

**Potomac Valley Swimming**  
**2020-2022 Budget**  
**- Notes -**

**2020-2021**

The 2020-2021 original budget was established with revenues of \$739,340 and expenses of \$914,875, resulting in a deficit of \$175,535. However, due to the persistence of COVID, additional delays, changes, and cancellations, planned revenues and expenses were impacted, resulting in a projected deficit of \$114,060. The projected deficit also includes a second round of relief and grants issued by PVS totaling \$125,310 and provided as a means to help offset clubs' ongoing financial and operational challenges.

Items with the greatest impact on projected revenues and expenses are as follows:

Projected Revenues are down \$292,500 as compared to the budget due to the following:

1. PVS meets were removed from schedule or formats changed; specifically, Jan open/Jan & Feb distance/18&u qualifier/Sr. & AG/LC Distance meets were removed from the schedule; Short & Long Course Champs meets' format & scope changed due to COVID restrictions; Summer Zones format and scope changed; and no PVS Open Water meet held.
2. Club meets were reduced in quantity, size, and scope.
3. Premium memberships/registration income down 24% and partially offset by Flex membership income which exceeded plan by 30%.
4. Membership relief reimbursement (a portion of paid memberships) to clubs totaling \$107,310 is included.
5. Payroll Protection Program loan #1 of \$21,305 was forgiven and revenue recognized.
6. Financial Accounting Standards update No. 2014-09 has been applied, resulting in the deferral of membership revenue totaling \$26,780 to the 2021-2022 season.

Projected Expenses are down \$353,975 as compared to the budget due to the following:

1. PVS meets removed from schedule or formats changed - (*see note 1 above*)
2. Reductions in meet management fees, pool rent, hospitality, and meet support expenses.
3. Athlete Travel, Officials' travel & support, and program expense budgets (e.g., DEI & Safe Sport) not fully used.
4. PVS relief grants disbursed to clubs totaling \$18,000.

**2021-2022**

The budget proposal projects a deficit of \$25,580 and a reserve ratio of 89%. The basis for these figures includes:

- A return to 15 PVS and 90+ club meets. Additionally, this includes a gradual increase in memberships with an intent to return to 2019 membership figures in 2024.
- 15% growth in premium memberships, 5% growth in flex memberships, and a 5% increase in non-athlete memberships over current year actuals.
- Increase in SC and LC Champs meets' splash fees and implementation of athlete surcharge for all PVS meets.
- Implementation of FASB ASU No. 2014-09, resulting in revenue deferral of -\$29,810 for the 2022 season.

Primary drivers are as follows:

Revenues

1. Premium memberships are projected to increase by approximately 1,125 compared to current season's actuals.
2. PVS meet revenue forecasted to increase approximately \$299,000 based on holding a full complement of PVS as well as clubs meets. This includes an increase of \$2.50/splash fee for SC & LC champs as well as inclusion of an athlete surcharge for all PVS meets (\$10/athlete for SC & LC champs meets and \$5/athlete for all other PVS meets).
3. Inclusion of Zone team with expectation of a return to 2019 format.
4. Athlete and Officials' Travel Assistance budgets similar to that of 2019.
5. Revenue recognition for forgiven PPP Loan (\$27,050) and prior season's deferred membership revenue.

Expenses

1. Meet expenses are projected to increase by \$300,000 with the plan for hosting 15 PVS meets in 2021-2022. This includes a 5% pool rental fee increase, VSI athlete surcharge, and an increase in Hospitality and meet support.
2. Zone team expenses included, however, down 30% from 2019 based on decreased athlete participation.
3. Convention moved from in-person to virtual resulting in a savings of approximately \$20,000.

