

## 2017-2018 Treasurer's Report – A.L. Smith, Indiana Soccer Association, Treasurer

The Indiana Soccer Association, received a clean audit report for the year ending July 31 2018. The auditors provided favorable comments regarding the strong balance sheet enjoyed by the association. As you review the audit which is available on the Indiana Soccer website, may I suggest that you read the notes on pages 8-12. These notes provide an expanded insight into the organization's current financial position and the anticipated financial position of the organization for the foreseeable future. The notes on pages 11 & 12 reference the anticipated revenues associated with Indiana Soccer's contracts with Grand Park. You will note that the combined future revenues expected from these contracts has an anticipated value slightly north of \$1,000,000. The association's audit report can be viewed by visiting:

<https://usys-assets.ae-admin.com/assets/986/15/2018%20Financial%20Statements.pdf>

Indiana Sports Properties LLC was established as a wholly owned subsidiary of Indiana Soccer, to perform a management contract of the 31 field sports at Grand Park in Westfield Indiana. The management contract was a four-year agreement that ended management operations on December 31, 2017. The contract contained commission language that commits the City of Westfield to pay to Indiana Sports Properties LLC, commission through 2024. Since Indiana Sports Properties LLC concluded its operational responsibilities associated with the agreement with the City of Westfield, the Indiana Sports Properties' board of directors subsequently entered into a management agreement with Indiana Soccer. The management agreement assigns future Indiana Sports Properties LLC commission management to Indiana Soccer, thus eliminating the need for Indiana Sports Properties to retain employees. However, it is anticipated that Indiana Sports Properties will remain viable through 2024.

As you review the recent audit report, you will note that all Indiana Sports Properties LLC expenses and revenues are recognized in Indiana Soccer's consolidated statements of financial position and consolidate statements of activities. \$550,023 of the anticipated future revenues addressed in the opening paragraph of this report are the result of work conducted by Indiana Sports Properties LLC. The note on pages 10- 11 of the audit provides additional explanation regarding future commissions.

Your association is investing in the growth and development of each member organization through the 5-star initiative. Additional staff and resources have been allocated for this initiative and we look forward to the benefits realized by a successful implementation of the 5 stars.

The Indiana Soccer Association, along with the other 54 state associations, and all member clubs/coaches and players are members of US Youth Soccer. The current fee paid for membership in US Youth Soccer, which was established nearly 15 years ago, is \$1/player. The membership of US Youth, after significant discussion during a special meeting in Chicago on January 12, 2019, voted to increase the fee per player from \$1/player to \$2.25/player. This fee increase was long overdue. The Indiana Soccer Association will solicit a \$1.25/player fee increase to cover the \$1.25 increase levied by US Youth Soccer. Below you will find a list of member benefits provided by US Youth Soccer; the cost of which is included in the new \$2.25/player US Youth Soccer fee.

**Human Resources** - General Managers and national office and

regional staff assisting State Associations with issues, marketing support, member growth initiatives and other areas.

**Leadership Development** - Offer leadership training, guest speakers, literature, workshops, symposiums and other content providing education for best leadership practices.

**Communications** - Provide updates via member newsletters, conference calls, and town hall meetings. Create "members" section of website to communicate changes to policies, bylaws, finances, board agenda and other documents.

**Risk Management** - Offer SafeSport and ABS sexual abuse awareness and AIMS injury tracking training as part of the fee per player. Offer guidance and consultation on federal legislation, policies and other player safety protocols.

**Marketing** - Rebranding US Youth Soccer; reimagined website; provide a hosting subsidy to State Associations on the American Eagle platform; video production resources creating a "rolled up" sponsorship program.

**Reorganized Event/Competition Structure** - Modeled Cups, ODP and Grassroots verticals after National League structure; aligned Regional Conferences under the National League.

