

Potomac Valley Swimming  
2018-2019 HOD Approved Budget  
- Notes -

2017/2018

The 2017/2018 original budget estimated revenues of \$1,106,400 and expenses of \$1,123,000 with a deficit of \$16,600. Current projections indicate that both revenue and expenses will miss these targets. Revenue is expected to be down by approximately \$2,700 and expenses down by a much greater rate by about \$43,000, resulting in a net income surplus of \$24,455. The reduction in expenses is due to a decrease in salaries and overhead, elimination of the Swimposium and PVS camps, and fewer equipment purchases than planned.

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

Revenues

1. Athlete membership registrations are not on track with the budgeted growth of 2.5%. Actual growth for the year is down by about 2.7% from the budget figure, resulting in a reduction in registration revenue of approximately \$30,250, thus, a net decrease in PVS income of \$9,840.
2. Swimposium and camp fees budgeted for \$4,600 will not be recognized as they will not take place.
3. Miscellaneous income is up primarily due to the Leap 3 recognition check.

Expenses

1. A change in personnel 1-Jan-2018 (from Controller to bookkeeper) resulted in a reduction of salary, payroll additives and other expenses by approximately \$21,700.
2. Swimposium, PVS camps and Open Water support budgeted for \$20,000 will not occur as planned.
3. PVS Meet expenses are down by 4% due to lower meet management and support fees.
4. Overall, there has been a 6% reduction in the line item titled officials support as a result of less expenditures on background screening, apparel and supplies. However, this is partially offset by the Officials USA registration which is up by 18% due to an increase in the number of officials who are exempt from paying registration fees. This trend is expected to continue.
5. Equipment Operations' expenses are down due to reduced storage space fees and less expenditures on maintenance, supplies and repairs.

2018-2019

The 2018/2019 budget was approved by the HOD on 22-May-18 with the inclusion of the following three items:

- I. \$1 increase in PVS portion of athlete registration fees taking the PVS fee from \$27 to \$28
- II. Assessment of \$300.00 post HOD issued to clubs who do not attend 2 out of 3 Competition Committee meetings as well as the HOD
- III. Flex membership category to be made available by PVS

With regard to items I through III, I (**PVS registration increase**) has been incorporated into the budget, II (**Club Assessment fee**) will not be included and the impact determined during the next budgeting cycle, III (**Flex Membership**) is included, however, the budget is ***provisional*** until we harvest impact information directly from PVS clubs and coaches. The provisional budget figures are based on USA-S' research and projections for Premium to Flex conversion as well as new Flex members. PVS will issue a survey to clubs and coaches to acquire LSC specific feedback. Once this data is received, it will analyzed and the budget refined to incorporate our LSC's projections. This will be completed and re-posted as ***FINAL*** in August 2018.

The provisional budget, with the inclusion of Flex based on USA-S' projections, reflects estimated revenues of \$1,106,975, expenses of \$1,149,545, a deficit of \$42,570, and a reserve ratio of 69%.

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Additional details regarding the budget are as follows:

Revenues

1. Revenue from Splash fees is likely to increase \$13,500 due to additional club meets and expected increase in entries.

Expenses

1. PVS meets expenses are increasing due to anticipated 5% increase in pool rental rates plus the addition of a 3<sup>rd</sup> pool rental for the Senior LC Championship meet in July. The CCM decided to split the Junior and Senior LC Championship meets, necessitating rental of another pool/facility.
2. Equipment Operations are increasing due to planned purchases of new meet equipment necessary to replace older/retiring equipment.
3. Officials Support expenses are up primarily due to:
  - expected increase of 6% in the number of “no-pay” officials from 354 to 375;
  - increase in evaluator and local Officials Qualifying Meet (OQM) costs;
  - increase in travel stipend allowance by \$100 per national championship meet type and allowance for attendance at 3 vs 2 national level meets per swim 2018-2019 season;
4. Inclusion of \$10,000 for meet equipment grants - \$5000 for up to two eligible clubs.
5. General Administration costs up slightly due to the cost for a full audit.

