

Committee Name:	Board of Directors	Session #:	1
Committee Chair:	Peter Guadagni		
Minutes recorded by:	Carrie Stolar	Date/time of meeting:	3/04/2022 11:00am MT

Actions Taken:

1. Approved: February 22, 2022 BOD meeting minutes.
2. Approved: Officer reports as consent agenda.

Number of committee members present:	17	Absent:	1	Guests:	34
Committee members present (list all, including chair and vice chair): Peter Guadagni - President; Chris Colburn - VP of Administration; Chris Campbell - VP of Community Services; Ed Coates - VP of Local Operations; Robin Smith - VP of Programs; Carrie Stolar - Secretary; Teddy Decker – Treasurer (via Zoom); At-Large Directors: Jenny Hodges (Breadbasket); Jeff Strahota (Colonies); Mel Goldstein (Great Lakes); Paige Buehler (Northwest); John King (Oceana); Kris Wingenroth (South Central); Britta O’Leary (Southeast); Jill Gelatly (Southwest); Maria Elias-Williams (Legal Counsel), Dawson Hughes – CEO.					
Not present: Patty Miller (Immediate Past President)					
Guests: Susan Kuhlman-Parker (CFO), Jessica Reilly (National Office), Bill Brenner (National Office), Steve Hall (National Office), Kyle Deery (National Office), Jay Eckert (National Office), Daniel Paulling (National Office), Tom Moore, Nadine Day, Stacey Eicks, Trey Taylor, Kenny Brisbin, Marlys Cappaert, Elizabeth Nymeyer, Rob Heath, Maria Evans, Doug Sayles, Kevin Brown, Chris McPherson, Elise Shank, Nancy Schneider, Mary Hull, Dean Stonehocker, Kirsten Hoffman, Kathy Gill, Tim Waud, Rob Copeland, Mike Hamm, Jeff Moxie, Eric Hektner, Mareia Benjamin, Karin Perissinotto, Anette Godges, Jill Wright,					

Minutes

The meeting was called to order at 11:06 am MT.

1. Agenda review and declarations of conflict of interest (Peter): No changes to the agenda or conflicts of interest.
2. Minutes (Carrie): February 22, 2022 BOD Meeting Minutes (Carrie): **MSA for approval of February 22, 2022 BOD Meeting minutes.** Discussion: None. **The motion passed unanimously.**
3. Icebreaker (All): The entire BOD participated in an icebreaker activity.
4. Board Member Role for Relay (Peter): For board members, the most important role is to spend time listening and hearing what people in the field need. Because of the emphasis on local volunteers, clubs, and coaches, we are observers at Relay 2022 unless we are playing those roles. We will be looking at things from the bottom up rather than from the top down to see if there are any gaps. Look for one takeaway to bring home and share and keep our mission, encouraging adults to swim, in mind.
5. 2021 Year End Financials and Preliminary Plans for 2023 (Dawson): Dawson reviewed the membership numbers from the last few years. USMS had 65,000 members in 2016 and had a plateau in 2018/2019 at 60,000. Membership dropped off with the pandemic in 2020, but in 2021 we were able to increase our initial forecast of 40,000 and ended at 51,000 members. For 2022, we are budgeted at 53,500 members, but we are trending towards 56,000 members. Another challenge is this year’s budget. We will have difficult decisions ahead as we plan for 2023 and beyond. We had PPP loans in both 2020 and 2021 which softened the financial effect of the pandemic. The combination of increased membership and the PPP loans resulted in the breakeven budget for 2021. In 2022, 2 in-person meetings for the first time ever is a significant expense. The second biggest expense in the budget is the capital amortization (digital transformation). This year is the peak year for the 5-year capital amortization – which is a paper loss. If you take out the meetings and amortization from the 2022 budget, we will be close to breaking even.

Dawson highlighted a key slide in his presentation, Rebuild Retain Grow. Retention will be a major focus moving forward. We need to make sure that people are joining and continuing their membership. The strategic priorities (club development, community development, local development, local focus and support, and independent swimmer support) will also provide direction for USMS. We will build out the tactical plans around these priorities and begin to execute them. Future Relays will focus on Event Development and Community Development. This year club development is the priority for Relay, which is a big shift in focus. This is our first well thought-out, planned approach to Club Development.