**Insurance Discounts** - Negotiated 17.5% group discount rate for annual excess accident medical premiums.

**Consulting Services** - Provide opinion and analysis of bylaws and policies, legal issues, media training and talking points, grievances, competitive and other local market opportunities.

#### **US YOUTH SOCCER PROGRAMS:**

- National League with 13 enhanced National League Conferences \_
- National Championship Series (which serves as a "carrot" for State Cup) \_
- National Presidents Cup (which serves as a "carrot" for State PCUP) \_
- Olympic Development Program (linked to State ODP) \_
- State Associations are offered the opportunity to host regional and national US Youth Soccer events (as opposed to outside companies who offer to host) \_
- Soccer Across America \_
- Soccer Shots \_
- Target United Cup \_
- TOPSoccer \_

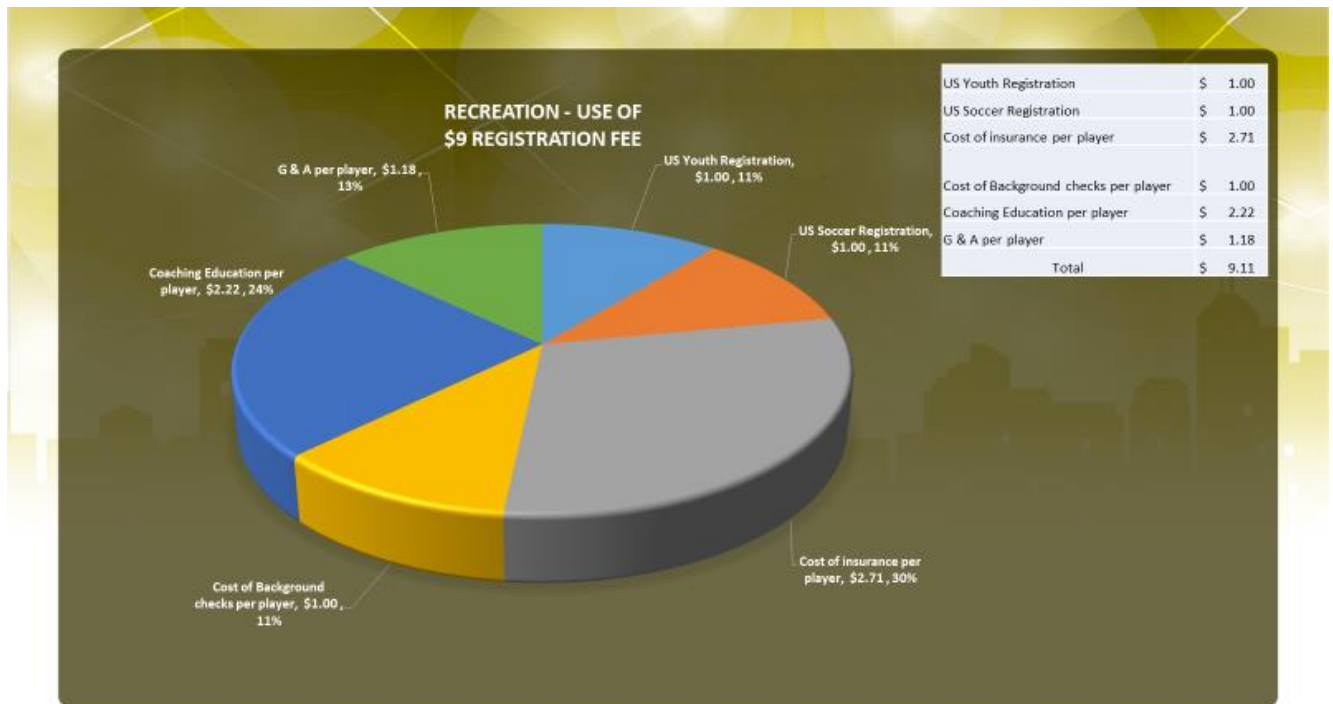
#### **OTHER SERVICES AND BENEFITS:**

- US Youth Soccer Workshop (Learning Development Symposium, Education Sessions, Awards Gala) \_
- Leadership Summit presented in conjunction with Dick's Sporting Goods \_
- Support (financial, consultation, etc.) \_
- AIMS Risk Management & Player Safety tool along w/sexual abuse training included with per player fee
- Youth Council Advocacy \_
- Online Education Courses \_
- Video Production Services \_
- Free SAT & ACT prep courses for players, FUEL digital communications, newsletters, access to club directory, employment listing, tournament posting,

