

2016 Objectives

Financial Metrics based on December 2016 Financial Statements and Membership Report.

Goal	YTD (Status)
Financial Metrics – by 12/31/16	
<i>2016 Surplus: \$41,000</i>	\$ 110,867 vs. budget of \$208,705; variance of \$ (97,838). Includes SAP contribution. (Fell short)
<i>Membership: 46,900</i>	45,801 active members as of 12/31/16 vs 45,154 as of 12/31/15 (Fell short)
<i>Development: \$5.52 Million</i>	
Medalist , 2016: \$3,000,000	\$ 2,883,399 (Fell short of stretch goal, achieved internal budget goal – \$2.5 million)
Project Pipeline: \$2,175,000	\$ 2,183,704 (Achieved)
US Sailing General: \$ 340,000	\$ 324,255 (Fell short of top line revenue, achieved net revenue)
Projects - Status	
<i>First Sail Launch</i>	
Launch and recruit 50 LSO's to implement	100+ Official First Sail Locations have signed on. First Sail was also promoted by Lake Lanier Sailing Club at the Atlanta Boat Show. A strategy has been developed to identify 5-10 model First Sail Locations across the country and work closely with them to have First Sail Experiences run and to capture photo, video and resource assets through these experiences. Developing 2 different communications channels, one to First Sail Locations, which will serve as a resource monthly newsletter, the other direct to participants through the MailChimp email list, which will provide updates, and offers from partners. Next steps are to revamp website, develop first communication to locations reminding them of their marketing materials available and encouraging them to post Experiences on the calendar, and develop budget and ask to the industry for sponsorship and funding. Once new Adult Director gets placed, there will be a formal home, leader and champion for First Sail. (Achieved)
<i>SAP</i>	
Complete UMS Phase 1 (ORR)	All ORR certificates for 2016 were issued via the SAP UCS (UMS). Of the 726 valid certificates, 450 individual users created online profiles to access their rating information. For 2017 serious effort will be exerted to encourage all certificate holders to use the online portal for the UCS. (Achieved)
Launch Tracking (Sail InSights)	Investigating events for further tests of Sail InSight during 2017. Press release regarding UCS and Sail InSight and US Sailing/SAP partnership went out on Wednesday, 11/17. Nathan, Jack and Josh have been in discussions with NYYC and SAP to implement SAP Sailing Analytics within some of NYYC's existing events that are already using dedicated trackers. (Achieved)

Begin UMS Phase 2	Progress continues to bring the ORC rule into the UCS. Meetings have been held between the ORC technical staff, SAP and the US Sailing Offshore team. The Alpha version of the ORC handling within the UCS is on target for delivery on the 26th of January. Additional improvements to the UCS include boat owner initiated certificate requests for the 2017 season for ORR and ORC. This includes the ability for owners to request new, renewal, and amended certificates for both ORR and ORC. (Achieved)
2017-2020 RRS	
Publish and Distribute: in members' hands before end of 2016	We continue to communicate with members about how they can obtain their complimentary copy of the rulebook. The Apple version of the US Sailing Bookstore app is now available, and members can obtain it free of charge and download the RRS digital publication. The Android version should be available in about a week. We are continuing to update and reprint Race Administration training publications and manuals for the 2017-2020 rules cycle. (Achieved)
Strategic/Long Term Projects - Update	
US Sailing Foundation	
Est. New Bylaws; Recruit New Board Members	New Bylaws completed and approved. New accounting practices outlined. New board in place with two new members. (Achieved)
New Brand and Messaging	Message and branding complete. The US Sailing Foundation is focused on the future of sailing. To thrive, the sport must grow participation in all types and at all levels of sailing, while upholding the highest standards of excellence and fairness. (Achieved)
Initiate Campaigns and Achieve Financial Goals (above)	Met Project Pipeline matching grant challenge; achieved Medalist budgeted goal (\$2.5 million), fell short of stretch goal (3.0). Annual Appeal revenue fell slightly short, but expenses were below budget, net on target. Some 2016 appeal donations being recognized in 2017. (Partially Achieved)
US Sailing Organization Optimization: Customer Connect	
New Go-to-Market Strategy	Customer Connect phase 1 complete. Staff transitioned to new roles and positions; new hires in new roles. (Achieved)
Organization & Operational Plan: in place for 2017 Budget	2017 budget and plan built on new structure and strategy close to final. Presentation and approval slated for National Conference. (Will be complete)
Est. Youth Program: Phase 1	Completed- Competitive and recreational youth programming is now integrated into a single department, with optimization underway in 2017. (Achieved)
Achieve Success at Highest Levels of International Competition	
Deliver on 2016 High Performance Plan	Complete.
Expand and execute Olympic Development Program	Complete.
Prepare Games Operations for Olympic and Paralympic Teams	Complete.

Association Report – January, 2017

ED Summary – Jack Gierhart

Since our last report, we enjoyed a great holiday break. We closed the US Sailing office between Christmas and New Years, which allowed the staff to take a well-needed break after a very busy year. Well, almost all the staff. Georgia McDonald and Lorie Anderson were in the office, manning the phones and computers to make sure we ended the 2016 annual appeal as strong as possible, and Robin Dale and John Pearce spent time in Miami (tough place to be in December) representing US Sailing at the Orange Bowl and engaging with our members, parents and partners. Overall, this approach worked well with the department directors doing a great job of staying on top of any inquiries that came in. Thanks to our team here for your incredible commitment to our sport and members.