Dawson shared a slide based on data from 2019 about USMS membership age group breakouts. Our typical retention rate is 67 – 69%. If we can improve our overall retention rate, we have a better chance of continued growth over time. For our younger age groups, our retention rate is significantly lower (46%) than for the older age groups, and members that swim in an event are more likely to renew. For 2022, we will focus on rebuilding and growing. We still have many clubs that don't have access to their facilities, particularly at college facilities, but hope that they will come back at the end of the semester.

We are starting to plan for 2023 and make realistic growth projections and update them based on results while keeping an eye on inflationary pressures and the labor market. We do have money in the budget to help clubs directly as well as some staffing resources focused on clubs so that we are able to have the right resources and support mechanisms in place and engage the volunteers at the local level. We will also need to look at fees, keeping in mind inflationary pressures and expenses.

Looking forward we will need to decide on whether to continue holding Relay and the shape of the annual meeting. Two in-person meetings aren't financially feasible, and it is also extremely taxing on staff time. Inflation is affecting the national office more than other parts of USMS. Per Peter, we made a commitment when we passed the unified fee to have a specific split between the national office and the LMSCs. While we want to honor that commitment, if LMSCs don't need any additional money and the fee increases, should the split be adjusted? Future conversations are needed on this topic.

Mel had a question about the 46% retention rate for the younger age-groups. Has it been the same over time? Dawson answered that the retention rate is similar over time. It improves as you get older and as you participate in events. The three largest age groups in 1987 were ages 25 – 40. Now it is 50 – 65. More concerning is that in 1987 we had more members in the 25 – 40 than we have today. We have aged and those younger age groups have declined in numbers. We have lots of competition in fitness activities in the form of Peloton, Cross-Fit, etc. as the fitness industry has grown dramatically since 1987. Ed shared that a goal could be to add 10% to the younger group and retain them as members. Dawson said that this is a local challenge that we want to address from a national level. There are some operational things that we can do like automatic renewals and multiyear memberships to help improve these numbers, but they don't help us meet our mission if our members renew but aren't swimming. What can make a difference? The club experience and the community around it, including participating in events can be the deciding factors. Both Robin and Peter commented on the competing demands for time for the younger age groups. Also, College Club has been on pause for about two years. We need to be proactive to figure out the bridge from CCS to getting them transitioned to Masters programs and keep those athletes swimming. How do we create the agility within our process and the governance structure to allow staff and the board of directors to create membership categories that allow us to grow quickly and react to the market like joint memberships, auto renewal, etc.? Dawson said that we don't have auto renewal yet because of technology and our system, but it will hopefully be enabled this fall. There will then be a year lag time since it is a renewal process. Jeff shared that College Club Swimming has just under 6000 members, which is close to pre-pandemic levels. Robin noted that many college swimmers swam with local Masters programs while they were studying from home during the pandemic.

6. Breakout Session: Strategic Priorities Next Steps:

a. Breakout group discussions: *See attached for group reports.*

i. Topic 1: Next Steps on Strategic Priorities

1. Group 1 Herons (Britta, Dawson, Ed, Jill, Robin): Discuss and prioritize next steps needed to complete the plan.

- a. Take the high-level strategic priorities and adopt them as the organization's strategic plan going forward and separately develop success measures and objectives and monitor the progress over time.
- b. Make sure all communications and publications that have the stated objectives and activities are aligned and consistent with the strategic plan.
- c. Make minor adjustments to the mission and vision to align them with reality and activities and how the organization has changed over time to support the overall organization.

2. Group 2 Egrets (C. Campbell, Jeff, Kris, Maria, Peter): Suggest success measures for each priority

- a. Club Development: Number of clubs, percent growth of existing clubs, number of new gold clubs. With 1400 clubs in 2020, the first goal would be to beat this number and increase by x%. Look at the percentage of counties that have USMS clubs that have 3 to 5 scheduled workouts each week.
- b. Event Development: Number of events, number of members participating in events, number of new facilities hosting events, percentage of members taking part in at least one event, percentage of gold clubs sponsoring events.

