

2020 U.S. Masters Swimming Annual Meeting — Virtual

Committee Name:	Finance	Session #:	1
Committee Chair:	Jeanne Ensign	Vice Chair:	Guy Davis
Minutes recorded by:	Teddy Decker	Date/time of meeting:	09/08 8:00PM EDT

Motions Passed:

1. **MSA: Ratify meeting minutes since prior annual meeting.**
2. **MSA: Approve meeting minutes of 09/01/20 meeting.**

Number of committee members present: 13	Absent: 1	Number of other delegates present: 54
Committee members present Jeanne Ensign (Chair), Tom Boak, Ashley Braniecki, Ralph Davis, Elyce Dilworth, Phil Dodson, Brandon Franklin, Jill Gellatly, Homer Lane, Laura Winslow, Teddy Decker (Treasurer, Ex-Officio), Susan Kuhlman Parker (CFO, Ex-Officio), Dawson (CEO, Ex-Officio),		
Committee Members Absent: Guy Davis (Vice Chair)		

Minutes

The Zoom meeting was called to order at 8:00pm EDT.

Jeanne Ensign (Chair) welcomed Committee members and guests and outlined the agenda for the meeting. There were no conflicts of interest declarations regarding the agenda. Committee members introduced themselves.

1. **MSA: Ratify meeting minutes since prior annual meeting.**
2. **MSA: Approve meeting minutes of 09/01/20 meeting.**
3. Annual review of over budget requests - none since prior annual meeting.
4. Review of large scale new and revised contracts & leases since prior annual meeting.
 - a. Accounting Software – locked in maintenance cost for three years at last year's rate
 - b. SBA Paycheck Protection Program Loan – forgivable portion up to \$215,000
 - c. Line of Credit set up to allow for flexibility of cash flow, pending Board approval
 - d. Dawson and Susan have renegotiated numerous other contracts and leases to reduce expenses
5. Chief Financial Officer (CFO) report – Susan Kuhlman Parker. See attached summary "CFO Report for Finance 1".
6. Reports from Audit and Investment Committees and Treasurer in addition to meeting packet materials.
 - a. Audit, Elyce Dilworth - nothing to add
 - b. Treasurer, Teddy Decker - nothing to add
 - c. Investment, Ralph Davis - investments are up through the end of August, 3% for the year.
7. The focus of Finance 2 meeting, Sep 17, will be discussion and questions about the Business Plan Assumptions and Fees. Documents will be posted on annual meeting page this week.
8. Other - The audience asked questions related to coach development and partnering with non-aquatic based athletic organizations. Dawson responded that members of the coaches committee and national office are targeting a virtual Level 1 training in the first half of 2021. The plan is likely to include blending on-line and in-person learning platforms. Coach and club development efforts will continue to be budgeted to be revenue neutral or positive. The NO is constantly looking for new partners and welcome any suggestions.
9. Upcoming projects
 - a. Review and revise FOG.
 - b. Be available to support and advise NO during the changing financial atmosphere in the coming year.

Tasks for the Upcoming Year

1. Review FOG.

The meeting was recessed at 8:48pm EDT.

CFO Report to Finance 1

Internal:

March/April- submitted a revised financial plan and cash flow for 2020 and 2021 to both the FC and Board for review. The revised plan specifically addressed the COVID-19 challenges. **We forecast that the annual revenue and expenses would decrease by 25%**

April/May- implemented approved financial plan revisions. All USMS contracts and activities were reviewed, renegotiated, and updated as needed.

- Event sanctions, Spring & Summer Nationals, and College Club Swimming events were cancelled. Also cancelled the 50th Anniversary celebrations.
- A new virtual championship was developed, and plans outlined to both engage members and fulfill partner commitments to the extent possible.
- All travel and hotel commitments were cancelled including coach certification and ALTS instructor programs

EXPENSE SAVINGS:

- National office staffing needs were revised, and three positions were eliminated. One position was reduced from full time to part time after one staff retired. **Partial year savings of \$205k**
- The national office lease was renegotiated to reduce expenses over the life of the 5-year lease.
- STAFF BEGAN WORKING REMOTELY exclusively. We had been working towards digital invoice processing and EFT payments. Good timing.
- Mid-year audit of insurance premiums was requested and received based on membership and activities and **was reduced by \$55k.**

May - present

- The year plus membership option for \$60 was introduced to attract 2020 renewals and new members. **Reviewed by the FC and then the BOD.**
- A COVID-19 USMS Club Relief Fund-Matching Grant program was created. This was reviewed by the FC and approved by the Board. The LMSCs and USMS National Office will assist clubs by providing a per member dollar amount in grant assistance to help the clubs return to the water as soon as possible. Potential grants may equal \$250k (or more) from LMSCs and a matching of up to \$250k from National.
- The 2020 USAS Convention cancelled- **budget savings of \$135k**

External:

April- received a Small Business Administration (SBA) loan through the Paycheck Protection Program. \$276k (a to-be-determined portion of this loan will be forgiven)

May- received a one-time SBA emergency grant for \$10k.

June through August- reviewed options for additional financing for short term seasonal cash flow needs and decided on a line of credit with a local community bank. To date, no funds have been needed.

The adjustments made in April and the flexibility and diligence of USMS have brought us to September with a forecasted net loss of under \$100k which is \$61k better off than was originally budgeted prior to the pandemic.
