

## 2016 Objectives

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

| Goal  | YTD/Status   |
|---|--|
| <b>Financial Metrics – by 12/31/16</b>  |  |
| <i>2017 Surplus: \$25,000 (without Olympics)</i>  | \$420,627 vs. budget of \$153,785, \$266,842 positive variance   |
| <i>Membership: 47,000</i>   | 45,923 vs. 45,782 (4/27/17); -0.3% decrease. See report for explanation  |
| <b>Development (budget): \$2,466,500 – Foundation and ancillary contributions to US Sailing</b> |  |
| US Sailing General - \$690,000  | \$ 239,348.20 - donations YTD  |
| Olympic Medalist - \$1,766,500  | \$ 240,737.77 - donations YTD  |
| <b>Strategic Programs - Status</b>  |  |
| <b>Youth</b>  |  |
| 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  | <p>“FunFest” format successfully piloted at the Atlanta JO’s April 29-30, incorporating a variety of non-racing activities. Next up are the Mentor Harbor, Ohio and Pensacola, FL JO’s.</p> <p>Windy Key on-site at Charleston RW, Charleston Tall Ship Festival, and America’s Cup promoting the Reach program with activities for kids and families.</p> |
| <b>Adult</b>  |  |
| 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.  |

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| 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.  |
| <b>Competitive Services &amp; Support</b>   |   |
| Complete UCS (Universal Certificate System)   | Initial testing of ORC processing within the UCS has started and the first certificates have been produced. The final steps of testing are almost complete with a full launch expected shortly. We are still on target to integrate the IRC rule processing before the end of 2017. |
| Develop and launch new RM education offering  | 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.   |
| <b>Olympics</b>   |   |
| Implement new 5-ring program strategy   | See Olympic update  |
| <b>Marketing &amp; Communications</b>   |   |
| Improve member satisfaction – 20% increase in value, satisfaction and understanding     | Benchmark Survey Complete   |
| Implement Effective Communication Capability – broaden distribution, increase awareness | New Blog and New Video Series both launched.  |
| <b>Administration</b>   |   |
| Complete move to RWU  | Received three quotes from movers, picked one and waiting for the contract to sign. We're devising a plan for the removal of our old furniture. The clean up day was successful start to clearing out our current office.   |
| Improve processes and efficiencies  | Fulfillment processes formerly owned by the Training, Offshore and Membership departments have been consolidated to Administration. We're documented processes and at the end of the busy spring season will consider possible improvements.  |

## Association Report – May, 2017

### ED Summary – Jack Gierhart

Spring is here, with summer just around the corner. Thankfully! The office is busy, and many folks are on the road engaging with our members and supporting programs across the country. I joined Windy and Robin at Charleston Race Week, spending time at the Buzz Bar getting feedback from members and catching up with volunteers and friends. It was a great regatta with excellent race management, perfect weather, and unbeatable post racing parties on the beach. Several Sailing Team members were on hand and Malcom even dropped in for the ProAm regatta on Saturday afternoon (came away with a bullet in one of the races!)

From Charleston, I moved on to Atlanta where the Board and key staff met for a two-day strategic planning meeting. Thank you to Board members Tarasa Davis, Cory Sertl, Steve Freitas and Bruce Burton for contributing to the preparations, and to Tarasa for moderating the discussions. We had a very productive meeting that included a review and discussion of:

- our core values, vision and mission statements
- a SWOT analysis
- a filter concept to help in decision making and prioritization
- our key products, programs and services, and
- key issues we need to address

This meeting was the kick off for a broader strategic planning project that will take place over the next 4-6 months and involve all US Sailing stakeholders. We will use this completed plan as the roadmap for our 2018 plan and budget. We look forward to working with staff, volunteers, members and partners as we chart our course forward. A big thanks to all those involved for the thoughtful discussion and constructive input. Stay tuned.

