

ANNUAL REPORT

2018 SCHOOL YEAR

October 1, 2017 – September 30, 2018



STAFF & BOARD

Board of Directors *

David Blessing, President; Nuclear Power Engineering Consultant (Incoming Board Secretary)
John Barrett, Vice President; Dentist and Owner of Dentistry Northwest (Incoming Board President)
Michael Delagarza, Treasurer; Business Manager at Champion Video Productions
Linda Newland, Secretary; Maritime Attorney and Former School District Administrator
Lee Hoffman, Board Member; Retired Jeweler and Marine Retail Manager
Aislinn Palmer, Board Member; Manager at Bayside Housing
Kathleen Brooker, Board Member; Associate & Public Development and Policy Specialist at Artifacts Historic Preservation
Sonja Mathews, Board Member; Brand Management Consultant (Incoming Board Vice President)
Stephen Sklar, Board Member; Financial Advisor at Edward Jones

Instructional Staff *

Sean Koomen, Chief Instructor
Bruce Blatchley, Instructor
Jody Boyle, Instructor
Leland Gibson, Instructor
Kevin Ritz, Lead Marine Systems Instructor
Walt Trisdale, Marine Systems Instructor
Bob Miller, American Maritime Heritage Instructor
Jeff Hammond, Senior Instructor
Ray Speck, Senior Instructor

Additional Staff *

Betsy Davis, Executive Director
MB Armstrong, Career Services Manager
Heidi Blehm, Admissions and Student Services Manager
Christina Ruben, Development and Communications Manager
Rita Frangione, Veteran Resources and Vet Connect
Steve Stanton, Shop and Facilities Manager
Linda Tolf, Administrative Assistant and Accounts Payable
James Vanwert, VetCorps Member

* as of September 30, 2018

MISSION

To teach and preserve boatbuilding and marine systems skills while developing the individual as a craftsperson.

This report covers the school's activities for the 2018 school year October 1, 2017 - September 30, 2018.

Leland Gibson was raised on Lake Superior in Northern Michigan and spent his early life learning how to build boats with his dad. After graduating from NWSWB in 2007, he worked at Haven Boatworks for 10 years on a variety of projects including the multi-phase Adventress restoration. He has a keen interest in how boats evolve to meet material constraints and environmental conditions. Leland has owned, sailed, and repaired wooden boats from 13' to 40' and dreams of sailing to New Zealand someday.

"The maritime industry is a fairly vibrant industry. You get to live in the beautiful places of the world, and you get to earn a solid middle-class income doing something you love. The Boat School jump starts that path."



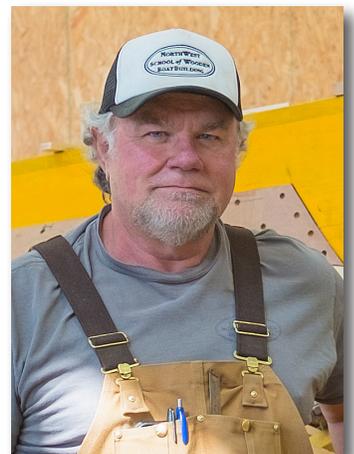
Heidi Blehm, a Pacific Northwest native, grew up on boats, fishing recreationally with her family on the Columbia River and canoeing 120-miles down Utah's Green River. She earned a BS in Mathematics from Colorado State University, served in a management role with Merrill Lynch, and ran her own consulting business. After living abroad in Copenhagen and Prague she moved to Port Townsend in 2015 and began working at the Boat School. Her expertise with data organization led to development of the school's online institutional archive and her current role as Admissions and Student Services Manager.

"I love being part of the school - a transformative place that helps people learn, grow, and build skills in a hands-on, non-traditional learning environment."



Steve Stanton came to Boat School after a 30-year career in law enforcement. Attending NWSWB had been a dream of Steve's since 1991 when he first learned of it. In 2012, Steve and his wife Sue left careers in Colorado and moved to Port Townsend. Steve is a graduate of the class of 2013 Traditional Boatbuilding program and a volunteer at the Community Boat Project. He brings a vast amount of knowledge, heart, and experience to his role as Shop & Facilities Manager at the school.

"Boat School has been a life-changing experience."



