

2016 Objectives

Financial Metrics based on March 2017 Financial Statements and Membership Report.

Goal	YTD/Status
Financial Metrics – by 12/31/16	
<i>2017 Surplus: \$25,000</i>	(50,608) vs. budget of (86,105) ; \$35, 497 positive variance
<i>Membership: 47,000</i>	45,598 (3/27/17) vs. 45,700 (3/27/16); 0.2% decrease. See membership update
<i>Development (budget): \$2,466,500 – Foundation and ancillary contributions to US Sailing</i>	
US Sailing General - \$690,000	\$ 99,236 - donations YTD
Olympic Medalist - \$1,766,500	\$ 264,947 - donations YTD
Strategic Programs - Status	
<i>Youth</i>	
Design and launch Sailor Development Framework	Working with Education and Olympic Department staff and contractors to outline student and instructor level curriculums. Development framework is intended to provide structure and core messaging to support these new materials, so they are being created in tandem.
Develop recreational pathway	Piloting “FunFest” format at Atlanta JO’s April 29-30. Will incorporate a variety of non-racing activities.
<i>Adult</i>	
Promote US Sailing Education brand and implement proactive marketing to grow core programs	2017 Commercial Keelboat marketing plan developed internally and being discussed with Keelboat Working party this week. Plan includes print, digital, social medial components as well as targeted email campaigns.
Launch and grow Safety at Sea 2.0	Online Version 2.0 launched in February. Coastal SAS launched week of April 10.
Activate First Sail	Outreach at NSPS, RSA meetings has resulted in 56% increase in First Sail locations since 12/16. Steady interest and sign ups, 3-4 per week.
<i>Competitive Services & Support</i>	
Complete UCS (Universal Certificate System)	Processing of ORC certificates via the UCS has been slightly delayed from the targeted April 1st launch date. The

	<p>launch of ORC is still expected within the month of April. US Sailing and SAP intentionally slowed down to align the specific measurement attributes across ORR, ORC, and IRC. This will enable faster integration of the IRC rule before the end of 2017.</p>
<p>Develop and launch new RM education offering</p>	<p>Race Committee 201 will support yacht clubs and other LSOs in training their RC personnel. In development now; anticipate beta testing late summer/fall and roll-out spring 2018.</p>
<p>Olympics</p>	
<p>Implement new 5-ring program strategy</p>	<p>See Olympic report below.</p>
<p>Marketing & Communications</p>	
<p>Improve member satisfaction – 20% increase in value, satisfaction and understanding</p>	<p>Benchmark Survey Complete</p>
<p>Implement Effective Communication Capability – broaden distribution, increase awareness</p>	<p>New video series launched; regular blog due to launch shortly</p>
<p>Administration</p>	
<p>Complete move to RWU</p>	<p>Currently soliciting quotes for a moving company and liquidating our furniture</p>
<p>Improve processes and efficiencies</p>	<p>Fulfillment processes formerly owned by the Training, Offshore and Membership departments have been consolidated to Administration.</p>

Association Report – April 2017

CEO Summary – Jack Gierhart

Spring has officially arrived, US Sailing National Championships are underway, our training programs are ramping up and the office is busy with a host of activities, as you will read in the department summaries below. For this month's report, I requested the directors provide a streamlined summary that touches on the main highlights. After analyzing previous monthly reports that often exceeded 20 pages, we are moving to a format that will deliver concise summaries on a monthly basis and then more detailed reports at the quarter-end (we will distribute the next one in July for the quarter ending June 30).