## Summary Worksheet

Potomac Valley Swimming, Inc.  
2020 - 2022 Budget

	2019-2020 Actuals	2020-2021 Approved Budget	2020-2021 EOY Projection	2021-2022 Proposed Budget
<b>Revenue</b>				
Memberships Registration	1,113,135	889,080	776,814	922,217
Registrations - USA Swimming	-941,140	-602,410	-652,576	-655,632
> Net PVS Registrations	<b>171,995</b>	<b>286,670</b>	<b>124,238</b>	<b>266,585</b>
> Total PVS Meets	295,310	277,870	193,110	492,580
> Total Other Meets (incl. Open Water)	89,287	62,080	59,654	104,380
> Total Zones Teams Fees	-	91,370	15,000	84,530
> Total Equipment Rentals	7,711	7,650	9,650	9,000
> Financial & Other Income	63,494	13,700	50,663	12,400
> PPP & Deferred Revenue	-	-	(5,475)	-2,760
<b>Total Revenue</b>	<b>627,797</b>	<b>739,340</b>	<b>446,840</b>	<b>966,715</b>
<b>Expense</b>				
> Total PVS Meets Expenses + Open Water	261,292	396,520	212,166	533,685
> Total Officials' Support & LifeTime	42,481	77,792	49,692	69,250
> Total Equipment Operations	28,727	21,000	16,269	24,750
> Total Zone Teams	-	111,540	16,385	98,485
> Athlete Travel Assistance	31,500	109,600	68,383	61,600
> Meetings/Conf/Seminars	24,106	4,000	-	14,000
> Total Other PVS Programs	4,364	20,000	7,985	23,460
> General Administration + Relief	191,932	174,423	190,020	167,065
<b>Total Expenses</b>	<b>584,402</b>	<b>914,875</b>	<b>560,900</b>	<b>992,295</b>
<b>Operating Surplus (Deficit)</b>	<b>43,395</b>	<b>-175,535</b>	<b>-114,060</b>	<b>-25,580</b>
<b>Reserve Ratio</b>	<b>162%</b>	<b>81%</b>	<b>157%</b>	<b>89%</b>

	Actuals as of 31 Aug 2020	2020/2021 Budget	2020/2021 EOY Projection	Budget 2021-2022
<b>Revenue</b>				
<i>Registration - Athletes</i>				
Athlete Registration Income	1,005,840	782,000	653,444	812,630
Flex to Prem Athlete Reg	21,870	20,520	41,972	21,150
USA Swimming - Athlete Reg	-705,310	-529,730	-483,578	-585,420
PVS Relief Funds	-164,338	0	-107,310	0
Seasonal & Flex Regist Inc	25,183	24,980	33,990	33,975
USA Swimming - Seasonal/Flex Reg	-12,750	-12,600	-15,600	-17,100
<b>Total Registration - Athletes</b>	<b>170,495</b>	<b>285,170</b>	<b>122,918</b>	<b>265,235</b>
<i>Registration - Non Athletes</i>				
Non Athlete Regist Income	55,242	56,580	43,008	49,962
USA Swimming - Non Athlete Reg	-55,242	-56,580	-43,008	-49,962
<b>Total Registration - Non Athletes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Registration - Clubs</i>				
Club Registration Income	5,000	5,000	4,400	4,500
Associate Club Reg Fee	0	0	0	0
USA Swimming - Club Regist	-3,500	-3,500	-3,080	-3,150
<b>Total Registration - Clubs</b>	<b>1,500</b>	<b>1,500</b>	<b>1,320</b>	<b>1,350</b>
<i>PVS Meet Entries</i>				
PVS Meet Entry Income	295,385	277,970	193,185	493,030
Outreach PVS Entry Refund	-75	-100	-75	-450
<b>Total PVS Meets</b>	<b>295,310</b>	<b>277,870</b>	<b>193,110</b>	<b>492,580</b>
<i>Other Meets</i>				
Splash Fees	89,287	57,080	59,654	99,380
Open Water Event		5,000	0	5,000
Sanction Fees	0	0	0	0
<b>Total Other Meets</b>	<b>89,287</b>	<b>62,080</b>	<b>59,654</b>	<b>104,380</b>
<i>Zone Team Fees</i>	0	91,370	15,000	84,530
<i>Diversity Select Camp</i>	0	0	0	0
<i>Equipment Rental Income</i>	7,711	7,650	9,650	9,000
<i>Financial &amp; Other Income</i>				
Miscellaneous Income & Fines	11,625	6,800	8,400	7,000
Dividend Income	5,409	6,000	3,768	4,500
Interest Income	319	900	45	900
Cap Gain/Loss ( Unrealized)	44,657	0	31,319	0
Cap Gain/Loss ( Realized)	1,484	0	7,131	0
Payroll Protection Program & Def Revenue	0	0	-5,475	-2,760
<b>Total Financial &amp; Other Income</b>	<b>63,494</b>	<b>13,700</b>	<b>45,188</b>	<b>9,640</b>
<b>Total Revenue</b>	<b>627,797</b>	<b>739,340</b>	<b>446,840</b>	<b>966,715</b>

