	4,127,782
Temporarily restricted	2,166,018	1,758,457
Permanently restricted	3,148,512	2,440,236
Total net assets	14,508,497	10,938,945
Total liabilities and net assets	\$ 25,795,161	\$ 21,679,880

See Notes to Financial Statements.

Statement of Activities
Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and contributions:				
Membership dues	\$ 5,785,794	\$ -	\$ -	\$ 5,785,794
Net publication sales	4,067,070	-	-	4,067,070
Advertising	2,594,067	-	-	2,594,067
Investment income	436,755	130,823	-	567,578
Examination fees and other	431,123	-	-	431,123
Program and service fees	605,709	-	-	605,709
Contributions and support	492,981	487,999	95,028	1,076,008
Net assets released from restrictions	592,791	(592,791)	-	-
	<u>15,006,290</u>	<u>26,031</u>	<u>95,028</u>	<u>15,127,349</u>
Expenditures:				
Programs and services	8,025,601	-	-	8,025,601
Publications	4,156,834	-	-	4,156,834
Administration	1,729,334	-	-	1,729,334
Fundraising	595,039	-	-	595,039
Governance	246,919	-	-	246,919
	<u>14,753,727</u>	<u>-</u>	<u>-</u>	<u>14,753,727</u>
Increase in net assets before other income	<u>252,563</u>	<u>26,031</u>	<u>95,028</u>	<u>373,622</u>
Other income:				
Bequests, Board designated functioning as an endowment	877,873	-	-	877,873
Second Century Campaign endowment contributions	-	-	613,248	613,248
Unrealized gain on investments	1,323,279	381,530	-	1,704,809
	<u>2,201,152</u>	<u>381,530</u>	<u>613,248</u>	<u>3,195,930</u>
Change in net assets	2,453,715	407,561	708,276	3,569,552
Net assets, beginning of year	<u>6,740,252</u>	<u>1,758,457</u>	<u>2,440,236</u>	<u>10,938,945</u>
Net assets, end of year	<u>\$ 9,193,967</u>	<u>\$ 2,166,018</u>	<u>\$ 3,148,512</u>	<u>\$ 14,508,497</u>

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statement of Activities
Year Ended December 31, 2012**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and contributions:				
Membership dues	\$ 5,709,185	\$ -	\$ -	\$ 5,709,185
Net publication sales	3,769,788	-	-	3,769,788
Advertising	2,563,370	-	-	2,563,370
Investment income	1,121,358	182,997	-	1,304,355
Examination fees and other	413,965	-	-	413,965
Program and service fees	639,253	-	-	639,253
Contributions and support	480,385	571,864	74,284	1,126,533
Net assets released from restrictions	647,489	(647,489)	-	-
	<u>15,344,793</u>	<u>107,372</u>	<u>74,284</u>	<u>15,526,449</u>
Expenditures:				
Programs and services	9,426,310	-	-	9,426,310
Publications	4,492,454	-	-	4,492,454
Administration	2,069,875	-	-	2,069,875
Fundraising	717,435	-	-	717,435
Governance	189,346	-	-	189,346
	<u>16,895,420</u>	<u>-</u>	<u>-</u>	<u>16,895,420</u>
Increase (decrease) in net assets before other income (expense)	<u>(1,550,627)</u>	<u>107,372</u>	<u>74,284</u>	<u>(1,368,971)</u>
Other income (expense):				
Bequests, Board designated functioning as an endowment	184,885	-	-	184,885
Second Century Campaign endowment contributions	-	-	764,228	764,228
Unrealized loss on investments	(237,406)	(61,119)	-	(298,525)
Defined benefit pension plan termination settlement adjustment	1,885,845	-	-	1,885,845
	<u>1,833,324</u>	<u>(61,119)</u>	<u>764,228</u>	<u>2,536,433</u>
Change in net assets	282,697	46,253	838,512	1,167,462
Net assets, beginning of year	<u>6,457,555</u>	<u>1,712,204</u>	<u>1,601,724</u>	<u>9,771,483</u>
Net assets, end of year	<u>\$ 6,740,252</u>	<u>\$ 1,758,457</u>	<u>\$ 2,440,236</u>	<u>\$ 10,938,945</u>

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Statements of Cash Flows
Years Ended December 31, 2013 and 2012**

