

**2022
Business Plan
Assumptions
&
Recommended Fees**

Board of Directors provides:



- Direction
- Oversight
- Resources

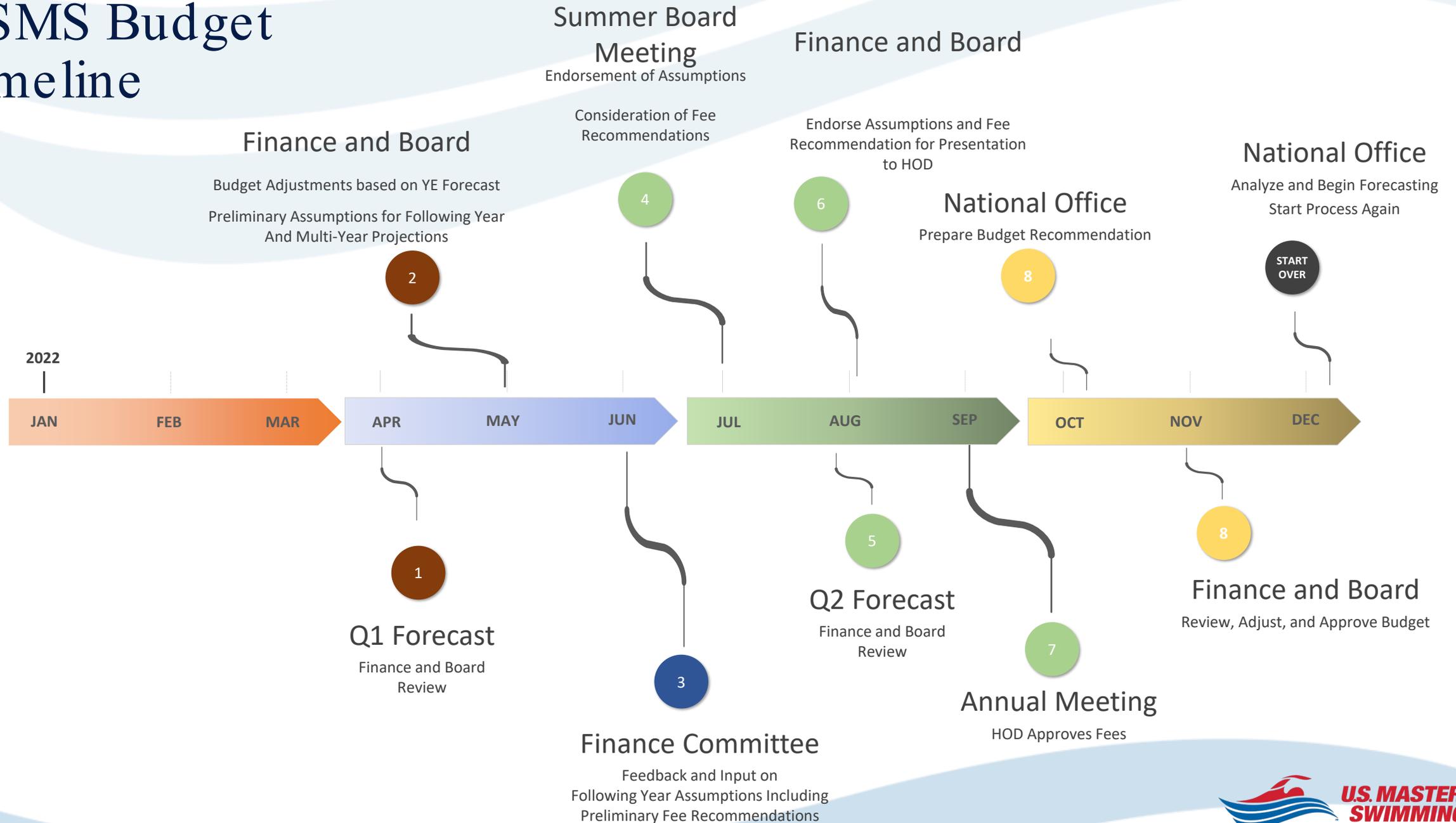
Financial Committees provide:

- **Finance:** Oversight, advice, guidance, regular accountability
- **Investment:** strategy, oversight, advice, and adjustment
- **Comp and Benefits:** HR and benefits expertise, professional compensation and market analysis, recommendations and advice
- **Audit:** Annual accountability and oversight
- committees + board + staff = 50+ people with oversight and input on financial decisions and recommendations.

