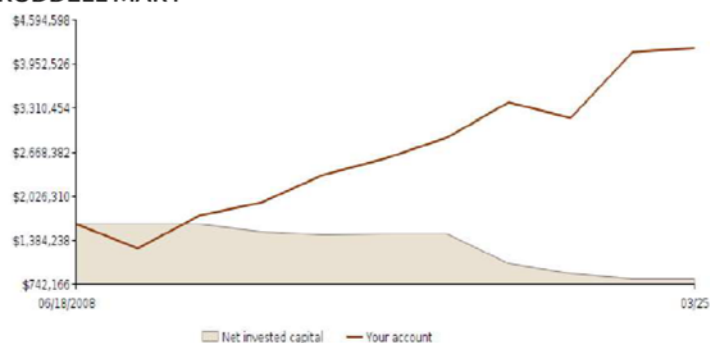


## Why does Pacific Swimming have so much money?

The primary reason for Pacific Swimming's substantial financial resources lies in market appreciation. The value of the fund increased by \$516,733 from January – December 2024. The chart below illustrates this appreciation relative to the net invested capital since inception. Wells Fargo Advisors has consistently aligned its investment strategy with Pacific Swimming's objective of achieving conservative growth and income generation for the fund.

### Portfolio Net Investment

As of date 03/03/2025 for XXXX6448 PACIFIC SWIMMING INC  
RUDELL MARY



The fund's primary objective is to generate income for Grants, Trials travel support and Special Projects, such as Backstroke ledges. It serves as a reserve for the annual operating budget and as a supplementary source of income. Notably, the fund does not serve as a means to offset shortfalls due to ordinary day-to-day expenditures or cover any overhead or administrative expenses.

In 2021, the Governance Committee recommended that Pacific Swimming maintain a reserve level that is no less than 50% of our current cash and investments. Today's absolute minimum reserve is \$2,000,000.

Wells Fargo has been Pacific Swimming's investment advisor since 2008. The account balance as of December 31, 2008, was \$1,258,319. As of March 31, 2025 the account balance is \$4,116,714, which includes amounts totaling \$149,800 invested by Zone 1 South and Zone 2. Note, since 2016, no funds have been contributed to the investment fund.

Since 2011, Pacific Swimming has awarded member clubs \$443,793 in Investment Grants, \$8,104 in Disaster Grants, \$190,957 in Trials Travel Support. Additionally, \$49,435 in Special Projects were completed. During the Covid-19 pandemic, Pacific Swimming provided \$1,000,000 in Grants to its member clubs, surpassing the funding provided by USA Swimming.

The Investment Fund is structured to offer annual grants ranging from \$50,000 to 75,000. The amount of grant funding available depends on annual earnings. The Investment Committee has simplified the grant application process yet the primary constraint on awarding grants is the lack of participation from our member clubs.