



BUDGETS ♦ FORECASTS ♦
ACCOUNTING METHODS ♦ OPERATING RESERVES

Potomac Valley Swimming

- Eastern Zone
- DC/MD/VA
- 50 Clubs
- 4th largest

**Athletes:
12,900**

- Premium
- Flex
- Outreach
- Seasonal

**Non-Athletes:
1,265**

- Coaches
- Officials

Board & Staff

- 15 Board members
- 3 Staff
- 9 Committees

Keys to an LSC's financial health



Board
accountability
for the health
and long-term
sustainability of
your LSC



Plan Income
Sources



Understand
Expenses:
Fixed &
Variable



Budget ☒
Forecast ☒
Account ☒
Reserves ☒

Board Ownership and Accountability leads to a healthy LSC

1

- Discuss with LSC Board year over year trends, anticipated income, known fixed and variable expenses, and financial position of the LSC.

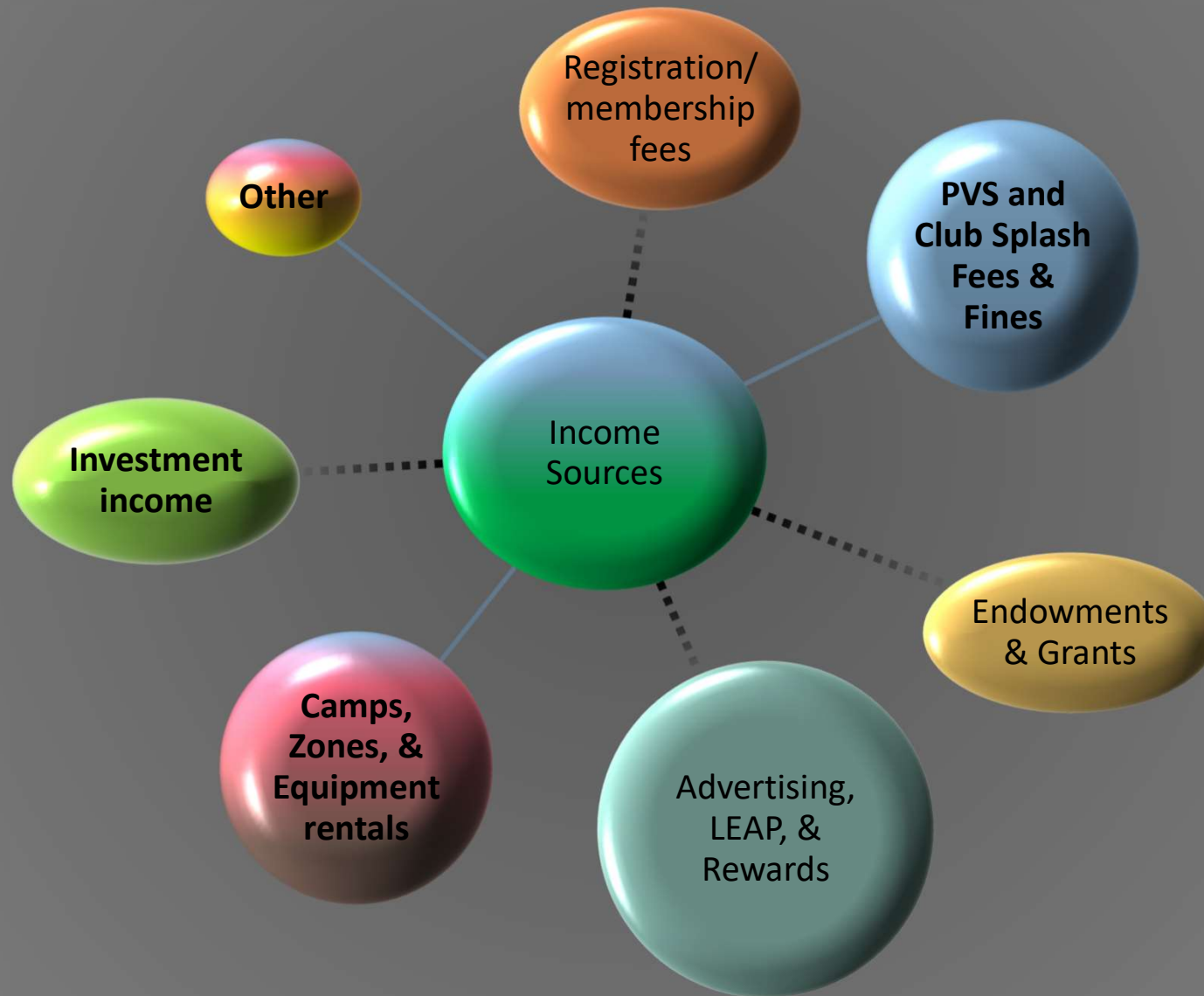
2

- Evaluate existing as well as potential programs and related expenses

3

- Establish accountability by each Board member for a) generating sources of income and b) developing, monitoring, and managing their respective budget account(s).

Understanding **Revenue** Profile



Understanding Expenses

