



MEMORANDUM

TO: PanAm Aquatics Executive Committee
FROM: Van Donkersgoed, Treasurer & Joe Gazzarato, Financial Director
DATE: March 31, 2026
RE: March 2026 Executive Committee Report

2025 Year-End Financial Position Overview

The attached preliminary financial statements for the year ended December 31, 2025 reflect the strongest financial position in the organization's history, building on the foundation established in 2024. PanAm Aquatics closed the year with \$123,147 in cash, more than double the prior year, and generated a net income of \$81,139 on total revenue of \$435,534 against total expenses of \$352,360. The organization will satisfy its tax reporting obligations by the November 15, 2026 extended deadline.

Programming and events continued to expand in 2025, including hosting our first-ever Continental Championships in Medellin and greatly expanding developmental opportunities for athletes, coaches, technical officials, and national federations. We are fortunate to be in a position to support that expanded programming while continuing to strengthen the organization's financial position.

Just two years ago, the organization was struggling to meet its basic financial obligations amid cash inflows that could not keep pace with outflows. The progress since then has been significant.

Deep Dive: Accounts Receivable

The single largest contributor to our improved cash position has been the disciplined management of Accounts Receivable. We conducted a thorough review of all outstanding balances and recorded write-offs where amounts from prior years were determined to be uncollectible. For current year balances, we have been, and remain, engaged in active collections efforts. This has resulted in total Accounts Receivable declining from \$208,045 at the end of 2024 to \$129,206 at the end of 2025, with much of that reduction converted directly to cash.

The receivables that remain on the balance sheet at year end are predominantly bid & event fees for hosting PAQ events, and amounts owed by World Aquatics & our sponsors (of which the latter two historically settle in the first quarter of the following year).

The largest ongoing challenge in Accounts Receivable management is the timely collection of bid & event fees from host federations.

As of writing, two host federations have overdue balances for 2026 PAQ events despite repeated attempts to collect and assurances that have not materialized:

- Argentina owes a \$10,000 bid fee for the PAQ Masters Championships that was due in June 2025
- Colombia owes a \$20,000 event fee for the CAC Games Water Polo Qualifier by PAQ that was due in mid-February 2026

Effective immediately, we will notify the Executive Committee whenever a host federation misses a scheduled payment as set forth in the event contract. Further, we are actively evaluating our contract terms and will be more proactively enforcing timely payment provisions, up to and including use of international collections agencies and pursuing alternate hosts in the event of grossly delayed payments.

Deep Dive: Future Outlook

We continue to look forward to supporting growth in aquatics in North, South & Central America and the Caribbean while maintaining a strong financial position through appropriate planning. To support this, we anticipate World Aquatics support to increase modestly in 2026 and are pursuing expansions of our partnerships with sponsors. As events move from breakeven to profitable, this will become another strong source of revenue for the organization.

Acknowledgements

This progress is a direct reflection of the leadership of President Maureen Croes and Chief Operations Officer Alvaro Del Pozo Jacobs. Their continued focus on operational discipline and financial accountability has been instrumental in placing PanAm Aquatics on solid financial footing, and we ask the Executive Committee to join us in extending sincere appreciation for their efforts.

The financial statements remain preliminary and subject to adjustment.

We welcome any questions.

Respectfully submitted,

Van Donkersgoed
Treasurer
PanAm Aquatics, Inc.

Joe Gazzarato
Financial Director
PanAm Aquatics, Inc.

¹ Note: All amounts referenced herein are in United States Dollars (USD) unless otherwise specified