2016 was a busy and challenging year for the office. In addition to working to accomplish the goals we set for the year, we were consumed with the development and implementation of our new organizational structure (staff) and go to market strategy, Customer Connect. During the year we experienced somewhat higher than normal attrition, with many of the employees leaving for new and exciting opportunities. Rather than replacing the departing staff immediately, we delayed the hiring until the new roles were defined and we had identified the best candidates. This put additional pressure on a smaller staff to handle our normal business, plus develop our plans for change. I want to commend the staff for their dedication and perseverance in a year that demanded a great deal from everyone. They certainly met the challenges head on and we accomplished a great deal.

As for our overall performance, we fell short on some of our goals, and achieved others. Financially we fell short of our goal, while we achieved our program and strategic objectives as the table above presents. Details on the variance are explained in the financials in more detail, but there were a couple of key items that had a negative impact on our financial performance. On the revenue side we aggressively budgeted a contributing member campaign that fell significantly short of goal. There was a good deal of fund raising activity underway (Medalists, Project Pipeline and general association projects), and the contributing member campaign was lost in the shuffle. What proceeds did come in, were applied to the Olympic department. The general membership categories were slightly headed of budget. We also fell short on our publications revenue. This is primarily due to a aggressive projections and decisions that took 2013-2016 rulebook products of the shelves early. On the expense side the youth department was not budgeted and that added \$44,000 in expense, non-staff travel expenses for World Sailing meetings was under budgeted, and we had unbudgeted legal fees associated with the Roger Williams lease. Finally as the financials are currently presented, none of the fund raising expenses have been charged to Olympics (\$191,000) as was in the original budget. Overall financially we did ok, when these variances are accounted for. Our key programs were on track, core membership revenue was on target, and we came very close to our stretch fundraising goals.

We all returned on January 2 and jumped right back to work. Since then we have had 4 new hires: Malcolm Page, the new Chief of Olympic Sailing; Dan Cooney returned to take on the new, expanded role of Chief Marketing Officer; and Katie Ouellette who was promoted to run the new customer engagement and service department hired to new staff for her team – Emily Dodd as a Member Experience Manager and Marcy Eichner as the Organization Outreach and Development representative who will be responsible for helping us build stronger ties with our organizational members. Other personnel changes include Lauren Cotta moving to Director of operations, including oversight of IT, working with Dan, and most recently we are happy to announce that Betsy Alison was offered the role of Adult Director, and will be working closely with Marketing, Education, Youth and Competitive services to increase and expand our adult offerings. I acknowledged that everyone had an extra load on their plate this year, I like to recognize the marketing team co-led by Josh Toso and Jake Fish who took over when Amy departed in June. They did a great job keep us on the rails with a greatly reduced resources.

We are busy working on finalizing the 2017 budget, which is behind schedule due to the staffing structural changes and the fact that we were without a finance director for several weeks in the heat of budget season. It is also taking Donna a little time to get up to speed, which she has done quite well. We will have a budget ready for review by the Budget Committee in early February, and then ready for presentation to the Board for a vote at the National Conference. We are also preparing our updates, year end reviews and presentations for National Conference and NSPS that begin on February 14 and 16, respectively.

We are close to finalizing our discussions with Rolex and Gowrie Chubb for our partnership agreement extensions, and will present the latest terms to the Board on the January 23rd call. Sperry is resigning its partnership with US Sailing, although for 2017 the Sailing Team is not part of the agreement. Sunbrella agreed to continue as the presenting sponsor of Sailing World Cup Miami for 2017, which we are extremely grateful for. The 2017-2020 RRS app was released early this week for the iOS platform (and includes elements from Dave Perry's URRS); the Android version is being tested and will be available in the next week. This is available to all members at no charge as a benefit of membership.

We are not including department reports in this report as the staff is busy creating the 2016 year in review report that will be presented at the National conference. Please hang tight and we will have a great report for you highlighting our 2016 accomplishments and progress in a few weeks. For those of you who have not registered for the National Conference or NSPS, we would love to have you join us. There will be great discussions at the conference, and as always, NSPS is providing great education and networking opportunities, with some exciting speakers.

The Roger Williams Project continues to progress. Demolition of the interior and systems is close to complete, and our office layout design is final. We have a staff team currently working on furniture, fixtures, wall and floor coverings for the new space, and we should have those decisions final by the end of February. We continue to expect a move date in mid September. The next task at hand is to develop a presentation and package to generate support and

donations to help cover the cost of furnishing the new offices. We have plans for naming conference rooms and different areas of the building that we hope will excite our supporters and members. Attached are a couple of drawings depicting the layout. Please keep in mind that the work space configurations will most likely change, but this will give you a sense of the broader office layout.

Finally, Sailing World Cup Miami gets underway tomorrow, with a revised venue and new spectator experience in Regatta Park. We will be providing hospitality to supporters and sponsors. If you are in Miami and would like to stop by, we would love to welcome you to the event. Please contact Martha Fortin (MarthaFortin@USSAILING.ORG) if you plan to be in the area.

Thanks to everyone – the Board, committee chairs and members, volunteers and staff - for all of your contributions and commitment to our organization and sport. Due to your hard work and generous contributions, we continue to make great progress and positively impact sailing; we have much to be proud of. We are in a period of adjusting to significant changes internally with our optimized structure and many new team members. We are poised to move to a new level, but there will be bumps along the way. We will be attentive to correcting them immediately and minimizing the impact on our members. We look forward to everyone's support as we settle in on this new tack and trim for speed. Here's to a successful 2017, and we look forward to tackling the challenges and taking advantage of the opportunities that lay ahead.

Cheers,
Jack and the US Sailing Staff

Sites of interest:

National Conference and NSPS - <http://nsps.ussailing.org/national-conference/>

Sailing World Cup Miami – <http://miami.ussailing.org/>

Rulebook App - <http://www.ussailing.org/race-officials/rules/rulebook/>