	2016-2017 Actual	2017-2018 Budget	2017-2018 EOY Projection	2018-2019 Budget (w/o Flex)	2018-2019 Budget (w/ Flex)
<b>Income</b>					
Memberships Registration	1,092,802	1,154,800	1,125,113	1,169,135	1,107,175
Registrations - USA Swimming	(775,003)	(804,600)	(784,630)	(814,480)	(767,180)
> Net PVS Registrations	<b>317,799</b>	<b>350,200</b>	<b>340,483</b>	<b>354,655</b>	<b>339,995</b>
> Total PVS Meets	417,828	438,400	438,315	437,820	437,820
> Total Other Meets	133,513	125,300	125,300	138,760	138,760
> Total Zones Teams Fees	166,046	173,700	173,700	174,600	174,600
> Total Equipment Rentals	5,330	6,400	6,400	6,400	6,400
> Total Program Fees		4,600	-	-	-
> Financial & Other Income	25,149	7,800	19,912	9,400	9,400
<b>Total Income</b>	<b>1,063,965</b>	<b>1,106,400</b>	<b>1,104,110</b>	<b>1,121,635</b>	<b>1,106,975</b>
<b>Expense</b>					
> Total PVS Meets Expenses	455,768	487,000	486,800	534,170	534,170
> Total Officials' Support	37,984	58,000	54,590	78,225	78,225
> Total Equipment Operations	19,737	17,900	14,561	23,900	23,900
> Total Zone Teams	239,725	200,600	200,600	202,370	202,370
> Athlete Travel Assistance	34,450	69,000	65,000	57,400	57,400
> Meetings/Conf/Seminars	32,037	40,100	40,100	42,100	42,100
> Total Other PVS Programs	27,078	39,700	23,325	33,000	33,000
> General Administration	195,625	210,700	194,679	178,380	178,380
<b>Total Expense</b>	<b>1,042,404</b>	<b>1,123,000</b>	<b>1,079,655</b>	<b>1,149,545</b>	<b>1,149,545</b>
<b>Net Income</b>	<b>24,561</b>	<b>(16,600)</b>	<b>24,455</b>	<b>(27,910)</b>	<b>(42,570)</b>
Net Income incl. unrealized gain/loss of RBC Wealth Mgmt account assets	11,450	(16,600)	24,053	(27,910)	(42,570)
Reserve Ratio	77%	66%	77%	71%	69%
Capitalized Equipment Budgets	25,000	25,000		15,000	15,000
Capital Equipment Expenditures	8,688		4,525	15,000	15,000

