

POTOMAC VALLEY SWIMMING

Strategic Planning Report May 2, 2007

This report has been prepared for the House of Delegates following the PVS Strategic Planning Retreat conducted on April 15. Its purpose is to update the members of the House regarding the long term planning issues that your Board of Directors have been studying. Also, the Strategic Planning Committee is asking the House to take action at this meeting in support of a major new initiative. This report is a product of Strategic Planning and has not been reviewed by or approved by the Board of Directors.

The focal point of the retreat discussion was the desirability for PVS to move from a volunteer driven organization to a staff driven structure. Many of the questions and concepts presented were related to the steps necessary to achieve this major change. These include a review of staffing, the role of the Board, the role of committees, and the role of coaches and volunteers. In order to move forward with these concepts, the primary issue is to adopt a new staffing model. After this new model is approved and PVS is ready to implement it, then we will deal with the remaining issues regarding the proper role for the clubs and members.

The Strategic Planning Committee's goal for the House of Delegates is to take the actions that are needed now so that the incoming PVS Board can begin the process of remaking its organizational structure. These proposed actions accept the concept that PVS should not be the same organization that it has been in the past and that a renovated and reorganized structure will be required in order to respond effectively in the future to the needs of our swimmers and clubs.

Staff Reorganization

Currently, PVS retains four independent contractors: administrative assistant, registrar, controller, and equipment manager. In addition, fees are paid to the coaches and manager for our zone teams. Currently, these contractors all report to either the General Chair or the responsible Board member for their area of activity. There is no person responsible for overall coordination or even coordinating action among the contractors.

The proposed organizational structure will add the position of Executive Director as a full or part-time staff position. The Executive Director will serve as the Chief Operating Officer for PVS, as staff director and as the primary point of contact for all programs and activities. The Board of Directors will still maintain control over programs and policy.

The Executive Director will be responsible for the day to day management of the association.

If this position is established, it will be a major step toward the move from a predominately volunteer driven organization to one that is professionally staffed and operated in more areas. During the initial period, PVS will need to examine and make adjustments. We hope that there will be minimal "growing pains" as we transition from all volunteers to a paid staff that is coordinated by and supplemented by volunteers. The opportunities for growth and excellence far outweigh the inconvenience of any needed sorting out these issues during the transition period.

Create the Staff Position of Executive Director

The resolution below authorizes the Board of Directors to create the staff position of Executive Director and, if adopted, will permit the incumbent to perform as chief of staff, to speak for PVS and to make business decisions on behalf of PVS. The Board will retain the right to limit the authority of the Executive Director and to establish the details regarding the relationship between the Executive Director and the Board, General Chair, Board of Review, House of Delegates, staff, committees, clubs, coaches and volunteers.

MOVED:

WHEREAS Potomac Valley Swimming desires to implement a new organizational structure that includes a paid professional staff and,

WHEREAS the key step in this plan to create a staff driven organization is to have an Executive Director who will have day-to-day responsibility for the management of the organization and its staff and programs,

NOW THEREFORE, BE IT RESOLVED that Potomac Valley Swimming House of Delegates hereby authorizes the Board of Directors to create the position of Executive Director with responsibilities as chief of staff, as primary contact person for PVS, and as the chief operating officer for PVS.

Financial Impact

The discussion regarding the proposed move toward a staff driven structure was followed by a discussion on the financial requirements for the new structure. In recent years financial surpluses have occurred primarily due to the reasons highlighted below. The financial projections for next year indicate an expected deficit budget. For discussion purposes, PVS receives revenue primarily from three sources – membership fees, meet entry fees, and sanction fees. The PVS Board determined at its April Board meeting (as part of reviewing the FY08 Budget to be recommended to the House) that an increase in fees is not needed to support this initiative in the next fiscal year. Future Board's and the House will need to address whether this will be needed in subsequent years. To help project what future revenues might need to be, an increase in any of the following will result in about \$10,000 of additional revenue:

- \$1.25 increase in membership fee.
- \$.20 increase in meet entry fee.
- \$.10 increase in club meet sanction fee.

The current strong financial health of PVS is highlighted by these three observations:

1. Continued strong growth in membership and meet participation has generated substantial additional income in recent years.
2. New programs and initiatives have been budgeted, but have not always been implemented due to the lack of volunteers willing to take responsibility for these programs, resulting in spending levels that are below budgeted amounts.

3. There has not been an increase in membership fees, meet entry fees or sanction fees for at least the past seven years. In fact, the sanction fee has been decreased by 40% during this period (\$.75 to \$.45).

The Strategic Planning Retreat participants focused on two key financial issues:

1. The consensus among our committee is that the membership is favor of modest cost increases in order to provide additional and higher quality services to our membership.
2. PVS has not implemented any price increases in at least 6 years, not even cost of living adjustments, even though our costs for every service continue to increase.