



TOA Presidential Line Update

January 2022

TOA's 2022 Forecast Created in September 2021:



2022 Scenario: Negative Outlook

In this scenario, another Covid winter wave returns and hurts TOA:

- Sponsors show an unwillingness to participate in the 2022 conference due to Covid.
- TOA members do not return to their previous levels of membership dues.

Positive

Negative

2022 Scenario: Positive Outlook

The key to this scenario is the elimination of Covid as a threat. It will come with the following features:

- A return to an enthusiastic 2022 conference that features high levels of sponsorships and attendance.
- TOA returns to its traditional levels of dues revenue.



TOA's 2022 Forecast **Reviewing the September 2021 Forecast**

TOA's 2022 Outlook **Sunny ... For Now**

Strong Dues Collection

- As evidenced by the following slides, 2022 dues collection has “returned to normal” at this point in the year.
- The 2021 dues collection in early January 2021 was much slower due to the pandemic’s effect in 2020.

Strong April 2022 Conference Interest

- With three months to go, all aspects of TOA’s 2022 conference – sponsors, residents, attendees and speakers – are strong in the first two weeks of the new year.
- Of course, the participants are expecting Covid to be in a lull in the spring.

TOA Flow Projection Until June 30, 2022

Cash Flow **What Remains Unit June 30, 2022**

2022 Dues Collected Today \$245,425

2022 Dues Remaining \$55,000

2022 Sponsorships Collected Today \$29,400

2022 Silver Sponsorships (Potential) \$37,000

2022 Gold Sponsorships (Potential) \$47,000

2022 Circle of Champions (Potential) \$47,000

2022 Conference Registrations \$7,000

See Next Slides for Breakdowns

Total 2022 Cash Remaining \$193,000

Cash Projection Notes on Membership & Sponsorships

Remaining Membership Dues

- With \$245,000 collected for 2022, TOA is being conservative and projecting that only \$50,000 remains. (Pre-pandemic numbers typically resulted in \$330,000 per year.)

Sponsorships & Conference Registrations

- See following slide for two potential paths related to the conference revenue.

2022 Conference Revenue **Two Directions**

Positive: Make It to \$134,000

- A path to \$134,000 is created in the previous slides.
- The early momentum has been strong, and if it continues, TOA will reach the goal.
- If the current Covid wave ends and leads to a quiet spring, the conference will be easier to hold.

Negative: Early Momentum Stalls

- Many sponsors may still be cautious about sponsoring events; perhaps the early momentum was simply low-hanging fruit.
- If the current Covid wave only subsides briefly and leads to another spring wave, the conference will be affected.

2022 Sponsorship Paid

Gold

MedInc	\$5,500
DePuy Synthes	\$5,500
Modernizing Medicine	\$5,500
NavCentral	\$5,500

Silver

Konica Minolta	\$3,700
MXR Imaging	\$3,700

Total (1.17.22)	\$29,400
------------------------	-----------------

2022 Circle of Champions Sponsorships Possibilities

Circle of Champions

TMLT	\$15,000
Stryker	\$12,000
MPower	\$10,000
Jeremy Perkins	\$10,000
Total	\$47,000

2022 Gold Sponsorships Remaining Possibilities

Gold Sponsorships

Physicians Realty Trust *	\$5,000
Gold #1	\$5,500
Gold #2	\$5,500
Gold #3	\$5,500
Gold #4	\$5,500
Gold #5	\$5,500
Total Possible	\$32,500

* Physicians Realty Trusts sponsors TOA's Thursday night leadership dinner every year.

2022 Silver Sponsorships Remaining Possibilities

Silver Sponsorships

Silver #1	\$3,700
Silver #2	\$3,700
Silver #3	\$3,700
Silver #4	\$3,700
Silver #5	\$3,700
Silver #6	\$3,700
Silver #7	\$3,700
Silver #8	\$3,700
Silver #9	\$3,700
Silver #10	\$3,700
Total Possible	\$37,000

Dues Owed *As of November 29, 2021*

398 Members Owing Dues			
	\$ AMOUNT OWED	TOTAL	# of Members
	\$50.00 =	\$0.00	0
	\$75.00 =	\$0.00	0
	\$100.00 =	\$0.00	0
	\$150.00 =	\$0.00	0
	\$175.00 =	\$350.00	2
	\$225.00 =	\$0.00	0
	\$250.00 =	\$250.00	1
	\$350.00 =	\$0.00	0
	\$500.00 =	\$175,500.00	351
	\$525.00 =	\$0.00	0
	\$750.00 =	\$1,500.00	2
	\$1,000.00 =	\$42,000.00	42
	\$1,250.00 =	\$0.00	0
	\$1,500.00 =	\$0.00	0
	TOTAL DUES OWED	\$219,600.00	398