	2013	2012
Operating activities:		
Change in net assets	\$ 3,569,552	\$ 1,167,462
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Receipts to establish or increase permanent endowment	(708,276)	(838,512)
Depreciation	198,784	206,415
Gain on sale of equipment	(1,724)	-
Bad debt expense	19,290	-
Discount and allowance for pledges receivable	32,075	319,156
Change in inventory reserve	(18,674)	15,413
Unrealized (gain) loss on investments	(1,704,809)	298,525
Realized gain on investments allocated to general and permanent funds	(204,430)	(820,331)
Changes in operating assets and liabilities:		
Accounts receivable	(46,230)	61,552
Pledges receivable	(374,113)	(137,044)
Other receivables	(95,460)	5,644
Inventories	94,300	(68,664)
Prepaid expenses and other current assets	305,147	(320,344)
Accounts payable and accrued liabilities	331,598	114,708
Deferred revenue	20,104	(17,845)
Deferred life membership dues, net of allocated realized gain	(254,367)	3,966
Deferred term membership dues	75,114	104,026
Accrued pension liability	-	(2,918,162)
Net cash provided by (used in) operating activities	1,237,881	(2,824,035)
Investing activities:		
Purchase of equipment	(670,558)	(155,290)
Proceeds from sale of equipment	5,474	-
Sales of investments	4,799,377	11,956,120
Purchases of investments	(5,945,924)	(9,637,009)
Net cash provided by (used in) investing activities	(1,811,631)	2,163,821
Financing activities:		
Receipts to establish or increase permanent endowment	708,276	838,512
Net increase in cash	134,526	178,298
Cash, beginning of year	1,056,949	878,651
Cash, end of year	\$ 1,191,475	\$ 1,056,949

See Notes to Financial Statements.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 1 - Organization and summary of significant accounting policies

Nature of activities

The American Radio Relay League, Incorporated (the "League") is a not-for-profit organization formed to promote interest in amateur radio communication, experimentation and the advancement of radio art, further the public welfare and foster education in the field of electronic communication. The League also publishes documents, books, magazines and pamphlets necessary or incidental to its purpose. The League's operations are primarily supported by membership dues, publication sales, advertising and contributions. The League's members are primarily located throughout the United States.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. To ensure observance of limitations and restrictions placed on the use of resources available to the League, the accounts of the League are maintained in the following net asset categories:

Unrestricted - Net assets represent available resources other than contributions restricted by donor-imposed stipulations or by operation of law. The Board of Directors of the League has earmarked a certain amount of those funds, which are shown as board designated net assets in the accompanying statements of financial position.

Temporarily Restricted - Net assets represent contributions and earnings thereon that are restricted by donor-imposed stipulations or by operation of law either as to purpose or as to time of expenditure.

Permanently Restricted - Net assets represent contributions received that are subject to donor-imposed restrictions or to those imposed by operation of law that the principal be invested in perpetuity while the income earned thereon is made available for operations.

Cash and cash equivalents

Cash and cash equivalents include all cash balances and highly liquid short-term instruments with an original maturity of three months or less when acquired. Temporary cash and cash equivalent balances associated with investment accounts are included with investments in these financial statements. There were no cash equivalents as of December 2013 or 2012 included in operating cash.

Allowance for doubtful accounts

Trade accounts receivable is stated at the amount management expects to collect from outstanding balances. The League performs on-going credit evaluations of its customers' financial condition and grants credit based on each customer's ability to pay. The League evaluates the need for an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Pledges and contributions receivable

Pledges and contributions receivable are recorded at their net realizable value which approximates fair value. Receivables that are expected to be collected in future years are discounted to their present values.

Inventories

Inventories consist of publications, software, membership supplies and other miscellaneous items. Inventories are stated at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method. Inventories are reflected net of reserves for slow moving inventory of \$111,333 and \$130,007 as of December 31, 2013 and 2012, respectively.

Investments

The League reports investments at fair value (see Note 3) and reflects any gain or loss in the statements of activities. Investment income and gains and losses are considered unrestricted unless temporarily restricted by donor stipulation or by operation of law.

Land, building and equipment

The League capitalizes expenditures for building and equipment with a useful life of greater than one year and a cost of \$1,000 or more. Purchased land, building and equipment are carried at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Estimated lives for financial reporting purposes are as follows:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Building	40 years
Furnishings, equipment and building improvements	3 - 15 years
Computer software	3 - 5 years

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in change of net assets for the period.