## Potomac Valley Swimming, Inc 2017-2019 Budget Details

	2016-2017 Actual	2017-2018 Budget	2017-2018 EOY Projection	2018-2019 Budget (w/o Flex)	2018-2019 Budget (w/ Flex)
<b>Income</b>					
<b>Registration - Athletes</b>					
Athlete Registration Income	1,041,206	1,097,000	1,066,750	1,108,990	1,047,030
USA Swimming - Athlete Reg	(699,572)	(748,500)	(728,090)	(756,190)	(708,890)
<b>Total Registration - Athletes</b>	<b>341,634</b>	<b>348,500</b>	<b>338,660</b>	<b>352,800</b>	<b>338,140</b>
<b>Registration - Non Athletes</b>					
Non Athlete Regist Income	44,737	51,500	51,500	53,280	53,280
USA Swimming - Non Athlete Reg	(70,421)	(51,500)	(51,500)	(53,280)	(53,280)
<b>Total Registration - Non Athletes</b>	<b>(25,684)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Registration - Clubs</b>					
Club Registration Income	4,800	4,700	4,700	4,700	4,700
USA Swimming - Club Reg	(3,360)	(3,300)	(3,290)	(3,290)	(3,290)
<b>Total Registration - Clubs</b>	<b>1,440</b>	<b>1,400</b>	<b>1,410</b>	<b>1,410</b>	<b>1,410</b>
<b>Registration - Seasonal</b>					
Season Registration Income	2,059	1,500	2,063	2,065	2,065
USA Swimming - Seasonal Reg	(1,650)	(1,200)	(1,650)	(1,650)	(1,650)
<b>Total Registration - Seasonal</b>	<b>409</b>	<b>300</b>	<b>413</b>	<b>415</b>	<b>415</b>
<b>Registrations - Assoc Organiz</b>					
Assoc Organiz Reg	-	100	100	100	100
USA Swimming - Assoc Org	-	(100)	(100)	(70)	(70)
<b>Total Registrations - Assoc Org</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>	<b>30</b>
Memberships Registration	1,091,800	1,154,800	1,125,113	1,169,135	1,107,175
Registration - USA Swimming	(775,003)	(804,600)	(784,630)	(814,480)	(767,180)
<b>Total PVS Registrations</b>	<b>317,799</b>	<b>350,200</b>	<b>340,483</b>	<b>354,655</b>	<b>339,995</b>
<b>Meet Entries</b>					
PVS Meet Entry Income	418,035	438,600	438,600	438,120	438,120
Outreach PVS Entry Refund	(207)	(200)	(285)	(300)	(300)
<b>Total PVS Meets</b>	<b>417,828</b>	<b>438,400</b>	<b>438,315</b>	<b>437,820</b>	<b>437,820</b>
<b>Other Meets</b>					
Splash Fees	131,113	122,900	122,900	136,360	136,360
Sanction Fees	2,400	2,400	2,400	2,400	2,400
<b>Total Other Meets</b>	<b>133,513</b>	<b>125,300</b>	<b>125,300</b>	<b>138,760</b>	<b>138,760</b>
<b>Zone Teams Fees</b>					
SC Zone Teams	40,122	-	-	-	-
LC Zone Teams	125,924	173,700	173,700	174,600	174,600
<b>Total Zones Teams Fees</b>	<b>166,046</b>	<b>173,700</b>	<b>173,700</b>	<b>174,600</b>	<b>174,600</b>
<b>Equipment Rentals</b>					
Equipment Rental Income	5,330	6,400	6,400	6,400	6,400
<b>Total Equipment Rentals</b>	<b>5,330</b>	<b>6,400</b>	<b>6,400</b>	<b>6,400</b>	<b>6,400</b>
<b>Program Fees</b>					
Camp Registrations	-	3,000	-	-	-
Swimposium Fees	-	1,600	-	-	-
<b>Total Program Fees</b>	<b>-</b>	<b>4,600</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial &amp; Other Income</b>					
Miscellaneous Income	459	300	6,000	1,500	1,500
Dividend Income	5,639	6,800	6,800	7,000	7,000
Interest Income	687	700	700	900	900
Cap Gain/Loss ( Unrealized)	19,664	-	-	-	-
Cap Gain/Loss ( Realized)	-	-	6,412	-	-
<b>Financial &amp; Other Income</b>	<b>26,449</b>	<b>7,800</b>	<b>19,912</b>	<b>9,400</b>	<b>9,400</b>
<b>Total Income</b>	<b>1,066,965</b>	<b>1,106,400</b>	<b>1,104,110</b>	<b>1,121,635</b>	<b>1,106,975</b>

