

Potomac Valley Swimming

2020-2021 Budget

- Notes -

2019-2020

The 2019-2020 original budget was established with revenues of \$1,128,365 and expenses of \$1,157,985, resulting in a deficit of \$29,620. As a result of the Pandemic and the shutdown of our swimming operations in early March, (e.g., practices, meets, etc.) both revenue and expenses have been impacted considerably. Early in the shutdown, PVS implemented a two-pronged relief program (reimbursement of a portion of PVS membership fees as well as a grant program). This has resulted in relief to our PVS clubs of \$192,000.

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

Revenues (↓ \$514,000)

1. Cancellation of PVS Meets – Short Course JO's, Long Course Sr. & AG I and II, Distance, and the three Long Course Championship meets. Additionally, approximately 27 club meets were cancelled as well as the Summer Zones meet.
2. Premium memberships/registrations stalled, however, Flex memberships exceeded plan.
3. Reimbursement of a portion of paid memberships to clubs totaling \$165,000 (*included*)
4. Payroll Protection Program loan of \$21,305 received and is included in revenue figures as loan is expected to be forgiven.

Expenses (↓\$578,000)

1. Deferral of Olympic Trials to June 2021 has resulted in a shift of budgeted travel money for Athletes and Officials to next season's budget.
2. Cancellation of PVS Meets – Short Course JO's, Long Course Sr. & AG I and II, Distance, and the three Long Course Championship meets. Additionally, approximately 27 club meets were cancelled as well as Summer Zones meet.
3. Reduction in Athlete Travel, Officials' travel & support, and Equipment Operations.

2020-2021

Given the uncertainty for many PVS clubs as to when practices and/or meets will/can be scheduled, the following plan is proposed with expected revenues of \$734,340 and expenses of \$895,875, resulting in a deficit of \$161,535 and a reserve of 84%. The basis for these budget figures includes the following:

- 24% reduction in premium registrations and a 5% reduction in non-athlete memberships.
- No club or PVS meets through year-end (31-Dec-2020), thus, no splash income to PVS. Assume meets will resume January 2021.
- Beginning 1-Jan-2021, anticipate a 15% reduction in PVS meets' splash fee revenue, 15% reduction in Meet Management fees (MM fees are a function of splash revenue), and 15% reduction in club meet splash revenue.

Primary drivers are as follows:

Revenues

1. Premium athlete memberships are projected to decrease by approximately 2,600 compared to the current season's actuals. This 24% reduction is based on preliminary discussions with USA Swimming.
2. PVS meet revenue is forecasted to decrease by approximately \$210,000 which includes a 15% reduction in splash fee revenue and the loss of the October and November Open meets. PVS club splash revenues are expected to be down 15% along with a loss of thirty-seven meets scheduled October thru December, resulting in an additional revenue loss of \$134,000.
3. Reduction of \$38,000 in Zone team fees based on expected athlete participation.
4. Increase of \$56,400 for Athlete and Officials' Travel for Olympic Trials which was rescheduled from 2020 to 2021.

Expenses

1. PVS meet expenses are projected to be down by \$140,000 due to assumptions noted above (15% reduced splash fees and exclusion of October - December meets)
2. Zone team expenses are down 3% based on last season's decreased athlete participation.
3. Convention moved from in-person to virtual resulting in a \$20,000 reduction in meeting/conference/seminars.
4. Potential items/events for HOD discussion: DE&I Travel Team and Workshops (\$5,000) and Open Water Event (Net impact \$9,000).

	2018-2019 Actual	2019-2020 Budget	2019-2020 EOY Projection	2020-2021 Proposed Budget
Revenue				
Memberships Registration	1,115,568	1,146,756	950,221	889,080
Registrations - USA Swimming	(774,800)	(803,506)	(777,825)	(602,410)
> Net PVS Registrations	340,768	343,250	172,396	286,670
> Total PVS Meets	460,923	499,490	295,310	277,870
> Total Other Meets	125,374	122,700	89,290	57,080
> Total Zones Teams Fees	97,149	141,025	-	91,370
> Total Equipment Rentals	9,358	9,000	6,830	7,650
> Financial & Other Income	57,216	12,900	28,825	13,700
> Paycheck Protection Program (PPP)	-	-	21,305	-
Total Revenue	1,090,788	1,128,365	613,956	734,340
Expense				
> Total PVS Meets Expenses	481,858	556,465	261,296	382,520
> Total Officials' Support	73,954	79,780	43,603	78,920
> Total Equipment Operations	21,926	23,630	22,065	21,000
> Total Zone Teams	127,511	157,375	-	111,540
> Athlete Travel Assistance	55,400	100,600	31,500	109,600
> Meetings/Conf/Seminars	34,433	42,100	24,405	4,000
> Total Other PVS Programs	39,630	22,500	4,614	11,300
> General Administration + Relief	181,438	175,535	192,973	176,995
Total Expenses	1,016,150	1,157,985	580,456	895,875
Operating Surplus (Deficit)	74,638	(29,620)	33,500	(161,535)
Reserve Ratio	89%	68%	159%	84%
Potential Events/Items & addt'l net impact - <i>see budget detail</i>				(14,000)
Operating Surplus (Deficit) - w/addt'l items				(175,535)
Reserve Ratio incl. potential items				82%