The League reviews long-lived assets for impairment using an undiscounted cash flow method whenever events or circumstances indicate the carrying value of an asset may not be recoverable. There were no impairment losses related to long-lived assets as of December 31, 2013 and 2012.

Donations of land, building and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support, unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire land, building and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be restricted, the League reports expirations of donor restrictions when the donated or acquired assets are placed in service.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2013 and 2012

The League reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Endowment and spending policy

The League adheres to investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the League must hold in perpetuity as well as board designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. It is recognized that short-term market fluctuations may cause variations in account performance and investment balances.

To satisfy its long-term rate of return objectives, the League relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The League targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

The League appropriates funds for distribution based on an annual review of investment results and available net assets. The League's objective is to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Revenue recognition

Membership dues - Revenue from term membership dues is recognized to the extent of acquisition costs when memberships are received. The remaining portion is recognized as revenue on the straight-line basis ratably over the applicable membership period.

The by-laws of the League provide for a life membership dues rate that equals 25 times the term membership annual dues rate. Life member dues are deferred upon receipt. Investment earnings on allocated life member investments are deferred. Revenue is recognized at an amount representative of the estimated cost to the League for providing services to the life members.

Publication Sales - Revenue from publication sales is recognized when the earnings process is complete and the risks and rewards of ownership have transferred to the customer, which is generally considered to have occurred upon shipment of the publication.

Advertising - Advertising revenue is recorded during the period in which the advertisements are published.

The American Radio Relay League, Incorporated

Notes to Financial Statements December 31, 2013 and 2012

Contributions and Bequests - Contributions and bequests received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions or those imposed by operation of law. Support that is restricted by the donor is reported as an increase in temporarily restricted net assets even if the restrictions expire in the reporting period in which the support is recognized. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Income taxes

The League is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the League is subject to Federal and state income tax as a result of unrelated business income arising from net advertising income. There are no unrelated business income tax liabilities for the years ended December 31, 2013 and 2012.

The League's Federal information returns prior to calendar year 2010 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The League recognizes interest and penalties associated with uncertain tax positions as part of the income tax provision and includes accrued interest and penalties with the related tax liability in the statements of financial position. The League has no unrecognized tax positions at December 31, 2013 and 2012.

Functional expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain prior year information has been reclassified to conform to the current year presentation.

Subsequent events

The League has evaluated events and transactions for potential recognition or disclosure through April 30, 2014, which is the date the financial statements were available to be issued.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 2 - Pledges receivable

Unconditional pledges receivable as of December 31, 2013 and 2012 are expected to be realized in the following periods:

	2013	2012
In one year or less	\$ 417,796	\$ 115,950
In one to five years	507,867	417,100
In more than five years	567,400	585,900
Less: allowance for uncollectible pledges	(126,870)	(88,866)
Less: discount	(224,361)	(230,290)
	\$ 1,141,832	\$ 799,794

Amounts are shown in the statements of financial position as of December 31 as follows:

	2013	2012
Current	\$ 417,796	\$ 115,950
Long-term	724,036	683,844
	\$ 1,141,832	\$ 799,794

Pledges expected to be received in more than one year have been discounted using a discount rate of 3.25% at both December 31, 2013 and 2012.

Note 3 - Investments

Investments are carried at their aggregate fair value. The following summarizes the relationship between the cost and fair values as presented in the financial statements as of December 31, 2013 and 2012:

	2013		2012	
	Fair Value	Cost	Fair Value	Cost
Cash and cash equivalents	\$ 832,222	\$ 832,222	\$ 798,326	\$ 798,326
Equities and mutual funds	12,628,167	9,869,699	10,786,819	9,874,327
Fixed maturities	7,696,687	7,695,982	6,142,865	6,000,993
	\$ 21,157,076	\$ 18,397,903	\$ 17,728,010	\$ 16,673,646

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

The League allocates its investments into categories related to life memberships, regular operations, temporarily restricted and endowment funds. The following summarizes the fair value of investments by category as of December 31, 2013 and 2012:

	2013	2012
Life membership	\$ 6,840,640	\$ 6,721,727
Regular operations	3,411,322	2,679,808
Temporarily restricted	2,166,018	1,758,457
Functioning as an endowment	5,590,584	4,127,782
Permanently restricted	3,148,512	2,440,236
	<u>\$ 21,157,076</u>	<u>\$ 17,728,010</u>