FIXED

Staff PR & Taxes

Rental Lease Payments

Insurance, Depreciation,
& Property Taxes

Audit & Advisory Fees

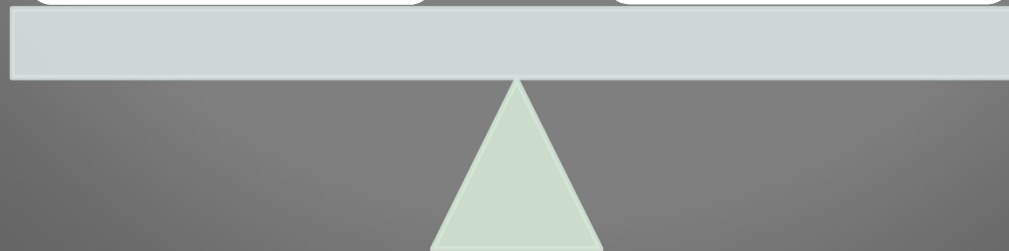
VARIABLE

PVS Meets

Equipment &
Miscellaneous

Programs & Development

Athletes & Officials' Travel
Stipends



BUDGET DEVELOPMENT STEPS



Revenue

- **Income – detail sources (membership fees, advertising, donations, endowments, interest income, rental fees, corporate giving, fines, etc.)**



Expenses

- **Fixed Expenses (i.e., salaries, insurance, property taxes, depreciation, rental lease payments, advisory fees, etc.)**
- **Variable Expenses (i.e., meet related fees, officials support, athlete travel, other programs such as DEI, SafeSport, Governance, etc.)**
- *Identify links between Income & Expense Categories*



Net Income

- **Determine NI: Surplus/Deficit/Neutral**

BUDGET vs FORECAST

Estimate of revenue and expenses for the LSC over a specific period of time based on the organization's goals & objectives.

Projection of trends and outcomes based on historical data and illustrates where you are headed.