	<u>Actuals as of 31 Aug 2020</u>	<u>2020/2021 Budget</u>	<u>2020/2021 EOY Projection</u>	<u>Budget 2021-2022</u>
<b>Expenses</b>				
<i><b>PVS Meets</b></i>				
Meet Management Fees	65,059	56,870	18,744	85,055
Pool Rent	160,538	263,080	166,144	360,190
Hospitality	25,266	32,580	9,414	33,090
Meet Support & Other Expenses + VSI chg	10,429	29,990	17,864	41,350
<b>Total PVS Meets</b>	<b>261,292</b>	<b>382,520</b>	<b>212,166</b>	<b>519,685</b>
<i><b>Open Water Event</b></i>		<b>14,000</b>	0	<b>14,000</b>
<i><b>Officials Support</b></i>				
Officials USA Registration	20,462	20,992	20,928	22,000
Background Screening	1,055	2,800	1,454	2,800
Officials Apparel/Supplies	5,087	3,200	976	1,800
Clinics	255	200	0	200
Officials Misc Expenses	410	500	0	500
Evaluators	2,048	3,250	0	3,250
Local OQM Meets	2,447	2,250	1,375	2,500
Officials Travel & Stipends - Other	10,717	44,600	24,959	36,200
<b>Total Officials Support</b>	<b>42,481</b>	<b>77,792</b>	<b>49,692</b>	<b>69,250</b>
<i><b>Equipment Operations</b></i>				
Equipment Storage	6,994	12,000	12,150	12,600
Meet Equip Purchases & Donations	12,416	5,000	0	5,000
Equip Suppl/Maint/Repairs	2,641	3,000	964	5,000
Depreciation & Property Tax - Meet Equip	6,676	1,000	3,155	2,150
<b>Total Equipment Operations</b>	<b>28,727</b>	<b>21,000</b>	<b>16,269</b>	<b>24,750</b>
<i><b>Zone Teams</b></i>	<b>0</b>	<b>111,540</b>	<b>16,385</b>	<b>98,485</b>
<i><b>Athlete Travel Assistance</b></i>	<b>31,500</b>	<b>109,600</b>	<b>68,383</b>	<b>61,600</b>
<i><b>Meetings/Conf/Seminars</b></i>	<b>24,106</b>	<b>4,000</b>	<b>0</b>	<b>14,000</b>
<i><b>Other PVS Programs</b></i>				
Strategic Planning	0	500	0	1,250
Diversity, Equity, & Inclusion Program	1,575	13,000	7,300	13,000
Safe Sport Program	2,500	2,800	0	2,800
Outreach Registration	100	200	60	410
Club & Coach Development	189	2,500	625	2,500
Athlete Awards & Grants	0	1,000	0	1,000
Equipment Grant & Swimposium	0	0	0	2,500
<b>Total Other PVS Programs</b>	<b>4,364</b>	<b>20,000</b>	<b>7,985</b>	<b>23,460</b>

