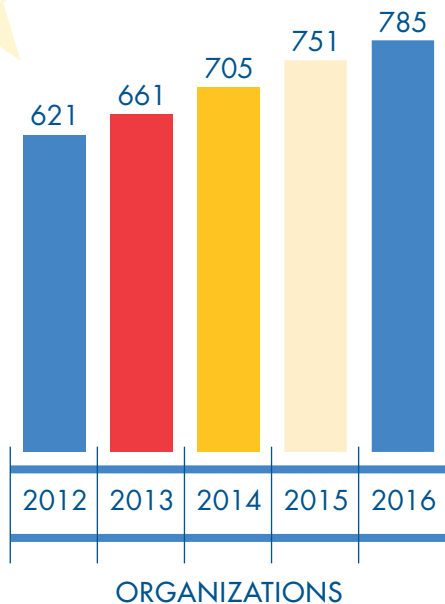


2016 IN REVIEW

As the chart shows we had still another year of solid growth. Our revenues and expenses reflected this growth, with the year expected to end with a positive balance. This pattern has been maintained for many years, and has enabled your association to build its reserves to the point where we are able to afford some extraordinary expenses, as will be detailed below.

FIVE YEAR MEMBERSHIP GROWTH



SPORTS LEGACY FUND

The NASC Sports Legacy Fund made its largest donation to date. Our generous members donated \$27,000 to the Mary Free Bed Wheelchair and Adaptive Sports Program. The funds were used to purchase seven new specially designed chairs for their nationally recognized wheelchair tennis program.

CSEE

This year also saw release of the first online course in our Certified Sports Executive Program (CSEE). The course in strategic planning was produced by our partnership with Ohio University. The NASC also partnered with Ohio University on a live course in negotiating skills that was presented in Indianapolis in November. Our second online course, "Effective Selling in Sport Tourism" will be released through OU in January 2017. We are building toward the day when two live and two online courses will be offered each year.

Participant surveys for these new courses have produced uniformly excellent ratings. The NASC/OU partnership is expected to continue to build in value with every new offering.

SFIA REPORTS

Also in 2016 we purchased a license to provide all members with free access to the Sports Fitness Industry Association's Report on Sports Participation. This is the only annual report that charts sports participation rates by sport and ages. It is a must for anyone wanting to understand the market for amateur sports.

EXECUTIVE SEARCH

A search is underway to identify the next executive director of the NASC. Schumacher has been the only executive director of the NASC. He was a charter member and has served in his current position since 1994. A search committee was formed consisting of the NASC executive committee, three members at large and a representative of a rights holder. The committee selected a search firm, and it is anticipated the new executive director will be present in Sacramento at the NASC's 25th Anniversary meeting.