	2018/2019 Actuals	2019/2020 Budget	2019-2020 EOY Projection	2020/2021 Budget
Revenue				
Registration - Athletes				
Athlete Registration Income	1,013,936	1,041,950	1,007,280	782,000
Flex to Prem Athlete Reg	21,384	22,950	21,870	20,520
USA Swimming - Athlete Reg	(705,900)	(733,660)	(705,867)	(529,730)
PVS Relief Funds	-	-	(164,341)	-
Seasonal & Flex Regist Inc	19,648	21,900	25,108	24,980
USA Swimming -Seasonal/Flex Reg	(9,900)	(11,400)	(12,720)	(12,600)
Total Registration - Athletes	339,170	341,740	171,330	285,170
Registration - Non Athletes				
Non Athlete Regist Income	55,500	55,056	55,304	56,580
USA Swimming - Non Athlete Reg	(55,500)	(55,056)	(55,738)	(56,580)
Total Registration - Non Athletes	-	-	(434)	-
Registration - Clubs				
Club Registration Income	5,000	4,800	5,000	5,000
Associate Club Reg Fee	100	100	-	-
USA Swimming - Club Regist	(3,500)	(3,390)	(3,500)	(3,500)
Total Registration - Clubs	1,600	1,510	1,500	1,500
PVS Meet Entries				
PVS Meet Entry Income	461,155	499,820	295,385	277,970
Outreach PVS Entry Refund	(235)	(330)	(75)	(100)
Total PVS Meets	460,920	499,490	295,310	277,870
Other Meets				
Splash Fees	122,575	122,700	89,290	57,080
Sanction Fees	2,800	-	-	-
Total Other Meets	125,375	122,700	89,290	57,080
Zone Team Fees	97,150	141,025	-	91,370
Diversity Select Camp	31,040	-	-	-
Equipment Rental Income	9,358	9,000	6,830	7,650
Financial & Other Income				
Miscellaneous Income & Fines	21,688	5,000	7,000	6,800
Dividend Income	6,238	7,000	5,040	6,000
Interest Income	676	900	310	900
Cap Gain/Loss (Unrealized)	(11,533)	-	14,990	-
Cap Gain/Loss (Realized)	9,108	-	1,485	-
Payroll Protection Program	-	-	21,305	-
Total Financial & Other Income	26,177	12,900	50,130	13,700
Total Revenue	1,090,790	1,128,365	613,956	734,340
Expenses				
PVS Meets				
Meet Management Fees	102,260	107,950	65,060	56,870
Pool Rent	308,872	372,625	160,538	263,080
Hospitality	44,096	47,565	25,268	32,580
Meet Support & Other Expenses	26,630	28,325	10,430	29,990
Total PVS Meets	481,858	556,465	261,296	382,520
Officials Support				
Officials USA Registration	20,220	22,320	20,772	20,992
Lifetime & Registrar USA Regist	60	60	124	1,128
Background Screening	3,338	6,000	1,343	2,800
Officials Apparel/Supplies	3,408	4,000	5,087	3,200
Clinics	1,886	1,000	255	200
Officials Misc Expenses	1,084	3,500	410	500
Evaluators	3,955	6,500	2,048	3,250
Local OQM Meets	3,158	1,600	2,447	2,250
Officials Travel & Stipends - Other	36,844	34,800	11,117	44,600
Total Officials Support	73,953	79,780	43,603	78,920