Dues Owed As of January 18, 2022

307	Members Owing Dues			
		\$ AMOUNT OWED	TOTAL	# of Members
		\$175.00 =	\$350.00	2
		\$250.00 =	\$0.00	0
		\$500.00 =	\$132,500.00	265
		\$750.00	\$1,500.00	2
		\$1,000.00 =	\$38,000.00	38
		TOTAL DUES OWED	\$172,350.00	307

TOA Finances Expenses Remaining Until June 30, 2022

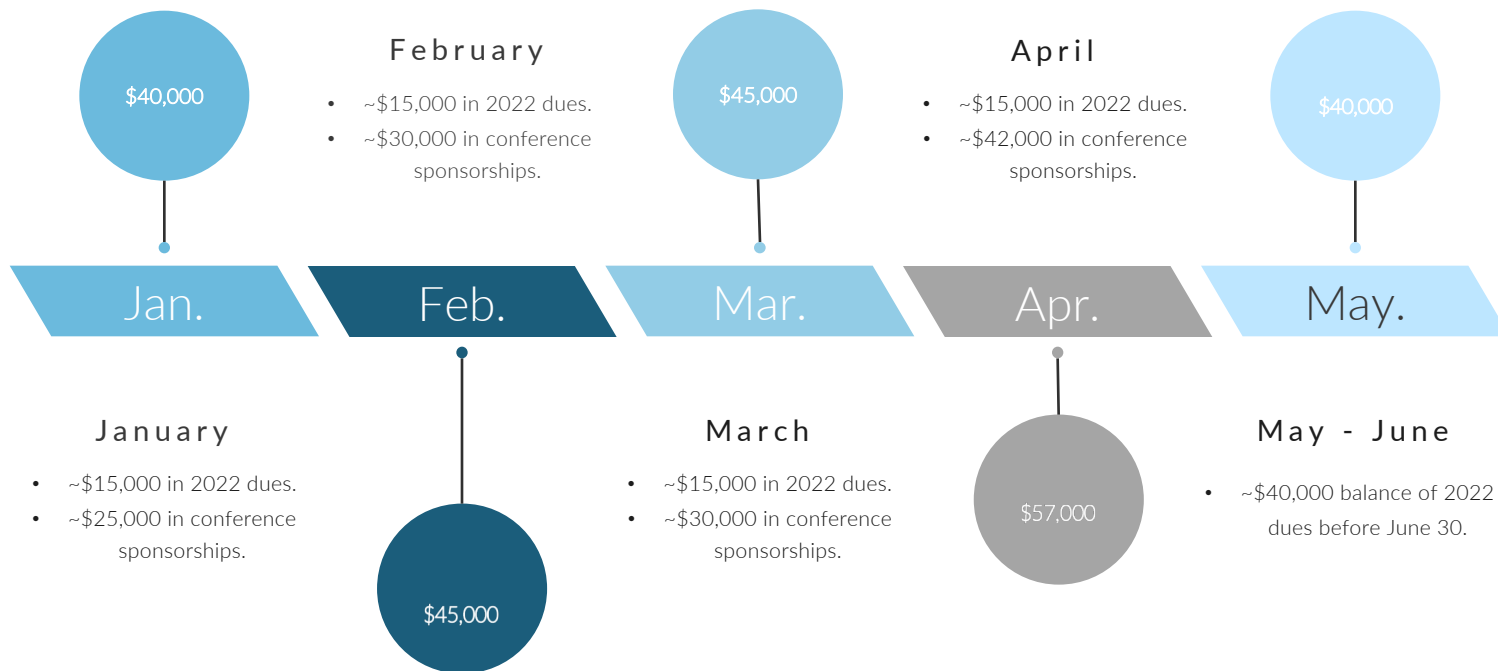
Expenses & Revenue Remaining **Until June 30, 2022**

Revenue	\$193,000
Cash in Bank	\$69,200
Expenses	\$270,908
Margin	\$8,708

Notes on Revenue & Expenses Projections

- See attached spreadsheet for a breakdown of TOA's monthly expenses up until June 30, 2022.
- The remaining hotel cost projection in the spreadsheet might be high because TOA already paid a \$14,500 deposit for the meeting in 2020. But it's important to be conservative in estimations.

Expected Cash Projections



The Pandemic Effect on TOA's Cash Flow

Dues Collected January 18 of Each Year

2022 Dues – 1.18.22	\$242,525
2021 Dues – 1.18.21	\$226,050
2020 Dues – 1.18.20	\$251,850
2019 Dues – 1.18.19	\$250,175

2021 dues is when the pandemic was first being felt.

