

American Fisheries Society

June Management Committee Meeting

Friday, June 16, 2017

Participants

MC Members: Jesse Trushenski, Steve McMullin , Ron Essig, Scott Bonar, Ken Kurzawski, Julie Claussen, Carl Kittel, Craig Bonds, Mark Pyron, Justin Davis, John Boreman (Constitutional Consultant, non-voting) and Doug Austen (Executive Director non-voting).

AFS Staff: Dan Cassidy, Drue Winters

Minutes of the Meeting

1. **Quorum confirmed** (by Boreman) and meeting called to order by McMullin at 1:06 p.m. ET
2. **Approval of Minutes** from May 19, 2017– approved by unanimous consent.
3. **Proposed Motions** - Constitutional Consultant Boreman - None
4. **Presidents/Officers report**
 - a. McMullin reported that he will be attending the meeting of the Australia Society for Fisheries Biology in July
 - b. Trushenski reported that the CASS partnership is working on their second Joint Aquatic Sciences Meeting (JASM) to be held in May or June 2022. Trushenski is the AFS liaison to the JASM planning committee. Trushenski also reported on the next SACNAS (Society for the Advancement of Chicanos/Hispanics and Native Americans in Science; www.sacnas.org) meeting to be held in Salt Lake City in October 19-21, 2017.
 - c. Bonar reported that he is working with Trushenski and AFS policy co-director Drue Winters on an AFS response or statement on climate change and Paris accord withdrawal by the U.S.
5. **Executive Directors report**
 - a. Austen provided an Excel file with membership data for 2007 – 2017 (available upon request). Membership numbers have exceeded 7,000 as of the end of May which is higher than four of last five years (exception being the Portland meeting year).
 - b. Austen reviewed the Wiley contract including output from the Reno publications workshop and implications for membership dues adjustment (Attachment 1). The discussion focused on the new proposed membership benefit of providing free electronic access to all AFS journals. This could be linked to a reasonable dues adjustment. Comments included:

- i. Providing clear information on membership value will be critical to any dues adjustment proposal (e.g., link directly to journal access).
 - ii. Most comments were supportive of dues increase as a reasonable level. A proposal will be brought to the MC at the July call upon input from the Membership Committee and others.
- c. Tampa meeting activities include the MC meeting on Friday afternoon August 18 and the Governing Board on Saturday, August 19
- d. Financial briefing was provided by Cassidy (Attachment 2 and 3)

6. Additional Topics – none submitted

7. Adjournment – at approximately 2:25 p.m.

Attachment 1

Wiley Contract, Open Access, Enhanced Member Benefits and AFS Dues

Initial Discussion of options for moving us forward

New Features of Proposed Wiley Contract

- Free online access to all AFS journals (open access to AFS members)
- Free online access to Wiley publication, *Reviews in Aquaculture*
- Print subscriptions basically unchanged

This is a major new benefit to AFS members!

Other Planned Publication-Related Benefits in 2018

- Grey literature database – Reno publications workshop output
- Update of Names of Fishes as web accessible tool for AFS members

This raised the obvious question of budget implications and possible dues increase – why?

Costs and Budget Implications

- Lost royalties from online subscriptions
- Editor-in-Chief costs (maybe not all journals - possibly 4-5)
- Potential additional editorial staff support (Reno Recommendation)
- Potential impacts on Official membership numbers

Current T&F Contract AFS Income Sources

- Annual Royalties (\$625,000 guaranteed) include 50% of revenue from:
 - Institutional and other non-member print & online subscriptions
 - T&F sales agreements
 - Article downloads by non-subscribers
 - Page charges
 - *Fisheries* magazine advertising
 - Document delivery & permissions
 - Printed issue color charges

Electronic Journal (online) Subscriptions

- Total online journal revenue (\$25 per subscription) is about \$36,000 - \$40,000.
- AFS splits this 50/50 with T&F
- Lost revenue to AFS will be about \$19,000/year

