The Operating Committee of United States Power Squadrons met on 19 - 22 May 2004 at the Hilton Pittsburgh and Towers, Pittsburgh.

Members present:

C/C G. Leslie Johnson, SN  R/C U. Glenn Daughtridge, AP  
V/C Ernest G. Marshburn, SN  R/C Thomas R. Dougherty, SN  
V/C Spencer P. Anderson, SN  R/C James D. Richlak, SN  
V/C Creighton C. Maynard Jr., SN  R/C Joseph R. Mesenburg, SN  
V/C Frank A. Dvorak, SN  R/C Alan F. Wentworth, SN  
V/C John T. Alter, SN  R/C Darrell G. Allison, AP  
P/C/C Theodore H. Smith, SN

Guests present:

P/C/C Gillette E. Gordon, SN  P/C/C Arthur H. Farr, SN  
P/C/C James T. Stewart, SN  P/C/C Lance J. Jensen, SN  
P/C/C Richard W. Miner, SN  Mary Catherine Berube  
P/C/C L.M. Barnes III, SN

Report of the Chief Commander

C/C G. Leslie Johnson, SN, called the meeting to order at 0815, and P/C/C Theodore H. Smith, SN, gave the invocation.

C/C Johnson reported that the national bridge met on 18 May 2004 to review and finalize the 2005 budget.

He reported on the success of the 90th anniversary celebration held in New York City on 3
April 2004.

The chief reported that the June OCom meeting will be held via conference call on 22 June 2004.

C/C Johnson reminded members that MemCom1, a new member application, was included in the 2005 dues renewal package. He encouraged all members to recruit new members.

The chief reported that numerous seminars related to boating and water safety for children were held during the International Boating Water Safety Summit held in April 2004. He encouraged squadrons to contact the Membership Committee’s youth activities team, for youth-related presentations and other ideas.

C/C Johnson reported that R/C Jean Hamilton, SN, chairman, of USPS’ ad hoc Environmental Committee, has produced an environmental poster that will be distributed during the 2004 Spring Governing Board Meeting.

Report of the National Executive Officer

V/C Ernest G. Marshburn, SN, invited P/R/C Priscilla B. Clarke, AP, chairman of the Internal Grant Team, to update the OCom on a grant application that was filed on behalf of USPS by J. O’Connell and Associates, which involves recreational boating safety and homeland security. Recipients of this grant will be notified in August 2004.

The Cooperative Charting Committee reported that 18 districts and 120 members have submitted reports since 1 Jan. 2004. Twenty-nine members and nine squadrons have already qualified for the Cooperative Charting honor roll. The National Ocean Service has created a verification link on the CCWEB home page that will allow individuals who qualified for honor roll status to verify the spelling of their name and make corrections if necessary.

The National Meetings Committee reported that a talent contest for members will be held on Wednesday and Thursday evenings during the 2005 Annual Meeting. The contest’s objective is to provide entertainment and fellowship for members at no cost.
R/C Howard Yoas, SN, briefed the OCom on potential national meeting sites. The OCom ADOPTED a motion to recommend to the Governing Board to hold the 2008 Annual Meeting in Dallas 17 - 25 Feb. 2008 at the Hyatt Regency Hotel, at a room rate of $137 per night. (2004-OC-18)

The OCom discussed a NASBLA position on the mandatory usage of personal flotation devices (PFDs) on board small open boats. The OCom ADOPTED the following position: “Be it resolved that based on current USCG accident and fatality statistics, USPS supports USCG efforts to significantly increase PFD (life jacket) wear by all boaters, especially those in small open boats.” (2004-OC-19)

The Marine Safety Committee reported that Local Notices to Mariners will no longer be mailed to subscribers due to cost restrictions. Effective 1 April 2004, the USCG will post these reports at www.navcen.uscg.gov/lnm/default.htm. Interested individuals are encouraged to register for the Navigation Center’s Listserve® to receive report posting notification.