## Potomac Valley Swimming, Inc 2017-2019 Budget Details

Expense	2016-2017 Actual	2017-2018 Budget	2017-2018 EOY Projection	2018-2019 Budget (w/o Flex)	2018-2019 Budget (w/ Flex)
<b>PVS Meets</b>					
Meet Management Fees	118,499	108,400	108,400	100,390	100,390
Pool Rent	272,302	307,400	307,400	363,070	363,070
Hospitality	49,389	43,700	43,700	43,550	43,550
Meet Support & Other Exp	15,578	27,500	27,300	27,160	27,160
<b>Total PVS Meets Expenses</b>	<b>455,768</b>	<b>487,000</b>	<b>486,800</b>	<b>534,170</b>	<b>534,170</b>
<b>Officials Support</b>					
Officials USA Registration *	-	18,300	21,590	22,500	22,500
Lifetime & Registrar USA Registration	-	-	-	-	-
Background Screening	2,218	7,000	5,000	7,125	7,125
Officials Apparel/Supplies	8,716	8,000	5,000	5,000	5,000
Clinics	749	1,000	1,000	1,000	1,000
Officials Misc Expenses	5,594	5,300	3,000	3,500	3,500
Evaluators	2,149	3,000	2,000	6,500	6,500
Local OQM Meets	-	-	1,600	1,600	1,600
Officials Travel & Stipends	18,558	15,400	15,400	31,000	31,000
<b>Total Officials Support</b>	<b>37,984</b>	<b>58,000</b>	<b>54,590</b>	<b>78,225</b>	<b>78,225</b>
<b>Equipment Operations</b>					
Equipment Storage	4,500	5,400	4,800	4,500	4,800
Equipment Manager	4,415	-	-	-	-
Equipment Repairs & Maint	37	2,000	-	-	-
Meet Equipment Purchases	291	-	1,088	15,000	15,000
Supplies, Maint & Repair	-	3,000	2,000	-	-
Depreciation - Meet Equip	5,094	7,500	6,673	4,100	4,100
<b>Total Equipment Operations</b>	<b>19,737</b>	<b>17,900</b>	<b>14,561</b>	<b>23,900</b>	<b>23,900</b>
<b>Zone Teams</b>					
SC Zones	63,320	-	-	-	-
LC Zones	176,405	200,600	200,600	202,370	202,370
<b>Total Zone Teams</b>	<b>239,725</b>	<b>200,600</b>	<b>200,600</b>	<b>202,370</b>	<b>202,370</b>
<b>Athlete Travel Assistance</b>	<b>34,450</b>	<b>69,000</b>	<b>65,000</b>	<b>57,400</b>	<b>57,400</b>
<b>Meetings/Conf/Seminars</b>	<b>32,037</b>	<b>40,100</b>	<b>40,100</b>	<b>42,100</b>	<b>42,100</b>
<b>Other PVS Programs</b>					
Open Water Support	-	2,000	-	-	-
Strategic Planning	1,912	100	650	2,000	2,000
PVS Camps	3,362	6,000	-	-	-
Swimposium	-	12,000	-	-	-
Safe Sport Program	1,558	2,800	2,500	2,800	2,800
Inclusion/Diversity Prog	8,883	11,600	10,500	13,000	13,000
Athlete Awards & Grants	374	1,500	1,000	1,500	1,500
Outreach Registration	-	200	175	200	200
Equipment Purchase Grant	-	-	5,000	10,000	10,000
Club & Coach Development & Awards	10,989	3,500	3,500	3,500	3,500
<b>Total Other PVS Programs</b>	<b>27,078</b>	<b>39,700</b>	<b>23,325</b>	<b>33,000</b>	<b>33,000</b>
<b>General Administration</b>					
Computer Expenses	637	2,800	2,500	2,400	2,400
Office Supplies	1,428	1,400	800	600	600
Postage & Delivery	559	1,100	600	600	600
Repairs and Maintenance	-	300	-	-	-
Home Office Expenses	6,305	5,500	3,000	3,000	3,000
Advertising & Promotion	715	600	600	750	750

