

These minutes will be officially approved by the Metropolitan Swimming Finance Committee at its next meeting.

Metropolitan Swimming Finance Committee Meeting Minutes
October 27, 2022 / Zoom

CALL TO ORDER

Christopher Arena, Finance Committee Chair, called the October 27, 2022 Finance Committee meeting to order at 8:05 am with the following members in attendance:

PRESENT

Frankie Anderson, Christopher Arena, Kristin Cornish, Lamar DeCasseres, David Ferris, Charlie Hinckley, Frank Seldin, and Allen Wone

Absent

Kate Hallex

GUESTS

Dom Boccio, Eric Fisher, Mary Fleckenstein, Kenneth Graham, Sandy Graham, Annette Mackrel, Jeff Chu

Recap of Discussion with Grassi

Christopher Arena reported that him and Dom Boccio had a call with the head of Metro’s accounting firm’s non-for-profit advisory on 10/20. It was an opportunity to meet with a new point of contact at Grassi & Co. as well as to discuss Metro’s financial position to better acquaint Metro’s new contact with its operating history and financial position, among other items.

Mr. Arena reported that Metro’s new contact ensured Mr. Arena and Mr. Boccio that Metro should not hesitate to contact him and that he is happy to be a useful resource. Going forward, Mr. Arena will plan to meet with him on a more regular basis, likely quarterly, with any other relevant Metro personnel.

Metro’s Lawyer

Mr. Arena reported that Lamar DeCasseres and Mr. Boccio met with Metro’s lawyer Mr. Hansbury on 10/24. The lawyer indicated that he is scaling back his practice in an effort to retire. He was looking to offload Metro as a client by the end of the year.

Given this, Metro will retain Mr. Hansbury until December 15th, when Metro’s next invoice period runs through. After December 15th, Metro and Mr. Hansbury will mutually turn off their engagement. After that date, Metro will not be paying for regular legal services unless Metro signs a new engagement with a new lawyer, which is not anticipated at this time.

Mr. Hansbury confirmed that there is no open litigation that Metro Swimming is exposed to.



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Mr. Hansbury provided his opinion that while we are welcome to approach Metro’s landlord in an effort to terminate our lease early, that it is unlikely he will agree to let Metro do so.

Treatment of Long Overdue Outstanding Debt

MOTION: Mr. Arena made a motion to enter into closed session. *Seconded. APPROVED*

MOTION: Mr. Arena made a motion to return to open session. *Seconded. APPROVED*

Proposed Budget Draft

Introduction

Mr. Arena presented to the Committee the budget proposal that he had worked on drafting since the September HOD meeting.

He noted that no changes were made to the income portion of the proposed budget, only to the expense side of things. This results in a more conservative budget projection given the recent acceptance by the HOD to allow an increase in fees for Sr. Mets and other meets. Mr. Arena indicated that the goal of this budget re-write was to address the concerns of membership, and in order to do so, the expense side of the budget was the focus. That is where the work of this committee was done, and if anything, it leaves potential upside for Metro swimming on the income side of the proposed budget.

Many items of the budget on the expense side were unchanged since the last version of the budget. Mr. Arena reported on which items of the budget he addressed.

Committee Areas of the Budget

Mr. Arena reported that he received feedback from some Metro committee chairs, as reported on in the 10/10 Finance Committee meeting. The Officials’ budget for Background Check Reimbursements (Budget item 6200.12) and Officials’ Travel Reimbursement (6200.10) has been slightly trimmed down in this draft to reflect recent underutilization. The budget item for Officials’ Incentives (6200.13) was rounded up to \$1000 from \$800.

Mr. Arena decreased the Coaches’ Programs (6300.00) Budget to \$1000 to reflect the fact that this budget has gone unused for many years. Allen Wone indicated that has been the case for as long as he can remember and was unused during his four-year tenure as Finance Chair. Mr. Arena also reported that the Coaches Committee Chair never responded to his request for feedback on budget areas overseen by committee chairs.