A few points to complement the departments' updates:

- In early March I traveled to San Francisco with Malcolm, Leandro and Jim Campbell to meet with donors and other supporters and attend the St Francis Sailing Foundation annual Gala dinner. JJ was there as well. We had productive meeting with the Foundation discussing future collaboration. The Bay area sailing community is doing great things and a strong partner of US Sailing.
- We see a great deal of potential, both for impact on sailing and resources for US Sailing, in activating programs in the Adult department. Since our meeting last month with the Offshore Sailing School, Betsy and the marketing department have designed a comprehensive plan to expand the keelboat program. We are in discussions with potential partners in the Powerboat market to expand the reach of that program through our core customer base (LSO's) and outside our realm of influence. Chuck Hawley recently spent a full day in the office meeting with the education, marketing and adult departments to work on the business side of the Safety at Sea education program. This program has a great deal of potential. Our relations with the various stakeholders are improving from the challenges of last spring, and Stu is doing a great job of adding another level of support to those relationships that is making a difference. These three key programs, along with First Sail are key engines for growth for our organization and the sport.
- After years of trying, and with support from a partner, we finally acquired the url: www.ussailing.com. This had been used as paid advertising site populated with links that went to sailing sites other than US Sailing.
- We completed and signed the partnership extension with Gowrie and Chubb that is valid through 2018, which will continue to provide valuable insurance programs for our organization and individual members.
- We continue to refine and tweak the new staff structure. All in all pieces are falling into place nicely, and as expected we are making adjustments as we move forward.
 - John, Malcolm and Leandro have worked together to define the role of a youth development manager that will be responsible for administering and managing youth competitive activities including the youth championship events and the ODP programs. This will fulfill what was previously described as the youth competitive pathways manager and bring needed alignment between a disparate youth activities.

- With Liz Walker's departure, Nancy Mazzulli is moving to support John and Betsy with the Championships. Once the youth development manager is in place, Nancy will move full time to Betsy's team and focus on adult activities.
- Katie has hired a new member engagement representative to replace Nancy (starting May 1), and is continuing to strength this critical department.
- Finally we are adding more resources to drive the Adult business. Karen Davidson will be moving onto Betsy's team as well to provide administrative and management support for the key programs. Karen is currently working in Education supporting the scheduling and delivery activities. Stu will be tweaking the roles in education, and hiring a new person to take on some of the responsibilities previously handled by Karen. Stu has also added Pat to his team, and she will be lending her skill sets to education as well as marketing and communications.
- We now have a signed contract between World Sailing, Corpus Christi Yacht Club and US Sailing for hosting to 2018 Youth Worlds.
- Progress continues at Roger Williams University. The walls are up, layout complete, and we expect to finalize all the finish details within the next two weeks. Lauren is working on the move plan, Georgia on the furniture and build out fund raising. Here are the latest images: <https://animoto.com/play/sOLmlZCHafHuiilhd18WJA>. We will be hosting our April 27 staff meeting in the new building to do a walk through.
- I have been working with Tarasa and Brian Dorval in preparation for our strategic planning meeting in Atlanta next week. We have an excellent agenda, and the staff directors and I are preparing our materials for a productive discussion.
- Check out the latest YouTube video from the "This is what we do" series: <https://youtu.be/Nz8xL2sz1xg>
- Finally, Charleston Race Week kicks off this week, and a team of us from the office will be on site to support the event April 20-23, serving coffee and talking with members and sailors. There will also be some Reach activities going on in conjunction with the regatta, and Malcolm will be on site for the Pro-Am regatta and to talk Olympics with the crowd.

Thank you to our Board and all our dedicated volunteers for the countless hours you contribute to making the sport of sailing safer, more fun, fairer and more accessible. Kudos as well to our terrific staff that works hand in hand with our volunteers and so diligently to provide the best customer service they can. Enjoy the following updates from our departments.

Cheers,

Jack and the US Sailing Staff

Department Updates

Finance – Donna Kane

Variance analysis for attached financials

Revenue

Overall membership revenue is \$15K below budget and \$5K ahead of the prior year. The major variance is in organizational memberships, which have been slow to renew (see Lauren's membership report).

Public support is 36K ahead of budget and \$51K behind the prior year. The variance to budget is in unbudgeted restricted contributions to the Education and Adult programs. We are slightly ahead of schedule with unrestricted contributions.

Sponsorship consists of cash in the door and VIK. The VIK is booked as we use it which is why the timing is off by \$25K, the expense for VIK is also 25K below budget. We are slightly behind in the timing of sponsorship cash.

