

**Potomac Valley Swimming
2014-2015 Budget
Notes**

The 2013-2014 fiscal year is projected to end with a budget surplus of \$72,715 compared to a budgeted surplus of \$73,281. While the current projected surplus is very close to the budgeted surplus, significant differences between budget and the current projection exist. Both PVS and club meets had significantly more entries than budgeted. This extra revenue was offset by higher pool rental costs for to use of PGS&LC and UMD due to the unexpected closure of Fairland during the SC competition season. The projected surplus assumes that budgeted dollars in many programs will be spent before the end of the fiscal year. If these dollars are not spent, the projected surplus could be significantly higher.

The 2014-2015 fiscal year is expected to end with a surplus of \$25,979 due to continued membership growth and lower pool rental cost as a result of returning to Fairland for certain meets that were conducted at PGS&LC and UMD during the previous year. The 2014-2015 projections include new funding for the following programs/items:

- A Swimposium in 2014-2015;
- 3rd sites for the 2015 LC Sr/AG 1 & 2 meets;
- Increased hospitality reimbursements for PVS Championship meets (\$350 vs. \$300 per session);
- Added funding for athlete travel for Open Water Nationals;
- 3% earmark for possible staff pay increases;
- \$5,000 for possible legal expenses;
- \$1,000 for PVS promotional items;
- \$2,925 for possible Eastern Zone funding (equals \$.25 per year-around athlete);
- \$10,000 addition for Safe Sport
- \$1,000 increase in Other Official's Support

The reserve ratio is projected to be 84% at the end of 2013-2014 and 80% at the end of 2014-2015. PVS's current target range for the reserve ratio is between 75% and 125% of annual cash operating expenses.

2013-2014 Projected Vs. Budget	2014-2015 Vs. Previous Year Projected
Revenues	Revenues
Registrations revenue down slightly due to fewer athletes than originally budgeted.	Registrations revenue up due to projected 1.7% increase in athlete membership.
PVS meets up 5.1% due to increase in entries.	PVS Meets budgeted at no increase from previous year.
Club Meets 6.3% due to increase in entries.	Club meets budgeted at no increase from previous year.
Equipment rentals down 17.1% due to more clubs owning their own equipment and therefore not renting PVS equipment.	Equipment rentals budgeted at same level as in previous year.
Spring Zone Team athlete fees down due to fewer athletes on the team.	Spring Zone Team athlete fees up due to a return to the historical number of athletes on team.
Financial income up due to strong performance in the RBC mutual fund account through March 2014.	Financial income down due to budgeting RBC mutual fund performance at -0- due to inability to predict stock market performance.
Other Income down due to no expectation of fines revenue.	Other Income up due to anticipated Swimposium registration fees.
Expenses	Expenses
PVS Meets up due to higher pool rental costs as a result of using PGS&LC and UMD rather than Fairland as originally budgeted.	PVS Meets down due to projected lower pool rental costs as a result of moving several meets back to Fairland that were held at PGS&LC and UMD during the previous year offset by a budgeted 3% increase in pool rental rates and addition of 3 rd sites for LC Sr/AG 1 & 2 meets..
Equipment Operations up due to higher equipment repair costs and depreciation offset by lower costs for non-capitalized equipment and supplies purchases.	Meet Operations budget except for Depreciation based on directions from Operations Vice Chair.
Zone Teams down slightly due to lower costs for Spring Zone Team due to fewer athletes on the team.	Zone teams up due to higher expected cost for the Spring Zone Team due to a return to a higher number of athletes on the team based on historical experience.
Official's Support down due to lower cost for officials apparel and supplies offset by higher cost for officials travel stipends paid to officials who work national meets.	Official's Support budget based on directions from Operations Vice Chair.

