

2023 CEO Annual Meeting Update

Slide 1 – *First I want to thank the outgoing board members - Chris Campbell, Chris Colburn, and Teddy Decker. No one could have forecasted the challenges we'd face after the 2019 board election. All three of these dedicated volunteers helped us navigate one of the biggest threats we've faced and still managed to accomplish many of the goals they originally had set during their tenure. Let's give this group a round of applause.*

I have a conflict of interest here but thanks to Patty Miller for her volunteer support for many years and for hiring me. Thanks Patty.

And I'll also take the opportunity to thank Peter for his work over the last four years. His professional retirement quickly turned into a full-time volunteer job. Our weekly calls covered a range of expected conversations but included what felt like thousands of topics we never envisioned discussing. I will miss the regular collaboration, but I'm sure Peter will find something to do on Wednesday mornings.

On behalf of the staff Peter - thank you for your guidance, support, and dedication to USMS.

USMS has long-standing challenges that remain unsolved. Some, like the retention rate, seem to be endemic to our sport and structure. However, there are positive signs starting to emerge from the new strategic initiatives that were implemented this year. Moving into 2024, the priority will remain on building more and stronger USMS clubs and events to provide ample opportunity for adults to get involved with Masters Swimming. And new ideas will be developed to expand our

reach to more adults with programs that may also serve as pipelines for future members.

Slide 2 – Membership vs. Mission

Before we get into updates, I want to talk a bit about membership vs. mission. Regardless of the words we use to describe our mission, or the definitions we assign to our customers, our goal is to get more adults swimming.

Slide 3 - Adult Swimmer Engagement with USMS

The primary metric to gauge our results is membership. But our traditional model doesn't tell the whole story and for some is an outdated way to view the reach of USMS and the type of swimming in which newer adult swimmers have interest. The USMS mission includes support for clubs on which not every swimmer is a member, it includes College Club Swimming, and it includes one-event registrations for sanctioned events.

As Peter mentioned, some of our longstanding 'membership' challenges indicate that USMS may need to look for new ways to pursue the mission while continuing to support the growth of our traditional club and event model. In my ongoing updates, I plan to be more specific about our successes in meeting the mission vs. simply reporting on 'membership'.

Slide 4 Club Development

So let's get into the main strategic initiatives. Almost 100 clubs have connected with staff to discuss ways to start and/or grow their club. Some of those conversations began at the local level and were referred to the staff for further work. We are hoping to gather much more local knowledge on facilities and potential coaches in the future. Thus far, 53 clubs have contributed to an incremental increase in membership of just over 700 members. While not yet near addressing the membership plateau, it is a promising start for the first year.

Here are a couple of examples of success:

1) Swim Melbourne Masters started originally in 2019. They had membership in the teens for a couple of years. After weathering the pandemic, this club grew to 47 in 2021, over 100 in 2022, and is currently at 145 members. They were not the beneficiary of club development grants or marketing but started with a professional coach and strong volunteer champions providing support in an area that didn't have a club previously.

2) Jersey Aquatic Center Masters was created in response to a different club in the area shutting down. First registered in Sept 2022, they already have 111 swimmers. They hosted Level 2 and 3 coach certifications, the clinic course for coaches and a stroke development clinic as part of the start-up effort supported by the LMSC. These efforts attracted swimmers from the prior club as well as new members and the club has grown from there.

These are models of how clubs can become established with the right make up of coaches, volunteers, and planning. To connect with the leaders of these efforts or to just get more info on how they planned for success, please contact Bill Brenner or Steve Hall from the staff.

Slide 5 Event Development

USMS is trending up on event participation. In 2023 we have already had as many unique event participants as last year and may be close to reaching 2019 participation by the end of the year.

Remember that members that swim in events renew at a rate 15% higher than those that don't. Much of that is due to dedicated long-time members continually renewing, but the statistic holds true for first-time members as well.

Slide 6 Event Development

There are lots of great examples of new events being created from the Inaugural Rhody College Club and Masters Invitational this fall in Rhode Island to 3 new events created in the last few years by Swamp Water Aquatics in Gainesville, which, by the way, is an 80-member club started in 2019. We have provided marketing to several events to help them reach their goals and a few more grants are in the works.

I encourage you to make sure your LMSC sends the right representatives to Relay 2023 next month to learn more about event development.

Slide 7 Local Focus

When we talk about our local focus strategy, the topic of resources inevitably comes up. Resources are both volunteer time and LMSC money. In recent years LMSC reserves increased dramatically in part due to the pandemic but also due to changes in how annual meeting costs were handled. The trajectory of LMSC's reserve growth slowed in 2022 but still went up by \$180k. Overall LMSC expenses remained lower in 2022 than in 2019. With this year's fee increase, it seems likely that reserves at the local level will go up again. We must plan to use our membership funds wisely and put those plans into action. If volunteer

time is at a premium, perhaps there are ways to use financial resources to accomplish local goals and vice versa.

Slide 8 Budget vs. Business Plan

LMSC resources and needs are different than they were 5 years ago. Your budgets should be viewed as a business plan, not simply an accounting of possible expenses or a roll-over of last year's budget. Planning does require a bit of time but doesn't have to be complex. Investing in your local swimming community doesn't have to result in a financial return, particularly if it provides value to members in your LMSC. The primary return should be keeping members swimming through quality experiences.

Slide 9 Example Plan

Here is an example of a multifaceted business plan from a LMSC with strong growth this year. In recent years, they had 6 general goals:

- 1) Broaden the LMSC vision with a more diverse board of directors.
- 2) Focus on their largest metropolitan area that had long been underserved.
- 3) Expand meets to areas that haven't previously hosted, particularly those with quality facilities.
- 4) Create and expand on fun summer meets with 25's which have become popular with younger demographics.
- 6) Reposition a long-standing college scholarship program with additional funds, creating awareness among college age swimmers in the LMSC.

I encourage you all to build simple plans like this that can guide decisions on where to invest your volunteer time and financial resources. The board and staff are available to help create these plans if desired.

Slide 10 Close

There is a lot of work to do and a lot to look forward to in 2024.

We will once again have a robust marketing campaign as the Olympic spotlight is on swimming. We'll continue to build on the club and event development efforts from this year. Development work will begin on a new product to support swimmers that may not have convenient access to a USMS club or event. Lastly, we are in the final stages of evaluating the acquisition of Grown-Up Swimming to add another avenue for adults to enjoy the benefits of swimming.

It can be easy to get caught up in statistics on membership, revenue, and big picture trends. But you each have LMSCs with different facilities, people, and geographies. You have different budget and election cycles and differing traditions. However, we are all collectively working towards providing as much access for adults to swim as possible. The staff is excited to continue to provide whatever support necessary to help you create and implement local plans that can complement national campaigns in support of the strategic plan and mission.

As always thanks for your support of USMS