National Office CEO & Staff

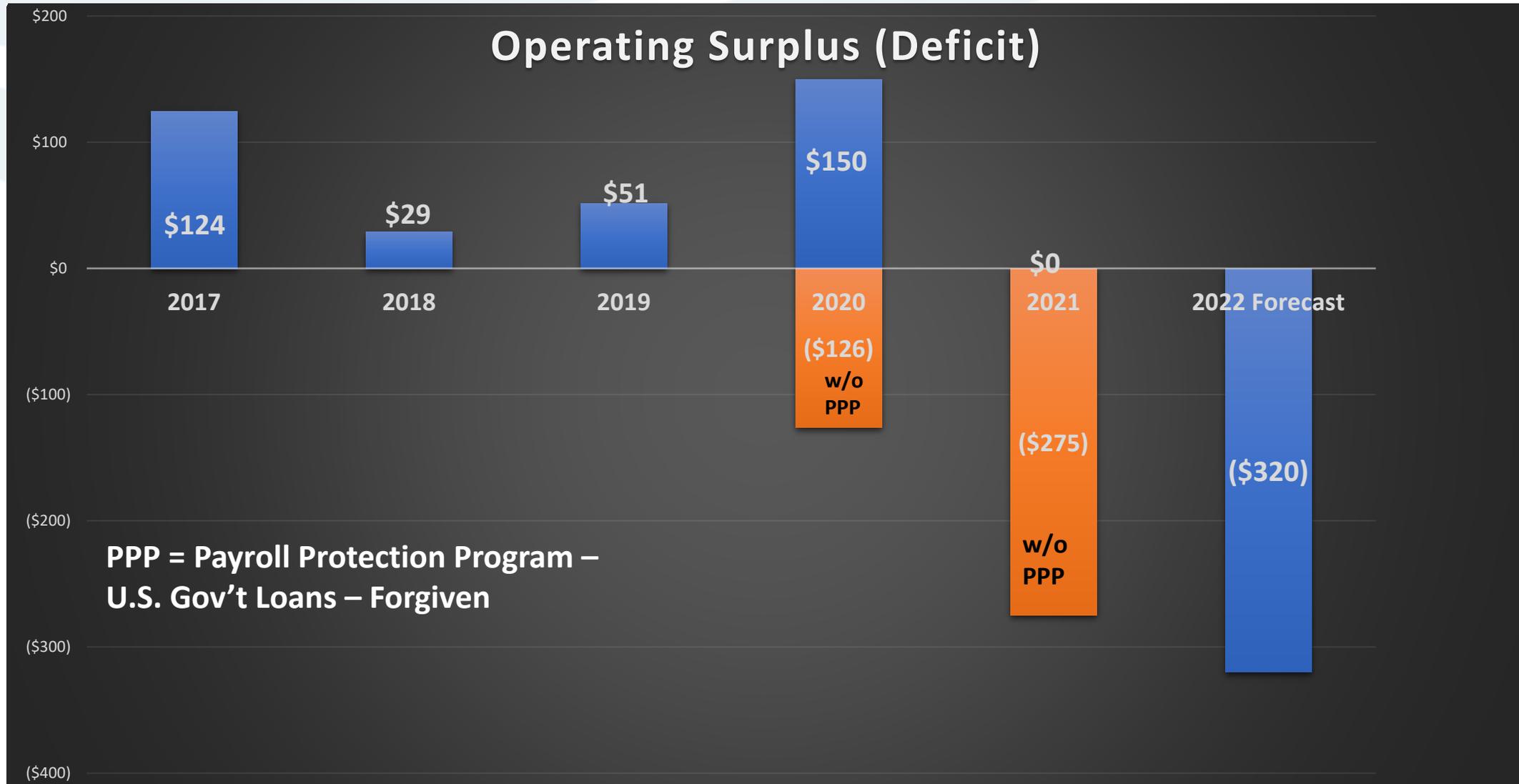
- Daily operations
- Implement programs
- Guided by:
 - the board
 - the strategic plan
 - the budget