Several other brief items:

- We have reached an agreement with World Sailing surrounding the digital rights to the Racing Rules of Sailing. According to World sailing, MNA's have a royalty-free right to distribute the RRS in print; If we want to distribute them electronically or in an app, WS requires a royalty fee. While we dispute this based on past decisions from the WS board and council, we agreed to terms to protect our members access to the current electronic version of the rulebook, and will be working on a submission to revamp and clarify this policy. In today's digital age, NA's should have the right to distribute the rule in any format to best support their members in the most economical and sustainable manner, without penalty.
- We finalized and signed the Rolex sponsorship agreement. We ended up with a five year agreement, with reasonable renewal parameters. Rolex will continue as the Official Timepiece of US Sailing, title sponsor of the US Sailing Yachtsman and Yachtswoman of the Year Awards, and donor to the US Sailing Foundation in support of the Reach Program. Rolex also has an option, for an additional fee, to sponsor the Sailing Leadership Forum and Awards Dinner. Nice

to have this complete and we look forward to working with Rolex to enhance the exposure and value of the Yachtsman and Yachtswoman of the Year. We have some great ideas for this.

- Progress continues at RWU. The new roof is going on as I write, the interior walls are up and drywall installed. We have completed the office and workstation layout, we have selected the furniture, and the interior design - finishes, colors, flooring, millwork, etc. - is complete. RWU is projecting the renovation to be complete by the end of July, furniture and workstations will arrive mid August for installation by the end of August; we are on track to move mid-September. Kudos to Windy, Martha Robin and Brad for their work managing the design and furniture/finish selection process, and to all the staff for their input and patience through the process. The staff at RWU has been awesome to work with and while they are bound by budgets, they have been very creative and generous, as we have worked through challenges and decisions. I have attached a few images of the office layout and renderings of the finish. Finally, Georgia is close to completing materials for the fundraising campaign we will launch to pay for the furnishing and all costs associated with the move. There will be great opportunities for our supporters to contribute to this exciting, new, innovative headquarters for US Sailing that will influence the sport for years to come. We will be launching this campaign in early June, so stay tuned.

June is a big month with some of our biggest events including the Youth Champs, as well as other the signature sailing events including the America's Cup. US Sailing will have a presence in Bermuda as the Reach Program will be participating as part of the Endeavor Program. The AC is paying for us to have staff and volunteers there for the whole event, so if you are down there for any part of the Cup, stop by our exhibit in the village. I will also be down there from June 14-18, and look forward to seeing anyone that may be there.

Thank you to our Board and all our dedicated volunteers for all you do for the sport. A big thanks to the US Sailing staff who work tirelessly to support our members and sailing across the U.S. Our new structure is making a difference, and this progress and our accomplishments are due to the dedication of the 46 people I have the pleasure and honor of working with every day. Thank you. In the following pages you can read about what the different departments are up to and the progress we are making. I look forward to see you all around the waterfront, and for those travelling to RI this summer, please stop by the office.

Cheers,

Jack and the US Sailing Staff.

## **Department Updates**

### ***Finance – Donna Kane***

#### **Variance analysis for attached financials**

Overall there is a \$150K surplus at the end of April. There are two Roll-up's in the attached financials for comparison to budget purposes. One includes the Olympic program, which shows the \$150K surplus and has budgeted Olympic salary expenses and administrative expenses but does not have budgeted program expenses included. The other, showing a \$420,000 surplus, excludes the Olympic program and is used for comparison to budget. The entire Olympic budget should be in the accounting system before the next board report.

#### **Revenue**

Overall membership revenue is \$48K below budget and \$9,500 ahead of the prior year. The major variance is due to April Auto Renewal not being processed until May (see Lauren's membership report).

