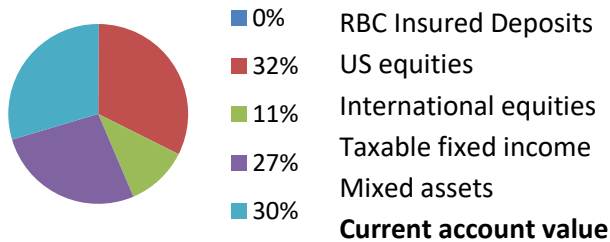


Potomac Valley Swimming Treasurer's Report HOD Meeting 2017

Financial Performance

Our investment portfolio with RBC Wealth Management has been established with a balanced growth objective coupled with a low risk profile. The following provides a summary level view of the allocation and performance of our assets. To-date, we are happy to report that our investment strategy has allowed for overall steady growth. We will be meeting with our investment advisor over the next several weeks to review our portfolio, the current strategy and any changes that may be necessary.

ASSET ALLOCATION SUMMARY



CURRENT VALUE	PERCENT	Growth
\$ 287.28	0%	-
\$ 73,652.05	32%	30%
\$ 25,603.01	11%	-1%
\$ 61,171.88	27%	-1%
\$ 67,608.13	30%	1%
\$ 228,322.35	100%	

Investment Objective - **Balanced Growth**
Risk Tolerance - **Low Risk**

Our General Operating Account (GOA), Restricted Operating Account (ROA) and Special Account are currently housed in the Wells Fargo Bank. Over the next several months, we will review our current arrangements along with benefits and features to ensure we have the optimum arrangement with Wells Fargo. Additionally, we have a PayPal Account used for Zone Fees & Apparel as well as Officials' registrations. We recently have been sanctioned as a non-profit 501 (c) (3) organization which has resulted in a reduction in the transaction fees from 2.9% to 2.2%. We will continue to look for additional cost-effective opportunities for use of PayPal as a means to expedite processing of our various transactions.

Budget Performance and Projection

Our 2016-2017 budget is projected to end the fiscal year in August with a deficit of \$6.2k vs. an original budget deficit of \$36.4k. The delta is due in large part to the loss of a pool rental and associated meet fees as well as a meet location change from UMD to Fairland, resulting in a reduced rental fee - 50% less than what was budgeted. This results in a projected reserve ratio of 68%. For further explanation and details, please refer to the budget notes and worksheets (Attachment A).

Potomac Valley Swimming

Treasurer's Report

HOD Meeting 2017

Reserve Rate Trend

Our reserve rate at the end of fiscal year 2017 is expected to have a dramatic reduction of 12% since 2015 and finish at 68%. Furthermore, we expect another reduction of approximately 8% over the coming fiscal year which will result in a 20% reduction in our reserve totaling 60%. We are continuing to review the budget details and recommend ways to thoughtfully manage our reserves which are in place to sustain financial operations in the unanticipated event of significant unbudgeted increases in operating expenses or reduction of operating revenues. The reserves also serve to support Potomac Valley Swimming's ability to enhance and expand current programs and further promote our Mission and Vision.

Audits and Taxes

A review of Potomac Valley Swimming, Inc.'s financial statements was performed by independent accountants' SarfinoANDRhoades, LLP in August 2016. The review is substantially less in scope than an audit and involves applying analytical procedures to management's financial data and inquiries of the organization's management. The result of this review was that our information was fairly stated in all material respects to the financial statements as a whole. We have included the cost of a full audit in 2018 and will further investigate the requirement for a full audit which was last performed in December, 2015.

A copy of the 2017 Maryland Personal Property tax return was filed in March and was the final tax return of the year. Potomac Valley Swimming does not pay any taxes but we file because our storage location in 2016 was in Maryland. Additionally, we file an informational return with the IRS – Form 990.

Policies, Procedures & Organization

Potomac Valley Swimming is currently reviewing and redlining its financial and administrative policies and procedures. We are looking at several areas where we have the potential to streamline and create efficiencies, specifically with respect to the timing of receivables and payables. Other areas that require review and/or changes include the reserve rate's min-max ranges, policy compliance and succession planning. All areas that will continue to further strengthen this outstanding organization.

Respectfully submitted,



Ellen Colket
Treasurer
Potomac Valley Swimming

**Potomac Valley Swimming
Treasurer's Report
HOD Meeting 2017**

1-May-2017