Program revenue has a very large variance to budget in all line items with revalidation, registration fees, and application fees making up the bulk of the variance. ORR released their rule in March which affected the timing of revalidation renewals. The variance in registration fees is in timing, we have \$473K in deferred revenue, which will be posted over the next few months.

Publication sales are ahead of budget by \$30K. Revenue from the foundation has not been realized yet.

Expenses

There is a 39K variance in salaries and benefits of which 11K is the temporary accounting position and a temporary fulfillment position. Health insurance is showing a \$25K variance to budget; in the review of the financials I found that the employee's portion of health insurance was being expensed, this will be corrected for the next report.

Operating expenses are \$253K below budget, of this \$86K is NSPS and National Conference expenses put on the company credit card which has not been posted; the credit card crosses over months and we post the credit card when it is paid except for year end. Other major variances are in Instructor Fees \$35K and Printing, Non-Staff Travel \$35K, and Stationary \$\$27K which are all timing, and Equipment Rental of \$23K. Consulting Fees are over budget primarily due to the Coast Guard grant, which was not budgeted. Royalties are below budget by \$48K, which is timing.

Membership – Lauren Cotta

The number of active members is still above 45,500. Renewal rates are lower at 40-47% for the first few months of 2017 compared to 50% in 2016. We're keeping an eye on the active number of individual members and their renewal rate, as it's our largest segment. This category should rebound over the next few months as we're launching membership campaigns and revitalized renewal communications. Youth and Keelboat continue to be negative and we'll be working with John and Betsy to align initiatives and

help bring these membership categories back into the positive. The low numbers of new KB members in March is the main driver for the decline in active members. We are analyzing the test processing and certification fulfillment process, which drives the timing and in some cases the quantity of KB memberships. A follow-up renewal invoice email was sent to organizational members in March contributing to a slight increase in memberships purchased over last year. The active number of organizational members lags behind 2016 year but we're hoping to recover more of the expired organizations from a mailed invoice that was sent in early April.

Youth – John Pearce

The job description for the new position of [Youth Development Manager](#) has been posted online and we've received several excellent applications within the last two weeks. This is a joint role in both the Youth and Olympic Departments, with responsibility for planning, communicating, and executing the Youth/Junior Championships regatta series as well as providing administrative management for the Olympic Development Program. The new staff member will be based in our home office in Rhode Island and work very closely with the entire US Sailing staff to coordinate these important events and provide a great experience to the sailors and all of our members. We hope to have the new team member hired prior to the summer regatta season so they can receive valuable on-site training at our Championship regattas.

All of our programs are running at full speed in anticipation of the summer season. A few highlights:

- Jessica Servis and Windy Key are planning a great season of promotion and education for the Reach program, including partnering with the America's Cup in Bermuda. See Stu's Education Department Report for more details.
- 21 excellent youth teams requested an invitation to the [US Youth Match Racing Championship](#) and the selection committee accepted 10. The regatta will take place on June 14-18, 2014 in Fort Worth, Texas.

-The first Junior Olympic Sailing Festival of the 2017 season took place at Sarasota Youth Sailing on April 8-9, 2017. 150 sailors participated in the Opti, O'pen Bic, Radial, 4.7, C420, F16 and F18 classes. For the first time we created a custom SnapChat logo with Junior Olympics 2017 branding, resulting in over 2623 views. Thank you Robin Dale for spearheading this exciting new opportunity to easily reach younger audiences. Regatta [Results](#)

Adult - Betsy Alison

Four new Keelboat schools came onboard this month bringing the total to 5 for the year so far. A comprehensive marketing plan for Commercial Keelboat Schools has been developed and is being vetted via a working party this week. This plan will be brought to the full complement of schools via video-conference by month's end for discussion and then full implementation.

