

UNITED STATES MASTERS SWIMMING, INC. MEETING MINUTES

FINANCE COMMITTEE

DATE: 9/13/85

TIME: 1:00PM

PRESENT: E. Kevin Kelly (Chairperson), Kris Wingenroth, Nick Fazzano, Bill Tingley, Dore Schwab, Dotty Whitcomb, Reg Richardson, Luc Johnson, Barr Clayson, Mary Lee Watson, Ted Haartz

NONMEMBERS PRESENT: Enid Uhrich, Ham Anderson, Jo May, Bert Petersen, Jane Moore, Suzanne Rague, Chris Georges, Janice Hagen (Recorder).

A. MINUTES

MSC to accept minutes as presented last year.

B. BUDGET

1. Registration

Registration figures were reviewed as:

1982 - 11,900

1983 - 14,900

1984 - 15,591

1985 - 18,901

1986 figures were estimated to be 21,700 based on 15% growth. MSC to accept 15% growth as estimate for next year.

2. Insurance

It was discussed that there may be another increase of 10¢ in May. Actual cost increase/person computes to 45¢ over last year.

3. Clubs

Club figures were reviewed as:

1982 - 258

1983 - 268

1984 - 255

1985 - 312

It was decided to use 300 clubs as the 1986 projection for budgetary purposes.

4. Championship surcharge

Championship surcharge was estimated to be 2000.00 for budgetary purposes.

5. Interest rates, other income

It was decided to use 7% interest on \$100,000, and 5% on the remainder.

It was decided to use \$3,000 as estimated income in the category of "other".

6. President's budget

MSC that president budget be approved at \$1775. International travel component deferred.

7. Vice President

MSC that \$1175 be approved.

8. Secretary

MSC that \$1175 be approved.

9. Treasurer

MSC that \$925 be approved.

10. Zone Chairpersons

Budget was planned by Zone chairman for total zones budget rather than individual zone budgets. MSC to approve \$800 for total budget.

11. Comptroller

Computerization of bookkeeping and account systems was discussed. Training of the executive secretary to run the program was suggested. It was discussed that there is a person interested in developing the program in exchange for the cost of transportation to the 1986 convention. It was decided to anticipate a cost of \$400 for this purpose. MSC to approve \$500.00 for comptroller.

12. Administration

The request for this item was reviewed. MSC to allocate \$20,340 into Administration budget item 516.

13. Registrar

The differences between registrar and registration were discussed. MSC to approve \$8000 for registrar and \$4500 for registration.

14. Audit

MSC to approve \$100.

15. Ransom Arthur

MSC to approve \$100.

16. Championship Committee

Committee request included \$1400 basic costs and \$3000 for computer setup. Computer setup costs referred to capital expenses. MSC to approve 1400.

17. Convention

Total of 4500 requested. MSC to approve \$4500.

18. Finance

MSC to approve \$150.

19. International

Requested amount was \$1200, with \$1000 as travel expenses. MSC to approve \$200 and to form new category of expenses later for travel.

20. Legislation

MSC to approve \$400.

— 21. Planning

Requested amount was \$1200 not including the adaptive swimming manual cost. The development of a subcommittee to evaluate bids was discussed. Included in that discussion was the issue of whether this was the finance committee's responsibility or the actual involved committee. MSC to table decision on this issue until after the budget discussion. MSC to approve \$1200. Distribution costs of Policy/Procedures book not allocated.

22. Long Distance Swimming  
MSC to appropriate \$190.

23. Marketing

Marketing budget request given verbally by Dore Schwab, requesting an advance amount of \$12,000 for development of a calendar. Estimated maximum risk amount was \$2500. MSC to approve \$250 as operating expenses for the committee. MSC to approve \$12,000 for calendar.

