

American Contract Bridge League, Inc.

2018 Year End Financials & 2019 Budget Reports



**ACBL Board of Governors
Spring Board Meeting
March 24, 2019**

American Contract Bridge League, Inc.
Statements of Activities
For the Year-to-Date Ending December 31, 2018 (Post-Audit)

	Year-to-Date						Vs. Budget		Vs. Prior	
	2018 Actual	% of Rev	2018 Budget	% of Rev	2017 Actual	% of Rev	\$ Variance Fav/(Unf)	% Variance Fav/(Unf)	\$ Variance Fav/(Unf)	% Variance Fav/(Unf)
Revenues and Gains (Losses)										
Membership dues	\$ 6,176,726	34.4%	\$ 6,288,423	34.7%	\$ 5,602,987	30.7%	\$ (111,697)	(1.8%)	\$ 573,738	10.2%
Tournament director fees	3,071,362	17.1%	3,027,863	16.7%	3,242,847	17.8%	43,499	1.4%	(171,485)	(5.3%)
North American Championships	2,050,894	11.4%	2,085,000	11.5%	2,664,479	14.6%	(34,106)	(1.6%)	(613,584)	(23.0%)
Regionals at Sea	145,825	0.8%	137,782	0.8%	125,150	0.7%	8,043	5.8%	20,675	16.5%
Club sanction fees	2,818,924	15.7%	2,910,454	16.0%	2,947,909	16.2%	(91,530)	(3.1%)	(128,986)	(4.4%)
Tournament fees	2,191,467	12.2%	2,308,219	12.7%	2,197,773	12.1%	(116,752)	(5.1%)	(6,306)	(0.3%)
Educational programs and services	241,947	1.3%	240,200	1.3%	231,893	1.3%	1,747	0.7%	10,053	4.3%
Bulletin sales and advertising	270,928	1.5%	268,600	1.5%	273,353	1.5%	2,328	0.9%	(2,426)	(0.9%)
Interest and dividend income	176,102	1.0%	130,000	0.7%	132,213	0.7%	46,102	35.5%	43,888	33.2%
BBO Agreement	500,000	2.8%	500,000	2.8%	500,000	2.7%	-	0.0%	-	0.0%
Baron Barclay Royalties	143,340	0.8%	145,000	0.8%	145,799	0.8%	(1,660)	(1.1%)	(2,459)	(1.7%)
Other Revenues	183,321	1.0%	98,613	0.5%	163,478	0.9%	84,708	85.9%	19,842	12.1%
Total revenues and gains (losses)	17,970,834	100.0%	18,140,154	100.0%	18,227,882	100.0%	(169,320)	(0.9%)	(257,048)	(1.4%)
Operating Expenses										
Field Operations	5,032,059	28.0%	5,094,430	28.1%	4,506,129	24.7%	62,372	1.2%	(525,930)	(11.7%)
Editorial	1,521,724	8.5%	1,543,685	8.5%	1,442,193	7.9%	21,961	1.4%	(79,531)	(5.5%)
Meeting services	2,878,723	16.0%	2,402,534	13.2%	2,893,678	15.9%	(476,189)	(19.8%)	14,955	0.5%
Club and member services	1,189,390	6.6%	1,312,295	7.2%	1,097,626	6.0%	122,906	9.4%	(91,764)	(8.4%)
Marketing	1,491,706	8.3%	1,568,448	8.6%	1,403,449	7.7%	76,741	4.9%	(88,258)	(6.3%)
Total operating expenses	12,113,602	67.4%	11,921,392	65.7%	11,343,074	62.2%	(192,209)	(1.6%)	(770,528)	(6.8%)
General & Administrative Expenses										
Executive	805,684	4.5%	1,004,362	5.5%	1,069,752	5.9%	198,677	19.8%	264,068	24.7%
Human Resources	468,623	2.6%	477,142	2.6%	471,072	2.6%	8,519	1.8%	2,448	0.5%
Accounting	1,102,772	6.1%	1,042,725	5.7%	1,049,691	5.8%	(60,047)	(5.8%)	(53,081)	(5.1%)
Information Technology	2,594,182	14.4%	2,577,661	14.2%	2,109,585	11.6%	(16,522)	(0.6%)	(484,597)	(23.0%)
Facilities	388,669	2.2%	375,754	2.1%	392,628	2.2%	(12,915)	(3.4%)	3,960	1.0%
Board President	9,019	0.1%	45,000	0.2%	29,054	0.2%	35,981	80.0%	20,036	69.0%
Board of Governors	21,883	0.1%	18,450	0.1%	16,552	0.1%	(3,433)	(18.6%)	(5,330)	(32.2%)
Board of Directors	405,071	2.3%	361,822	2.0%	351,256	1.9%	(43,249)	(12.0%)	(53,815)	(15.3%)
NBO Payments	115,970	0.6%	116,250	0.6%	116,000	0.6%	280	0.2%	30	0.0%
WBF Payments	100,000	0.6%	100,000	0.6%	-	0.0%	-	0.0%	(100,000)	0.0%
Depreciation	532,517	3.0%	570,633	3.1%	563,454	3.1%	38,116	6.7%	30,936	5.5%
Total general & administrative expenses	6,544,390	36.4%	6,689,799	36.9%	6,169,045	33.8%	145,409	2.2%	(375,345)	(6.1%)
Total expenses	18,657,992	103.8%	18,611,191	102.6%	17,512,119	96.1%	(46,801)	(0.3%)	(1,145,872)	(6.5%)
Change in net assets from operations (loss)	(687,158)	(3.8%)	(471,037)	(2.6%)	715,763	3.9%	(216,120)	45.9%	(1,402,920)	(196.0%)
Retiree Medical Plan Adjustment	302,581	1.7%	-	0.0%	(160,113)	(0.9%)	302,581	(178.7%)	462,694	(180.0%)
Investment Gain (Loss)	(232,636)	(1.3%)	-	0.0%	52,765	0.3%	(232,636)	137.4%	(285,400)	111.0%
Legal Settlements	(991,787)	(5.5%)	-	0.0%	-	0.0%	(991,787)	585.7%	(991,787)	385.8%
Gain (Loss) on Asset Disposal	(326,753)	(1.8%)	-	0.0%	-	0.0%	(326,753)	193.0%	(326,753)	127.1%
Change in net assets (loss)	\$ (1,935,752)	(10.8%)	\$ (471,037)	(2.6%)	\$ 608,414	3.3%	\$ (1,464,715)	(311.0%)	\$ (2,544,166)	(418.2%)

