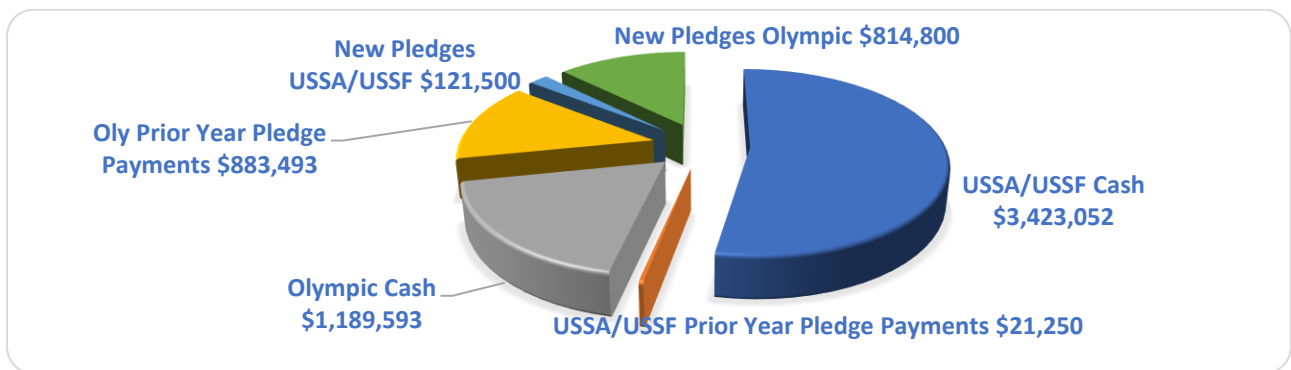


December 2018 Dashboard

As of 12-31-18	USSA/USSF			Olympic			Total		
	2018	Revised Budget	2017	2018	Revised Budget	2017	2018	Revised Budget	2017
Revenue	8,980,397	6,667,233	7,306,932	3,920,764	4,662,713	2,916,479	12,901,161	11,329,946	10,223,411
Expense	6,584,695	6,816,595	6,846,500	4,476,146	4,587,537	3,682,597	11,060,841	11,404,132	10,529,097
Surplus/Deficit	2,395,702	(149,362)	460,432	(555,382)	75,177	(766,118)	1,840,320	(74,185)	(305,686)

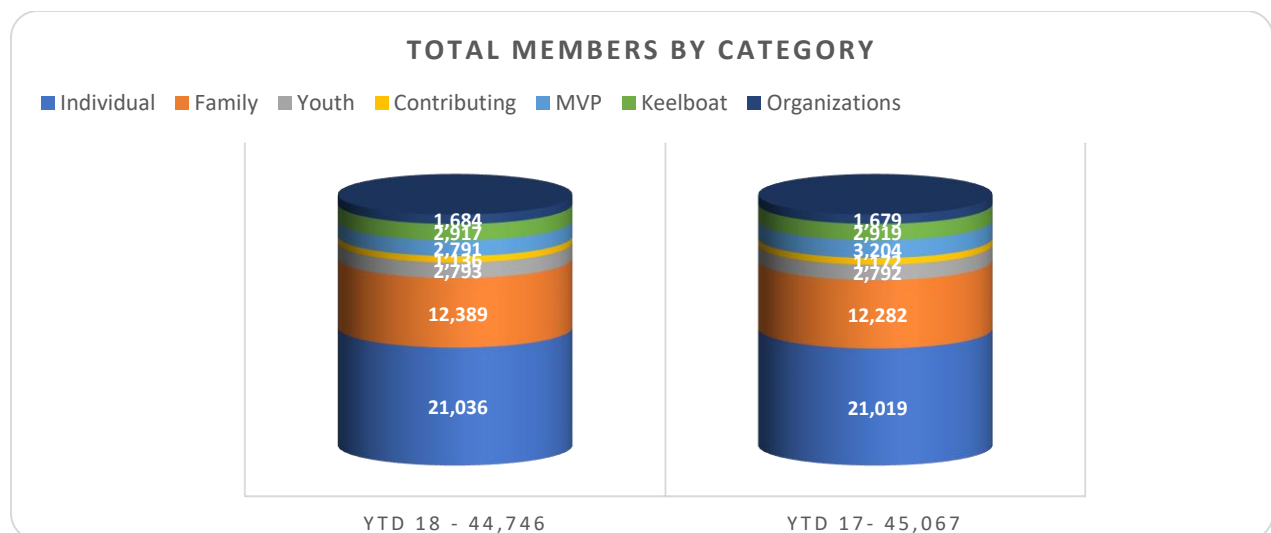
Donations



YTD 2018	Cash	Pledge Payments *	New Pledges	Total Cash & Pledges
As of 12-31-18	\$4,612,645	\$904,743	\$936,300	\$6,453,688