LETTER FROM THE EXECUTIVE DIRECTOR

You may have noticed some heavy equipment in front of 42 N. Water Street, as a crew from Brent Davis Construction built a new seawall, reinforced pilings, and put a new roof and windows on our historic waterfront buildings. But that wasn't the only heavy lifting going on at the Boat School in 2018. We were also building the curriculum for a Marine Systems program, with help from dozens of master marine technicians who participated in the task analysis phase of development.

Launched in October 2018, the Boat School's 6-month Marine Systems program has the same hands-on approach as our wooden boatbuilding programs and the same stress on workmanship, quality, and integrity. As our Marine Systems Lead Instructor Kevin Ritz points out, "It's not about taking tests. It's about demonstrating competency." I'm grateful to everyone who helped us plan, fund, develop, and launch the new program, from members of our Program Advisory Committee, who stressed the critical need for skilled marine technicians, to the students in our inaugural class who helped shape the program with their challenging questions, honest feedback, and eagerness to get their hands dirty alongside founding instructors Kevin Ritz and Walt Trisdale.



Betsy Davis

LETTER FROM THE BOARD PRESIDENT

As we celebrate some incredible milestones in 2018, I want to acknowledge the many contributions of outgoing Board President David Blessing to ensure the long term stability of the school and the leadership of our Executive Director Betsy Davis who was named Business Leader of the Year by the Jefferson County Chamber of Commerce. It has never been more evident how much our success depends on our engagement with the local community. Commissions like the Dark Harbor 17½ wouldn't be possible or as drop dead gorgeous without the bronze hardware from Port Townsend Foundry – just one example of our collaboration with local maritime businesses on the boats we build. We wouldn't be walking across the street for dinner at the Ajax Café without the grassroots fundraising effort that allowed the cafe to reopen as part of the expanded Boat School campus. We are grateful to PAC members and other maritime business owners and subject matter experts who contribute their time and talent to school events. Our 5-year strategic planning process wouldn't represent as many stakeholders without the spontaneous brainstorming sessions at local coffee shops on Saturday mornings. As a local business owner, I appreciate the vitality the Boat School brings to the community and look forward to working with you as I begin my service as board president.



John Barrett

LETTER FROM THE CHIEF INSTRUCTOR

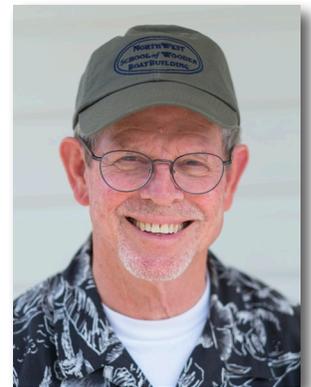


Every year is a little different at the Northwest School of Wooden Boatbuilding – from the variety of boats we build to the diversity of students we get to know in the shops, but 2018 will go down in history as the year we chose a team of seven alumni and packed up a shipping container of school-built boats to represent USA boatbuilding at the Australian Wooden Boat Festival, a biennial event that draws more than 200,000 people and

550 wooden boats to the island state of Tasmania for an international celebration of craftsmanship. Betsy and I were also invited to speak at the festival's International Wooden Boat Symposium. This international exposure not only benefits the school by attracting students and high caliber instructors to our school, but gets the attention of employers when they see NWSWB on a graduate's resume – leading to job offers at respected boat yards across the country. It's exciting to see the school's work recognized at this level and to be a part of the international wooden boat community.



Sean Koomen



PROVIDING QUALITY EDUCATION & JOB PREPAREDNESS

CLASS OF 2018

Shipwrights Co-op; Port Townsend, WA
 Platypus Marine; Port Angeles, WA
 Wind & Oar Boat School; Portland, OR
 Rutherford's Boat Shop; Richmond, CA
 Northwest School of Wooden Boatbuilding, WA
 Haven Boatworks; Port Townsend, WA
 Anacortes Marine Group; Anacortes, WA
 Rubicon Yachts; Port Townsend, WA
 Cape George Marine Works; Port Townsend, WA
 Tim Nolan Marine Design; Port Townsend, WA