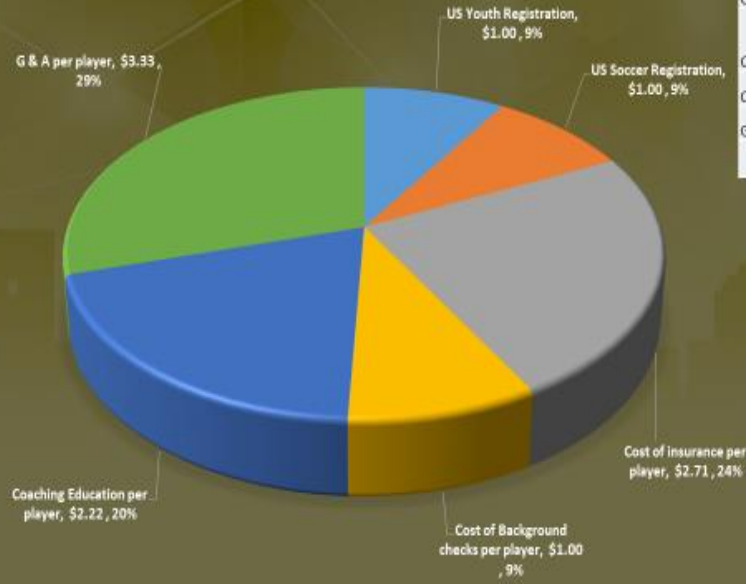
#### **ORGANIZATIONAL GROWTH INITIATIVES:**

- Tournament equipment and other event resources \_
- Marketing / Rebranding; fresh, modern logo design, new marketing campaign \_
- Organizational Growth Committee proposals
- Chief Member Services Officer and other key additional office personnel
- Membership and Leadership training
- Recreational Grants and Grassroots Programs development
- Reimagined ODP / ODP Taskforce / ODP Training Center
- In-school physical activity programs
- Urban outreach and diversity development programs

Below you will find pie charts that illustrate how your state association uses the current per player registration fee. It is anticipated that the \$1.25/player fee increase would be added to each player fee category, i.e., recreation, recreation plus and travel. The only change to the pie charts below would be the amount paid to US Youth Soccer. **This increase will not affect the adult registration fees.**