Budget

vs

Forecast

RECORDING TRANSACTIONS

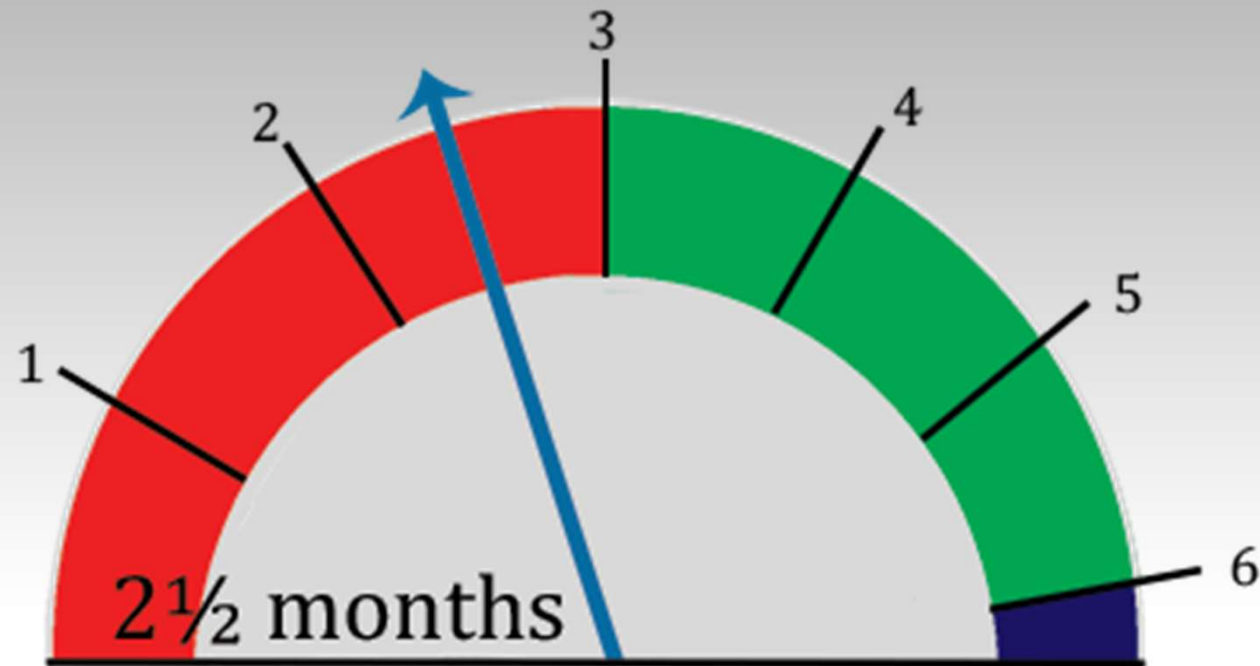


RECORDING TRANSACTIONS

Cash Basis	Accrual Basis
Revenues are recognized when cash is received and expenses are recorded when cash is paid .	Revenues are recognized when earned and expenses are recognized when incurred .

OPERATING RESERVES

Cash Operating Reserves
(Months)



PVS BUDGET (example)

			2019-2020 Budget	2019-2020 EOY Projection	2020-2021 Proposed Budget
Revenue					
	Memberships Registration		1,146,756	950,221	889,080
	Registrations - USA Swimming		(803,506)	(777,825)	(602,410)
>	Net PVS Registrations		343,250	172,396	286,670
>	Total PVS Meets		499,490	295,310	277,870
>	Total Other Meets		122,700	89,290	62,080
>	Total Zones Teams Fees		141,025	-	91,370
>	Total Equipment Rentals		9,000	6,830	7,650
>	Financial & Other Income		12,900	28,825	13,700
>	Paycheck Protection Program (PPP)		-	21,305	-
Total Revenue			1,128,365	613,956	739,340
Expense					
>	Total PVS Meets Expenses		556,465	261,296	396,520
>	Total Officials' Support		79,780	43,603	78,920
>	Total Equipment Operations		23,630	22,065	21,000
>	Total Zone Teams		157,375	-	111,540
>	Athlete Travel Assistance		100,600	31,500	109,600
>	Meetings/Conf/Seminars		42,100	24,405	4,000
>	Total Other PVS Programs		22,500	4,614	16,300
>	General Administration + Relief		175,535	192,973	176,995
Total Expenses			1,157,985	580,456	914,875
Operating Surplus (Deficit)			(29,620)	33,500	(175,535)
Reserve Ratio			68%	159%	81%

A diver in a black wetsuit is swimming underwater, viewed from below. The diver's head and arms are visible, reaching upwards. The background is filled with a large, dense school of fish swimming in the same direction, creating a sense of movement and depth. The water is a deep blue-green color.

*Financial Sustainability
is critical to an LSC's
stability and long-term
viability.*

A sea turtle is swimming in clear blue water. The turtle is positioned in the upper right quadrant of the frame, facing towards the upper left. Its shell is dark with lighter, mottled patterns. The water is a deep, clear blue. In the bottom left corner, there is a dark, curved shape that serves as a background for the text.

THANK YOU