Employee / Administrative Expenses

Given the recent departure of some Metro Swimming staff, the budget for Salaries and Wages (6601.00) has greatly decreased. The new budgeted amount reflects what Metro has already paid in salaries as of the date of this meeting plus an estimate of how much will be paid out towards salaries for the rest of the fiscal year 2022-2023. This estimate is a high-end estimate based on the maximum number of hours Metro’s hourly employee is approved to work, and it is likely



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At this time, there has been no change to Metro’s lease agreement, and the full amount of Metro’s rent payment is reflected in the new budget draft along with associated utilities and other expenses. This is something that will be revisited after the November Special HOD meeting.

Metro’s Professional Service Fee (6608.50) has been reduced greatly to \$22,200. This is due to the acceptance of a lower cost accounting agreement with Metro’s accounting firm Grassi & Co for FY 2022-2023. that was approved at the 10/10 Finance Committee Meeting and was ultimately approved by the BOD on 10/11.

Expense Increases

Mr. Arena reported that some budgeted expenses were increased to reflect new information that has come to his attention since the last HOD meeting in September. In an effort to accurately reflect anticipated expenses in the budget, these were accounted for.

This includes an increase in the cost of a table at Golden Goggles (6630.00) from \$10,000 to \$15,000. Multiple members of the Committee voiced that they were in favor of sending a diverse contingent of Metro members and athletes to the Golden Goggles Dinner as has been done in years past when the Dinner is hosted in NYC.

The pool rental budget for Short Course Senior Mets Pool Rental (6690.12) was increased to \$27,225 to reflect the recently received invoice for the SC Sr. Mets pool rental. Allen Wone indicated that the LC Sr. Mets Pool Rental budget (6690.22) should also be increased considering it has historically been at least as great as the cost of the pool rental for SC Sr. Mets. Mr. Arena increased the LCM Sr. Mets Pool budget to \$27,225 in the draft budget.

A \$2,000 budget was added for Safe Sport (6900.00) to support travel to an April Safe Sport Conference.

Wrap-Up

The budget as presented at this time realizes a final net income for FY 2022-2023 of -\$7,375, down from an expected net income of -\$80,875 that was presented at the September HOD meeting (not-including a cost-savings line item that was added to reflect cost savings goals). Mr. Arena reported that the Committee achieved overall cost savings of over \$85,000.

MOTION: *Christopher Arena motioned to accept the new proposed and presented draft budget (inclusive of all changes made during the course of this Finance Committee meeting) for FY 2022-2023. Seconded.*

APPROVED

With the approval of this budget, the Committee addressed most of memberships’ main concerns coming out of the September HOD meeting. Multiple members of the Committee also noted that they believed that Metro would realize a budget surplus in FY 2022-2023 due to the conservative nature of many budget projections, especially on the income side.



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ADJOURN

Christopher Arena adjourned the meeting at 8:59 pm

Respectfully submitted,

Christopher Arena
Finance Committee Chair

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Metropolitan Swimming Finance Meeting Minutes Attachments

Oct. 27, 2022 / Zoom

- Attachment 1: Page 6 – Agenda: October 10, 2022
- Attachment 2: Page 7 – Draft Budget Proposal Presented by Finance Committee Chair
Page 11 – Amended Draft Budget Proposal Approved by Finance Committee (Inclusive of any changes made during meeting)
- Attachment 3:

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Agenda of Oct. 27, 2022 Finance Committee Meeting:

1. Recap of Finance Chair and Acting General Chair's most recent discussion with Metro's accounting firm
2. Treatment of long overdue outstanding debt (closed session)
3. Update on agreement with Metro's lawyer
4. Metro's lawyer's thoughts on Metro lease agreement
5. Draft budget proposal for BOD / HOD
6. New business

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Metropolitan Swimming Inc.