Public support is \$153K ahead of budget and \$79K ahead of the prior year. The variance to budget is in a \$125K restricted grant to the REACH program and unbudgeted restricted contributions to the Education and Adult programs. We are slightly behind 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 \$33K, the expense for VIK is also \$33K below budget. This year the SAP VIK is being booked at \$25K a month for a total of \$300K for the year instead of at the end of the fiscal year. We are slightly ahead in the timing of sponsorship cash.

Program revenue has a \$104K 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 \$556K in deferred revenue with \$204K for May and the remainder will be posted in June and July.

Publication sales are ahead of budget by \$36K. Revenue from the foundation has not been realized yet.

#### **Expenses**

There is a \$249K variance in salaries and benefits of which \$142K is in the Olympic program additional staffing, \$16K in temporary services for the temporary accounting position and a temporary fulfillment position, and salary adjustments for position changes. Benefits are \$10K over budget with the new positions.

Operating expenses, not including the Olympic program, are \$148K below budget with \$33K being Industry VIK mentioned above, the operating expenses for the Olympic program will be put into the budget for next month's report. Major variances under budget due to timing are in Printing \$49K, Non-Staff Travel \$52K, Instructor Fees \$47K, and Events \$30K. Major variances over budget are in Shipping & Postage of \$35K, which should decrease going forward and Publications of \$23K, which is timing.

Consulting Fees are \$36K over budget primarily due to the Coast Guard grant and Customer Connect, which were not budgeted. Royalties are below budget by \$52K, which is timing.

### ***Membership – Lauren Cotta***

The number of active members is still above 45,500. Renewal rates are bit higher compared to March. In the middle of April we realized that March and April auto renewal transactions did not go through. This delay contributed to lower renewal rates and memberships purchased over the last two months. On May 1st, 604 auto renewal orders were successfully processed. The Adult department is working on the Keelboat membership variance by reaching out to the top schools to see when we can expect to receive the post course paperwork. Organizational memberships continue to climb to the point where we're almost in line with last year and within reach of our yearly target of 1,700 members.

### ***Youth – John Pearce***

With the Summer season upon us, the Youth Department is focused on events, with Championships, JO's, and Reach events in full-swing. Instructor/Coach training courses are also in full swing, with great work being done by the Education Department to schedule and execute the courses. As this is the first year for our Department, the learning curve is steep and we are hustling to keep up with the pace of the busy season. Nancy Mazzulli is providing much needed assistance with Championships during this transition period. We are conducting final interviews for the Youth Development Manager role, with a June start date likely.

### ***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 and 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 Intn'l 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.

**Olympics - Malcolm Page**

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| <b>Strategic Meetings</b>                                    |  |
| <b>Chief Business Officer &amp; Chief of Olympic Sailing</b> | <i>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 &amp; Steve Cucchiaro).</i>  |
| <b>Olympic Resource Bank</b>                                 | <i>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.<br/>Documentation is being built for the execution of the plan.</i>  |
| <b>General</b>   |  |
| <b>Center of Excellence</b>                                  | <i>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.</i>  |
| <b>2018 World Cup Series</b>                                 | <i>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 &amp; -ve) and certainly make it more difficult for the up and coming sailors to attend these events.</i> |

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| <p><b>New logo &amp; LB Camp</b></p>         | <p><i>Thanks to OSC and Board for the approval of the new USST logo. This logo was officially launched 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.</i></p>  |
| <p><b>IOC &amp; LA2024</b></p>               | <p><i>The IOC visited LA on the May 11 in regards to the LA2024 Olympic bid and reviewed the sailing venue in Long Beach venue</i></p>   |
| <p><b>Malin Burnham research project</b></p> | <p><i>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 &amp; Olympian 2004), and will be checked in with Malin throughout the process to ensure this is an effective project.</i></p>                |
| <p><b>Triple Crown - Oakcliff</b></p>        | <p><i>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.</i></p> |
| <p><b>Athletes</b></p>                       |  |