	<u>Actuals as of 31 Aug 2020</u>	<u>2020/2021 Budget</u>	<u>2020/2021 EOY Projection</u>	<u>Budget 2021-2022</u>
<b><i>General Administration</i></b>				
Computer Expenses	3,237	4,500	4,467	3,500
Lifetime & Staff Registration	124	1,128	1,192	1,192
Office Supplies	142	300	106	300
Postage & Delivery	275	250	105	100
Home Office Expenses	1,659	2,000	1,427	1,600
Advertising & Promotion	300	750	250	750
Bank Service Charges	75	50	50	28
Merchant Fees/QB & PP	1,103	2,800	1,706	1,600
Outside Contractor Services	9,453	7,500	7,500	7,500
Accounting - Audit	7,000	12,250	12,000	7,000
Professional Services	9,999	750	159	100
Employee Salaries	119,758	130,000	130,000	130,000
Payroll Taxes	9,161	9,945	9,945	9,945
Payroll Expenses - QB	216	500	275	350
Penalty Expense	0	0	0	0
Investment Advisory Fee - RBC	1,821	1,700	2,838	3,100
Interest Expense	0	0	0	0
Insurance Expense	0	0	0	0
Uncollectible Accounts	344		0	0
Depreciation Expense	0	0	0	0
Relief Grant and Expenses	27,265	0	18,000	0
<b><i>Total General Administration</i></b>	<b>191,932</b>	<b>174,423</b>	<b>190,020</b>	<b>167,065</b>
<b>Total Expenses</b>	<b>584,402</b>	<b>914,875</b>	<b>560,900</b>	<b>992,295</b>
<b>Operating Surplus (Deficit)</b>	<b>43,395</b>	<b>-175,535</b>	<b>-114,060</b>	<b>-25,580</b>

**Potomac Valley Swimming, Inc.  
Reserve Analysis**

	8/31/16	8/31/17	8/31/18	8/31/19	COVID-19 8/31/20	COVID-19 8/31/21 EOY Projection	COVID-19 8/31/22 Budget
<b><u>Cash Inflows</u></b>							
Total Revenue	1,072,544	1,066,964	1,018,190	1,090,789	627,797	446,840	966,715
Less: Annual unrealized (gain)/loss in RBC	-4,115	-13,111	-8,083	11,533	-44,657	-31,319	0
<b>Total Cash Inflows</b>	<b>1,068,429</b>	<b>1,053,853</b>	<b>1,010,107</b>	<b>1,102,322</b>	<b>583,140</b>	<b>415,521</b>	<b>966,715</b>
<b><u>Cash Outflows</u></b>							
Total Expenses	1,107,810	1,042,403	992,279	1,016,151	584,402	560,900	992,295
Less: Depreciation	-9,258	-5,305	-6,957	-4,041	-3,288	-1,155	0
Plus: Capitalized equipment purch	632	8,688	3,437	0	0	0	0
<b>Total Cash Outflows</b>	<b>1,099,184</b>	<b>1,045,786</b>	<b>988,759</b>	<b>1,012,110</b>	<b>581,114</b>	<b>559,745</b>	<b>992,295</b>
<b>Net Change in Cash Position</b>	<b>-30,755</b>	<b>8,067</b>	<b>21,348</b>	<b>90,212</b>	<b>2,026</b>	<b>-144,224</b>	<b>-25,580</b>
<b><u>Reserve at Year End</u></b>							
Cash & Investments at end of Year	875,802	883,258	892,991	877,123	979,539	895,081	881,571
Plus: Receivables	18,546	25,696	32,350	35,992	2,364	12,070	0
Less: Payables, club credits & escrow funds	-120,531	-113,959	-100,915	-14,977	-42,786	-28,750	0
<b>Total Cash Equivalent</b>	<b>773,817</b>	<b>794,995</b>	<b>824,426</b>	<b>898,138</b>	<b>939,117</b>	<b>878,401</b>	<b>881,571</b>
<b>Total Annual Cash Expenditures</b>	<b>1,098,552</b>	<b>1,037,098</b>	<b>985,322</b>	<b>1,012,110</b>	<b>581,114</b>	<b>559,745</b>	<b>992,295</b>
<b>Reserve as % of Total Expenses</b>	<b>70%</b>	<b>77%</b>	<b>84%</b>	<b>89%</b>	<b>162%</b>	<b>157%</b>	<b>89%</b>