* Original Pledge received prior to 2018

Membership



We started off 2019 processing memberships that were paid by check and collected through the mail over the holiday break. On our first and second day back in the office, the envelopes yielded 220

organizational membership renewals and 135 regular memberships processed. These numbers are not factored into our December 2018 report. We ended the year at 44,746 active members which was -0.7% below the prior year. To combat this lower number, we've been testing membership offers, campaigns and audiences in January. We're excited to have data to pull from to frame our membership tactics moving forward and get back above 45,000 members and reach our 2019 goals.

December Financial Report – Donna Kane

Preliminary YE 12-31-18	YTD Actual	Revised Budget	Budget Variance	Prior Year Actual	PY Change
Revenue					
Public Support	4,493,895	2,689,294	1,804,601	2,077,683	2,416,212
New Pledges	936,300	936,300	0	541,750	394,550
Membership	2,117,476	2,088,915	28,562	2,053,991	63,485
Sponsorship	1,074,448	1,051,198	23,250	1,402,092	(327,643)
Program Revenue	2,062,427	2,007,734	54,693	1,893,752	168,675
Sales	599,148	582,979	16,169	633,837	(34,689)
USOC	860,000	860,000	0	861,075	(1,075)
Grants	744,890	960,000	(215,110)	253,010	491,880
Investment	(59,093)	59,383	(118,476)	428,551	(487,644)
Misc. Income	71,670	94,144	(22,474)	77,669	(5,999)
Total Revenue	12,901,161	11,329,946	1,571,215	10,223,410	2,677,751
Expenses					
Salaries & Benefits	4,585,044	4,577,059	(7,985)	4,378,447	206,597
Operating Expenses	6,180,965	6,564,200	383,235	5,823,905	357,059
Cost of Goods Sold	294,832	262,872	(31,960)	326,744	(31,912)
Total Expenses	11,060,840	11,404,131	343,291	10,529,097	531,744
Surplus/Deficit	1,840,321	(74,185)	1,914,506	(305,686)	2,146,007

The preliminary year-end financials are attached. I have given staff until January 21st to turn in 2018 expenses and expect very few additional expenses. We are almost audit ready, the plan is to start sending the auditors information on the 28th.

We ended the year with a surplus of \$1,840,321. Public support is ahead of budget by \$1,804,601 because of the \$3M Community Sailing donation. We had to write off \$118,750 in pledges which reduced public support. In October we moved \$250K of a \$375K three-year Olympic grant to deferred revenue. Misc. Income is below budget in Proceeds from Assets sold in the Olympic department because of depreciation on the boats that were sold.

Salaries and Benefits were \$8K over budget with accruals for vacation time earned but not taken by year end. There are both positive and negative variances in Operating Expenses the largest variances were Non-Staff travel (\$109K), IRD Expenses (\$48K), Printing & Stationary (\$48K), and (\$130K) in Other Expense. Other Expense was used for an administrative accrual that was reversed.

Balance Sheet

YE 12-31-18	Current Year	Prior Year	Current Year Change
Assets			
Cash	3,315,527	426,770	2,888,757
Investments	1,214,187	2,718,725	(1,504,538)
Receivables	148,022	176,384	(28,363)
Pledge Receivable	4,043,132	4,127,665	(84,533)
Inventory	216,679	268,062	(51,383)
Prepaid Expense	115,495	273,532	(158,037)
Assets & Depreciation	1,821,937	2,283,529	(461,591)
Total Assets	10,874,979	10,274,667	600,313
Liabilities			
Line of Credit & Loan	196,891	745,518	(548,628)
Accounts Payable	205,243	658,186	(452,943)
Accrued Expenses	313,809	414,199	(100,391)
Deferred Revenue	2,169,642	1,709,675	459,967
Net Assets & Current Earnings	7,989,395	6,747,089	1,242,307
Total Liabilities	10,874,979	10,274,667	600,313

The \$3M donation was wired into our money market account just before we closed for the holidays which accounts for the large increase in cash. The investment reductions are transfers from the windfall fund and operating reserves used to pay down the line of credit and a large portion of the payables. The decrease in prepaid expense is due to SWC Miami expenses being treated differently this year, we did not prepay expenses. We are only keeping a six-month supply of publications which accounts for the decrease in inventory. We did a comprehensive review of our assets in the fall and disposed of many assets as well as accelerating the depreciation on some. We changed the closing date of our company credit cards from the middle of the month to the end of the month reducing accrued expenses at the end of the year.