The following summarizes changes in relationships between cost and fair values of investments:

	2013	2012
Unrealized appreciation, beginning of year:		
Fair value	\$17,728,010	\$18,819,971
Cost	16,673,646	17,467,082
Net gain	1,054,364	1,352,889
Unrealized appreciation, end of year:		
Fair value	21,157,076	17,728,010
Cost	18,397,903	16,673,646
Net gain	2,759,173	1,054,364
Net unrealized gain (loss) for the year	<u>\$ 1,704,809</u>	<u>\$ (298,525)</u>

Investment income is summarized as follows for the years ended December 31, 2013 and 2012:

	2013	2012
Interest and dividend income	\$ 526,618	\$ 739,263
Net realized gain on investments	423,728	1,525,675
Gross investment income	950,346	2,264,938
Less:		
Net investment income allocated to deferred life liability	(382,768)	(960,583)
Total investment income	<u>\$ 567,578</u>	<u>\$ 1,304,355</u>

The investment advisory fees paid by the League for the years ended December 31, 2013 and 2012 were \$0 and \$20,200, respectively.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 4 - Fair value measurements

The League values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the League utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Financial assets carried at fair value at December 31, 2013 and 2012 are classified in the tables below in one of the three categories described above:

	2013			Total
	Level 1	Level 2	Level 3	
Money market fund	\$ 832,222	\$ -	\$ -	\$ 832,222
Mutual funds:				
Closed-end funds	119,550	-	-	119,550
Large blend fund	11,892	-	-	11,892
Open-end blended fund	218,636	-	-	218,636
Total mutual funds	<u>350,078</u>	<u>-</u>	<u>-</u>	<u>350,078</u>
Exchange traded funds	<u>5,960,912</u>	<u>-</u>	<u>-</u>	<u>5,960,912</u>
Stocks:				
Domestic large cap	5,456,367	-	-	5,456,367
Domestic mid cap	338,100	-	-	338,100
Domestic small cap	102,790	-	-	102,790
International developed	419,920	-	-	419,920
Total stocks	<u>6,317,177</u>	<u>-</u>	<u>-</u>	<u>6,317,177</u>
Fixed maturities:				
Corporate bonds	-	6,523,300	-	6,523,300
International developed bonds	-	746,742	-	746,742
Global high yield taxable	-	426,645	-	426,645
Total fixed maturities	<u>-</u>	<u>7,696,687</u>	<u>-</u>	<u>7,696,687</u>
Total assets at fair value	<u>\$ 13,460,389</u>	<u>\$ 7,696,687</u>	<u>\$ -</u>	<u>\$ 21,157,076</u>

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

	2012			Total
	Level 1	Level 2	Level 3	
Money market fund	\$ 798,326	\$ -	\$ -	\$ 798,326
Mutual funds:				
Bond funds	614,943	-	-	614,943
Closed-end funds	228,995	-	-	228,995
Large blend fund	208,598	-	-	208,598
Open-end blended fund	215,636	-	-	215,636
Total mutual funds	<u>1,268,172</u>	<u>-</u>	<u>-</u>	<u>1,268,172</u>
Exchange traded funds	3,988,121	-	-	3,988,121
Stocks:				
Domestic large cap	4,350,915	-	-	4,350,915
Domestic mid cap	670,648	-	-	670,648
Domestic small cap	237,814	-	-	237,814
International developed	233,220	-	-	233,220
Real estate	37,929	-	-	37,929
Total stocks	<u>5,530,526</u>	<u>-</u>	<u>-</u>	<u>5,530,526</u>
Fixed maturities:				
Corporate bonds	-	5,082,945	-	5,082,945
International developed bonds	-	621,919	-	621,919
Global high yield taxable	-	438,001	-	438,001
Total fixed maturities	<u>-</u>	<u>6,142,865</u>	<u>-</u>	<u>6,142,865</u>
Total assets at fair value	<u>\$ 11,585,145</u>	<u>\$ 6,142,865</u>	<u>\$ -</u>	<u>\$ 17,728,010</u>

Investments in equity securities, money market funds and exchange traded funds (Level 1) that are listed on a national securities exchange or reported on the NASDAQ national market are valued at their last sales price on the valuation date.