American Contract Bridge League, Inc.
Capital Expenditures
For the Twelve Months Ending December 31, 2018

	<u>Year-to-Date</u>	<u>Budget</u>
AS400 System Replacement	\$ 299,482	\$ 350,000
Move Accounting Applications to ACBL Cloud	94,956	-
Energy Conservation Project	123,670	105,871
Office Chairs	14,550	15,000
Office Construction	-	10,000
Color Printer	3,762	3,200
Tournament - CC Processing Equipment	15,980	17,000
Laptops for New Hires	3,486	10,000
Totals	<u>\$ 555,886</u>	<u>\$ 511,071</u>

American Contract Bridge League, Inc.
Statements of Financial Position
December 31, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash	\$ 1,080,089	\$ 1,730,847
Investments	7,062,355	7,118,889
Accounts Receivable - Net	521,642	532,765
Due from Affiliates	-	384
Prepaid Expenses	521,285	467,825
Other	59	-
Total Current	9,185,430	9,850,710
Other Assets		
Property and Equipment - Net	4,401,954	4,794,127
Total Other	4,401,954	4,794,127
Total Assets	\$ 13,587,384	\$ 14,644,838
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 142,943	\$ -
Accrued Payroll	604,905	668,512
Accrued Expenses	1,685,595	756,230
Accrued Insurance - Retirees	68,386	115,745
Unredeemed Bridge Bucks	75,872	109,579
Deferred Membership Revenue	4,127,631	4,094,687
Deferred Revenue	249,160	240,333
Unit Dues Payable	512,283	521,282
Due to Affiliates	210,393	242,022
Total Current	7,677,167	6,748,390
Long-Term Liabilities		
Deferred Membership Revenue	2,191,668	2,002,060
Accrued Insurance - Retirees	1,223,338	1,478,560
Unit Dues Payable	207,746	192,612
Total Long-Term	3,622,753	3,673,233
Total Liabilities	11,299,920	10,421,622
Net Assets		
Net Assets - Prior	4,223,216	3,614,801
Net Assets - Current	(1,935,752)	608,414
Total Net Assets	2,287,464	4,223,215
Total Liabilities & Net Assets	\$ 13,587,384	\$ 14,644,838