CLASS OF 2017

Northwest Maritime Center; Port Townsend, WA
 Gig Harbor Boat Shop; Gig Harbor, WA
 Schooner Creek Boatworks; Portland, OR
 Thompson Boatyard; Port Townsend, WA
 Rocking the Boat; Brooklyn, NY
 Salmon Ridge Woodworks; Ilwaco, WA
 Van Dam Custom Boats; Boyne City, MI
 Northwest School of Wooden Boatbuilding, WA
 San Francisco Dolphin Club; San Francisco, CA
 Cape George Boatworks; Port Townsend, WA
 Shipwrights Co-op; Port Townsend, WA
 James Betts Enterprises; Anacortes, WA
 North House Folk School; Grand Marais, MN

FAST FACTS-CLASS '18

- 48 enrolled
- 17 Veterans
- Ages: 18-59
- From 13 different states and 2 countries
- 22 Traditional Large Craft
- 19 Contemporary
- 7 Traditional Small Craft
- 31 graduated with Associate of Occupational Studies Degrees
- 10 graduated with Diplomas



Eric Schow
 Class of 2018
 Haven Boatworks
 Port Townsend, WA



Nathan Nelson
 Class of 2018
 Wind & Oar Boat
 School
 Portland, OR



Ginny Wilson
 Class of 2018
 Independent
 Contractor
 Port Townsend, WA



Tristan DeYoung
 Class of 2018
 Anacortes Marine
 Group
 Anacortes, WA



Zachary Haroth
 Class of 2017
 Chesapeake Bay
 Maritime Museum
 Saint Michaels, MD



Zach Guenther
 Class of 2017
 Rockland Marine
 Rockland, ME

"I'm so grateful to this school. They'll take somebody who hasn't even picked up a tool and in a few short months I felt like I could do anything."

Adam Snider, Class of 2018

WHERE DID THE CLASS OF '18 COME FROM?

Alaska	1	Ohio	1
Alabama	1	Oregon	5
California	6	Texas	2
Georgia	1	Vermont	2
Massachusetts	1	Washington	22
Maryland	1	France	1
Nevada	2	South Korea	1
New York	1		

PRESERVING AND DEVELOPING CRAFTSMANSHIP

Education at the Northwest School of Wooden Boatbuilding is hands-on and real world -- designed to replicate a working boat yard, but with closer supervision and the time to practice each skill to develop confidence, competency, and craftsmanship. Students build a variety of wooden boats to gain experience in all aspects of construction. Builds in 2018 included:

DARK HARBOR 17 1/2

The Dark Harbor was a good teaching boat because it was small enough at 26 feet that the students in the Traditional Boatbuilding program could get through all the phases of boatbuilding. "We built the hull of the boat on a jig upside down and the deck on a separate jig," explains Chief Instructor Sean Koomen. "Building a boat that way is actually very common in the bigger shops because you can keep more hands busy and finish the project more quickly." Built with western red cedar on white oak framing, with a mahogany backbone, teak deck, and spruce spars, the finished boat is "drop dead gorgeous," according to owner Kere Kemp who commissioned the boat after attending Boat School and now enjoys sailing it from his home port in Auckland, NZ. The story of her build will be featured in an upcoming two-part series in WoodenBoat magazine.



Photo by Chris Cameron Photography



COLD-MOLDED KINGSTON LAUNCH

The Kingston launch is a beautiful and functional motorboat, well suited to the weather and water of the Puget Sound. In prior years, Boat School students have built Kingston boats using traditional construction methods. This one was cold molded at the owner's request, which made it an ideal project for students in the Contemporary Boatbuilding program, providing practice with laminating, cold molding, and strip planking.

HERRESHOFF ROZINANTE

Designed by American naval architect Francis Herreshoff, this 28' canoe yawl has stunning lines and is a great performer in a variety of wind strengths. The school-built Rozinante is carvel planked with western red cedar over oak frames and a purpleheart backbone, lead ballast, and spruce spars. "It's a great teaching boat because it's a relatively small boat that encompasses all the construction details of a much larger boat," says instructor Leland Gibson.