The fair value of fixed maturities (Level 2), which consists principally of corporate and international bonds, is estimated using market price quotations (where observable), recently executed transactions or bond spreads of the issuer. If the spread data does not reference the issuer, then data that references a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves or bond spreads.

The preceding is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodology used at December 31, 2013 and 2012.

The League's policy is to recognize transfers in and transfers out of levels at the actual date of the event or change in circumstances that caused the transfer. There were no transfers in or out of the respective levels during the years ended December 31, 2013 and 2012.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the League believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 5 - Land, building and equipment

Land, building and equipment, and related accumulated depreciation are comprised of the following at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Land and building	\$ 1,094,693	\$ 1,094,693
Furnishings, equipment and building improvements	3,307,780	2,714,672
Computer software	2,031,059	1,968,434
Construction in progress	-	18,913
	<u>6,433,532</u>	<u>5,796,712</u>
Less accumulated depreciation	<u>(5,514,115)</u>	<u>(5,345,319)</u>
	<u>\$ 919,417</u>	<u>\$ 451,393</u>

Note 6 - Pension liability

The League had a noncontributory group annuity retirement plan (the "Plan"), which covered all full-time employees. The Plan was frozen effective May 31, 2009. The Board of Directors approved a resolution to terminate the Plan effective November 1, 2011. The League received the required approvals from regulatory authorities for the plan termination in 2012. In connection with the termination of the Plan, the League recorded a charge in 2011 of \$1,290,027, which represents the amount required to write off the net unamortized actuarial loss and record an additional obligation to fully fund the Plan termination obligation. The League recorded a settlement loss of \$2,525,413 in 2012.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

The following sets forth the Plan's funded status and amounts recognized in the League's statement of financial position at December 31, 2012:

	2012
Accumulated benefit obligation at end of year	\$ <u> -</u>
Projected benefit obligation at beginning of year:	\$ 14,256,142
Service cost	35,000
Interest cost	153,230
Actuarial loss	1,020,761
Settlement	(15,280,689)
Benefits paid	<u>(184,444)</u>
Projected benefit obligation at end of year	<u> -</u>
Fair value of plan assets at beginning of year:	11,337,980
Actual return on plan assets	685,435
Employer contributions	3,463,373
Plan expenses	(21,655)
Settlement	(15,280,689)
Benefits paid	<u>(184,444)</u>
Fair value of plan assets at end of year	<u> -</u>
Unfunded status	<u> -</u>
Net accrued benefit cost	\$ <u> -</u>

Net periodic benefit cost recognized in changes in unrestricted net assets for the year ended December 31, 2012 consist of the following:

	2012
Service cost	\$ 35,000
Interest cost	153,230
Expected return on plan assets	(333,162)
Amortization of loss	50,575
Settlement loss	<u>2,525,413</u>
Total net periodic benefit cost	\$ <u>2,431,056</u>

Net periodic benefit cost is included in salaries, compensation and benefits on the schedules of expenditures.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Other changes in plan assets and benefit obligations, recognized in changes in unrestricted net assets and presented under other income on the statement of activities for the year ended December 31, 2012 consist of the following:

	<u>2012</u>
Actual return on plan assets	\$ 685,435
Expected return	(333,162)
Totals	<u>352,273</u>
Other actuarial loss	(1,020,761)
Plan expenses	(21,655)
Totals	<u>(1,042,416)</u>
Settlement loss and amortization	<u>2,575,988</u>
Total of other changes recognized in changes in unrestricted net assets	1,885,845
Net unrecognized actuarial loss, beginning of year	<u>(1,885,845)</u>
Net unrecognized actuarial loss, end of year	<u>\$ -</u>

Note 7 - 403(b) plan

The League established the ARRL, Inc. 403(b) Pension Plan in 2009. Employees are eligible to participate in the plan immediately upon employment. After an employee has worked for 6 months, the League provides a contribution of 2% of the employee's compensation and will match any elective contributions made by the employee at the rate of 50 cents per dollar contributed up to the employee's contribution of 4% of their compensation. Total employer contributions were \$189,771 and \$180,330 in 2013 and 2012, respectively.