Reno Recommendations

- Editor-in-Chiefs for all journals (including *Fisheries*)
 - Contractual position to AFS
 - Honorarium or payment (TBD)
 - Provides overall guidance for journal, inter-journal communication and coordination, tracks papers and metrics, monitors editors and AE's, seeks key authors and actively solicits premier paper topics.
- Editorial Staff Support
 - Provides assistant to Laura Hendee on journal editorial and production management
- Grey literature clearinghouse and web delivery
 - Design, implementation and management of product
 - Member benefit but may have subscription options for non-members

Official Membership

Federal, state, provincial, territorial, or intergovernmental institutions that support the American Fisheries Society. These institutions are essential partners and supporters lending credibility and strength to the American Fisheries Society. Official Member dues are considered as a contribution and are tax deductible (*note that this is useless to these organizations*).

Dues: \$1,600.00

37 members - primarily state agencies (29) and federal agencies (3) plus ASMFC, GLFC, Great Lakes Indian Fish and Wildlife Commission, Grand River Dam Authority, and Kasco Marine

Membership includes:

**Fisheries* - Monthly

*Transaction of the American Fisheries Society - Bi-monthly

*North American Journal of Fisheries Management - Bi-monthly

*North American Journal of Aquaculture - Quarterly

*Journal of Aquatic Animal health - Quarterly

*Certificate of Appreciation

*Acknowledgment in AFS Annual Report, Membership Directory and Handbook.

*Free job ad postings on the AFS Job Board <http://fisheries.org/jobs>

Associate Membership

American Fisheries Society (AFS) Associate Members are individuals, corporations, and foundations that support the programs of the Society with their annual tax deductible contributions of \$2,000 or more.

Dues: \$2,000.00

There are no current Associate members

Membership includes:

- * *Fisheries* - monthly
- * Transactions of the American Fisheries Society - Bi-monthly
- * North American Journal Of Fisheries Management -Bi-monthly
- * North American Journal of Aquaculture -Quarterly
- * Journal of Aquatic Animal Health - Quarterly
- * Certificate of Appreciation
- * Acknowledgment in AFS Annual Report, Membership Directory and Handbook.
- * Free job ad postings on the AFS Job Board <http://fisheries.org/jobs>

Sustaining Membership

Sustaining members are entities that "support the Society"

Dues: \$450.00

There 57 Sustaining members: This includes a diverse group that is primarily corporate but also includes several universities, several tribal groups, one regional office of the USFWS, the Nevada Dept. of Wildlife, and some fisheries commissions or other such organizations.

Membership includes:

- * Fisheries Magazine monthly
- * Certificate of Appreciation
- * Acknowledgment in AFS Annual Report, Membership Directory and Handbook.
- * Four, Free 150 word job board postings per year on the AFS Job Board <http://fisheries.org/jobs>. Each additional add is only \$250.00.

AFS Membership Dues Structure and Options

Note that this is illustrative and for discussion only and is not a set of options for formal consideration

Membership Category	Typical Number	Current	
		Dues	Income
Lifetime I <i>(one journal)</i>	585	\$1,737	\$1,016,145
Lifetime II <i>(just Fisheries)</i>	195	\$1,000	\$195,000
Regular	4250	\$80	\$340,000
Young Professional	1000	\$40	\$40,000
Student	1500	\$20	\$30,000
Developing Country	70	\$10	\$700
Retired	400	\$40	\$16,000
Total	8000		\$426,700

AFS Membership Dues Structure and Options

Note that this is illustrative and for discussion only and is not a set of options for formal consideration

Membership Category	Typical Number	Current		Option #1		Option #2	
		Dues	Income				
Lifetime I <i>(one journal)</i>	585	\$1,737	\$1,016,145				
Lifetime II <i>(just Fisheries)</i>	195	\$1,000	\$195,000				
Regular	4250	\$80	\$340,000	\$95	\$403,750	\$105	\$446,250
Young Professional	1000	\$40	\$40,000	\$50	\$50,000	\$55	\$55,000
Student	1500	\$20	\$30,000	\$25	\$37,500	\$25	\$37,500
Developing Country	70	\$10	\$700	\$10	\$700	\$10	\$700
Retired	400	\$40	\$16,000	\$50	\$20,000	\$50	\$20,000
Total	8000		\$426,700		\$511,950		\$559,450