Safety at Sea courses have been active: 14 completed with 1497 attendees; 7 courses to go for this season. The two online courses, went live late in the SAS season but have been well received. We have

not received the data for online courses completed April YTD. The addition of two chapters to “First Day SAS Intl Offshore” is targeted for late 2017 with full roll out prior to 2018 season. Actively marketing this program will result in increased use by consumers for next season. New SAS book was released mid February with at least 300 copies sold to date.

US Powerboating is having an Instructor WebEx to update all instructors on processes and procedures. A need has been identified to increase number of instructors and providers of Safe Powerboat Handling courses. A plan for including trained PB Instructors on LSO’s internal staff is being developed, and then launched.

First Sail is growing steadily. Need to further develop strategic plan for this program and determine where and how outside/industry support, especially financial, can bolster and help grow this initiative.

First adult championship of the season, the US Multihull Championship, was successfully completed last weekend in Ocean Spring, Mississippi. 16 boats participated with Phil Collins taking the title.

Competitive Services and Support

Offshore – Nathan Titcomb

The measurement rule rating season is in full swing. IRC, ORC, and ORR certificates are being processed and vetted daily by the offshore office. The IRC rule in particular is trending about 20% ahead of the processed certificates with respect to this time last year. Much of this activity can be attributed to the IRC North American Championships being held by the Storm Trysail Club at Block Island Race Week.

The Offshore staff continues to work with the SAP development team to expand the capabilities of the UCS, considerable time has been spent aligning the measurement attributes for all rules. This work will expedite the integration of the IRC rule, which is expected in the fall of 2017.

Eric Baittinger continues to conduct sail measurer training seminars with the latest one held for the North Sails loft in Milford, CT. This was a targeted seminar as part of certifying the loft as In House Certified, (IHC)

Race Administration - Matthew Hill

We continue to distribute rulebooks via the rulebook web page and by including extra rulebooks in race administration seminar materials for anyone who has not received one.

Race Committee 201 is our newest educational program. This offering will be aimed at local sailing organizations that need materials and assistance training their race committee volunteers on key best practices such as wind and weather, equipment, course setting and management, starting, finishing and scoring races. While the business model is yet to be determined, it seems likely that this will be offered to LSOs at a reasonable cost. We assume that certified instructors would teach the course. Development continues this spring and summer (we are shooting video at Charleston Race Week and again this summer in Newport), with beta testing in the fall and anticipated rollout in late 2017 or early 2018.

Foundation – Georgia McDonald

Cash In - YTD

US Sailing	Olympic Program	Pledge Payments - Prior Year's	Total Cash-In
\$ 99,236	\$ 236,472	\$182,466	\$ 518,194

The first US Sailing Spring Appeal was deployed in March and early April. The audience was limited to about 3,000 supporters, and the campaign will generate support for programs that expand access to sailing. This appeal is the first step in establishing year-round philanthropic messaging instead of relying on a year-end appeal for our general fundraising efforts.

The Reach Program secured a \$250,000 grant from 11th Hour Racing for Reach Hub expansion - \$125,000 distributed in 2017 and \$125,000 to be distributed in 2018 if US Sailing can successfully raise \$100,000 by March, 2018.

We are developing a capital campaign to secure funding for furnishings and finishes for our new Headquarters. More to come on that effort shortly.

Fundraising plans for the Olympic program are taking shape. Olympic fundraising will take place under the umbrella of the US Sailing Foundation, and Jim Campbell as our Chief Business Officer of Olympic Sailing and Brian Keane as the Resource Bank director and Malcolm Page, Chief of Olympic Sailing are working with Georgia McDonald to clarify our roles and develop fundraising strategies, campaign timing, prospect identification and establishing processes for efficient implementation.