American Contract Bridge League, Inc.
Statements of Activities
Preliminary Budget for the Year Ending December 31, 2019

	Year-to-Date					Vs. 2018 Actual		Vs. 2017 Actual		
	2019 Budget	% of Rev	2018 Actual	% of Rev	2017 Actual	% of Rev	\$ Variance Fav/(Unf)	% Variance Fav/(Unf)	\$ Variance Fav/(Unf)	% Variance Fav/(Unf)
Revenues and Gains (Losses)										
Membership dues	\$ 6,202,661	33.6%	\$ 6,176,726	34.4%	\$ 5,602,987	30.7%	\$ 25,936	0.4%	\$ 599,674	10.7%
Tournament director fees	2,970,249	16.1%	3,071,362	17.1%	3,242,847	17.8%	(101,113)	(3.3%)	(272,598)	(8.4%)
North American Championships	2,857,500	15.5%	2,050,894	11.4%	2,664,479	14.6%	806,606	39.3%	193,021	7.2%
Regionals at Sea	134,550	0.7%	145,825	0.8%	125,150	0.7%	(11,275)	(7.7%)	9,400	7.5%
Club sanction fees	2,775,990	15.0%	2,818,924	15.7%	2,947,909	16.2%	(42,934)	(1.5%)	(171,920)	(5.8%)
Tournament fees	2,117,124	11.5%	2,191,467	12.2%	2,197,773	12.1%	(74,343)	(3.4%)	(80,649)	(3.7%)
Educational programs and services	244,234	1.3%	241,947	1.3%	231,893	1.3%	2,287	0.9%	12,341	5.3%
Bulletin sales and advertising	257,857	1.4%	270,928	1.5%	273,353	1.5%	(13,071)	(4.8%)	(15,497)	(5.7%)
Interest and dividend income	120,000	0.6%	176,102	1.0%	132,213	0.7%	(56,102)	(31.9%)	(12,213)	(9.2%)
BBO Agreement	500,000	2.7%	500,000	2.8%	500,000	2.7%	-	0.0%	-	0.0%
Baron Barclay Royalties	145,000	0.8%	143,340	0.8%	145,799	0.8%	1,660	1.2%	(799)	(0.5%)
Other Revenues	140,476	0.8%	183,321	1.0%	163,478	0.9%	(42,845)	(23.4%)	(23,003)	(14.1%)
Total revenues and gains (losses)	18,465,640	100.0%	17,970,834	100.0%	18,227,882	100.0%	494,805	2.8%	237,757	1.3%
Operating Expenses										
Field Operations	4,830,261	26.2%	5,032,059	28.0%	4,506,129	24.7%	201,798	4.0%	(324,132)	(7.2%)
Editorial	1,567,972	8.5%	1,521,724	8.5%	1,442,193	7.9%	(46,248)	(3.0%)	(125,779)	(8.7%)
Meeting services	2,481,409	13.4%	2,878,723	16.0%	2,893,678	15.9%	397,314	13.8%	412,269	14.2%
Club and member services	1,249,372	6.8%	1,189,390	6.6%	1,097,626	6.0%	(59,982)	(5.0%)	(151,746)	(13.8%)
Marketing	1,573,681	8.5%	1,491,706	8.3%	1,403,449	7.7%	(81,975)	(5.5%)	(170,233)	(12.1%)
Total operating expenses	11,702,695	63.4%	12,113,602	67.4%	11,343,074	62.2%	410,907	3.4%	(359,621)	(3.2%)
General & Administrative Expenses										
Executive	830,190	4.5%	805,684	4.5%	1,069,752	5.9%	(24,506)	(3.0%)	239,562	22.4%
Human Resources	441,073	2.4%	468,623	2.6%	471,072	2.6%	27,550	5.9%	29,998	6.4%
Accounting	1,090,678	5.9%	1,102,772	6.1%	1,049,691	5.8%	12,094	1.1%	(40,987)	(3.9%)