## Potomac Valley Swimming, Inc 2017-2019 Budget Details

	2016-2017 Actual	2017-2018 Budget	2017-2018 EOY Projection	2018-2019 Budget (w/o Flex)	2018-2019 Budget (w/ Flex)
Bank Service Charges	303	400	79	100	100
Merchant Fees	1,346	5,500	2,700	3,000	3,000
Outside Contractor Services	-	16,200	16,200	16,200	16,200
Accounting - Audit	-	11,000	10,200	15,000	15,000
Professional Services	9,530	46,189	30,780	40,800	40,800
Employee Salaries	173,023	108,789	116,463	87,865	87,865
Payroll Taxes	-	8,322	8,100	5,365	5,365
Payroll Expenses - QB	-	-	44	1,000	1,000
Investment Advisory Fee - RBC	1,568	1,700	1,700	1,700	1,700
Depreciation Expense	211	900	263	-	-
General Administration	19,625	210,700	194,679	178,380	178,380
<b>Total Expenses:</b>	<b>1,042,404</b>	<b>1,123,000</b>	<b>1,079,655</b>	<b>1,149,545</b>	<b>1,149,545</b>
<b>Net Income:</b>	<b>24,561</b>	<b>(16,600)</b>	<b>24,455</b>	<b>(27,910)</b>	<b>(42,570)</b>
Net Income incl. unrealized gain/loss of RBC					
Wealth Mgmt account assets	11,450	(16,600)	24,053	(27,910)	(42,570)
Reserve Ratio	77%	66%	77%	71%	69%
Capitalized Equipment Budgets	25,000	25,000		15,000	15,000
Capital Equipment Expenditures	8,688		4,525	15,000	15,000

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

	ACTUALS					PROJECTIONS		
	8/31/13	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18 Projection	8/31/19 Budget w/o Flex	8/31/19 Budget w/ Flex
<b>Cash Inflows</b>								
Total Revenue	1,028,586	1,079,938	1,042,386	1,072,544	1,066,964	1,104,110	1,121,635	1,106,975
Less: Annual unrealized (gain)/loss in RBC	-5,078	-17,813	23,047	-4,115	-13,111	-402	0	0
<b>Total Cash Inflows</b>	<b>1,023,508</b>	<b>1,062,125</b>	<b>1,065,433</b>	<b>1,068,429</b>	<b>1,053,853</b>	<b>1,103,708</b>	<b>1,121,635</b>	<b>1,106,975</b>
<b>Cash Outflows</b>								
Total Expenses (net of non-capital equip)	934,161	988,650	1,023,087	1,107,810	1,042,403	1,073,557	1,134,545	1,134,545
Less: Depreciation	-12,784	-13,090	-10,879	-9,258	-5,305	-6,935	-4,100	-4,100
Plus: Capitalized equipment purch	20,934	0	13,398	1,192	1,638	4,525	15,000	15,000
<b>Total Cash Outflows</b>	<b>942,311</b>	<b>975,560</b>	<b>1,025,606</b>	<b>1,119,844</b>	<b>1,045,786</b>	<b>1,076,156</b>	<b>1,145,445</b>	<b>1,145,445</b>
<b>Net Change in Cash Position</b>	<b>81,197</b>	<b>86,565</b>	<b>39,827</b>	<b>-30,755</b>	<b>8,067</b>	<b>27,552</b>	<b>-23,810</b>	<b>-38,470</b>
<b>Reserve at Year End</b>								
Cash & Investments at EoY	633,142	867,436	874,746	875,802	883,258	822,949	799,139	784,479
Plus: Receivables	17,435	43,262	84,755	18,546	25,696	0	0	0
Less: Payables, club credits & escrow funds	-21,278	-127,021	-159,044	-120,531	-113,959	0	0	0
<b>Total Cash Equivalents</b>	<b>679,299</b>	<b>783,677</b>	<b>800,457</b>	<b>773,817</b>	<b>794,995</b>	<b>822,949</b>	<b>799,139</b>	<b>784,479</b>
<b>Total Annual Cash Expenditures</b>	<b>921,377</b>	<b>975,560</b>	<b>1,012,208</b>	<b>1,098,552</b>	<b>1,037,098</b>	<b>1,071,631</b>	<b>1,130,445</b>	<b>1,130,445</b>
<b>Reserve as % of Total Expenses</b>	<b>74%</b>	<b>80%</b>	<b>79%</b>	<b>70%</b>	<b>77%</b>	<b>77%</b>	<b>71%</b>	<b>69%</b>
Book Income/(Loss)	94,425	91,288	19,299	-35,266	24,561	24,455	-27,910	-42,570
Book Income/(Loss) excluding unrealized (gain)/loss RBC	89,347	73,475	42,346	-39,381	11,450	24,053	-27,910	-42,570