



# ***Montgomery County Road Runners Club***

## ***2021 Annual Budget***

***December 2020***



# ***Welcome – MCRRC President***

2020 was a difficult year due to the COVID-19 pandemic.

Despite these circumstances, MCRRC remains the premiere running organization in our region. Our programs and races are well-known and respected within our community and will return, when we are safely able to conduct them.

2020 was a year for “mental growth” – we had difficult conversations involving our schedule and our operations. We had difficult conversations about diversity, equity, and inclusion. We brought back the committee format by reviving the Race Committee and the Communications Committee and creating the new Inclusion and Equity Committee.

As we move into 2021, our decision matrix STILL encompasses four pillars:

- What’s right for MCRRC
- What’s right for our members
- What’s fiscally responsible
- What’s socially responsible

On behalf of the Board of Directors, we appreciate your patience, loyalty and support. We appreciate your flexibility as we navigated a way to elect a board, conduct meetings and approve the budget – *virtually*.

We are optimistic for the year ahead & thank you for your membership.



# *Summary – MCRRC Treasurer*

With most in-person programs and races being cancelled, the club took a major hit financially. We will conclude 2020 with a projected loss of about \$110K.

In addition to cutting costs where feasible, MCCRC received the following support:

- Paycheck Protection Program (PPP) Loan totaling \$23,200, which we expect to be forgiven in 2021 and turned into Contributed Income.
- Public Health Emergency Grant (PHEG) totaling \$10,000, which does not have to be repaid.
- Small reduction in rent through June 2021.
- Capital Campaign member contributions of just over \$25,000.

This additional support combined with strong bank account balances at the beginning of 2020, allowed MCRRC to make it through 2020.

2021 budget preparation was challenging due to many unknowns and is conservatively budgeted to have a net loss of about \$120K.

The club maintains approximately \$300K in reserves and we thank the Board Members who came before us for building and saving these “emergency” funds.



# ***Budget Assumptions***

**In 2021, we will continue to experience uncertainty & make many assumptions.**

## Key Assumptions and Budgeting Methodology:

- 2020's financials are not necessarily indicative of 2021's budget and neither are comparative to 2019.
- The 2020 budget was used as a base for the 2021 budget, with adjustments as seen fit.
- 2021 will not be the year to implement new systems, with initial investments that will not see an immediate return on investment.
- General Operations increased by approximately \$16K from the 2019 actuals.
  - \$10K – PPE for volunteers & participants due to COVID-19
  - \$ 5K – Commitment to Inclusion and Equity
  - \$ 1K – Increase in Communications
- Training Programs:
  - Reduced participation to 60% of 2019 participation.
  - Conservatively priced for virtual/ partially in-person offerings (subject to change, as COVID-19 restrictions allow) (No In person programs budgeted)
- 2021 Races
  - Anticipate some races will be held and some will be cancelled due to permitting & local guidelines (also subject to change, as COVID-19 restrictions allow)
  - Guidance from the newly formed "Race Committee"
- Membership and RMS were budgeted at reduced levels