Education – Stu Gilfillen

Thanks to the significant efforts of Jessica Servis, US Sailing will be working with the Endeavor Program at the America's Cup (AC) Village during the AC in Bermuda. We'll have representation on-island from late May through late June and will be showcasing Reach, US Sailing's STEM Education Initiative. We expect approximately 1,600 school children to participate in two activities engaging youth in STEM and sailing during the duration of the event. Additionally, US Sailing is working with Endeavour to create an educational exchange in which US Sailing will send two Reach youth sailors and a chaperone to Bermuda for the AC and have Endeavour send two students to the US for the VOLVO Ocean Racing in 2018 in Newport, RI. The students will have the opportunity to experience the AC Match, the AC Endeavour Junior O'Pen BIC & RS Feva Regattas, the Education Station in the AC Village as well as the Red Bull Youth AC Finals and AC J Class Regatta. These educational experiences are designed to help connect youth to STEM careers and leaders in Bermuda

We're excited to welcome Pat Crawford to the Education Department. Pat has spent the last few years working within the Race Administration Department of US Sailing, providing exemplary support for our judges, umpires and race officials. In her new capacity at Resource Development Specialist Pat will provide copy editing and cataloging support for our Product Development team and also assist our

Marketing Department with reviewing communications. Pat will continue to support Race Administration while we work to transition the scheduling and fulfillment responsibilities of that program into other areas of the organization.

Our 2017 National Faculty will be meeting on October 26-29 in St. Petersburg, Florida and we expect approximately 50 subject matter experts from the different disciplines to attend. We'd also like to invite any interested BOD members to join us. Please look for more details in the coming weeks.

Marketing and Communications - Dan Cooney

A great team effort yielded important data from the 2017 Organizational Survey. We received over 900 responses and the results are detailed in an accompanying PowerPoint. The big picture is to establish a benchmark of awareness for key US Sailing programs and a benchmark on the quality of customer service we are delivering. We have a lot of strong supporters, true believers and we can build off of that and win back detractors to help us climb the ladder.

We kicked off and are still running a successful vertically integrated membership incentive campaign starring one of our great subject matter experts, Dave Perry. Targeted email, Facebook advertising, Sailing World digital banner ads, custom landing page, Scuttlebutt ad, SW newsletter and video elements were all part of the mix. We still have some runway left but about 180 takers with healthy margin after cost of promotion and advertising. Again, great team effort and we are strengthening an already good model for membership incentive.

We also leaned into marketing plans for some of the many programs we help support like the Keelboat schools. Many...many... more nautical miles to go before we sleep but the model is being built. And...strong original content from Communications, like the recent piece on attracting millennials, are being shared on social media. This is news organizations can use and we are putting together the platform to share that.

Member Engagement - Katie Ouellette

Marcy has been hard at work building relationships with local sailing organizations. Her recent efforts include a 10-day trip out to Northern California where she participated in a Regional Symposium, visited a variety of sailing organizations, attended a High School regatta and worked the US Sailing/US Powerboating booth at the Pacific Boat Show. Her visit to the region provided great interaction with the sailing community in Northern California, exposing how Customer Connect and the addition of her position allows for better alignment in working together. Additionally, with the newly unveiled Reference Guide accessible through the Organizational Resources tab on our website Marcy has received more personalized outreach from sailing organizations. The transparency of this reference guide has helped enhance our contact with organizations and has built avenues for stronger relationship-building. A big thank you to the marketing department for taking on that project.

The Member Experience team is busy answering phones and emails with smiles on their faces and being the first line of defense for the organization. Calls continue to trickle in requesting Rulebooks and call

volume is increasing for membership. As per usual this time of year, the phones have also been busy with inquiries on rating certificates, sail numbers and course registrations. These are calls that previously would have been transferred but are now being handled by the Member Experience team creating a more efficient member experience. Nancy led the efforts for our presence at the Pacific Boat Show. Visitors to our booth were very positive about US Sailing and all we are doing. Despite hurricane like weather, the show was a great success. Emily has been working on our new live-chat feature for the website demoing platforms and assessing the best fit for our members. We are very excited to get this implemented this spring.

Finally, planning has officially begun for Sailing Leadership Forum 2018!

Administration - Lauren Cotta

From an operations perspective we continue to be busy preparing for the move to Roger Williams and maintaining and implementing new platforms.