Budget Overview: FY 2022-2023 - FY23 P&L

September 2022 - August 2023

	TOTAL
Income	
5000.00 General Income Accts	
5001.00 Investment Income	
5001.20 Dividend Income	5,000.00
Total 5001.00 Investment Income	5,000.00
5002.00 Fee & Surcharge	
5002.10 Sanctions Fee	25,000.00
5002.15 Post Meet Fee (20%)	225,000.00
5002.17 Senior Surcharge	9,000.00
5002.18 JO Surcharge	13,000.00
5002.19 Silver/Bronze Surcharge	6,000.00
5002.20 Credit Card Fees Received	1,000.00
Total 5002.00 Fee & Surcharge	279,000.00
5005.10 Fines	
5005.17 Admins Fines	4,500.00
Total 5005.10 Fines	4,500.00
5006.00 Registrations	
5006.10 Club-Received (Metro portion)	8,000.00
5006.20 Athlete-Received	99,000.00
5006.30 Non Athlete-Received	10,000.00
5006.40 Transfers-Received	3,000.00
5006.50 Flex Athletic-Received	3,000.00
5006.60 Flex to Full Membership	200.00
Total 5006.00 Registrations	123,200.00
Total 5000.00 General Income Accts	411,700.00
Total Income	\$411,700.00
GROSS PROFIT	\$411,700.00
Expenses	
6100.00 Athletics Service Program	
6110.00 Travel Reimbursement	
6110.11 SC Sectional	6,000.00
6110.12 LC Senior Zone/Sectional	16,000.00
6110.14 SC NCSA Junior	44,000.00
6110.15 LC NCSA Junior	6,000.00
6110.16 LC Futures	10,000.00
6110.18 USA JR National SC	3,000.00
6110.19 USA JR National LC	21,000.00
6110.22 USA National/Open SC	5,000.00
6110.23 USA National/Open/Phillip66 LC	10,000.00
6110.30 USA Open Water Champ	4,000.00
6110.40 World Trials	10,000.00
Total 6110.00 Travel Reimbursement	135,000.00

Metropolitan Swimming Inc.

Budget Overview: FY 2022-2023 - FY23 P&L

September 2022 - August 2023

	TOTAL
6120.00 Scholarships	
6120.10 Joseph Stetz Registration Income	-2,075.00
6120.15 Len Galuzzi Registration Income	-2,000.00
6120.20 Len Galuzzi Scholarship Award	2,000.00
7120.10 Joe Stetz Scholarship Awards	2,000.00
7120.20 Joe Stetz Scholarship Placques	75.00
Total 6120.00 Scholarships	0.00
6130.00 Programs	
6131.00 Age Group Zone Meet	
6131.10 LC Zone	
6131.11 LC Zone fees collected	-80,000.00
7131.10 LC Zone Entries Fees Paid	5,000.00
7131.11 LC Zone Uniforms	30,000.00
7131.12 LC Zone Petty Cash & supplies	2,000.00
7131.13 LC Zone Bus	25,000.00
7131.14 LC Zone Hotel & meals	70,000.00
Total 6131.10 LC Zone	52,000.00
Total 6131.00 Age Group Zone Meet	52,000.00
6133.00 Diversity and Disability Program	11,000.00
6133.10 Splash Fee Reimbursement	8,000.00
Total 6133.00 Diversity and Disability Program	19,000.00
6137.00 Distance Meets	6,000.00
Total 6130.00 Programs	77,000.00
Total 6100.00 Athletics Service Program	212,000.00
6200.00 Officials	
6200.10 Travel Reimbursement	12,000.00
6200.11 Clinic & Training Expenses	3,000.00
6200.12 BGC Reimbursement	2,000.00
6200.13 Incentives	1,000.00
Total 6200.00 Officials	18,000.00
6300.00 Coaches Programs	
6310.00 Coaches Clinic/Mentoring Program	1,000.00
Total 6300.00 Coaches Programs	1,000.00
6400.00 BOD	
6410.00 USAS Conferences/Convention Fee	1,500.00
6410.20 Travel Expenses	4,500.00
Total 6410.00 USAS Conferences/Convention Fee	6,000.00
6411.00 EZ Conferences & Conventions	
6411.20 Lodging/Transportation	2,500.00
Total 6411.00 EZ Conferences & Conventions	2,500.00
6420.00 BOD Travel Reimbursement	1,000.00
6450.00 BOD Misc Expenses	500.00

Metropolitan Swimming Inc.