USMS Budget Timeline

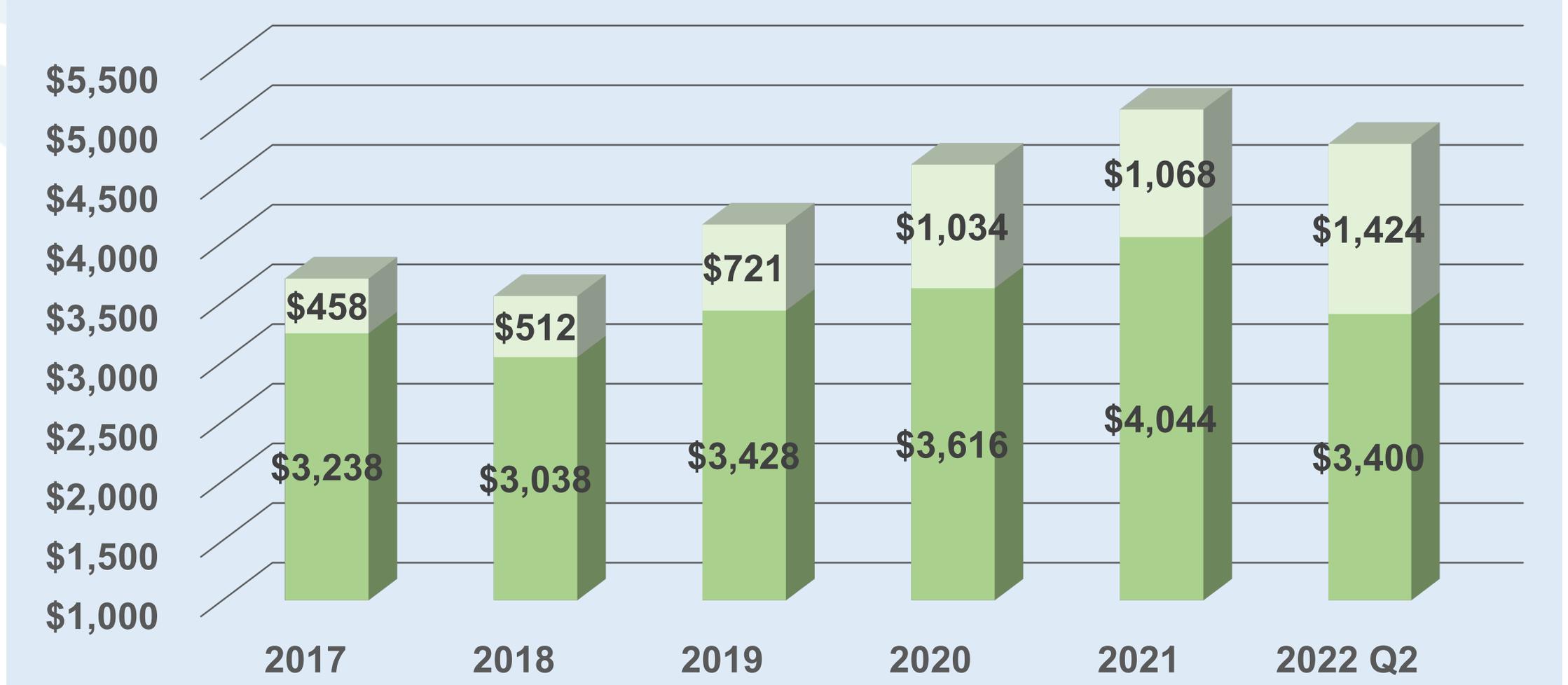


2022 Results (Forecast)

History and Forecast



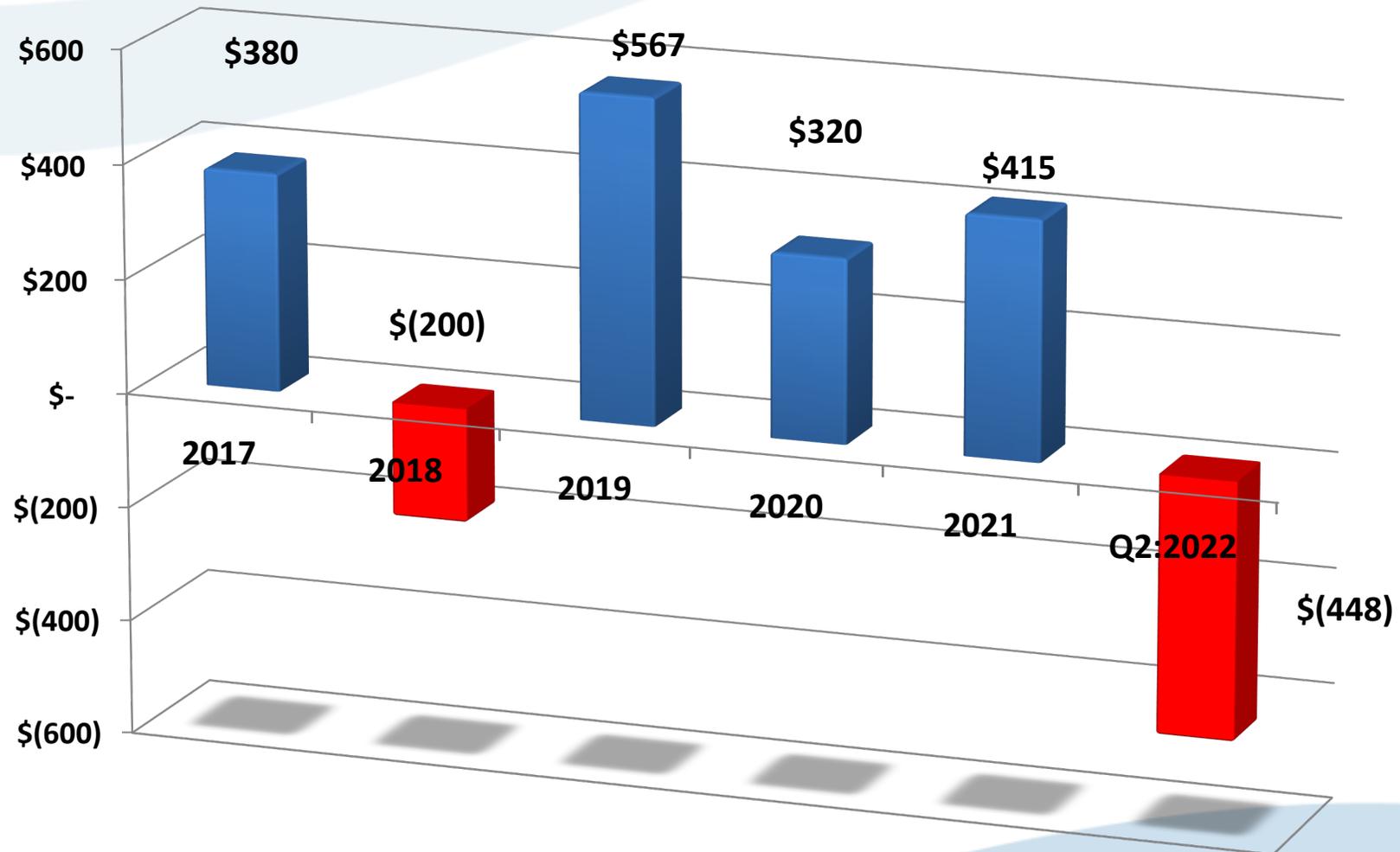
Net Assets (000 omitted)



■ Investment Reserves

■ Other Net Assets

Investment Returns



STRATEGIC PROGRAMS

Club Development Strategy



Similar budget to prior years:

- Find clubs ripe for growth, provide support.
- Find facilities for new Masters clubs. Provide start-up support.
- Find coaches with interest AND potential. Connect with opportunities.



Club Development



August 31, 2012

Kevin Eklund
President
San Ramon Valley Livermore Aquatics
P.O. Box 973
San Ramon, CA 94583

*** Letter of Understanding ***

Dear Kevin:

In response to San Ramon Valley Livermore Aquatics' (SRVLA) request for financial assistance to start a Masters swimming program, The Pacific Masters Local Swimming Committee (PacMasters) has voted to provide \$3,600 of funding. This amount is expected to fund the program's entire coach and pool expense for the first 2 months of operations, two-thirds of these expenses for months 3 and 4, and one-third of coach and pool expenses for the 5th and 6th months of operation. The conditions under which this financial assistance is being provided are as follows:

1. SRVLA will register a club with Pacific Masters. No financial assistance will be provided until a club is registered.
2. SRVLA's Masters' program will not violate the rules of either USMS or PacMasters.
3. SRVLA will invoice the PacMasters Treasurer on a monthly basis for the above specified portions of its coach and pool expenses.
4. SRVLA agrees that financial assistance will be used only for its Masters' program and only for that program's pool and coaching expenses.
5. SRVLA will provide periodic reports to PacMasters showing the weekly practice attendance and paid Masters' membership. A summary report will be submitted no later than 45 days after the completion of funding.