The Squadron Development Committee reported that since the provisional squadron process began in 2000, 26 squadrons have been chartered and 75 to 80 percent of the charter members were new USPS members. There are seven provisional squadrons working toward a charter. They are 1) Upper Keys/8, Point Wilson/16, Portland Head/19, Lake Conroe/21, Golden Isles/26, Northern Arizona/28 and Tri Lakes/30. The Squadron Development Committee’s expanded and redesigned Web site includes categorized links and a list of downloadable forms, manuals, contact information and other resources for provisional and newly chartered squadrons, and for squadrons-at-risk.

The Vessel Safety Check Committee reported that as of 30 April 2004, 3,312 vessel safety checks have been performed and 2,712 decals have been awarded.. There are currently 2,151 certified vessel examiners. VSC “Megaweeks” is scheduled for 22 May through 4 July 2004, which coincides with National Safe Boating Week.

V/C Marshburn reported that he received notification from Menominee-Marinette Power Squadron/10 of its intent to dissolve due to lack of support and inactivity. Efforts are under way to transfer these members to another squadron in District 10.
Report of the National Educational Officer

V/C Spencer P. Anderson, SN, reported that this year’s Internet sales of America’s Boating Course materials have increased more than 30 percent over 2003. He reported that online testing has been delayed until the new questions required by the latest NASBLA standards have been written and BoatEd receives the state approvals.

V/C Anderson reported that the number of public boating classes offered and the number of students registered are significantly lower than in the prior year. He encouraged all squadrons to conduct at least one more public boating course this year.

The national educational officer reported that an updated The Squadron Boating Course manual will be released in summer 2004. It will contain the latest material in compliance with the NASBLA Education Standards, improved graphics and an appendix on digital charts. It will also include the new Maptech Chart Navigator Training CD-ROM. V/C Anderson reported that these new features and increased printing and paper costs have resulted in a significantly greater unit cost. The OCom ADOPTED a motion to set the selling price to squadrons for the 2004 The Squadron Boating Course at $25. (2004-OC-20)

The national educational officer reported that the revised Piloting Course will be available in fall 2004.

V/C Anderson reported that he is working with the ad hoc Government and Partner Relations Committee to establish a direct contact with all state boating law administrators. He said that it is important that USPS knows the latest state requirements for public boating course certification and to establish a memorandum of understanding with every state as soon as possible.

Report of the National Administrative Officer

V/C Creighton C. Maynard Jr., SN, reported that Boca Ciega Auxiliary has disbanded. The Auxiliary Advisory Committee reported that there are now 32 auxiliaries.

The USPS cookbook, By Land or By Sea, is scheduled to be published in September 2004. The initial printing will be for 3,000 copies; more than 500 copies have already been sold.
The Squadron Activities Committee reports that the USPS Amateur Radio Net roster was completed on 20 April 2004 and can be downloaded at www.usps.org/national/Ham. The number of 2004 cruise and rendezvous listings are down from 2003. The Squadron Activities Committee encourages districts and squadrons to submit their cruise and rendezvous activities online at www.usps.org/national/boatact/cr_rendform.html.

V/C Maynard reported that the Membership Committee is producing a CD-ROM that contains all membership committee manuals and membership-related forms. The committee reported that there were a total of 57,269 active and family members as of 30 April 2004.

The national administrative officer reported that a Sebastian Inlet Sail and Power Squadron program is now an electronic presentation supporting the youth poster contest and serving as an informational presentation for schools. The program is titled the Youth Boating and Water Safety Presentation Kit. He announced that the presentation kit will be showcased during the Pittsburgh Governing Board. It includes a Power Point® presentation, a script, stickers, certificates, letters to school officials, letters to solicit donation from businesses and resources for teachers. This program will be available from headquarters on CD-ROM. He stated that this is an additional tool in the Boating Safely Toolchest for Kids. The OCom ADOPTED a motion to set the selling price to squadrons for the Youth Boating and Water Safety Presentation Kit at $10. (2004-OC-21)

V/C Maynard reported that the youth activities team entered and won first place in the Power of Safe Boating contest at the recent IBWSS. Additionally, the winners of the 7th annual USPS Youth Poster Contest “Water Smart + Boat Smart = Fun” will be judged in September at the 2004 Fall Governing Board Meeting in Jacksonville. Information on the 8th annual Youth Poster Contest, which is open to all children ages 6-14, will be published in the June 2004 issue of The Ensign. The theme is “Be Water Smart, Boat Safely” and the contest will begin immediately following the 2004 Fall Governing Board.