- c Community Development: Percentage of clubs recognizing volunteers, double the nominees for national awards, number of monthly or quarterly newsletters (club or LMSC), ALTS programs, percentage of members of protected classes.
 - d Local: Number of volunteers at meets and open water events, number of newly certified officials and coaches, number of clubs hosting another coach on deck as a mentor, the number of LMSCs offering grants for clinics.
 - e Independent Swimmer: Number of swimmers (unattached vs non-USMS registered), amount of engagement, percentage of independent swimmers becoming registered swimmers, number of independent swimmers joining clubs, number of hits on the workout libraries
 - 3 Group 3 Storks (C. Colburn, Carrie, Jenny, John, Mel, Paige): Do we need to adjust the strategic priorities for smaller LMSCs?
 - a Addressing communication: Find out what's needed
 - b Moving up the priority of the independent swimmer: more here because of the relatively few clubs/WOG
 - c Events are high in the priorities; main reason people join USMS
 - d On-demand training
 - e Resources
 - f Communication to all edges of the LMSC
 - g LMSC buddy system (next tier in size) to help them up the ladder
 - b. Board Communications: The Board Communication Group started in 2019 to explain and gain support for the unified fee. The LMSCs appreciated the interactions, and it has been expanded to an ongoing activity. To lighten the workload for the BOD, the meetings will be grouped in zones or the bigger LMSCs. This will make it easier to receive feedback and give consistent messaging. For the breakout sessions, each group reviewed the presentation template about the board's recommendations that will come before the HOD to improve USMS and suggest potential edits.
 - i Geese (Ed, Mel, John, Carrie): The presentation needs to be simplified to make it more easily understood.
 - ii Ducks (Britta, Jill, Jenny, Jeff, C. Campbell): How do we sell the vision to the membership and local levels of leadership? We are transitioning from a small volunteer-driven organization to a large organization that has consistent delivery of product and accountability that comes from a full-time professional staff. As we change the way we do business, we don't want our volunteers to be disempowered. We need collaboration in both directions. We need to layout the expectations that if you are a volunteer, volunteer! We need to work on avenues of communication. Make it clear that questions can get answered, defining points of contact for membership (like zone chair engagement) rather than contacting the national office for every question.
 - iii Swans (C. Colburn, Kris, Robin, Paige): Simplify the slides. Reduce the number of slides. A transition slide is needed and use an appendix for detailed back-up information.
 - iv Dawson shared that the presentation erred on the side of too much information. When is the right time to have the in-person meeting conversation? Chris Colburn said to start with sharing the organization change at the strategic level. Get the message out about the whys, and these are the big pieces of what we are going to do, then have a follow-up conversation on execution. First help everyone understand that change is coming, then have a later conversation of what that change looks like. This separates the vision and strategy from implementation.
 - v Peter: How should we bring volunteers together? We need an opportunity to bring volunteers from across the country together to talk about how to make USMS a better organization and how we fulfill our mission. We have a commitment to do this. What is the most effective/efficient use the time and dollars to bring people together?
7. Consent Agenda (Officers):
- a. President (Peter): It is Peter's aspiration that USMS put a greater emphasis on what happens at the local pool deck. We need to focus on improving those experiences. This is the mission of the organization.
 - b. VP of Administration (Chris Colburn): Nothing to add.
 - c. VP of Local Operations (Ed Coates): Nothing to add.
 - d. VP of Programs (Robin Smith): Robin and the officials committee are working on actively recruiting more local officials. Paige had a question about the officials for CCS. Robin shared that they are connecting CCS and officials for CCS nationals. A clarification noted was that there are some differences in the rules between CCS and USMS.
 - e. VP of Community Services (Chris Campbell): Work on communication at all levels. Get conversations started.
 - f. Secretary (Carrie Stolar): Nothing to add.

- g. Treasurer (Teddy Decker): Finance, Investment and Audit Committees: Report submitted.
- a. **MSA to accept officer reports as consent agenda. The motion passed unanimously.**

8. The next BOD meeting will be on Monday, April 18, 2022 at 8:30 pm ET.

The meeting was adjourned at 2:50 pm MT.

Respectfully Submitted,

Carrie Stolar, Secretary