- ✓ \$3600 Pacific LMSC investment
- ✓ USA Club and assistant coach ready to build program
- ✓ Over 100 club members in 2nd full year
- ✓ LMSC recouped investment in 2 years
- ✓ 1100 USMS memberships generated over a decade
- ✓ 135 members in 2021 (may be higher in 2022)
- ✓ USMS Mission Accomplished
- ✓ Wise Use of Resources



Event Development



Matching grant program
– details forthcoming



Local Focus



Additional staff resource contemplated in assumptions

- Support coordination, communication and training on strategic initiatives
- Club and event matching grants (LMSC + National)
- Targeted marketing initiatives – specific to clubs and events



Financial Projections

3- YEAR PROJECTIONS

Membership:

2023 - 60,000

2024 - 62,500

2025 - 65,000

Fee:

\$65/\$70

\$70

\$75

Membership Increase

8%

4%

4%

Operating Income:

2023 - (\$260k)

2024 - (\$50k)

2025 - \$0k

2023 Operating Projection – Fee Comparison

Draft Assumptions Summary	2022 Budget	2022 Forecast	2023 \$65/\$70 Recommended	2023 - \$60 No Fee Change
Revenues	\$ 3,592,703	\$ 3,641,639	\$ 4,184,094	\$ 3,843,294
Expenses	\$ 4,045,973	\$ 3,961,887	\$ 4,439,770	\$ 4,439,770
Net Operating Income (Loss) before depreciation	\$ (453,270)	\$ (320,248)	\$ (255,676)	\$ (596,476)
Depreciation	\$ 234,373	\$ 200,310	\$ 216,200	\$ 216,200
Net Operating Income / (Loss) after depreciation	\$ (687,643)	\$ (520,558)	\$ (471,876)	\$ (812,676)

INFLATION

	History					Proposed	Projected	
	2018	2019	2020	2021	2022	2023	2024	2025
USMS Membership	\$ 58.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 67.50	\$ 70.00	\$ 75.00
2018 Membership - Adjusted for Inflation		\$ 59.39	\$ 60.46	\$ 61.19	\$ 64.06	\$ 69.57	\$ 71.73	\$ 73.88

2019 = Median prior to unified fee

2023=blended fee

2023-25 = projected inflation

Membership and Financials

2022 Budget (excl depreciation) 53,500 **-\$373k**

2022 Budgeted Capital **-\$215k**

Revised Q2 Operating Forecast 55,500 **-\$320k**

(\$80k overbudget request included)

2022 Projected Capital Expense **-\$300k**

(\$70k reclassified from expenses)

2023 Projection 60,000 **-\$260K**

2023 Projected Capital Expense **-\$165k**

LMSC
Financials

Year	Assets	Revenue	Expenditures	Members
2019	\$2,206,216	\$ 820,936	\$864,048	60388
2020	\$2,364,740	\$626,559	\$464,997	51246
2021	\$2,802,637	\$808,297	\$295,892	50887

History + Forecast - Year-End - Operating Expenses and Investment Income

	2017	2018	2019	2020	2021	2022 Forecast
Revenue	\$3,557,981	\$3,625,784	\$3,902,862	\$3,292,043	\$3,402,852	\$ 3,641,639
Expense	\$3,402,358	\$3,596,910	\$3,851,558	\$3,165,180	\$3,403,057	\$ 3,837,641
NOI	\$ 155,623	\$ 28,874	\$ 51,304	\$ 126,863	\$ (205)	\$ (320,248)
Depreciation	\$ (11,482)	\$ (59,282)	\$ (127,516)	\$ (152,791)	\$ (165,633)	\$ (200,310)
NOI (Before Depreciation)	\$ 167,105	\$ 88,156	\$ 178,820	\$ 279,654	\$ 165,428	\$ (119,938)
Other Income	\$ 255,606	\$ (231,289)	\$ 450,626	\$ 374,398	\$ 377,841	\$ (542,000)

SUMMARY OF PROPOSED 2023 FEE CHANGES					
MEMBERSHIP FEES		USMS	LMSC	Total	Change
Membership	Nov 1 - Dec 31, 2022	\$52	\$13	\$65	\$5
	Jan 1 - Oct 31, 2023	\$56	\$14	\$70	\$10
Membership: Year Plus	July 1 - Sept 30, 2023	\$92	\$23	\$115	\$16
Membership: Clubs and Workout Groups	Oct 1 - Oct 31, 2022	\$52	\$13	\$65	\$5
	Nov 1, 2022 - Oct 31, 2023	\$56	\$14	\$70	\$10
One Event Membership		\$14.00	\$3.50	\$17.50	\$2.50

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