

# LMSC Treasurer Report

November, 2015

Attached is an updated financial summary and draft 2016 budget for discussion next week.

The attached spreadsheet shows income, operating expenses, and investments. You can see 2013-2014 numbers for comparison, 2015 year-to-date which covers the September registration cycle and convention, and projected 2015 end-of-year. We approved a 2015 budget that assumed a deficit of a little more than \$1,500 and we are pretty much on target, although the end of year picture depends heavily on the rate of renewals for club and individual members at the end of the year. Member donations have again been fairly substantial this year.

We have not spent anything from the money market account in a few years and the balance is holding at just over \$11,000. So, overall, I would judge our financial picture to be very good.

This draft budget makes the following assumptions which we can discuss before approving the budget:

- Income from membership fees is status quo with no changes in individual, club, and one-event registration fees.
- Eliminate the \$20 LMSC Sanction Fee. USMS has changed the sanction fee requirements for both open water and pool meets for 2016.
- We had a lot of discussion on the meet profit requirement. It has generally been decreasing over the years due both to the number of meets and the profitability of most meets. Pool rental fees seem to be one of the biggest reasons that meets no longer make the profit that they once did. Some of the discussion noted that it still seems appropriate to assess a nominal fee for sanctioned meets. Options we could consider:
  1. Maintain the status quo of 20% meet profit on all sanctioned meets;
  2. Eliminate the meet profit;
  3. Go with a “hybrid” approach of something like 20% for meets that make more than \$500, 10% for \$100–500, and 0% for less than \$100 profit;
  4. instead of meet profit, charge something like \$1 surcharge per swimmer for each meet.
- If we go with something like option 4, then it is solely dependent on how many people participate, which might be easier to assess and more equitable for smaller and larger meets. Option 4 has the advantage of basically charging an additional membership fee to people who participate more, which could be a more equitable way of spreading our income. I have assumed option 4 in the attached spreadsheet and it actually increases the amount we collect.

- No changes to convention and USMS Leadership travel policies and expenses?
- USMS sanction fees. USMS voted to change the model for sanction fees in 2016. Open water events will now have a \$300 sanction fee (instead of \$1000) with \$5 additional surcharge per participant. I have assumed that these fees will be passed on to the meet host and would be budget neutral to us. Pool meets will be assessed a \$50 sanction fee from USMS. Since pool meets can vary in size, I have assumed that the LMSC would pay the \$50 fee. (Referring back to the model for LMSC sanction fees and meet profit, if we were to just charge \$1 per participant at pool meets, we would be helping small meets while essentially collecting the money to pay the \$50 fee for larger meets.)
- Leave \$500 for coaches training and certification in the budget. We have had a policy of paying 50% of the cost of a certification course or clinic for USMS member coaches. We could keep the status quo or pay the full fee for ASCA certification.
- We have had \$250 in the budget for clinics with no takers. Is there another strategy to pursue here?