

Potomac Valley Swimming
2019-2020 Budget
- Notes -

2018-2019

The 2018-2019 original budget was established with revenues of \$1,108,035 and expenses of \$1,149,545, resulting in a deficit of \$41,510. Current end of season projections indicate that both revenue and expenses will be under budget by .5% and 2.8%, respectively. This will result in an improvement in the net income deficit, expected to be \$14,575 and a reserve of 73%. The reduction in revenues is due primarily to a decrease in splash fees and expected reduction in Summer Zone meet athletes based on last season's meet attendance figures. The drop in expenses is due in large part to fewer than expected athletes for the Summer Zone meet.

Details and additional factors contributing to the delta are as follows:

Revenues (↓\$5,510)

1. Summer Zone meet attendance, based on last season's meet, is projected to be down by approximately 50 athletes.
2. Splash fees are expected to be down by \$13,660 due to fewer splashes during past 8 months.
3. PVS meet entries are up 5.9% due to an increased number of entries in Open meets.
4. Miscellaneous income increase due to subsidies of \$20,000 from USAS and Eastern Zone for PVS hosting Diversity Select camp.

Expenses (↓\$32,545)

1. Decline in Summer Zone meet attendance will result in approximately \$45,000 less in expenses.
2. Reduction in equipment swim grants from 2 to 1 given no requests as of 1-May.
3. Increase in Inclusion/Diversity Program expenses by \$18,000 due to late addition/award to PVS for hosting of Diversity Select Camp.
4. Reduction in equipment purchases by \$5,000.
5. Increase in meet management fees by \$6,000.

2019-2020

The 2019-2020 budget proposal projects a deficit of \$29,620 and a reserve ratio of 68%. Primary drivers are as follows:

Revenues

1. Projected athlete membership is forecasted to increase 2.5% vs. 2019 budget figures. The overall increase in membership revenue is approximately \$2,100 as the growth is largely in Flex memberships.
2. PVS meet revenue is forecasted to increase approximately \$61,000; \$35,000 due to an increase in Open meet entries and \$36,000 due to an increase in entry fees from \$8.00 to \$10.00 for short and long course championship meets (i.e., **Short course** - Juniors, Seniors and JO's; **Long Course** - 12&under, 13&over, and Open).
3. Reduction of \$33,575 in Zone team fees based on last season's decrease in athlete participation.
4. Reduction of \$13,600 due to downward trend in splash fees.

Expenses

1. PVS meet expenses are projected to increase 4% based on a rise in meet management fees and hospitality.
2. Zone teams' expenses are down 22% based on last season's decreased athlete participation.
3. Increase of approximately \$43,200 in Athlete Travel Assistance based on stipends for 36 athletes expected to compete in Olympic Trials.
4. Reduction of \$10,500 in Other PVS Programs primarily due to a decrease in equipment grants, and removal of diversity select camp as it is held every other year.
5. General Administration costs are expected to be down 1.6%.

	2017-2018 Actual	2018-2019 Budget	2018-2019 EOY Projection	2019-2020 Budget
Revenue				
Memberships Registration	1,108,357	1,117,945	1,108,880	1,146,756
Registrations - USA Swimming	(773,186)	(776,890)	(769,770)	(803,506)
> Net PVS Registrations	335,171	341,055	339,110	343,250
> Total PVS Meets	424,949	437,820	463,590	499,490
> Total Other Meets	129,320	138,760	125,500	122,700
> Total Zones Teams Fees	94,440	174,600	141,025	141,025
> Total Equipment Rentals	7,300	6,400	8,000	9,000
> Financial & Other Income	27,010	9,400	25,200	12,900
Total Income	1,018,190	1,108,035	1,102,425	1,128,365
Expense				
> Total PVS Meets Expenses	475,121	534,170	540,250	556,465
> Total Officials' Support	64,083	78,225	75,260	79,780
> Total Equipment Operations	17,174	23,900	23,480	23,630
> Total Zone Teams	156,958	202,370	157,375	157,375
> Athlete Travel Assistance	39,600	57,400	57,400	100,600
> Meetings/Conf/Seminars	38,974	42,100	42,100	42,100
> Total Other PVS Programs	13,688	33,000	42,500	22,500
> General Administration	186,681	178,380	178,635	175,535
Total Expenses	992,279	1,149,545	1,117,000	1,157,985
Net Income	25,911	(41,510)	(14,575)	(29,620)
Reserve Ratio	84%	69%	73%	68%