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| <p><b>Princess Sofia Event</b></p>        | <p>Attendees: 49er – Mollerus’s 24th; Finn –Muller 27th; 470M – McNay/Hughes 7th, Parkin/Rogers 26th; Laser – Buckingham 6<sup>th</sup>, Barnard 12<sup>th</sup>, Bowers 28<sup>th</sup>, Marshall H 46<sup>th</sup>, Zaleski 63<sup>rd</sup>, Marshall W 121<sup>st</sup>; Radial – Reineken 16<sup>th</sup> (departed 2 days early for College commitment, was in 7<sup>th</sup> at that stage); RSX W – Hall 49<sup>th</sup>; Pascual 37<sup>th</sup></p> <p>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.</p> |
| <p><b>Long Beach / West coast</b></p>     | <p>All training is moving to the west coast, with many skiff (49er &amp; 49erFX) camps occurring in April and into May 2017.</p>  |
| <p><b>Contracts &amp; measurement</b></p> | <p>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.</p>  |
| <p><b>ODP</b></p>                         |   |
| <p><b>Clinics / Camps</b></p>             | <p>West Coast has become the epicentre for last month of camps.<br/>CISA clinic would have been the highlight and largest of these clinics.</p>   |

**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. Each rule is tracking generally on target with regards to projected certificate numbers.

An initial meeting has been held with some key industry professionals regarding a revival of handicap racing for dinghies. The initial outcome is to concentrate efforts to revive the Portsmouth Yardstick system with a re-launch of the rule for January 2018.

***Race Administration - Matthew Hill***

Race Committee 201 update: filming at Charleston Race Week was successful; we will supplement with more video from Tuesday night racing in Newport this summer. This offering will be for local sailing organizations that need help training their race committee volunteers. Course development continues this spring and summer. We have some beta testing volunteers already lined up, and we anticipate rollout in late 2017 or early 2018.

***Foundation – Georgia McDonald***

**Cash In - YTD**

|                                    |   |  |                                       |
|------------------------------------|---|--|---------------------------------------|
| <b>US Sailing</b><br>\$ 239,348.20 | <b>Olympic Program</b><br>\$ 240,737.77 | <b>Pledge Payments - Prior Year's</b><br>\$303,466 | <b>Total Cash-In</b><br>\$ 783,551.97 |
|------------------------------------|---|--|---------------------------------------|

The first US Sailing Spring Appeal, The Growing Season, was deployed in March and early April resulted in a mild \$15,000 in donations from a 3,000-person solicitation list. This appeal is the first step toward developing year-round giving awareness, and shifting away from a year-end giving pattern. We were delighted by strongly enthusiastic communications from many people on our mailing and email lists - even if they didn't make a donation. The concepts of expanding access to sailing and fostering diversification and inclusion clearly resonated with our supporters and is a step toward strengthening the trust and goodwill that will eventually turn them into donors.

A capital campaign to secure funding for furnishings and finishes for our new Headquarters is in development. We have identified key naming opportunities; starting with the building itself, the Board Room, Foyer, Library, Community Area and more. We are developing prospect lists for each category, and will soon create campaign marketing materials and strategies to secure funding. Our not-yet-firm goal for the campaign is \$1,120,000.

Fundraising activities for the Olympic program have been divided, with Jim Campbell taking ownership of major gifts and high value prospects and Georgia McDonald coordinating a mid-level giving campaign. The need to, and value of, incorporating a Foundation message with the Olympic message and positioning Olympic campaigns within the Foundation has been acknowledged as critical, but has yet to be implemented.

## ***Education – Stu Gilfillen***

We're launching a new webinar series to help provide information to our members in a number of areas. We'll be holding one a month, starting May 23rd, with Malia Arrington, the COO for U.S. Center for SafeSport as our first presenter. Future confirmed presenters include [Amanda Callahan](#), [Ronald Wisner](#), [Tim Herzog](#), [Anderson Reggio](#), [Bryan Paine](#), and our own Malcolm Page. These webinars will be recorded and the expectation is that they can be used within the new blog or as stand alone content.