# *Income & Expense Main Categories*

## **Income Categories:**

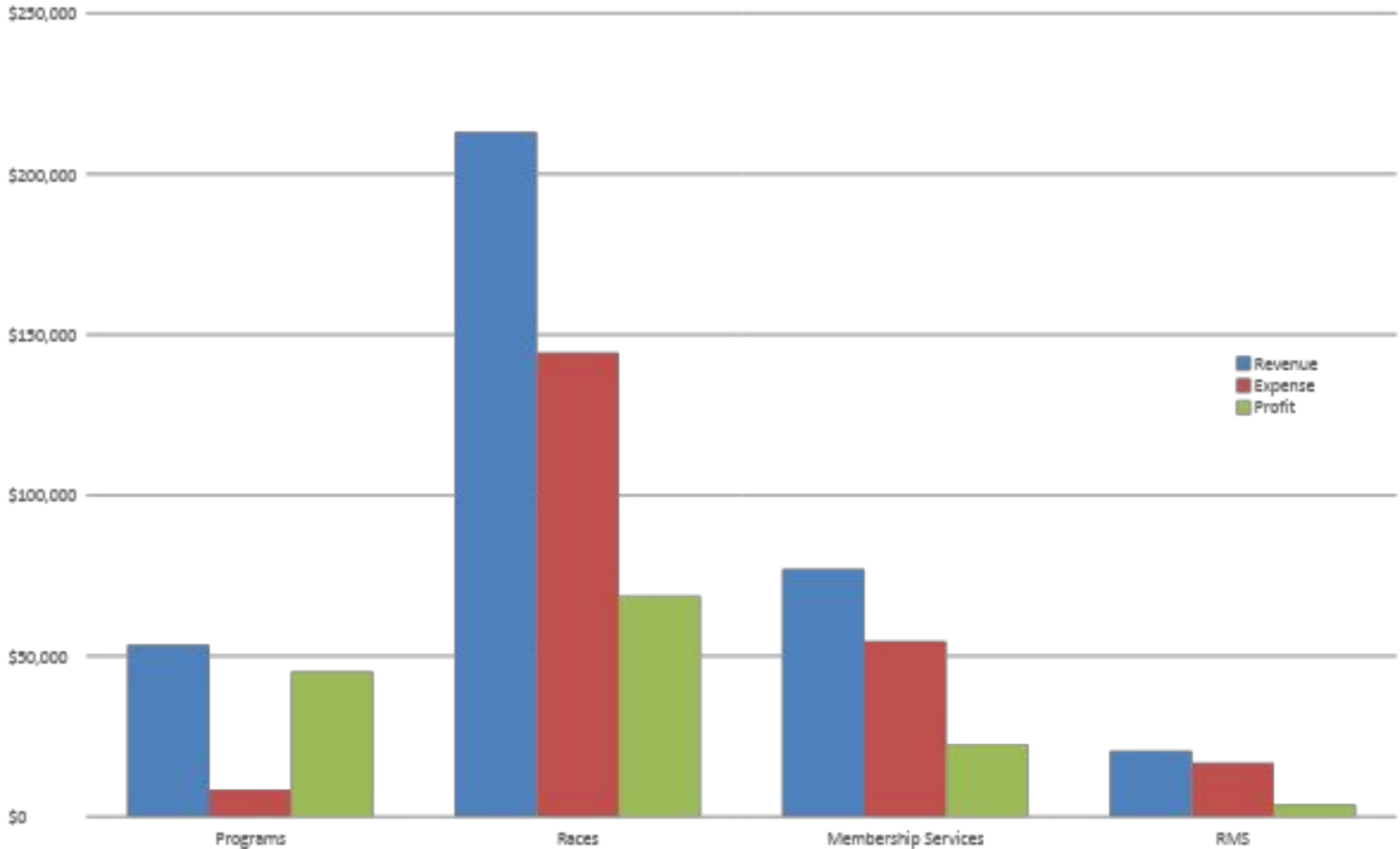
- **Programs** – Registration fees for training programs.
- **Races** – MCRRC race registration fees and sponsorships.
- **Membership Services** – Membership dues and contributions as well as interest income.
- **RMS** – Revenue from equipment rentals and timing of non-MCRRC races.
- **General Operations** – Uncategorized income and gains/losses.

## **Expense Categories:**

- **Program Expenses** – Coaching requirements (background checks & CPR/ First Aid certifications), premiums, refreshments, end-of-program banquets, coaches' gifts.
- **Race Expenses** – Service & equipment rentals, finishers' premiums, permitting, post-race festivities, refreshments, and race proceed distributions/ donations.
- **Membership Expenses** – Social events, scholarships and awards, community outreach, youth programs.
- **RMS Expenses** – Staff payments and service & equipment rentals.
- **General Operations** – Staff wages & taxes, office expenses, information technology, occupancy, insurance premiums, etc.