Potomac Valley Swimming, Inc
2018-2020 Budget Details

	2017-2018	2018-2019	2018-2019	2019-2020
	Actual	Budget	EOY	Budget
			Projection	
Revenue				
Registration - Athletes				
Athlete Registration Income	1,049,813	1,041,400	1,007,800	1,041,950
Flex to Premium Athlete Reg			22,000	22,950
USA Swimming - Athlete Reg	(716,300)	(711,090)	(702,200)	(733,660)
Seasonal & Flex Registration	1,238	18,465	20,900	21,900
USA Swimming - Seasonal/Flex Reg	(990)	(9,160)	(10,900)	(11,400)
Total Registration - Athletes	333,761	339,615	337,600	341,740
Registration - Non Athletes				
Non Athlete Regist Income	52,606	53,280	53,280	55,056
USA Swimming - Non Athlete Reg	(52,606)	(53,280)	(53,280)	(55,056)
Total Registration - Non Athletes	-	-	-	-
Registration - Clubs				
Club Registration Income	4,700	4,800	4,900	4,900
USA Swimming - Club Reg	(3,290)	(3,360)	(3,390)	(3,390)
Total Registration - Clubs	1,410	1,440	1,510	1,510
PVS Meet Entries				
PVS Meet Entry Income	425,234	438,120	463,890	499,820
Outreach PVS Entry Refund	(285)	(300)	(300)	(330)
Total PVS Meet:	424,949	437,820	463,590	499,490
Other Meets				
Splash Fees	127,520	136,360	122,700	122,700
Sanction Fees	1,800	2,400	2,800	0
Total Other Meets	129,320	138,760	125,500	122,700
Zone Team Fees	94,440	174,600	141,025	141,025
Equipment Rental Income	7,300	6,400	8,000	9,000
Financial & Other Income				
Miscellaneous Income	5,959	1,500	23,300	5,000
Dividend Income	5,883	7,000	7,000	7,000
Interest Income	674	900	650	900
Cap Gain/Loss (Unrealized)	8,083		(15,000)	0
Cap Gain/Loss (Realized)	6,411		9,250	0
Total Financial & Other Income	27,010	9,400	25,200	12,900
Total revenue	1,018,190	1,108,035	1,102,425	1,128,365
Expenses				
PVS Meets				
Meet Management Fees	96,457	100,390	104,800	107,950
Pool Rent	304,972	363,070	361,770	372,625
Hospitality	39,968	43,550	46,180	47,565
Meet Support & Other Exp	33,724	27,160	27,500	28,325
Total PVS Meets Expenses	475,121	534,170	540,250	556,465
Officials Support				
Officials USA Registration *	20,590	22,500	21,600	22,320
Lifetime & Registrar USA Registration	1,058	-	60	60
Background Screening	1,491	7,125	6,000	6,000
Officials Apparel/Supplies	6,301	5,000	4,000	4,000
Clinics	525	1,000	1,000	1,000
Officials Misc Expenses	1,955	3,500	3,500	3,500
Evaluators	3,764	6,500	6,500	6,500
Local OQM Meets	1,585	1,600	1,600	1,600
Officials Travel & Stipends	26,814	31,000	31,000	34,800
Total Officials Support	64,083	78,225	75,260	79,780