Dues Collected November 29 of Each Year

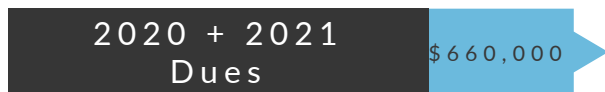
2022 Dues – 11.29.21	\$199,850
2021 Dues – 11.29.20	\$187,375
2020 Dues – 11.29.19	\$215,925
2019 Dues – 11.29.18	\$200,150

2021 dues is when the pandemic was first being felt.

The Pandemic's Effect on TOA's Cash Flow

Typical Year:
\$796,000

Pandemic Years
\$678,000



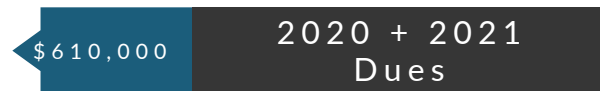
TOA would typically collect \$330,000 in a typical year, and 2020 and 2021 would have looked like this:

- \$330,000 in 2020.
- \$330,000 in 2021.



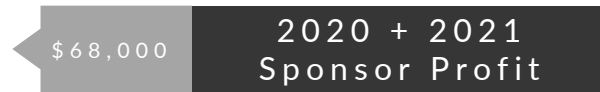
TOA averages a profit of approximately \$50,000 on each conference, and 2020 and 2021 would have looked like this:

- \$68,000 in 2020.
- \$68,000 in 2021.



Once the pandemic hit in March 2020, TOA's dues collection changed course:

- \$315,000 collected in 2020.
- \$294,000 collected in 2021.



TOA's conference profit for each year:

- \$68,000 in 2020.
- \$0 in 2021.

Profit & Loss Analysis

P&L Year by Year

2021

Revenue	\$425,684.01
Expenses	\$462,800.49
	(\$37,116.48)

Still collecting 2021 dues; see analysis on following slide.

2020

Revenue	\$505,052.70
Expenses	\$482,050.08
	\$20,504.62

TOA was able to hold a conference in 2020, which allowed TOA to collect sponsorship revenue in 2020. TOA cut salaries at the end of 2020, which allowed TOA to have enough cash.

2021 P&L Analysis

2021 Expenses Are Complete; Continuing to Collect 2021 Dues: the Deficit Can Close

- TOA is continuing to collect 2021 dues in 2022. While TOA isn't likely to collect dues from 60 surgeons, the deficit will close some.
- TOA typically collects ~ \$330,000 per year in dues. However, due to the pandemic, the 2021 dues have been hovering around \$300,000. (TOA's dues halted in March 2021 once the pandemic hit, and that left TOA's 2020 dues collection at \$315,000.)
- Will TOA collect another \$30,000 in 2021 dues to reach \$330,000 for 2021? It is unlikely, but TOA will collect some 2021 dues.
- Expenses are complete for 2021; no more expenses for 2021.

One-Time Expenses in 2021

- TOA paid its attorney \$10,000 to write an amicus brief for TOA in relation to Texas Supreme Court's case related to trucking lawsuits and physician payments.
- TOA is not expecting similar attorney fees in 2022.

\$20,000 Donation to Texas Orthopaedic Foundation in 2021

- TOA donated \$20,000 to TOF in 2021 to cover TOF's portion of the member retreat in October.
- TOF only needed \$13,000 of that amount to pay the hotel and a/v bill, and \$7,000 remains in TOF's bank account. The \$7,000 will be used for the April 2022 meeting. While the \$7,000 donation could be shifted to TOA's 2022 P&L, we will keep the books simple and leave it on the 2021 books.

2021 Texas Legislature: Large Lobby Costs

- Many lawmakers kept their offices closed during much of the 2021 Texas Legislature. Instead, they held dinners with colleagues, and TOA was asked on a weekly basis to host lunches and dinners for lawmakers and their staff.
- TOA will not incur lobby costs like this in an off-year.

Membership Dashboard

Membership Dues Highlights (October 2021)

Dues Were Consistent Prior to the Pandemic

- Dues remained consistent every year (until the pandemic hit).