Budget Overview: FY 2022-2023 - FY23 P&L

September 2022 - August 2023

	TOTAL
Total 6400.00 BOD	10,000.00
6500.00 Clubs Recognition	
6510.00 Club Excellence Program	35,000.00
Total 6500.00 Clubs Recognition	35,000.00
6600.00 Administration & Operations Support	
6601.00 Salary & Wages	46,500.00
6601.10 Payroll Tax	4,500.00
6601.20 Workers Comp Insurance	1,000.00
6601.30 ADP Payroll Service Fee	1,000.00
Total 6601.00 Salary & Wages	53,000.00
6607.00 All Office Essential Supplies	
6607.10 Annual Subscription Dues	2,000.00
6607.20 Printing/Ink/Paper	500.00
6607.30 Postage/Mailing	500.00
6607.40 Misc Expenses	500.00
Total 6607.00 All Office Essential Supplies	3,500.00
6608.00 Operation Expenses	
6608.01 Rent	15,800.00
6608.10 Internet Expense	1,500.00
6608.20 Telephone	1,500.00
6608.25 Utilities	1,500.00
6608.50 Professional Service Fee	22,200.00
6608.60 Subscription Fee	
6608.61 QB Monthly Fee(current)	600.00
Total 6608.60 Subscription Fee	600.00
Total 6608.00 Operation Expenses	43,100.00
6608.80 Legal & Professional Fees	4,050.00
6609.00 Office Equipment/Hardware	500.00
6610.00 Bank & Credit card expenses	
6610.10 Bank Service Charge/Fee	1,000.00
Total 6610.00 Bank & Credit card expenses	1,000.00
6611.00 HOD/BOD Meetings	500.00
6611.10 Refreshment - BOD/ LSC	500.00
Total 6611.00 HOD/BOD Meetings	1,000.00
6614.00 State Filing Fees	100.00
6630.00 Golden Goggles Dinners	
6630.10 Golden Goggles Dinner	15,000.00
Total 6630.00 Golden Goggles Dinners	15,000.00
6650.00 Metro Run Meets	
6650.10 Sr. Mets SC	
6650.12 SrM - SC Meet Entries	-20,000.00
6650.13 SrM - SC Admissions & Programs	-10,000.00

Metropolitan Swimming Inc.

Budget Overview: FY 2022-2023 - FY23 P&L

September 2022 - August 2023

	TOTAL
6690.11 SrM - SC Personnel/Admin/AO	5,000.00
6690.12 SrM - SC Pool rental	27,225.00
6690.13 SrM - SC Officials (Evaluator/MR/TLCJ)	1,250.00
6690.14 SrM - SC Refreshments	3,000.00
6690.15 SrM - SC Awards	875.00
6690.16 SrM - SC Misc Supplies Expenses	1,000.00
Total 6650.10 Sr. Mets SC	8,350.00
6650.20 Sr Mets - LC	
6650.22 SrM - LC Meet Entries	-20,000.00
6650.23 SrM - LC Admission & Programs	-10,000.00
6690.21 SrM - LC Personnel/Admin/Ao	4,000.00
6690.22 SrM - LC Pool Rental	25,000.00
6690.23 SrM - LC Officials(Evaluator/MR/TLCJ)	1,250.00
6690.24 SrM - LC Refreshments	3,000.00
6690.25 SrM - LC Awards	1,000.00
6690.26 SrM - LC Misc Supplies Expenses	1,000.00
Total 6650.20 Sr Mets - LC	5,250.00
6650.40 Open Water	4,000.00
Total 6650.00 Metro Run Meets	17,600.00
Total 6600.00 Administration & Operations Support	138,850.00
6900.00 Safe Sport	2,000.00
Total Expenses	\$416,850.00
NET OPERATING INCOME	\$ -5,150.00
NET INCOME	\$ -5,150.00