Report of the Committee on Nominations

R/C U. Glenn Daughtridge, AP, reported that the Committee on Nominations has prepared nominees to be elected at the 2004 Spring Governing Board Meeting.
Report of the National Secretary

V/C Frank A. Dvorak, SN, reported on the voluntary headquarters anniversary billing test. He reported that he had received positive feedback from the test districts, districts 10, 15 and 16.

THE ENSIGN staff reported that the magazine will publish a three-part series titled *The Boats of Discovery*, which is about the boats that were used in the Lewis and Clark expedition.

V/C Dvorak reported that the Information Technology Committee is working with the Educational Department on a new software program titled Boating Course Assistant, which will enable squadrons to electronically submit boating course student demographics to headquarters. This information will be used to create a database of boating course graduates. The committee has developed new tools that can be used by national committee, district and squadron Web masters to help create, administer and maintain Web sites at www.usps.org/national/tools.

The Operations Manual Committee is updating the online and CD-ROM version of the manual, which should be available after the 2004 Spring Governing Board Meeting.

The Ship’s Store Committee will sell several new items at the 2004 Spring Governing Meeting. Ship’s Store items can be ordered online at www.usps.org/national/shipstore.

The Historian’s Committee is testing an updated version of the squadron history Form 701H. This version will be compatible with DB2000 and will be posted on the committee’s Web site.

Report of the National Treasurer

V/C John T. Alter, SN, reported total revenues of $1,010,583 through April 2004 versus $912,080 one year ago, representing an increase of $98,503. Dues and fees were $18,952 less than one year ago and net educational sales were $17,858 more than one year ago. V/C Alter reported that other income is up $89,766 over a year ago, which includes $29,165 of prorated income from the First USA® credit card program. He reported that net Ship’s Store sales are up $12,621 from this time last year.
The national treasurer reported that as of 30 April 2004, expenses were $948,424 versus $927,742 one year ago, representing a $20,676 increase in expenses. He reported that most expense categories were at or below one year ago. Operating revenues exceeded expenses by $62,159, versus $15,668 one year ago.

V/C Alter reported on the voluntary headquarters anniversary billing test as of 30 April. He reported that 1,005 members had renewed, 120 renewed online by credit card, 34 renewed by mail using their credit card and 851 members renewed by check. Fifteen percent renewed by credit card, and of that group, 80 percent renewed online. He reported that the first automated clearing house payments have been sent to districts and squadrons, and squadrons have received two status reports to date.

V/C Alter reported on the status of the Member Benefits Committee’s search for a long-term care benefit for members. The committee recommended a policy that will be underwritten by John Hancock Insurance. The OCom ADOPTED a motion to accept the recommendation of the Member Benefits Committee and to authorize the committee to proceed with offering a discounted long-term care benefit to members in conjunction with John Hancock Insurance. (2004-OC-22)

Report of the Finance Committee

R/C Joseph R. Mesenburg, SN, chairman, reported that as of 30 April 2004, the Finance Committee was managing $1,046,472 of investment funds. He reported a total investment return of $54,345, a 5.5 percent rate of return for the first five months of fiscal year 2004. $239,916.45 was invested in money market funds and bonds. The total district and squadron funds managed by the committee was $988,315.

R/C Mesenburg reported that the Members Fund balance was $125,174.30 and the Endowment Fund’s balance was $124,421.17, as of 30 April 2004.

He reported that the financial alarm test was at $2,712,775 as of 30 April 2004, which is a slight improvement.

R/C Mesenburg reported that investment returns are a fundamental part of USPS’
financial security and these returns should be an integral part of the operating budget. He said that the Finance Committee believes that a portion of the total investment return should be allotted on a yearly basis to the USPS operating budget. Following discussion, the OCom ADOPTED a motion that a predetermined percentage of the total investment return on the undesignated, unrestricted dollars managed by the Finance Committee be allotted on a yearly basis to the USPS operating budget. This predetermined percentage will be calculated by using a moving average of the four most recent quarterly rates on 10-year treasury notes as a standard. Using these parameters, this percentage will be 4 percent for the 2005 operating budget. (2004-05-23) R/C Mesenburg stated that the investment return dollars allotted for use in the operating budget will be re-evaluated on an annual basis by the Finance Committee and recommendations will be made as appropriate.