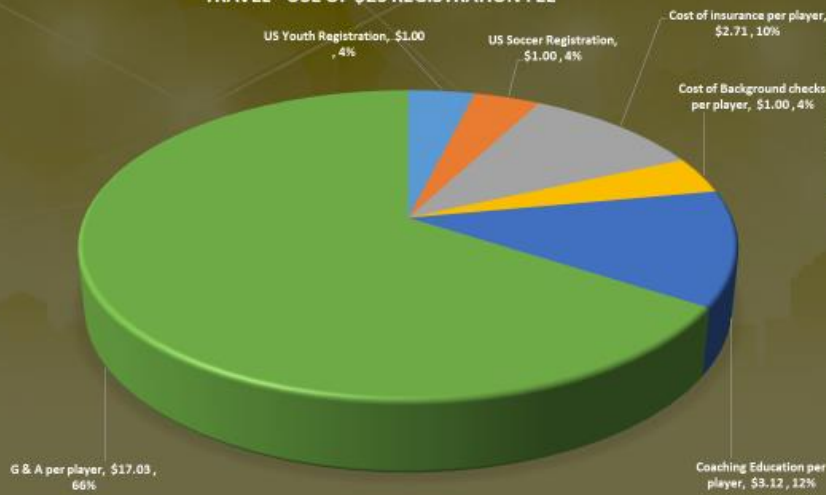


### RECREATION PLUS - USE OF \$11 REGISTRATION FEE

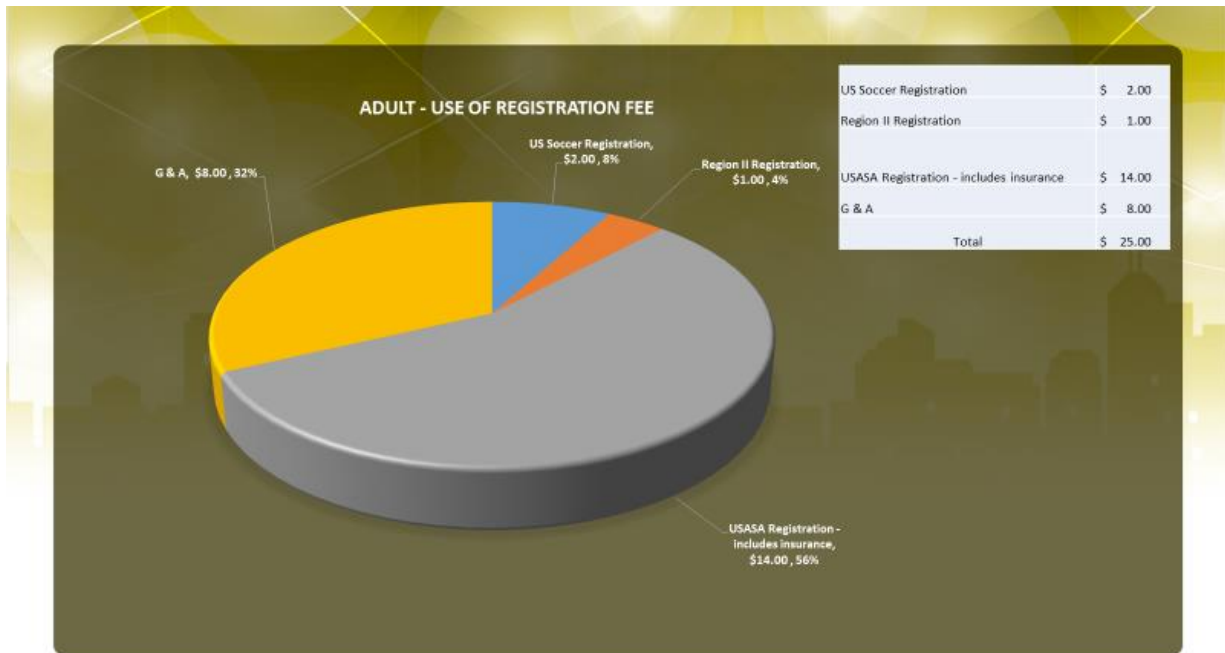


US Youth Registration	\$ 1.00
US Soccer Registration	\$ 1.00
Cost of insurance per player	\$ 2.71
Cost of Background checks per player	\$ 1.00
Coaching Education per player	\$ 2.22
G & A per player	\$ 3.33
<b>Total</b>	<b>\$ 11.25</b>

### TRAVEL - USE OF \$25 REGISTRATION FEE



US Youth Registration	\$ 1.00
US Soccer Registration	\$ 1.00
Cost of insurance per player	\$ 2.71
Cost of Background checks per player	\$ 1.00
Coaching Education per player	\$ 3.12
G & A per player	\$ 17.03
<b>Total</b>	<b>\$ 25.87</b>



Your association, by all indications, is positioned to enjoy a bright future. Each year presents its own challenges; however, your board of directors and staff are prepared to address challenges if and when they surface.

Sincerely,

A.L. Smith Treasurer