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5000.00 General Income Accts	
5001.00 Investment Income	
5001.20 Dividend Income	5,000.00
Total 5001.00 Investment Income	5,000.00
5002.00 Fee & Surcharge	
5002.10 Sanctions Fee	25,000.00
5002.15 Post Meet Fee (20%)	225,000.00
5002.17 Senior Surcharge	9,000.00
5002.18 JO Surcharge	13,000.00
5002.19 Silver/Bronze Surcharge	6,000.00
5002.20 Credit Card Fees Received	1,000.00
Total 5002.00 Fee & Surcharge	279,000.00
5005.10 Fines	
5005.17 Admins Fines	4,500.00
Total 5005.10 Fines	4,500.00
5006.00 Registrations	
5006.10 Club-Received (Metro portion)	8,000.00
5006.20 Athlete-Received	99,000.00
5006.30 Non Athlete-Received	10,000.00
5006.40 Transfers-Received	3,000.00
5006.50 Flex Athletic-Received	3,000.00
5006.60 Flex to Full Membership	200.00
Total 5006.00 Registrations	123,200.00
Total 5000.00 General Income Accts	411,700.00
Total Income	\$411,700.00
GROSS PROFIT	\$411,700.00
Expenses	
6100.00 Athletics Service Program	
6110.00 Travel Reimbursement	
6110.11 SC Sectional	6,000.00
6110.12 LC Senior Zone/Sectional	16,000.00
6110.14 SC NCSA Junior	44,000.00
6110.15 LC NCSA Junior	6,000.00
6110.16 LC Futures	10,000.00
6110.18 USA JR National SC	3,000.00
6110.19 USA JR National LC	21,000.00
6110.22 USA National/Open SC	5,000.00
6110.23 USA National/Open/Phillip66 LC	10,000.00
6110.30 USA Open Water Champ	4,000.00
6110.40 World Trials	10,000.00
Total 6110.00 Travel Reimbursement	135,000.00

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6120.00 Scholarships	
6120.10 Joseph Stetz Registration Income	-2,075.00
6120.15 Len Galuzzi Registration Income	-2,000.00
6120.20 Len Galuzzi Scholarship Award	2,000.00
7120.10 Joe Stetz Scholarship Awards	2,000.00
7120.20 Joe Stetz Scholarship Placques	75.00
Total 6120.00 Scholarships	0.00
6130.00 Programs	
6131.00 Age Group Zone Meet	
6131.10 LC Zone	
6131.11 LC Zone fees collected	-80,000.00
7131.10 LC Zone Entries Fees Paid	5,000.00
7131.11 LC Zone Uniforms	30,000.00
7131.12 LC Zone Petty Cash & supplies	2,000.00
7131.13 LC Zone Bus	25,000.00
7131.14 LC Zone Hotel & meals	70,000.00
Total 6131.10 LC Zone	52,000.00
Total 6131.00 Age Group Zone Meet	52,000.00
6133.00 Diversity and Disability Program	11,000.00
6133.10 Splash Fee Reimbursement	8,000.00
Total 6133.00 Diversity and Disability Program	19,000.00
6137.00 Distance Meets	6,000.00
Total 6130.00 Programs	77,000.00
Total 6100.00 Athletics Service Program	212,000.00
6200.00 Officials	
6200.10 Travel Reimbursement	12,000.00
6200.11 Clinic & Training Expenses	3,000.00
6200.12 BGC Reimbursement	2,000.00
6200.13 Incentives	1,000.00
Total 6200.00 Officials	18,000.00
6300.00 Coaches Programs	
6310.00 Coaches Clinic/Mentoring Program	1,000.00
Total 6300.00 Coaches Programs	1,000.00
6400.00 BOD	
6410.00 USAS Conferences/Convention Fee	1,500.00
6410.20 Travel Expenses	4,500.00
Total 6410.00 USAS Conferences/Convention Fee	6,000.00
6411.00 EZ Conferences & Conventions	
6411.20 Lodging/Transportation	2,500.00
Total 6411.00 EZ Conferences & Conventions	2,500.00
6420.00 BOD Travel Reimbursement	1,000.00
6450.00 BOD Misc Expenses	500.00

Metropolitan Swimming Inc.