Report of the Committee on Rules

R/C Thomas R. Dougherty, SN, chairman, reported that district and squadron bylaws can now be filed electronically on the committee’s Web site, www.usps.org/national/rules/index.html.

Report of the Marketing and Public Relations Committee

R/C Darrell G. Allison, AP, chairman, reported that the first America’s Boating Course public service announcement, which was developed by USPS, was distributed to 100 boating magazine editors on CD-ROM. He reported that the Marketing and Public Relations Committee is also developing new graphics for PSAs to target other products and services that will be distributed via the Internet.

R/C Allison reported that a new USPS video titled “Your Guide to Safety Equipment” was previewed and released for distribution at the International Boating and Water Safety Summit in April 2004. Copies will be distributed to districts and squadrons. A $10 gift certificate for purchases of $50 or more from West Marine is included in each video.

He reported that the Marketing and Public Relations Committee will present the 2003 Public Relations Awards during the 2004 Spring Governing Board Meeting.

R/C Allison reported that seven districts and 20 squadrons have submitted requests for
Cooperative Advertising funds in 2004. A total of $2,360.05 has been approved for distribution to squadrons and districts.

He reported that headquarters has inventory related to the You’re in Command program, including posters, flyers and stickers. These items, which include information on carbon monoxide poisoning, PFD use and boating under the influence, can be viewed on the Marketing and Public Relations Committee’s Web site. Squadrons are encouraged to order these items for a small handling fee.

R/C Allison reported that USPS was represented at the IBWSS held in Panama City, Fla., in April 2004, where USPS won first place in the graphic handout awards category for the new handout titled Boating Safety Sidekicks, which was produced in conjunction with the National Safe Boating Council. USPS also won 2nd place in the electronic media category for its Paddlesmart Web site. St. Paul Sail and Power Squadron won the West Marine Award.

R/C Allison reported that he and P/R/C Jack Wilson, AP, chairman, of the ad hoc National Government and Partner Relations Committee, attended the National Marine Manufacturers Association National Boating Congress held in Washington, D.C.

Report of the Planning Committee

R/C Alan F. Wentworth, SN, began his report on a Planning Committee project concerning growing USPS membership. He stated that declines in USPS membership adversely affect educational programs, civic contributions and USPS’ national stature among other boating organizations. He said that these declines also have a serious impact on USPS financial resources. Highlights from the Planning Committee’s analysis of projected membership declines indicates that from 2004 to 2008 USPS will lose more than 7,000 active members and $140,000 in dues revenue.

R/C Wentworth stated that if USPS is successful in achieving the strategic goal of teaching one public boating course student per USPS member, and the current recruiting and retention numbers remain the same, USPS could reverse the membership decline and gain a 5 percent net growth of members by 2008.
He said that the committee had not been able to find documented answers to these questions: Why did you join USPS? What were your expectations of USPS when you joined? What are the values and benefits that prompt members of more than three years to renew their membership? The committee is preparing a survey to ask recently recruited members to provide valid answers to these fundamental questions.

R/C Wentworth reported that the committee developed a comprehensive questionnaire to help districts and squadrons better evaluate the strength of their squadrons. The questionnaire can be downloaded from the PlanCom Web site.

He reported that a team of members with strategic planning experience had evaluated the monitoring aspects of the USPS Strategic Plan. The team believes that overall responsibility for progressing toward achieving Strategic Plan goals belongs to all committee and department chairmen, the OCom and the Governing Board.

R/C Wentworth reported that the Planning Committee is studying the idea of creating a USPS Advisory Board.

He reported that in response to squadron requests to teach member courses to the public, the Planning Committee has developed a proposal to create a more advanced public boating course. The committee will present the proposal to the Educational Department.

