

Finance Vice-Chair Report for 2011 House of Delegates Meeting

MSI Membership:

Once again, and contrary to previous quadrennial trend data, membership numbers have increased. Meet entry fees and splash fees have also increased as the economy seems to show stronger signs of recovery.

Expenditures continue to remain within or under budget. Our annual audit was performed by Harrington, Langer & Associates. Changes that have been made to address recommendations include:

1. Use of a payroll service, which also allows us to offer our employees direct deposit and payroll deduction, with the added benefit of providing some controls as recommended by the auditors
2. Additional review of the Central Zones budget/reporting

MSI once again received high ratings overall.

One of the outcomes of last year's Strategic Planning process was to hire an Executive Director. The Finance/Personnel Committee held 7 meetings outside of the regular board meetings this year, starting in July of 2010, in order to achieve that goal. MSI's first Executive Director was hired in January, 2011.

Concern continued this year regarding MSI's reserves and overall cash balances. As with for-profit businesses, nonprofit organizations such as MSI work to keep a balance between operating income and expenses. At the February 15, 2011 MSI board meeting, the MSI Reserve Policy was discussed, voted upon, and adopted for implementation starting 9/1/2011. The policy is consistent with USA Swimming's policy, and states "MSI will strive to maintain reserves of a minimum of 75% and a maximum of no more than 125% of its annual operating expenditures budget."

A second outcome of the reserves discuss was the creation of an ad hoc committee to review meet fees to ensure that these are in line with MSI's mission. This ad hoc committee of 8 members, included an athlete rep, coaches, officials, parent reps/club board members, and myself. The committee has met twice since February.

Our 2011-2012 fiscal year looks to be a promising year, with Olympic trials/games to look forward to next year. We will continue to monitor the fiscal well-being of MSI while striving to maintain quality services for our membership.

Thank you for the privilege of serving MSI for the past six years.
Respectfully submitted,

Terri Meeks
Finance Vice-Chair

Referenced Reports:
2011-2012 Proposed Budget