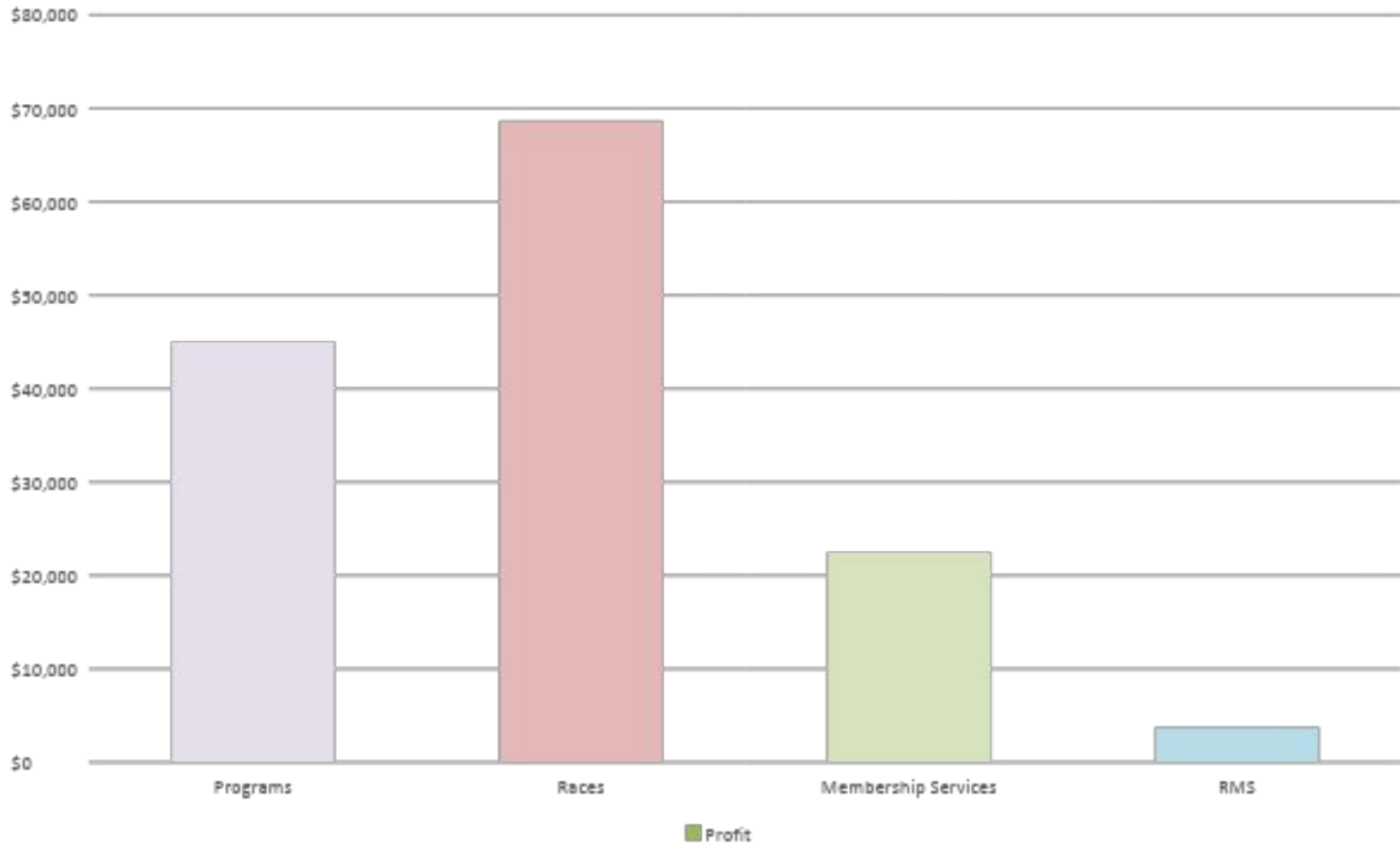
# *2021 Budget by Category before allocations*





# 2021 Budget Plan

2021 Budget Net Income  
Before allocations





# 2019 – 2021 Financials

(Not Including General Operations Allocation)

2021 Budget Without Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Revenue	\$ -	\$ 53,515	\$ 213,043	\$ 77,000	\$ 20,500	\$ 364,058
Expense	\$ 254,423	\$ 8,448	\$ 144,385	\$ 54,500	\$ 16,700	\$ 478,456
Net Operating Income Before General Operations Allocation	\$ (254,423)	\$ 45,067	\$ 68,658	\$ 22,500	\$ 3,800	\$ (114,398)
Operating Gross Profit % Before Allocation	-100%	84%	32%	29%	19%	-31%

2020 Forecast Without Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Revenue	\$ -	\$ 15,316	\$ 74,444	\$ 108,425	\$ 15,173	\$ 213,358
Expense	\$ 207,355	\$ 23,417	\$ 60,948	\$ 37,587	\$ 3,674	\$ 332,980
Net Operating Income Before General Operations Allocation	\$ (207,355)	\$ (8,101)	\$ 13,496	\$ 70,838	\$ 11,499	\$ (119,622)
Operating Gross Profit % Before Allocation	-100%	-53%	18%	65%	76%	-56%

