

Intro Slide:

USMS is an organization with a multitude of resources - from a professional national office to local and national volunteers and funds to support our mission. But those resources are limited. 15 staff only have so much bandwidth. Volunteers have other professional and personal priorities. And financial resources must be managed wisely for the long-term health of USMS. Our mission is simple. Encourage adults to choose swimming for fitness and competition. I urge you to keep this at the forefront of everything you do on behalf of USMS in part so that our limited time and funds remain focused on the mission.

Slide 2:

Welcome to another new version of the USMS Annual Meeting. After many years of consistency, the annual meeting has seen rapid transition. United States Aquatic Sports hosted the Convention for a long time but in 2018 was contemplating a future without it. Then 2020 and 2021 were cancelled due to the pandemic and the USMS meeting was held virtually. In all likelihood, USMS would have been hosting this year's meeting independent of USAS regardless of the pandemic. So, today we start the first combined in-person and virtual Annual Meeting.

Before we get started - show of hands.....How many of you like, or even thrive on change?

Whether you like it or not, change is constant. Besides changes to the annual meeting, USMS has seen numerous others in the last three years

- Nationals has been held outside of traditional timeframes
- ePostals have become Virtual Championships
- the National Office works almost entirely remotely
- College Club Swimming has seen faster growth than any other USMS program
- USMS has new strategies
- And Externally, Inflation has spiked

Slide 2 (cont.)

But for many of our members swimming is a constant they can rely on. The pool doesn't change, swimming events haven't changed dramatically, and swimming workouts remain consistent.

Swimmers find time in the water cathartic and healthy and look forward to the routine break from a rapidly changing world. My wife is a former cross-country runner and likes to tease me that swimmers just stare at a black line all day – perhaps she's right but that black line is certainly consistent.

The ways USMS operates outside the water will continue to evolve but those changes will ensure we continue to provide opportunities for adults to set aside distractions and take time for their mental and physical health in the water.

Slide 3:

This weekend is mostly about how we operate out of the water.

Elections Rules Legislation LMSC boundaries the timing
of To 10s

Business assumptions and financial projections

annual meeting formats and membership fees

are all requisite items on which you will make decisions.

Governance, oversight, input from stakeholders, rules and elections are critical for a not-for-profit membership organization. However, the vast majority of our members are looking for value from the coach and club, they want to swim in events and socialize with their teammates. They are more interested in how USMS structure support the things they want.

Unexpected issues inevitably pop up and sometimes become immediate priorities. Other times issues are presented that have no value to our members and become distractions. When unexpected issues must be addressed, it's important that we handle them efficiently and properly and return to the plan as

quickly as possible. When they an issue is not relevant to the mission or priorities, we must do our best to avoid the distraction.

Peter succinctly laid out USMS's strategic priorities. To successfully meet our mission, we must collectively focus the time, energy, and financial resources available on those priorities

Slide 4:

With that I'll cover a few Membership trends and statistics that will help if you consideration of proposals in the next few days.

In 2016 USMS had nearly 66k members

plateaued around 60k in 2018 and 2019

and were on track for an increase in 2020

PANDEMIC – weathered much better than originally expected – started rebuilding and need to keep the momentum.

Slide 5

The number of meets and participation has improved greatly in 2022 but like membership isn't back to pre-pandemic levels yet.

Slide 6:

Many of you have seen this chart before but its worth a reminder.

All members swim for fitness BUT

Only 30% swim in events.

Nearly 90% of members are affiliated with a USMS club in some form – you can see why club development is our top priority

Slide 7:

As we continue the rebuilding effort, we must also do a better job of retaining members particularly in the demographics highlighted to establish a sustainable growth projection.

The 2022 retention rate will be 71%. This is higher than usual and is likely due to our most committed members loyalty during the pandemic. We also had a high percentage of year plus members that joined from May – October of 2020 that contribute to this.

You can see from this chart that we have a lot of churn from 1st year members and those d. Modest increases in the retention rate for 1st time members can have lasting impact on membership numbers.

Slide 7 (cont)

Another interesting stat is the evolution of our 3 largest age groups.

1987 – the three largest age groups were 25-39 – in fact, 57% of the membership was in this age range.

2021 – the largest are 50-64 with 36% of membership in this range.

Fortunately, we have twice as many members as 1987 and more adult adults swimming isn't a bad thing – but with these demographic changes, we actually had 4,400 less members in the 25-39 age group in 2021 than we did 35 years ago.

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Some of you in the room may swim with a small club or workout group. In fact, many of our volunteers come from small clubs.

But our top 31 clubs, all have over 200 swimmers.

About 3% of USMS clubs host 20% of our members.

And 2/3 of our members are affiliated with clubs that have 50 or more swimmers

I share these stats on clubs and events so we can better understand the local experience of most of our members and again emphasize why club and event development are the priorities. The purpose is not to focus on big clubs but to

get as many of our clubs as possible to a level that they can viably support 50 or more swimmers and hopefully grow more to over 100 or 200 swimmers.

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I've been asked how LMSCs can help support club development as it hasn't been a traditional task.

A real-world example that we'll talk about in more detail during the business plan assumptions is a grant that Pacific LMSC provided to helped start San Ramon Valley Masters in 2012. The club has since averaged 110 members a year.

We have used 2022 to learn more about how we might implement tactics for USMS to partner with LMSCs on club development efforts. Some of the locations listed received financial and marketing support, others have simply received consulting or help on future plans. 1 staff member using about 1/3 of their time worked to try different ways to support clubs. Some of what we've learned we already knew – finding the right person to coach is critical and can be challenging. Building and growing clubs doesn't happen overnight. In fact, we started working with Swim Out Orlando on adding a new location a year ago. They already had a coach and a facility identified. It took nine months to work with the facility on a viable rental model and get the new location for this club started.

We are refocusing another staff member exclusively on this effort but we can't do it at scale without your local knowledge and connections. We need to scale up this effort significantly to see any meaningful success and to determine where our efforts are best placed.

Slide 10

This weekend we'll talk about the national budget. And that will include national funds set aside for club and event development at the local level. But the fee recommendation also impacts LMSCs. LMSCs were in a unique position in 2020 and 2021. With expenses nearly eliminated and no contractual or long-term commitments, the financial situation for LMSC has improved and more resources are available.

We need LMSCs to use these resources on the strategic priorities.

Despite national budget deficit – USMS on the whole is profitable and will be again based on 2023 projections when including the LMSC revenue distribution

The profit distributed to LMSCs needs to be invested in clubs, coaches, events, and members.

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Once we complete our required governance duties this weekend, I ask you to gather you're LMSCs and do a serious evaluation of your financial and volunteer resources and identify ways to support the strategic priorities in 2023. It doesn't take a lot of time or a lot of money to help a club try to attract more swimmers with an additional daily practice time, or cover expenses for an event to minimize their financial risk. You can find ideas in the 'where to direct LMSC resources document' posted on the annual meeting page. The national office, the coaches committee, LMSC development and the board are all available to discuss ideas. And stay tuned for details on the club and event development grant programs that will be available in 2023.

Thanks.