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2013-2014 Projected Vs. Budget	2014-2015 Vs. Previous Year Projected
Expenses	Expenses
Other PVS Programs up due to unbudgeted grants provided to clubs under the PVS Equipment Purchase Subsidy Program.	Other PVS Programs up due to addition of a Swimposium in 2014-2015, an earmark for possible Eastern Zone funding and establishment of a budget for Safe Sport offset by the absence of any new grants under the PVS Equipment Purchase Subsidy Program.
Travel Assistance down due to fewer expected athlete stipends paid for athletes attending Jr. Nationals offset by unbudgeted stipends paid to athletes attending the US Open and increased funding for Open Water Nationals.	Travel Assistance up due to budgeting of stipend payments based on multiple years of historical experience and an increase in funding for Open Water Nationals based on the expectation of more athletes attending the meet.
General Administration down due to no donations to the USA Swimming Foundation and elimination of "Office Rent" costs offset by higher Payroll & Contractor Services costs and higher audit fees than budgeted.	General Administration budgeted based on cost experience from previous year plus a 3% earmark for possible staff pay adjustments.
Meeting/Conferences/Seminars up due to higher cost for Convention due to it being in Orange Grove CA.	Meeting/Conferences/Seminars down due to expectation of convention being in cheaper location than in previous year.
Capital Equipment	Capital Equipment
The 2013-2014 Capital Equipment Budget contains an earmark for up to \$25,000 in new capital equipment purchases. As of 3/30/13, none of this money has been spent.	The 2014-2015 capital equipment budget contains an earmark for \$25,000 in new capital equipment purchases. The projection assumes that all \$25,000 will be spent and 6 months of depreciation will be recognized during the year. The 6 months of depreciation expense associated with these new purchases is \$4,166.

	2012-2013 Actual	2013-2014 Approved Budget	2013-2014 Projected	2014-2015 Budget	2014-2015 % Change from Projected
Income					
Total 41000 - Net PVS Registrations	295,147	306,678	302,399	309,287	2.3%
Total 42000 - PVS Meets	429,394	429,630	450,610	452,367	0.4%
Total 43000 - Other Meets	100,493	101,605	107,976	107,700	-0.3%
Total 44000 - Equipment Rentals	10,420	9,420	7,810	7,810	0.0%
Total 45000 - Zone Teams Fees	168,380	168,947	162,643	171,734	5.6%
Total 46000 - Financial Income	16,917	7,453	17,798	3,000	-83.1%
Total 47000 - Other Income	7,836	6,400	4,000	9,300	132.5%
Total Income	1,028,586	1,030,133	1,053,236	1,061,198	0.8%
Expense					
Total 51000 - PVS Meets Expenses	390,063	411,959	430,623	428,635	-0.5%
Total 52000 - Equipment Operations	34,079	30,461	34,255	34,707	1.3%
Total 53000 - Zone Teams	216,676	219,895	215,483	224,935	4.4%
Total 54000 - Official's Support	13,700	16,061	13,707	24,750	80.6%
Total 55000 - Other PVS Programs	39,010	26,600	29,949	53,525	78.7%
Total 57000 - Travel Assistance	25,200	33,050	32,250	38,400	19.1%
Total 58000 - General Administration	190,554	193,301	191,929	202,937	5.7%
Total 59000 - Meetings/Conferences/Seminars	24,881	25,525	32,324	27,330	-15.4%
Total Expense	934,161	956,852	980,521	1,035,219	5.6%
Net Income	94,425	73,281	72,715	25,979	-64.3%

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

	<u>Actual 8/31/2013</u>	<u>Projected 8/31/2014</u>	<u>Projected 8/31/2015</u>
Reserve beginning of year	631,428	712,625	808,802
Cash in-flows			
Total Revenue	1,028,586	1,053,236	1,061,198
Less: Unrealized change in value of RBC mutual funds	(5,078)	10,285	-
Total cash in-flows	<u>1,023,508</u>	<u>1,063,520</u>	<u>1,061,198</u>
Cash out-flows			
Total expenses	934,161	980,521	1,035,219
Less: Depreciation	(12,784)	(13,178)	(10,317)
Plus: Capitalized equipment purchases	20,934	-	25,000
Total cash out-flows	<u>942,311</u>	<u>967,343</u>	<u>1,049,902</u>
Net change in cash position	81,197	96,177	11,296
Reserve at end of year	712,625	808,802	820,098
Total cash expenditures for year	921,377	967,343	1,024,902
Reserve ratio end of year	77%	84%	80%