2019 Actual Without Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Revenue	\$ -	\$ 166,616	\$ 445,436	\$ 119,813	\$ 72,259	\$ 804,125
Expense	\$ 238,217	\$ 105,407	\$ 270,211	\$ 98,761	\$ 35,085	\$ 747,680
Operating Net Income Before General Allocation	\$ (238,217)	\$ 61,210	\$ 175,225	\$ 21,053	\$ 37,174	\$ 56,445
Operating Gross Profit % Before Allocation	-100%	37%	39%	18%	51%	7%





# 2019-2021 Financials

(Including General Operations Allocation)

2021 Budget with Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Net Operating Income (Loss) Before General Operations Allocation	\$ (254,423)	\$ 45,067	\$ 68,658	\$ 22,500	\$ 3,800	\$ (114,398)
Allocation	\$ 254,423	\$ (42,653)	\$ (82,070)	\$ (98,583)	\$ (31,114)	\$ 2
Net Operating Income (Loss) After Allocation	\$ -	\$ 2,414	\$ (13,412)	\$ (76,083)	\$ (27,314)	\$ (114,396)
Non Operating Income - Investments (Reserves)	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ 2,500
Net Income (Loss)		\$ 2,414	\$ (13,412)	\$ (73,583)	\$ (27,314)	\$ (111,896)

2020 Forecast With Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Net Operating Income (Loss) Before General Operations Allocation	\$ (207,355)	\$ (8,101)	\$ 13,496	\$ 70,838	\$ 11,499	\$ (119,622)
Allocation	\$ 207,355	\$ (39,989)	\$ (59,964)	\$ (80,525)	\$ (26,876)	\$ (0)
Net Operating Income (Loss) After Allocation	\$ -	\$ (48,090)	\$ (46,468)	\$ (9,687)	\$ (15,377)	\$ (119,622)
Non Operating Income - Investments (Reserves)	\$ -	\$ -	\$ -	\$ 5,377	\$ -	\$ 5,377
Net Income (Loss)		\$ (48,090)	\$ (46,468)	\$ (4,310)	\$ (15,377)	\$ (114,245)

2019 Actual With Allocation						
	General Operations	Programs	Races	Membership Services	RMS	Total
Net Operating Income (Loss) Before General Operations Allocation	\$ (238,217)	\$ 61,210	\$ 175,225	\$ 21,053	\$ 37,174	\$ 56,445
Allocation	\$ 238,217	\$ (46,249)	\$ (67,513)	\$ (94,328)	\$ (30,128)	\$ -
Net Operating Income (Loss) After Allocation	\$ -	\$ 14,961	\$ 107,713	\$ (73,275)	\$ 7,046	\$ 56,445
Non Operating Income - Investments (Reserves)	\$ -	\$ -	\$ -	\$ 28,998	\$ -	\$ 28,998
Net Income (Loss)	\$ -	\$ 14,961	\$ 107,713	\$ (44,277)	\$ 7,046	\$ 85,443



# *The Year Ahead*

Our goals for the year ahead are simple:

- To return to our “usual programming” as restrictions allow.
- To accept the “new face” of group running and racing and adapt our policies & procedures to adhere to that.
- To continue to grow as an organization and be viewed as truly a place for everyone to feel welcome and included. **<maybe consult with Yvette here for a good statement on I&E>**

Thank you to our dedicated staff and the many volunteers that make MCRRC **the** best running club in the nation!

**Stay Safe & Happy Holidays!**



# ***Member Action Needed:*** **Vote for Budget Approval**

Thank you for taking the time to review the proposed [2021 MCRRC budget](#) and the video presentation of the budget highlights with its accompanying slides.

*As a valued MCRRC member, we request that you vote to approve the proposed 2021 budget using the link provided below.*

A quorum of 50 "yes" votes by current members is required to approve the budget. The deadline to vote is **Monday, December 21, 2020, by 11:59 p.m.**

**Please submit your vote using this link:**

<https://www.surveymonkey.com/r/21BUDGET>

## **Thank You!**