Strategic Plan Updates for January 2019

Support and drive strategies. Everything we do in 2019 will support the five strategies.

Strategic Plan Key Updates for January 2019.

- 1) Create opportunities for life-long participation in sailing

Youth/Education

- The Skill Up mobile app is now in development with New Start Mobile. We will share a preview of the look and feel of the App at NSPS and are on-track for App launch on May 1.

Adult

- Created and currently promoting the ability of US Sailing to link a sailors SAS certificate to their Member ID.

Olympic

- The stages of development to an elite Olympic campaigner
 - Begin learning at Regional Training Programs

- Join the growing ODP 2 program
 - Graduate to the Squad
 - Join the US Sailing Team and pursue your Olympic dream
- 2) Provide sailors with a broad spectrum of activities, ranging from casual recreational sailing to high-performance competition
- Adult**
- Offering a membership to participants in a safety at sea course.
- Olympic**
- Focused more on promoting elite and highly talented racing. Encourage all sailors, especially our youth, to pursue their dreams of elite level racing and an Olympic campaign.
- Offshore**
- Offshore has rounded out their team with the addition of Rex Cameron as the new Offshore Technical Associate. His addition will allow us to continue to provide first class customer service to sailors applying for and obtaining rating rule certificates.
- 3) Capitalize on regional sailing expertise to encourage the development of shared programs that reflect the interests of local sailors
- Youth/Education**
- The Siebel Project is in planning stages, with Stu leading the development of a detailed timeline.
- Adult**
- Coordinating with Youth to provide information about “Why a Yacht Club or Community Sailing Organization should become a Keelboat School” and “Why a Yacht Club or Community Sailing Organization should have a Powerboat Instructor on Staff” at RSA meetings or regional events.
 - Coordinating with Race Admin to create and promote a RC 201 course with a second day of Hands-On Mark Set training.
- Olympic**
- ODP promotes the development of strong Regional Training Programs across the country.
- 4) Make volunteering with US Sailing easy, rewarding and mutually beneficial
- Events**
- Record turnout at NSPS
- Race Administration**
- Race Management Best Practices Forum in Charleston – a variety beginners and high-level race officials and sailors discussed ways to offer excellent race management to all of our customers
- Adult**
- Working with Championships Committees to update Terms of Reference and Championship conditions.
 - Posting 2019 NORs for Championships and using weekly “Lift” to notify members to encourage early applications and entries
- Olympic**
- Volunteers can enjoy opportunities to support numerous initiatives from: helping with Race Management at the World Cup Series Miami to the helping host team training camps to raising fan base support and joining our strong Olympic committee to help manage and fund the program.
- 5) Achieve American success in sailing
- Olympic**

- Promote our elite and talented to race at the highest level and aspire to win medals for our country.

Key Items to support each one of these components (*list max 3 items focused for January '19*):

1. First Class Customer Service and Drive Growth – Lauren Cotta

We made a change to our phone tree. All incoming calls to US Sailing will go to an automated message on the first ring. We're hoping the phone tree will help direct callers to their area of interest. Katie, Stu and I researched and reviewed this plan with Jack once we knew the Member Engagement department would not be in place for 2019. The phone tree is modeled from how USA Hockey, US Lacrosse and US Equestrian handle their incoming calls.

2. Increase Efficiency - Mike Waters

We are currently working on a number of initiatives that are focused on saving time and money across the entire organization. Included are moving towards a digital direction for all publications, a print as needed with small runs which will eventually eliminate stocking balance sheet items and ability to have our schools self-order and co-label our content.

The hard work continues on understanding and justifying workflows and then adhering to standards. These standards in process and tools will simplify support, improve quality and will allow more time to focus on content. Goal remains member satisfaction in product and offerings.

Through the help of the board, the staff recognizes the need for a consistent project management standard. We will work through the next few months to implement.

3. Sponsorship and Communication - Peter Glass

Sponsorship

- Priority focus on increasing the pipeline of new partnership discussions
- Closed new partnerships or enhancements
- Zim Sailing, Tropic Sport, Rolex YOY enhancement
- Dialogue with existing partners includes increased partnership presence and associated investment

Communication

- Increasing quantity of outreach
- Existing members and organizations/ new member acquisition
- Creating 2019 communications editorial plan

Content

- Launching World Cup Series broadcast programming on NBC's Olympic Channel
- One-hour recap shows to air the weekend after the race with a minimum of one re-air
- Pursuing live streaming of medal races
- New social media focus enhancing customer experience
- Increase in video content
- Sharing industry posts
- Building audience