James Shannon will be joining the Education Department on May 24th as a Scheduling Coordinator, overseeing areas D and E. James is a familiar face at US Sailing having served as an intern in our Marketing Department last summer. He was instrumental in helping to launch the First Sail program and we're looking forward to having him join us in this new role.

After setting the dates for our 2017 National Faculty meeting (October 26-29) we have also set dates for the next version of the High Performance Roundtable. We will be meeting in Miami from November 27-29, and Shake-a-Leg Miami has graciously agreed to serve as the host venue. The first day of the event will be very similar to last year in that it will feature an invitation-only gathering. The other two days will provide opportunities for developing coaches to interact with the top coaches in the country. This shift in approach is designed to help drive the coaching-related content from the top down and help create consistency in how sailors, and coaches, are trained.

## ***Marketing and Communications - Dan Cooney***

- **The Blog is Launched** - President Burton's "Answer the Leadership Call" was a great way to light the candle. The blog's goal to empower those that power the sport. The idea is to become a weekly trusted source of sailing content that is valued and shared. We were pleased to see the first post picked up in Scuttlebutt and other social channels. Tom Duggan just followed up with the second post (also headlined in S'butt) on sharing information to create a strong race management team. This is a strong addition to our comms mix with recognized names. The team is proud of it.
- **Sailing World and Cruising World** - We are in both magazines with ads currently - We got inside back cover of CW in support of Keelboat Schools and we have a great SW ad promoting our Championships. Kudos to Jon Graham, our talented graphic designer.
- **Membership Campaign** - Strong neck gaiter campaign added 160 members.
- **American Sailor** - The printed newsletter for members highlighted the naming of the US Sailing Team, First Sail, JO's, and a great article on getting millennials hooked on sailing.
- **Video** - Chuck Hawley describes our role in Safety at Sea in both equipment regulation and education.

### ***Member Engagement - Katie Ouellette***

The Member Engagement team is hard at work on a few big projects in addition to the daily support of our members on phones and email:

- **Live Chat** - We will be soft launching live chat functionality on a select number of pages on the US Sailing website. After we have a better idea of volume and the staff's capacity, we will be adding more pages. The live chat will be monitored by all members of the Member Engagement Team during business hours.
- **Organizational Rolodex** - In an effort to better communicate with LSO's we are looking to capture the contact information for five key individuals at every organization. We have finalized what these roles are and will now beta-test the collection of this data with a couple dozen organizations. Once we have determined these roles are clear and easy to capture, we will work with IT to build out our database to easily collect this data.
- **Sailing Leadership Forum 2018** - The tracks have been identified and a call for proposals will be going out later this month. We hope to broaden our presenter pool and continue to enhance the topics presented. If you have an idea for a topic or would like to present email [events@ussailing.org](mailto:events@ussailing.org) Registration will be going live in June.

### ***Administration - Lauren Cotta***

From an operations perspective we are focused on utilizing emerging technology, improving existing systems and sending materials to members.

- Our IT department is essential in the progress we are making on key initiatives including the move to Roger Williams, selecting a new online store, developing a new website to name a few. The collaboration seen among the group is the key to their success. With limited staff, they're thinking smarter in how we can solve the environment issue we currently see with our Wordpress website and investigating a 3rd party form utility to replace our reliance on gravity forms which have repeated issues.
- The contract is in hand for Docuware to be our new document management platform. Over the next four months we will develop a workflow to scan and shred old documents to alleviate the amount of storage needed at our new building. We requested proposals from three vendors for a new online store. A decision will be made by the middle of next month to allow for sufficient development time before our current platform ends on 9/30/17.
- The fulfillment department continues to support our membership acquisition efforts by mailing this month's offer of a US Sailing branded gaiter to new and reacquired lapsed members. We also mailed a package of resources that included three new rules publications to organizational members.