	2018/2019 Actuals	2019/2020 Budget	2019-2020 EOY Projection	2020/2021 Budget
Expenses (cont.)				
Equipment Operations				
Equipment Storage	4,800	5,500	6,995	12,000
Meet Equip Purchases	7,979	10,000	8,233	5,000
Equip Suppl/Maint/Repairs	5,106	5,000	3,549	3,000
Depreciation - Meet Equip	4,041	3,130	3,288	1,000
Total Equipment Operations	21,926	23,630	22,065	21,000
Zone Teams	127,511	157,375	-	111,540
Athlete Travel Assistance	55,400	100,600	31,500	109,600
Meetings/Conf/Seminars	34,433	42,100	24,405	4,000
Other PVS Programs				
Strategic Planning	-	1,000	-	500
Diversity, Equity, & Inclusion Program	39,630	10,000	2,500	8,000
Safe Sport Program	-	2,800	1,575	2,800
Outreach Registration	100	200	100	200
Club & Coach Development	-	2,500	250	2,500
Athlete Awards & Grants	199	1,000	189	1,000
Equipment Grant	-	5,000	-	-
Total Other PVS Programs	39,929	22,500	4,614	15,000
General Administration				
Computer Expenses	7,200	3,000	3,512	4,500
Office Supplies	-	300	203	300
Postage & Delivery	261	200	275	250
Home Office Expenses	1,682	2,500	1,746	2,000
Advertising & Promotion	425	750	300	750
Bank Service Charges	75	100	50	50
Merchant Fees/QB & PP	3,592	2,000	1,653	2,800
Outside Contractor Services	17,969	18,100	9,753	7,500
Accounting - Audit	13,500	10,000	7,000	12,250
Professional Services	39,996	40,800	9,999	750
Employee Salaries	87,860	87,865	119,763	130,000
Payroll Taxes	6,722	6,720	9,169	9,945
Payroll Expenses - QB	88	1,500	540	500
Penalty Expense	-	-	-	-
Investment Advisory Fee - RBC	1,770	1,700	1,745	1,700
Interest Expense	-	-	-	-
Insurance Expense	-	-	-	-
Depreciation Expense	-	-	-	-
Relief Grant and Expenses	-	-	27,265	-
Total General Administration	181,140	175,535	192,973	173,295
Total Expenses	1,016,150	1,157,985	580,456	895,875
Operating Surplus (Deficit)	74,640	(29,620)	33,500	(161,535)
Potential Events/Items for HOD discussion:				
DE&I Travel Team and workshops				(5,000)
Open Water Event				(9,000)
Total additional Events/Items				(14,000)
Operating Surplus (Deficit) incl. potential items				(175,535)

Potomac Valley Swimming, Inc.
Reserve Analysis

	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19	COVID-19 8/31/20 Projection	COVID-19 8/31/21 Budget
<u>Cash Inflows</u>							
Total Revenue	1,042,386	1,072,544	1,066,964	1,018,190	1,090,789	609,856	734,340
Less: Annual unrealized (gain)/loss in RBC	23,047	-4,115	-13,111	-8,083	11,533	-14,990	0
Total Cash Inflows	1,065,433	1,068,429	1,053,853	1,010,107	1,102,322	594,866	734,340
<u>Cash Outflows</u>							
Total Expenses	1,023,087	1,107,810	1,042,403	992,279	1,016,151	576,356	895,875
Less: Depreciation	-10,879	-9,258	-5,305	-6,957	-4,041	-3,288	-1,000
Plus: Capitalized equipment purch	13,398	632	8,688	3,437	0	0	0
Total Cash Outflows	1,025,606	1,099,184	1,045,786	988,759	1,012,110	573,068	894,875
Net Change in Cash Position	39,827	-30,755	8,067	21,348	90,212	21,798	-160,535
<u>Reserve at Year End</u>							
Cash & Investments at end of Year	874,746	875,802	883,258	892,991	879,593	891,899	751,669
Plus: Receivables	84,755	18,546	25,696	32,350	35,992	21,695	0
Less: Payables, club credits & escrow funds	-159,044	-120,531	-113,959	-100,915	-14,977	-1,665	0
Total Cash Equivalent	800,457	773,817	794,995	824,426	900,608	911,929	751,669
Total Annual Cash Expenditures	1,012,208	1,098,552	1,037,098	985,322	1,012,110	573,068	894,875
Reserve as % of Total Expenses	79%	70%	77%	84%	89%	159%	84%
Book Income/(Loss)	19,299	-35,266	24,561	25,911	74,638	33,500	-161,535