- We formed a group comprised of Windy, Donna, Tim and I that will meet weekly to stay apprised of details of the build out, relocation and financial aspects of the move to Roger Williams.
- Progress continues to be made on the website with updates to the homepage tiles and the creation of a new US Sailing blog.
- Maintenance was performed on one of our servers, certificates were updated for our website and process improvement with POI and online donations forms continues.
- We're narrowing in on selecting a vendor for a new document management system and online store platform.
- The fulfillment department has been very busy sending rulebooks and Dave Perry books from the office for the rules campaign.

Olympics – Malcolm Page

Strategic Meetings	
Chief Business Officer & Chief of Olympic Sailing	Jim Campbell, CBO. Has hit the ground running. We have had meetings on West Coast (Malin Burnham, StFSF, AmericaOne), Miami region (Ding Schoonmaker, Paul Cayard, Blake MacDiarmid) and Boston area (Stewart Neff & Steve Cucchiaro).
Olympic Resource Bank	Brian Keane, Jim Campbell and Georgia McDonald have completed a brain storming strategy on the “how to approach” the short and long term fundraising goals of Olympic Sailing. Documentation is being built for the execution of the plan.
General	
Center of Excellence	Version 1 of the Center of Excellence (CoE) concept has been documented. USST will work with St Francis Sailing Foundation and US Sailing Center Miami to complete the two levels of CoE, before publishing these standards.
2018 World Cup Series	World Sailing published the qualification document for the 2018 series (period July 2017 to June 2018) in late March 2017. The document is extremely late and will affect our USST (+ve & -ve) and certainly make it more difficult for the up and coming sailors to attend these events.
New logo & LB Camp	Thanks to OSC and Board for the approval of the new USST logo. This logo will be officially launching in Long Beach with the USOC in the middle of May. Will Ricketson has been at a skiff camp the last week in gathering footage with the new logo on the pinnies, as well footage for the fundraising launch.
IOC & LA2024	The IOC will be visiting LA on the May 11 in regards to the LA2024 Olympic bid and will be checking on many venues including the Sailing Long Beach venue. JJ Fetter and Bruce Burton will be representing USS, while we have some 49erFX’s training in the background.
Malin Burnham research project	A Malin Burnham research project has been launched. The object to research and conclude how other nations developed and what makes a successful Olympic athlete. This will be professionally run by Carol Cronin (Journalist &

	Olympian 2004), and will be checked in with Malin throughout the process to ensure this is an effective project.
Triple Crown - Oakcliff	A wonderful idea from Betsy and Hunt Lawrence has seen a newly announced 3x regatta series where Olympic campaigners can win up \$500K across 5 of the Olympic sailing disciplines. This will be held at Oakcliff July/Sep/Oct 2017. Not only will the winning funds assist the athletes in Olympic campaigning, it will assist in growing National fleet numbers.
Athletes	
Princess Sofia Event	Attendees: 49er – Mollerus’s 24th; Finn –Muller 27th; 470M – McNay/Hughes 7th, Parkin/Rogers 26th; Laser – Buckingham 6 th , Barnard 12 th , Bowers 28 th , Marshall H 46 th , Zaleski 63 rd , Marshall W 121 st ; Radial – Reineken 16 th (departed 2 days early for College commitment, was in 7 th at that stage); RSX W – Hall 49 th ; Pascual 37 th The event had all conditions and was a great first European test of the new quad. Results were probably on par, with the level or amount of preparation that was put in. Stand out was Erika Reineken with her performance, before she had to leave and return to College, and Charlie Buckingham whom climb the results as it got tougher. Also a note to Bowers and Barnard whom had a huge improvement from Miami SWC.
Long Beach / West coast	All training is moving to the west coast, with many skiff (49er & 49erFX) camps occurring in April and into May 2017.
Contracts & measurement	The 2017 Athlete Contracts have almost all been signed. There was a new addition with KPIs being added to each athlete/team, for their 2017 objectives and development.
ODP	
Clinics / Camps	West Coast has become the epicentre for last month of camps. CISA clinic would have been the highlight and largest of these clinics.