



December 4, 2016

Dear VGSA Coaches and Families,

November 12, VGSA held its annual planning meeting. The meeting provided us the opportunity to assess the needs of the association, review our successes and areas for improvement from fiscal year 2016, plan for the upcoming season, and recap our annual financials.

I am pleased to report that for the first time in a number of years VGSA was brought in more money than it spent. It is important to point out that non-profit does not mean an organization should not make money. Any organization must have cash on hand to make capital improvements, deal with unexpected operating expenses and have healthy reserves should it experience uninsured large expenses because of vandalism, weather or some other catastrophic event. For the first time in several years, VGSA can contribute a small amount to increase the funds it has on hands for such purposes.

You may ask how does this impact me? This will give us the opportunity to improve the fields, maintain our equipment and clubhouse, coach development and offer scholarships for league to girls who may not be to participate due to cost.

In the upcoming year, we have immediate need of repairing fencing, removing the lips in between the infields and outfields, and adding field conditioner to our infields (this will drastically improve the playability of our fields).

With all of this being said, all of this could not have been done without the tireless efforts of our board. It is important to note that the VGSA board is staffed entirely by volunteers, who receive no compensation or benefits other than knowing we provide the opportunity for girls to experience competition, teamwork and the enjoyment provided by participating in fastpitch.

This year we also experienced turnover of the board to a new team of people. Scott Smith, a fixture at VGSA stepped down from his role as president to continue his work at Washington ASA in the role of President/District 6 Deputy JO. We welcomed Lori Cook and Dan Gruenberg into the Vice President positions, Amy Richie – 10 -14U League Director, Allison Milhorn – 8U league director, Betty Richie – Hall of Fame Chair and Madonna Underland was appointed



Secretary. Gary Garcia, former vice president also agreed to stay on the board to work as our Safety Officer.

I feel compelled to point out that Cyndi Johnson through her tenacious attitude, ability to network and build relationships brought in the much needed sponsorships and donations. One of the many we were all able to enjoy was a generous donation from the T.O.D.A.Y. Foundation for our new wireless scoreboards. Without her efforts to raise funds it is clear that VGSA would not be on the upward financial trajectory we are on today. If there is anything you can do to help increase our local sponsorships, I am sure Cyndi would appreciate the help.

I want to shout out to our unsung heroes – COACHES! Thank you for donating your time, sharing your knowledge and taking the time to influence our future. I cannot thank you enough for your patience and dedication.

Lastly, we can always use more people to help at VGSA. Whether it's something in your skill set, you would like to coach, help with field maintenance, assist in registration, or would like to know more about the board – Please come to our monthly board meetings or contact one of us.

I hope you will take the time to review the annual report. The short and succinct summary of last year's business operations and finances shows that we are improving our financial health but still have work to do. The one takeaway I want to share from the report is that fundraising and grants are vitally important and our pricing for league and tournaments, while competitive, does not generate sufficient revenue to sustain VGSA. Bottom line, if we do not raise funds beyond what our fees generate, VGSA will not be around for the long haul.

Thank you for a great 2016, let's do it again in 2017!

See you soon,

Maura Martin  
VGSA President



## 2016 Financial Report

### 1) **General Financial health of VGSA is good.**

VGSA starts its new fiscal year with just more than \$24,000 in its checking account. That's the good news. VGSA also starts the new fiscal year with just more than \$47,000 in its money market account. While the first figure indicates that our league operations, fundraising and sponsorships outpaced our expenses, we continue to have a dangerously low amount of money in the money market account for use should our facility need major repairs due to vandalism, weather or another event that requires major attention. Our projections show that we should have at least \$80,000 on hand for major repairs or maintenance.

### 2) **Most of the money we carry into Fiscal Year 2017 is from fundraising and not league/tournament fees.**

VGSA income from league fees for spring and fall ball, tournaments and concessions totaled \$100,017. Our expenses totaled \$94,664. That means in just basic core operations we took in \$5,353 more dollars than we spent. However, when you back out concessions profits of \$4,185 we took in only \$1,168 more than we spent to operate the facility.

Even though we do not make a lot of money from the fees we charge players/teams, it is important to note that we experienced growth with 365 girls participating in FY 2016. This reflects a 6% increase (21 players) over 2015 plus we started the year with five teams not coming back due to aging out and deciding to go tournament only.

### 3) **Fundraising and grants are critically important and the only reason the facility can operate.**

VGSA is a non-profit operated almost entirely by volunteers. While we do have a handful of hourly, paid staff, their jobs only account for concessions operations and field



preparation for tournaments. All major field maintenance and improvement work as well as facility clean up and maintenance is performed by a small volunteer board. If we cannot identify the expertise to perform plumbing, construction or other maintenance among our board, coaches or parents we must pay for it.

We operated two fundraisers this year: The Papa Murphy's discount card sales and opt outs, our end-of-season barbecue/celebration as well as the Buffalo Wild Wings and Sky Zone events accounted for \$9,580. Our annual Hall of Fame ceremony/silent auction raised \$6,071. VGSA received another \$3,884 in donations and \$1,456 in sponsorships. Finally, VGSA raised \$1,476 through the sale of used balls, space for other concessionaires and field use donations.

We also secured a \$15,000 grant from the Today Foundation to purchase four scoreboards for fields one through four. We used the \$3,884 in donations to add a scoreboard on field 5. Given our current economics, less a large increase in fundraising we will not be able to make large capital investments without grants such as this.

As we start Fiscal Year 2017, we are planning to spend an estimated \$12,000 in field maintenance, which includes addition of conditioning dirt to level and improve the infield surfaces and removal of the lips between the infield dirt and outfield grass. All proceeds from the Papa Murphy's discount card sales will be used toward these improvements.

#### **4) Financial improvements in Concessions operations**

In FY 2015, VGSA lost approximately \$5,000 through operation of its concessions. At the time, labor costs were incredibly high, prices charged were too low and we were paying an exorbitant 19 percent for credit/debit card transactions.

In FY 2016, VGSA spent approximately \$1,200 to convert to the square system for payments. This reduced our credit card transaction fee from 19 percent to 2.5 percent. We saved more than \$2,000 in credit card fees alone this year, totally justifying the expense of the conversion. In addition, we raised item prices and reduced menu choices. We also trimmed our paid labor and expanded our revenue sharing efforts with fastpitch teams working concessions as a fundraiser. In all, we had an almost \$10,000 turnaround in concessions operations



## 5) **Looming Capital Expenses and Long-Term financial outlook**

The fences at the VGSA facility are in need of approximately \$1,000 worth of maintenance work. We have a club cart vehicle, a small tractor and large tractor that require between \$1,000 and \$2,000 of maintenance work. Our gutters are in need of maintenance for which we have no estimate. We need to replenish the red rock we use for the perimeters of the fields, the dirt we use level the fields and the surface we use as field dry when it rains. This is most likely another \$2,000. Our indoor plumbing and outdoor drainage infrastructure is also in need of attention. We do not have a current estimate for this. Also, our bleachers should be replaced due to new standards for such equipment. This could cost upward of \$20,000.

Because we own all of the non-field buildings and motorized equipment, we must constantly generate sufficient revenue to keep things going. If we cannot continue robust fundraising to the tune of about \$8,000 to \$20,000 per year, our financial requirements will outpace our ability to generate revenue.