

ACBL Board of Governors

2017 Financial Update & 2018 Budget Proposal

November 25, 2017



American Contract
Bridge League

2017 Year-to-Date Change in Net Assets

- **Higher revenue aided by even lower expenses**
 - \$677K increase, \$435K better than budget



2017 Year-to-Date Revenues Versus Budget

- **Membership down \$78K**
 - Membership slightly down
- **NABC up \$41K**
 - Kansas City down \$31K, Toronto up \$72K
- **Tournament fees up \$30K**
 - Includes \$50K from NABC+ Online Game
- **Other Revenue up \$80K**
 - Gains on foreign exchange and investments



2017 Year-to-Date Expenses Versus Budget

- **Meeting Services (NABC) up \$249K**
 - Orlando 2022 contract cancellation
 - Toronto attrition & convention center costs
 - TD overtime costs
- **Marketing Down \$297K**
 - Coop. Adv. And School Bridge program expenses
 - Membership marketing
- **Information Technology down \$277K**
 - Professional Services
 - TourneyTrax Support



2017 Year-to-Date

- **Capital Expenditures**
 - \$340K approved budget
 - \$187K spent to date
 - AS400 System Replacement costs ramping up
- **Balance Sheet**
 - \$2MM increase in investments, total now \$6.5MM
 - \$836K increase in Deferred Membership Revenue, total now \$6MM



2018 Budget

Total Revenue Up \$116K, Net Loss of \$178K

- **Higher revenue:**
 - Increased membership revenue offsets reduced NABC tables and reduced Tournament Director fees from fewer Regional sessions
- **Invest in key areas to:**
 - Improve & increase TD training, add club support
 - Continue IT initiatives
 - Increase Marketing



2018 Budget Revenue Increases

- **Membership Dues \$893K**
 - Continued benefit of dues restructure
 - 15K new members by year-end
 - 25K temporary members
- **Tournament sanction fees \$103K**
 - Includes \$180K for 3 NABC+ online games



2018 Budget

Revenue Decreases

- **Tournament Director Fees - \$272K**
 - 6 fewer Regionals
- **NABCs - \$509K**
 - Lower entry fees from 4,580 fewer tables
 - Reduced local incentives
- **Gains on foreign exchange and investment gains not included in budget - \$87K**



2018 Budget

Invest in Field Operations - \$370K

- **Increase Tournament Director Training**
 - All part-time TDs will be assigned mentors
 - Increased on the job training
- **Add Management Support**
 - New positions: Asst. Director of Field Operations
- **Expand club support to include nights and weekends**
 - Part-time TDs will be on-call
- **No fee increases for 2018**



2018 Budget

Invest in IT & Marketing - \$320K

- **IT - Three new positions, Project Manager, Developers, & Desktop Support**
 - Ongoing initiatives include: New CRM/ERP operating costs, New Masterpoint engine/results gateway, certification of 3rd party software, rewrite of TourneyTrax, and system security upgrades
- **Marketing – New PR Coordinator**
 - Increase member recruiting & retention



Capital Budget - \$344K

- **2 Major Projects**

- AS400 replacement Project \$200K
 - Complete implementation of CRM/GL
- HQ Energy Conservation Project \$106K
 - Install LED lighting
 - Seal windows and doors
 - Calibrate heating/air to increase efficiency
 - Three-year payback (\$30K annual energy and maintenance savings)