Information Technology	2,447,234	13.3%	2,594,182	14.4%	2,109,585	11.6%	146,949	5.7%	(337,648)	(16.0%)
Facilities	380,607	2.1%	388,669	2.2%	392,628	2.2%	8,061	2.1%	12,021	3.1%
Board President	45,000	0.2%	9,019	0.1%	29,054	0.2%	(35,981)	(399.0%)	(15,946)	(54.9%)
Board of Governors	20,000	0.1%	21,883	0.1%	16,552	0.1%	1,883	8.6%	(3,448)	(20.8%)
Board of Directors	343,937	1.9%	405,071	2.3%	351,256	1.9%	61,133	15.1%	7,319	2.1%
NBO Payments	94,200	0.5%	115,970	0.6%	116,000	0.6%	21,770	18.8%	21,800	18.8%
WBF Payments	-	0.0%	100,000	0.6%	-	0.0%	100,000	100.0%	-	0.0%
Depreciation	449,463	2.4%	532,517	3.0%	563,454	3.1%	83,055	15.6%	113,991	20.2%
Total general & administrative expenses	6,142,382	33.3%	6,544,390	36.4%	6,169,045	33.8%	402,008	6.1%	26,663	0.4%
Total expenses	17,845,078	96.6%	18,657,992	103.8%	17,512,119	96.1%	812,914	4.4%	(332,958)	(1.9%)
Change in net assets from operations (loss)	620,562	3.4%	(687,158)	(3.8%)	715,763	3.9%	1,307,720	(190.3%)	(95,201)	(13.3%)
Retiree Medical Cost	-	0.0%	302,581	1.7%	(160,113)	(0.9%)	(302,581)	(61.2%)	160,113	67.3%
Investment Gain (Loss)	-	0.0%	(232,636)	(1.3%)	52,765	0.3%	232,636	47.0%	(52,765)	(22.2%)
Legal Settlements	-	0.0%	(960,000)	(5.3%)	-	0.0%	960,000	194.0%	-	0.0%
Impaired Asset- CRM write-off	-	0.0%	(326,753)	(1.8%)	-	0.0%	326,753	66.0%	-	0.0%
Change in net assets (loss)	\$ 620,562	3.4%	\$ (1,903,965)	(10.6%)	\$ 608,414	3.3%	\$ 2,524,527	132.6%	\$ 12,148	2.0%

Results presented in this report are unaudited and are intended for management and board use only

**American Contract Bridge League, Inc.
2019 Capital Budget**

	<u>Cost</u>	<u>Description</u>
Replace 1/2 of HQ Roof	\$ 70,000	Insulation cover and new membrane to stop leaking.
Data Analysis Package	35,000	Data reporting and analytics that integrates all key transactional data sources into a single Business Information database that can be managed by users for consolidated reporting, analysis, and dashboards; includes server and other hardware costs as well as consultant fees to implement.
Tourney Trax Investments	18,000	Bring support of Tourney Trax in-house. Upgrade the servers and the SQL Software.
Upgrade Security Server	14,000	Upgrading the video system that stores camera data for the building.
New Marketing Email Server	10,000	Investigating creating one service combining Constant Contact, Sendgrid, and Imail (AS400).
Allowance for Maintenance Items	10,000	
Total Capital Budget	<u>\$ 157,000</u>	