Note 8 - Board designated net assets

The League's Board of Directors' intent is to treat unrestricted bequests as funds functioning as an endowment. Since the beginning of 2004, the League has received bequests in the amount of \$4,236,773. As of December 31, 2013 and 2012, the balance of the bequests, inclusive of investment income and unrealized gains and losses, was \$5,590,584 and \$4,127,782, respectively.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 9 - Temporarily restricted net assets

Temporarily restricted net assets as of December 31, 2013 and 2012 were available for the following purposes:

	<u>2013</u>	<u>2012</u>
Exceptional merit	\$ 1,380,432	\$ 1,270,440
Education and research	157,246	127,913
Other specific purposes	<u>628,340</u>	<u>360,104</u>
	<u>\$ 2,166,018</u>	<u>\$ 1,758,457</u>

Note 10 - Permanently restricted net assets

Permanently restricted net assets as of December 31, 2013 and 2012 were comprised of the following:

	<u>2013</u>	<u>2012</u>
W1AW fund	\$ 501,474	\$ 491,004
Colvin fund	154,340	154,340
Second Century fund	2,372,482	1,759,234
Youth and Education fund	<u>120,216</u>	<u>35,658</u>
	<u>\$ 3,148,512</u>	<u>\$ 2,440,236</u>

In 2002, an endowment fund was established for W1AW maintenance and upkeep.

In 1993, the League became entitled, as beneficiary, to proceeds from a life insurance policy on one of its members, the Colvin fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income from this endowment will be expended to reward deserving radio amateurs.

In 2011, the League started the Second Century Campaign. This campaign was established for the purpose of defining a path to passionate involvement in amateur radio by new generations, and providing opportunities for educational enrichments, community service and personal achievement.

In 2012, the League became entitled to a bequest for the Youth and Education fund. This endowment specifies that the principal is to be maintained in a fund and invested for the purpose of producing future income. The income from this endowment will be used to support education and technology initiatives.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 11 - Endowment

The League's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act ("CTUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the League classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by CTUPMIFA. In accordance with CTUPMIFA, the League considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the League and donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the League and (7) the League's investment policies.

Changes in endowment net assets for the year ended December 31, 2013 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, January 1, 2013	\$ 4,127,782	\$ 109,023	\$ 2,440,236	\$ 6,677,041
Investment income, net	202,434	92,972	-	295,406
Net unrealized gain	382,495	263,806	-	646,301
Contributions	877,873	-	708,276	1,586,149
Amounts appropriated for expenditure	-	(81,917)	-	(81,917)
Endowment net assets, December 31, 2013	<u>\$ 5,590,584</u>	<u>\$ 383,884</u>	<u>\$ 3,148,512</u>	<u>\$ 9,122,980</u>

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Endowment net asset composition by type of fund as of December 31, 2013 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-Restricted Endowment Funds	\$ -	\$ 383,884	\$ 3,148,512	\$ 3,532,396
Board Designated Endowment Funds	5,590,584	-	-	5,590,584
Total funds	<u>\$ 5,590,584</u>	<u>\$ 383,884</u>	<u>\$ 3,148,512</u>	<u>\$ 9,122,980</u>

Changes in endowment net assets for the year ended December 31, 2012 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, January 1, 2012	\$ 3,568,972	\$ 76,810	\$ 1,601,724	\$ 5,247,506
Investment income, net	426,359	137,690	-	564,049
Net unrealized loss	(52,434)	(42,220)	-	(94,654)
Contributions	184,885	1,024	838,512	1,024,421
Amounts appropriated for expenditure	-	(64,281)	-	(64,281)
Endowment net assets, December 31, 2012	<u>\$ 4,127,782</u>	<u>\$ 109,023</u>	<u>\$ 2,440,236</u>	<u>\$ 6,677,041</u>

Endowment net asset composition by type of fund as of December 31, 2012 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-Restricted Endowment Funds	\$ -	\$ 109,023	\$ 2,440,236	\$ 2,549,259
Board Designated Endowment Funds	4,127,782	-	-	4,127,782
Total funds	<u>\$ 4,127,782</u>	<u>\$ 109,023</u>	<u>\$ 2,440,236</u>	<u>\$ 6,677,041</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the League to retain as a fund of perpetual duration. There were no deficiencies of this nature reported in unrestricted net assets as of December 31, 2013 and 2012.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 12 - Lease obligations

The League leases warehouse space, office space and office equipment under operating leases with monthly payments ranging from \$107 to \$4,265, which expire at various times through May 2016. Total operating lease expense was \$140,603 and \$130,312 for the years ended December 31, 2013 and 2012, respectively.