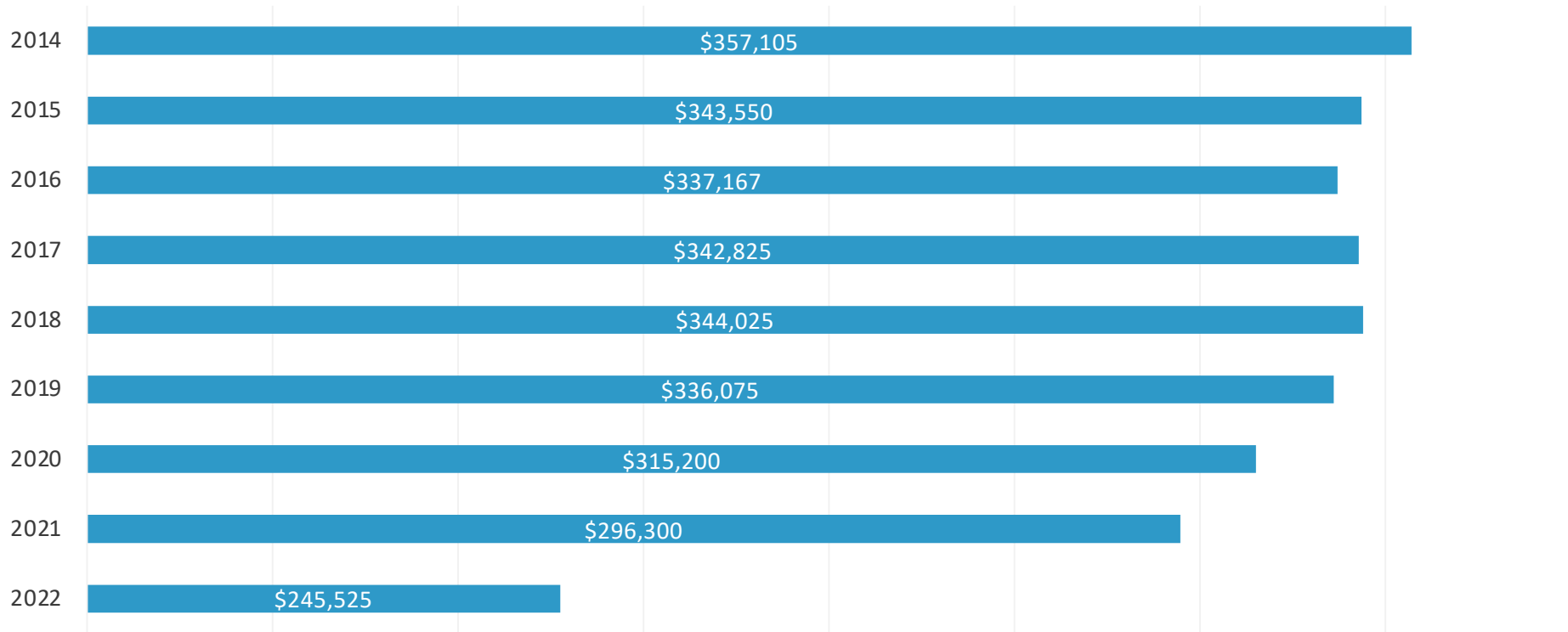
The Pandemic Took a Major Hit on TOA Dues

- The majority of 2020 dues were collected when the pandemic hit in March 2020. Therefore the ~7 percent decrease from past years. 2020 dues have largely closed out.
- The 2021 dues are ~ 13% from where they would typically be in past years. TOA might be able to climb past \$300,000 with 2021 dues.

Besides the Pandemic, What Changed for Dues?

- To save costs, TOA quit mailing large magazines to members. These were expensive endeavors, but did they serve as good marketing pieces for TOA? (We don't know that everyone reads the e-mails; or they may go to spam.)
- TOA slowed down on recruiting new members during the pandemic. TOA is starting that process again.

Total Dues Collected for Each Year Data Point (1.18.22)



New Members Each Year

Induction:		Membership Type:				Month	Year
Month	Year	Active	Associate	Military	Allied Health	Total	Total
November	2022	0	0	0	0	0	9
May	2022	5	3	1	0	9	
November	2021	3	4	0	0	7	24
May	2021	13	4	0	0	17	
November	2020	15	12	0	1	28	50
May	2020	15	6	0	1	22	
November	2019	7	8	0	0	15	31
May	2019	9	5	1	1	16	
November	2018	16	5	1	2	24	43
April	2018	15	1	1	2	19	
November	2017	15	19	1	0	35	80
May	2017	28	17	0	0	45	
November	2016	26	22	0	0	48	72
April	2016	6	15	1	2	24	
November	2015	26	11	0	1	38	55
April	2015	12	6	0	0	18	
November	2014	4	13	2	0	19	38
April	2014	3	16	0	0	19	
November	2013	0	6	0	0	6	39
April	2013	11	22	0	0	33	
November	2012	5	15	0	0	20	53
April	2012	16	16	1	0	33	

TOA's Q1 2022 Overview

Continue Annual Conference Preparation

- Continuing identifying sponsors.

Membership: 2021 and 2022 Dues Collection

- Continue attempting to collect as many 2021 dues payments as possible.

Bylaws Revision

- Share the proposed bylaws with the presidential line and the board to make changes at the April conference.

Podiatry: Discuss the Issue

- Prepare for a potential decision at the April conference.

TOPAC

- Continue engaging lawmakers prior to the March 1, 2022, primary election. We have some friends in trouble.