The marketing committee also requested \$6000 for public relations and proposed that we hire a public relations specialist for a period of a few weeks prior to and after national championships. Also discussed was the publications committee request for a part-time, year-round promotions/public relations position at a cost of \$16,000. Moved and seconded that \$15,000 be allocated for the promotions/public relations position. Motion failed. It was suggested that we consider hiring someone to evaluate the needs of the organization in public relations and to develop an action plan.

24. Publication

Committee request included \$9580 (operating expenses, newsletter, Adaptive Swimming, LMSC club guidelines, and policy and procedure publication) and \$15,000 for promotions/public relations position. MSC to approve \$9580.

25. Registration

Previously approved at \$4500.

26. Rules

MSC to approve \$100.

27. Sports Medicine

Request included \$1000 to publish brochures for a total request of \$1350. MSC to approve \$1350.

28. All-American

MSC to approve \$615.

29. Records

MSC to approve \$100.

30. Tabulation

MSC to approve \$150.

31. Liason

MSC to approve \$100.

32. Historian

MSC to approve \$500.

33. Legal Counsel  
MSC to approve \$150.

34. Executive Committee  
MSC to approve \$100. <sup>\$250</sup>

35. Hall of Fame Grants  
MSC to approve 1100.

36. Depreciation  
Total of 325 was estimated, decision deferred until capital gains discussion.

37. Printing  
It was discussed that costs will be absorbed by publication committee.

38. Insurance  
MSC to approve \$27,300.

39. Rule Books  
MSC to approve \$2000.

40. Registration.  
MSC to reconsider registration budget. MSC to add \$400 to cover Swim Master subscriptions and to bring the total to \$4900.

41. International Travel Requests  
Two travel requests were evaluated, one from Tom Boak and one from the International Committee. MSC that the finance committee propose that for any USMS travel reimbursement, the maximum expenditure be limited to half the lowest available roundtrip airfare, if the meeting participant is participating in the meet. Both requests were reviewed, and no action was taken. Motion made and amended to reconsider the motion regarding the International Committee budget to reduce the committee's request to \$200. Motion seconded and carried. MSC to accept amended motion.

42. Championship committee computer program expenditure  
MSC to approve expense of \$3000 to develop a computer program for championships, with a requirement of a minimum of three bids utilized.

43. Capital expenditures  
MSC to add in a capital expenditures component of the budget and to include the \$3000 computer program expense under this topic.

44. Depreciation  
MSC to approve \$500 for depreciation.

45. Expenses figures  
Figures utilized for computation were:

Total expenditure sum from budget	103,495
Capital expenditure	3,000
minus depreciation	500
Total	106,000

46. Expected incomes

Expected incomes were computed and discussed. MSC to not recommend a dues increase for fiscal year 86 and to recommend a fiscal year 87 dues increase to \$5.00.

47. Comptroller

MSC to continue to use a temporary comptroller to help move the books into an electronic data process system.

48. Miscellaneous

MSC to approve \$505.

49. Total budget income/expenses

MSC to accept these figures as the final figures to be approved:

Expenses -	\$104,225
Expenses, Capital -	3,000
Projected Income -	95,225

C. AUDIT

MSC that this committee recommend that the audit function stay within the function of the corporation.

D. INVESTMENT

Barr Clayson presented the proposed cash management policies (see attachment A). MSC to accept subcommittee proposal as this committee's recommendation.

E. BIDS

MSC that all requests for reimbursement must be accompanied by written evidence of three bids for expenses of over \$1000.


F. FISCAL YEAR

The differences between the registration year, tax year and fiscal year were discussed. The audit committee recommended that registration, tax and fiscal years be the same. Motion made to move tax year to match fiscal year. Motion died for lack of a second. MSC to bring fiscal year in agreement with the tax year such that the books will close 12/31 and a new year will start 1/1, with the implementation date of 1/1/87.

G. BUDGET CONTINUATION - NOT CLASSIFIED ELSEWHERE

MSC to approve \$225 in this category to cover coaches committee budget needs.

The meeting was adjourned at 7:10PM.