BRINGING VITALITY TO OUR LOCAL COMMUNITY

Port Townsend is home to more than 50 specialized businesses dedicated to the maritime trades. We are grateful to be part of this vibrant community – investing in the local economy through our purchase of goods and services, receiving guidance from master marine technicians and boatbuilders to keep our programs relevant, and training the maritime workforce of tomorrow. This is particularly relevant in a county where one in every five jobs is maritime related and in a state where maritime business accounts for \$17.1 billion a year in direct revenue and maritime companies are reporting a critical need for young people to take the place of the wave of employees reaching retirement age.

Our Working Waterfront

The Boat School received a \$360,000 grant from the Washington State Heritage Capital Projects Fund to “grow public access to traditional boatbuilding skills and education at the Port Hadlock Heritage Campus.” The refurbishing of our historic buildings is complete and we can’t wait to welcome more visitors to the working waterfront of lowest Hadlock, where they can see traditional and contemporary boatbuilding in progress and the building that was once home to the town’s founder Samuel Hadlock, and now home to the Ajax Café. Lowest Hadlock is also home to Star Marine, a family-owned tugboat company; Northwest Sails & Canvas; the Community Boat Project, a non-profit serving local youth through a shop on the Boat School campus; and Hama Hama Co. shellfish beds. Stop by for a First Friday Tour and stay for dinner at the Ajax Café!



Business Leader of the Year

In May 2018, NWSWB Executive Director Betsy Davis was named 2017 Business Leader of the Year by the Jefferson County Chamber of Commerce for demonstrating a collaborative style of leadership that invigorates the local economy, builds jobs, and enriches the resilience of the community. “Jefferson County is a special place,” says Davis. “I’m inspired because I see leaders of non-profits working with the professionalism often associated with the for-profit sector. And I see leaders of for-profits blending their entrepreneurial zeal and attention to the bottom line with attention to their employees, their community, and the natural world, the ‘triple bottom line’ more frequently associated perhaps with the non-profit sector.”



Veteran Supportive Campus

Military veterans are a significant part of the Boat School community. In fact, all five branches of the military (Army, Navy, Air Force, Marines, and Coast Guard) were represented in the inaugural Marine Systems program, contributing to a disciplined, team-oriented, and fun-loving group. The Washington State Department of Veterans Affairs renewed our designation as a Veteran Supportive Campus in 2018 and awarded us a VetCorps Member to serve as a resource to military veterans at the school and in the community. Thanks to VFW Post 3212 in Quilcene, American Legion Post 26 in Port Townsend, and Port Townsend Elks Lodge for their support of veteran programs at the Boat School!



PROGRAM ADVISORY COMMITTEE

These individuals* served as advisors to the school to ensure the programs stay relevant to today’s boatbuilding and marine systems jobs:

Ann Avary; Northwest Center of Excellence for Marine Manufacturing & Technology
Steve Bamesberger; Marine Systems Manufacturer Representative, Jack Park Company
John Mark Barrett; Marine Systems Manufacturer Representative, Imtra Corporation
Ethan Cook; Boatbuilder
Brandon Davis; Turnpoint Design
Sam Devlin; Devlin Designing Boat Builders
Jim Franken; James J. Franken, Inc.
Stephen Gale; Haven Boatworks
David King; Retired CFO Townsend Bay Marine and Past Mayor of Port Townsend
Jim Lyons; Member, Port Townsend Shipwrights Co-op
Scott McEniry; Manufacturer’s Representative, Power Products LLC
Dan Newland; Pegasus Aeromarine Inc.
Jim Pivarnik; Executive Director, Port of Port Townsend
Peter Proctor; General Manager, Jensen Marine
Gordon Sanstad; Shipwright, Former Marine Carpentry Instructor at Seattle Central Community College

**as of September 30, 2018*

FINANCIALS

For the school and fiscal year ending September 30, 2018, the Northwest School of Wooden Boatbuilding grew tuition revenue over the prior year, completed the year net positive, and grew net assets. 72% of the expenses went directly to programs, with 20% for Administration, 6% for Fundraising, and 2% property acquisition expenses. Each dollar earned or contributed is extended through a dedicated volunteer corps.