Potomac Valley Swimming, Inc
2018-2020 Budget Details

	2017-2018 Actual	2018-2019 Budget	2018-2019 EOY Projection	2019-2020 Budget
Expenses (Continued)				
Equipment Operations		-		
Equipment Storage	5,016	4,800	4,800	5,500
Meet Equipment Purchases	1,088	15,000	10,000	10,000
Equip Supplies, Maint & Repair	4,397	-	5,000	5,000
Depreciation - Meet Equip	6,673	4,100	3,680	3,130
Total Equipment Operations	17,174	23,900	23,480	23,630
Zone Teams	156,958	202,370	157,375	157,375
Athlete Travel Assistance	39,600	57,400	57,400	100,600
Meetings/Conf/Seminars	38,974	42,100	42,100	42,100
Other PVS Programs				
Strategic Planning	251	2,000	1,000	1,000
Safe Sport Program	105	2,800	2,800	2,800
Inclusion/Diversity Prog	7,509	13,000	31,000	10,000
Athlete Awards & Grants	186	1,500	1,000	1,000
Outreach Registration	175	200	200	200
Equipment Purchase Grant	5,000	10,000	5,000	5,000
Club & Coach Development & Awards	462	3,500	1,500	2,500
Total Other PVS Programs	13,688	33,000	42,500	22,500
General Administration				
Computer Expenses	3,457	2,400	2,750	3,000
Office Supplies	270	600	300	300
Postage & Delivery	194	600	200	200
Home Office Expenses	2,834	3,000	2,000	2,500
Advertising & Promotion	715	750	750	750
Bank Service Charges	90	100	100	100
Merchant Fees	3,289	3,000	2,000	2,000
Outside Contractor Services	17,489	16,200	18,100	18,100
Accounting - Audit	10,060	15,000	15,000	10,000
Professional Services	28,600	40,800	40,800	40,800
Employee Salaries	109,139	87,865	87,865	87,865
Payroll Taxes	8,350	5,365	6,720	6,720
Payroll Expenses - QB	173	1,000	350	1,500
Penalty				
Insurance & Interest	1			
Investment Advisory Fee - RBC	1,737	1,700	1,700	1,700
Depreciation Expense	283	-	-	-
Total General Administration	186,681	178,380	178,635	175,535
Total Expense	992,279	1,149,545	1,117,000	1,157,985
Net Income	25,911	(41,510)	(14,575)	(29,620)
Reserve Ratio	84%	69%	73%	68%

Potomac Valley Swimming, Inc.

Reserve Analysis

	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19 Projection	8/31/20 Budget
<u>Cash Inflows</u>							
Total Revenue	1,079,938	1,042,386	1,072,544	1,066,964	1,018,190	1,102,425	1,128,365
Less: Annual unrealized (gain)/loss in RBC	-17,813	23,047	-4,115	-13,111	-8,083	15,000	0
Total Cash Inflows	1,062,125	1,065,433	1,068,429	1,053,853	1,010,107	1,117,425	1,128,365
<u>Cash Outflows</u>							
Total Expenses (net of non-capital equip)	988,650	1,023,087	1,107,810	1,042,403	992,279	1,117,000	1,157,985
Less: Depreciation	-13,090	-10,879	-9,258	-5,305	-6,957	-3,680	-3,130
Plus: Capitalized equipment purch	0	13,398	632	8,688	3,437	0	0
Total Cash Outflows	975,560	1,025,606	1,099,184	1,045,786	988,759	1,113,320	1,154,855
Net Change in Cash Positon	86,565	39,827	-30,755	8,067	21,348	4,105	-26,490
<u>Reserve at Year End</u>							
Cash & Investments at end of Year	867,436	874,746	875,802	883,258	892,991	813,531	787,041
Plus: Receivables	43,262	84,755	18,546	25,696	32,350	0	0
Less: Payables, club credits & escrow funds	-127,021	-159,044	-120,531	-113,959	-100,915	0	0
Total Cash Equivalentents	783,677	800,457	773,817	794,995	824,426	813,531	787,041
Total Annual Cash Expenditures	975,560	1,012,208	1,098,552	1,037,098	985,322	1,113,320	1,154,855
Reserve as % of Total Expenses	80%	79%	70%	77%	84%	73%	68%
Book Income/(Loss)	91,288	19,299	-35,266	24,561	25,911	-14,575	-29,620