The following are future minimum lease payments due under noncancelable operating leases as of December 31, 2013:

<u>Year Ending December 31,</u>	
2014	\$ 94,003
2015	78,602
2016	<u>21,753</u>
	<u>\$ 194,358</u>

Note 13 - Concentrations

Credit risk

Financial instruments, which potentially subject the League to concentrations of credit risk, consist primarily of cash, pledges and trade receivables. The League maintains its cash with high-credit quality financial institutions. At times, such amounts may exceed the Federally insured limit.

The League believes that the concentration of credit risk in its trade receivables is substantially mitigated by the League's credit evaluation process, relatively short collection terms and the financial stability of the larger customers comprising the League's credit base. The League does not generally require collateral from customers. Pledges receivable are comprised primarily of commitments from individuals who are members of the League. The League evaluates the need for an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

Market risk:

The League invests in various debt and equity securities. These investment securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is at least reasonably possible that these factors will result in changes in the value of the League's investments which could materially affect amounts reported in the financial statements.

The American Radio Relay League, Incorporated

**Notes to Financial Statements
December 31, 2013 and 2012**

Note 14 - Related party transactions:

The League has some common directors with The ARRL Foundation, Inc. The League performs administrative services for The ARRL Foundation, Inc. and was reimbursed for these services in the amount of \$13,200 for each of the years ended December 31, 2013 and 2012.

The American Radio Relay League, Incorporated

**Schedules of Expenditures
Years Ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Salaries, compensation and benefits	\$ 6,966,846	\$ 9,153,894
Publication costs	2,278,256	2,210,428
Shipping and forwarding costs	1,594,022	1,501,512
Communication and postage	764,153	776,776
Other	533,359	531,472
Occupancy costs	523,515	535,031
Office supplies and expenditures	501,337	572,328
Administrative expenses	480,856	427,240
Legal and professional fees	410,021	414,037
Travel	373,256	452,048
Depreciation	198,784	206,415
Rentals and equipment maintenance	<u>129,322</u>	<u>114,239</u>
Totals	<u>\$ 14,753,727</u>	<u>\$ 16,895,420</u>

See Independent Auditor's Report.

The American Radio Relay League, Incorporated
Temporarily Restricted Fund Summary
Year Ended December 31, 2013

Fund Name	Balance January 1, 2013	Contributions	Investment Income, net	Unrealized Gain	Released from Restriction	Balance December 31, 2013
H.P. Maxim Award	\$ 39,974	\$ -	1,196	-	-	41,170
Project Goodwill	8,180	-	-	-	(2,508)	5,672
Exceptional Merit	1,270,440	-	32,268	117,724	(40,000)	1,380,432
Legal Research & Resource	159,715	13,349	-	-	(15,607)	157,457
Starr Technology	2,721	-	-	-	-	2,721
Rinaldo Technology	1,000	-	-	-	-	1,000
ARRL SAREX	6,709	-	-	-	-	6,709
Educational Activities	3,580	-	-	-	-	3,580
Ham Aid Fund	9,865	5,508	-	-	-	15,373
Defense of Frequencies	-	294,414	1,180	-	(295,594)	-
Lab Fund	12,683	1,171	-	-	-	13,854
Education and Technology	123,283	173,507	3,207	-	(157,165)	142,832
Steven Rich Fund	10,000	-	-	-	-	10,000
Direction Finding	1,284	50	-	-	-	1,334
Colvin Fund earnings	23,703	-	8,562	14,633	(15,000)	31,898
W1AW Fund earnings	84,270	-	27,449	48,217	(9,956)	149,980
Youth and Education Fund earnings	1,050	-	-	9,784	-	10,834
Capital Campaign Fund earnings	-	-	56,961	191,172	(56,961)	191,172
Total temporarily restricted funds	\$ 1,758,457	\$ 487,999	\$ 130,823	\$ 381,530	\$ (592,791)	\$ 2,166,018

See Independent Auditor's Report.