Report of the National Law Officer

R/C James D. Richlak, SN, reported that the Law Committee will review the Sarbanes-Oxley Act to determine how it relates to USPS. He reported that this act requires significant changes in the governance practices of public corporations and that two of the provisions appear to apply to all corporate entities, including nonprofit organizations.

R/C Richlak reported that counsel for the United States Postal Service received the proposed Trademark Settlement Agreement relating to its claim to trademark protection for the initials “USPS” and is currently discussing the document with its client.
The national law officer reported that the Law Committee has prepared a proposed agreement with Sterling Publishers to produce the USPS Boating Course on DVD. This proposed agreement abrogates and supercedes the prior agreement with William Morrow. The agreement is being reviewed by the Educational Department before being forwarded to Sterling for finalization.

**Report of the Past Chief Commander**

P/C/C Theodore H Smith, SN, reported on two National Boating Safety Advisory Council resolutions that are of interest to USPS. The first resolution congratulates and thanks USPS for 90 years of working on behalf of safe boating. The second resolution deals with requiring boaters to possess a certificate that meets NASBLA standards while boating on U.S. waters. Following discussion, the OCom ADOPTED a motion that USPS officially supports the NBSAC resolution advising the USCG to seek statutory authority that would require that a boat operator, on waters subject to the jurisdiction of the United States, possess a certificate showing completion of an instructional course or its equivalent that meets the NASBLA Standards on Boating Safety Education and the elements of the NASBLA Model Act, and to convey USPS’ support by writing to the NBSAC and the USCG. (2004-OC-24)

P/C/C Smith reported that responsibility for the Vessel Safety Check Program and the Recreational Boating Safety Visitation Program has been moved from the USCG Office of Boating Safety to the USCGAux. He reported that the USPS/USCGAux RBSVP Agreement is on hold.

He reported that Operation BoatSmart funding expires at the end of 2004. P/C/C Smith reported that those OBS partners who attended the recent OBS meeting at the IBWSS in April 2004 agreed that this program should continue and that he would query the USCG, Office of Boating Safety, as to their opinion as to how the program could be continued and where this program might be assigned and funded within the USCG.

P/C/C Smith lead a discussion concerning the management of the overall USPS partnering program and the need for a conduit for information to be reported to the OCom as future partnerships are developed. The OCom supported the idea to investigate partnership opportunities with the National Paddlesport Association.
P/C/C Smith reported that a contract has been signed to begin the repairs and maintenance on the headquarters building exterior.

C/C Johnson adjourned the meeting at 1615.

V/C Frank A. Dvorak, SN
National Secretary
1. A motion to recommend to the Governing Board to hold the 2008 Annual Meeting in Dallas 17 - 25 Feb. 2008 at the Hyatt Regency Hotel, at a room rate of $137 per night. (2004-OC-18)

2. A motion to adopt the following position: “Be it resolved that based on current USCG accident and fatality statistics, USPS supports USCG efforts to significantly increase PFD (life jacket) wear by all boaters, especially those in small open boats.” (2004-OC-19)

3. A motion to set the selling price to squadrons for the 2004 The Squadron Boating Course at $25. (2004-OC-20)


5. A motion to accept the recommendation of the Member Benefits Committee, and to authorize the committee to proceed with offering a discounted long-term care benefit to members in conjunction with John Hancock Insurance. (2004-OC-22)

6. A motion that a predetermined percentage of the total investment return on the undesignated, unrestricted dollars managed by the Finance Committee be allotted on a yearly basis to the USPS operating budget. This predetermined percentage will be calculated by using a moving average of the four more most recent quarterly rates on 10-year treasury notes as a standard. Using these parameters, this percentage will be 4 percent for the 2005 operating budget. (2004-OC-23)

7. A motion that USPS officially supports the National Boating Safety Advisory Council resolution advising the USCG to seek statutory authority that would require that a boat operator, on waters subject to the jurisdiction of the United States, possess a certificate showing completion of an instructional course or its equivalent that meets the NASBLA Standards on Boating Safety Education and the elements of the NASBLA Model Act, and to convey USPS’ support by writing to the NBSAC and the USCG. (2004-OC-24)