  
\_\_\_\_\_  
Janice Hagen, Recorder

\_\_\_\_\_  
E. Kevin Kelly, Chairperson

ATTACHMENT: A - Proposed Cash Management Policies

UNITED STATES MASTERS SWIMMING, INC.

Proposed Cash Management Policies

The following general guidelines and philosophical considerations are recommended for the management of cash held in the Treasury of U.S. Masters Swimming, Inc.:

- (1) Funds are to be viewed as short term in nature with no intent to create a longer term pool of investment capital. This consideration should, however, be reviewed on an annual basis.
- (2) Cash, approximately equivalent to three months expense requirements should be kept in liquid and available form in some type of checking account at a financial institution deemed to be in good health and offering the appropriate Federal Deposit Insurance. Such checking accounts (NOW or MMDA accounts) in many states offer competitive money market returns but the convenience and availability of these funds to the Treasurer or bookkeeper is considered of primary importance.
- (3) Funds exceeding the aforementioned requirements should be invested in high quality short term obligations or pooled money market funds which meet quality standards compatible with the following:
  - a. Maturities should be one year or less.
  - b. Instruments held should be obligations of the U.S. Government and/or its agencies or of the largest and most credit-worthy financial, industrial and public utility corporations in the U.S. rated Aaa, Aa or A1 P1 in the case of commercial paper.
  - c. Common stocks, preferred stocks, option devices or obligations denominated in foreign currencies are not considered appropriate investments for these funds.

ASSIGNMENT OF ACCOUNT NUMBERS 1985/6

FISCAL BUDGETS

501 Insurance - 27,300	526 Long Distance Swimming - 190
502 Rule Books - 2,000	527 Marketing - 12,250
503 President - <del>1775</del> <del>1775</del> 1775	528 Publications - 9580
504 Vice President <del>1175</del> 1175	529 Registration - <del>4900</del> <del>4900</del>
505 Secretary - <del>1175</del> 1175	530 Rules - 100
506 Treasurer - 925	531 Sports Medicine - 1350
507 Chair of Zone Reps - 800	532 All-American - 615
508 Breadbasket Zone - included above	533 Records - 100
509 Colonies Zone - included above	534 Tabulation - 150
510 Continental Divide - included above	535 Liason - 100
511 Cow & Calf Zone - included above	536 Historian - 500
512 Dixie Zone - included above	537 Legal Council - 150
513 Heartland Zone - included above	538 Executive Committee - 100
514 Oceana Zone - included above	539 Reserved
515 Comptroller - 500	540 Reserved
516 Administration - 20,340	541 Hall of Fame Grants - 1100
517 Registrar - 8000	542 Depreciation - <del>500</del> <del>500</del>
518 Audit Committee - 100	543 Printing - 0
519 Arthur Award Committee - 100	544 Miscellaneous - 505
520 Championship Committee + 3000 computer - 1400	545 Not Elsewhere Classified - 225
521 Convention Committee - 4500	560 Reserve Fund Deposit
522 Finance Committee - 150	
523 International Committee - 200	
524 Legislation - 400	
525 Long Range Plan - 1200	

FINANCIAL REPORT FOR THE FISCAL YEAR ENDED AUGUST 31, 1985

1. Gross income	\$ 81,055.90
(\$61,129.25 from individual dues)	
(\$ 8,177.54 interest and dividend income)	
2. Total expenses	\$ 39,993.26
(\$15,156.65 for insurance)	
3. Net income	\$ 41,062.64
4. Total Assets	\$140,339.08
(Cash \$131,221.94)	
(Reserve fund of \$100,000. within cash balance)	
5. The only liability is a contingency for a potential IRS obligation.	\$ 210.00
6. Fund balance (i.e. net worth)	\$140,129.08

The report, which is on a cash basis, does not include income or expense figures for the last week of August, as they were not available prior to this meeting. The final year-end numbers will be adjusted to reflect that last week. Such adjustments are not expected to be material.

as of 9/14 \$1200 additional income  
\$4000 additional expense