The American Radio Relay League, Incorporated
Temporarily Restricted Fund Summary
Year Ended December 31, 2012

Fund Name	Balance January 1, 2012	Contributions	Investment Income, net	Unrealized Loss	Released from Restriction	Balance December 31, 2012
H.P. Maxim Award	\$ 38,441	\$ -	1,533	-	-	39,974
Project Goodwill	8,180	-	-	-	-	8,180
Exceptional Merit	1,286,410	-	42,929	(18,899)	(40,000)	1,270,440
Legal Research & Resource	151,372	11,953	-	-	(3,610)	159,715
Starr Technology	4,081	-	-	-	(1,360)	2,721
Rinaldo Technology	1,000	-	-	-	-	1,000
ARRL SAREX	6,709	-	-	-	-	6,709
Educational Activities	3,580	-	-	-	-	3,580
Ham Aid Fund	13,465	3,703	-	-	(7,303)	9,865
Defense of Frequencies	-	342,404	845	-	(343,249)	-
Lab Fund	12,320	363	-	-	-	12,683
Education and Technology	99,795	211,242	1,650	(600)	(187,754)	124,333
Steven Rich Fund	10,000	-	-	-	-	10,000
Direction Finding	41	1,175	-	-	68	1,284
Colvin Fund earnings	25,976	-	13,208	(2,981)	(12,500)	23,703
W1AW Fund earnings	50,834	1,024	41,427	(9,015)	-	84,270
Capital Campaign Fund earnings	-	-	81,405	(29,624)	(51,781)	-
Total temporarily restricted funds	<u>\$ 1,712,204</u>	<u>\$ 571,864</u>	<u>\$ 182,997</u>	<u>\$ (61,119)</u>	<u>\$ (647,489)</u>	<u>\$ 1,758,457</u>

See Independent Auditor's Report.

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ARRL is the national association for Amateur Radio operators.

The seed for Amateur Radio was planted in the 1890s, when Guglielmo Marconi began his experiments in wireless telegraphy. By 1914, there were thousands of Amateur Radio operators—hams—in the United States. Hiram Percy Maxim, a leading Connecticut inventor and industrialist, saw the need for an organization to band together this fledgling group of radio experimenters.

In May 1914 he founded the American Radio Relay League (ARRL) to meet that need. Today ARRL is the largest organization of radio amateurs in the United States.

The ARRL is proud of its continuing traditions in five key areas of action:

PUBLIC SERVICE

ARRL members provide thousands of volunteer hours for communities and organizations requesting aid in emergency communications planning and disasters. Its ARES program is recognized by federal, state and national organizations for service in crises.

ARRL members provide even more hours of volunteer communications services annually to local organizations conducting large activities such as parades, scouting events and marathons.

ADVOCACY

The ARRL represents US radio amateurs in legislative matters.

The ARRL also represents US amateurs with the Federal Communications Commission and other government agencies in the US and abroad.

The ARRL is the International Secretariat for the International Amateur Radio Union, which is made up of similar societies in over 150 countries around the world.

EDUCATION

The ARRL promotes interest in Amateur Radio communications and experimentation.

The ARRL publishes the monthly journal *QST*, as well as newsletters and many other publications covering all aspects of Amateur Radio.

The ARRL sponsors and coordinates classes in licensing, radio communications, electronic technology and related topics both nationally and internationally.

TECHNOLOGY

The Amateur Radio Service frequency bands are the place on the usable radio spectrum where you as an individual can develop and experiment with wireless communication.

Hams not only can make and modify their own equipment, but can create whole new ways to do things.

MEMBERSHIP

The ARRL maintains fraternalism and a high standard of conduct among Amateur Radio operators.

The ARRL provides direct services to members, such as the Volunteer Examiner Coordinator Program and a QSL bureau.

The staff at ARRL Headquarters, in the Hartford suburb of Newington, is dedicated to providing quality member services.



The Radio Amateur is
PATRIOTIC...
station and skill
always ready for
service to country
and community.

—from The Amateur's Code

Basis and purpose of the Amateur Service

(a) Recognition and enhancement of the value of the amateur service to the public as a voluntary noncommercial communication service, particularly with respect to providing emergency communications.

(b) Continuation and extension of the amateur's proven ability to contribute to the advancement of the radio art.

(c) Encouragement and improvement of the amateur service through rules which provide for advancing skills in both the communication and technical phases of the art.

(d) Expansion of the existing reservoir within the amateur radio service of trained operators, technicians and electronics experts.

(e) Continuation and extension of the amateur's unique ability to enhance international goodwill.

Title 47, Code of Federal Regulations



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