OPERATING REVENUE					
	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Tuition	\$833,533	\$707,552	\$1,059,093	\$955,858	\$786,923
Donations	594,618	732,761	310,077	264,695	60,184
Boat Projects	134,572	130,286	135,414	206,705	244,917
Retail Sales and Rental Income	29,067	18,569	21,715	33,268	59,112
In-Kind Revenue	14,759	17,400	24,618	63,347	62,513
Total	1,606,549	1,606,568	1,550,917	1,523,873	1,213,649
OPERATING EXPENSE					
Program Service	1,087,662	1,035,060	1,013,060	1,088,670	860,639
Administration	292,506	248,094	291,366	246,064	170,102
Fundraising	89,090	116,611	73,817	72,513	11,304
Total	1,469,258	1,399,765	1,378,243	1,407,247	1,042,045
Change in net asset from Operating Activities	137,291	206,803	172,674	116,626	171,604
OTHER REVENUE AND EXPENSE					
Amortization	(426)	(1,024)	(1,022)	(1,022)	(1,022)
Depreciation	(61,975)	(56,054)	(59,603)	(52,414)	(55,177)
Interest Expense	(72,765)	(49,295)	(44,450)	(44,107)	(50,677)
Total Other Revenue and Expense	(135,166)	(106,373)	(105,075)	(97,543)	(106,876)
Total Change in Net Assets	2,125	100,430	67,599	19,083	64,728
Net Assets - beginning of year	1,433,547	1,333,117	1,265,518	1,246,435	1,181,707
Net Assets - end of year	\$1,435,672	\$1,433,547	\$1,333,117	\$1,265,518	\$1,246,435

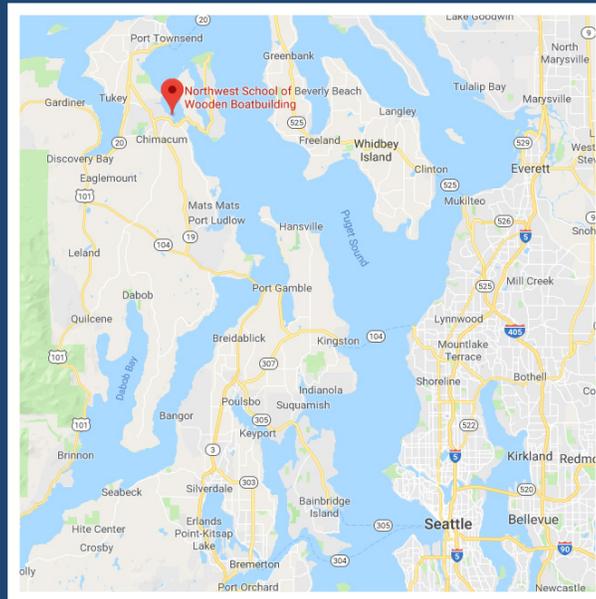
The Northwest School of Wooden Boatbuilding engaged Baker, Overby and Moore, Inc., P.S. to conduct an independent audit of our financial statements for the year ending September 30, 2017. They reported the following: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest School of Wooden Boatbuilding as of September 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America."



NWSWB is deeply committed to non-profit transparency and accountability and has achieved the GuideStar Platinum Level Profile as a demonstration of that commitment. GuideStar is the world's largest source of information about non-profit organizations (the GuideStar database contains a profile for every tax-exempt nonprofit registered with the IRS) and a leader in advancing transparency in the non-profit sector. To be awarded the GuideStar logo, NWSWB provided all requested information on the non-profit profile page. You can search for information about any non-profit at www.guidestar.org.

WHERE WE ARE

See firsthand our tradition of craftsmanship and learn about exciting growth and changes happening at the school. Join us at 3:30pm on the first Friday of each month for a tour of our Port Hadlock Heritage Campus.



Northwest School of Wooden Boatbuilding
Port Hadlock Heritage Campus
42 N. Water Street, Port Hadlock, WA 98339
360-385-4948 | info@nswb.edu | www.nswb.edu

The Northwest School of Wooden Boatbuilding is accredited by the Accrediting Commission of Career Schools and Colleges (ACCSC). The Accrediting Commission of Career Schools and Colleges (ACCSC) is a recognized accrediting agency by the U.S. Department of Education. Learn more at www.accsc.org.



The School is also licensed under the Private Vocational Schools Act, Chapter 28C.10 RCW of Washington State. www.wtb.wa.gov

The Northwest School of Wooden Boatbuilding is a registered 501(c)(3) nonprofit institution. Tax ID 91-1122839.