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	TOTAL
Total 6400.00 BOD	10,000.00
6500.00 Clubs Recognition	
6510.00 Club Excellence Program	35,000.00
Total 6500.00 Clubs Recognition	35,000.00
6600.00 Administration & Operations Support	
6601.00 Salary & Wages	46,500.00
6601.10 Payroll Tax	4,500.00
6601.20 Workers Comp Insurance	1,000.00
6601.30 ADP Payroll Service Fee	1,000.00
Total 6601.00 Salary & Wages	53,000.00
6607.00 All Office Essential Supplies	
6607.10 Annual Subscription Dues	2,000.00
6607.20 Printing/Ink/Paper	500.00
6607.30 Postage/Mailing	500.00
6607.40 Misc Expenses	500.00
Total 6607.00 All Office Essential Supplies	3,500.00
6608.00 Operation Expenses	
6608.01 Rent	15,800.00
6608.10 Internet Expense	1,500.00
6608.20 Telephone	1,500.00
6608.25 Utilities	1,500.00
6608.50 Professional Service Fee	22,200.00
6608.60 Subscription Fee	
6608.61 QB Monthly Fee(current)	600.00
Total 6608.60 Subscription Fee	600.00
Total 6608.00 Operation Expenses	43,100.00
6608.80 Legal & Professional Fees	4,050.00
6609.00 Office Equipment/Hardware	500.00
6610.00 Bank & Credit card expenses	
6610.10 Bank Service Charge/Fee	1,000.00
Total 6610.00 Bank & Credit card expenses	1,000.00
6611.00 HOD/BOD Meetings	500.00
6611.10 Refreshment - BOD/ LSC	500.00
Total 6611.00 HOD/BOD Meetings	1,000.00
6614.00 State Filing Fees	100.00
6630.00 Golden Goggles Dinners	
6630.10 Golden Goggles Dinner	15,000.00
Total 6630.00 Golden Goggles Dinners	15,000.00
6650.00 Metro Run Meets	
6650.10 Sr. Mets SC	
6650.12 SrM - SC Meet Entries	-20,000.00
6650.13 SrM - SC Admissions & Programs	-10,000.00

Metropolitan Swimming Inc.

Budget Overview: FY 2022-2023 - FY23 P&L

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	TOTAL
6690.11 SrM - SC Personnel/Admin/AO	5,000.00
6690.12 SrM - SC Pool rental	27,225.00
6690.13 SrM - SC Officials (Evaluator/MR/TLCJ)	1,250.00
6690.14 SrM - SC Refreshments	3,000.00
6690.15 SrM - SC Awards	875.00
6690.16 SrM - SC Misc Supplies Expenses	1,000.00
Total 6650.10 Sr. Mets SC	8,350.00
6650.20 Sr Mets - LC	
6650.22 SrM - LC Meet Entries	-20,000.00
6650.23 SrM - LC Admission & Programs	-10,000.00
6690.21 SrM - LC Personnel/Admin/Ao	4,000.00
6690.22 SrM - LC Pool Rental	27,225.00
6690.23 SrM - LC Officials(Evaluator/MR/TLCJ)	1,250.00
6690.24 SrM - LC Refreshments	3,000.00
6690.25 SrM - LC Awards	1,000.00
6690.26 SrM - LC Misc Supplies Expenses	1,000.00
Total 6650.20 Sr Mets - LC	7,475.00
6650.40 Open Water	4,000.00
Total 6650.00 Metro Run Meets	19,825.00
Total 6600.00 Administration & Operations Support	141,075.00
6900.00 Safe Sport	2,000.00
Total Expenses	\$419,075.00
NET OPERATING INCOME	\$ -7,375.00
NET INCOME	\$ -7,375.00