AFS Membership Dues History

	1993	1996	1997	1999 - 2009	2010 - 2017
Regular	\$64.50	\$70.00	\$71.50	\$76.00	\$80.00
Student	\$32.25	\$35.00	\$35.50	\$38.00	\$20.00
Retired	\$32.25	\$35.00	\$35.50	\$38.00	\$40.00
Young Professional	n/a	n/a	n/a	\$38.00	\$40.00

Ecological Society of America

Regular Membership

Annual Income	Dues
Under \$40,000	\$67
\$40,000 – \$60,000	\$102
\$60,001 – \$100,000	\$123
\$100,001 – \$150,000	\$150
Over \$150,000	\$175

Student Membership

\$36 – copy of valid student ID card required for mailed or faxed forms. For online renewals, please indicate your anticipated degree and graduation date as proof in place of a copy of a student ID card.

Developing Country Membership

Developing Country Memberships are available to individuals who are citizens of a developing country and currently residing in that country. For a list of developing countries, [click here](#).

Developing Country (Online only)	Dues
Developing Country Student Membership	\$22
Developing Country Membership	\$58

Life Membership

\$2,650 – Enjoy lifetime membership benefits offered through the Society. Chapter and section memberships must be renewed on an annual basis.

TWS MEMBERSHIP DUES

Membership includes 6 issues of *The Wildlife Professional* magazine (print & online) + 52 issues of the *eWildlifer* (online); a combined value of \$35 (for tax purposes). Dues/subscriptions are for 12 months.

<input type="checkbox"/> Regular.....	\$81.00
<input type="checkbox"/> New Professional.....	\$51.00
New Professional Membership is available to a graduate of a full-time college level wildlife curricula with less than three years employment in the wildlife profession.	
<input type="checkbox"/> Retired (member for 25+ years).....	\$41.00
<input type="checkbox"/> Student.....	\$41.00

TWS membership includes free online access to:

- *The Journal of Wildlife Management*
- *Wildlife Monographs*
- *The Wildlife Society Bulletin*

Next Steps

1. After MC discussion, staff will work with Membership Committee and Officers to develop full proposal.
 - Evaluate membership pricing options
 - Assess impacts on Official and Lifetime memberships, etc.
 - Develop Grey literature business plan
2. Brief Governing Board (either on Monday, June 19) or through an email with materials and request for comments.
3. Present proposal to MC at July 21 meeting.
4. Prepare materials to share with AFS membership at Tampa meeting.
5. Incorporate into all membership renewal and new membership programs for 2018

Attachment 2

To: AFS Management Committee
From: Daniel Cassidy
Re: March 2017 Financial Report

This report covers the interim financial position, results and investment performance for the first quarter of 2017. The 2016 annual audit is in the final review stage and results will be shared on the July call.

Statement of Financial Position

The Society's financial position decreased marginally year over year and assets now stand at \$6,179,000, down 4% from the same period last year. The largest changes were in cash and investments.

Cash / checking. The cash balance has stabilized from a 3% growth in membership and the annual \$625,000 baseline journal royalty payment. While AFS has received grants/contracts reimbursements about \$160,000 is due from federal agency for Hutton and another \$66,000 owed by Cornell/CSC.

CDs and Investments. As CD investment mature, funds are transferred into the checking account to support operations. Investments continue to perform well and have appreciated 4.25% this quarter while \$45,000 of chapter funds were contributed to the portfolio.

Prepaid expenses and deposits. Includes deposits on meeting facilities and services and accumulated costs for SP30.

Accounts payable / Accrued expenses. Generally represents amounts due and payable as part of operations and the monies due on employee payroll taxes and benefits. Accrued expenses, the largest component, include \$145,000 in unit investment funds and \$49,000 in Rotenone program.

There have been no significant restricted fund contributions and most other account balances are roughly the same as last year.

Operating Activities and Program Results

Revenue was strong in the first quarter from both membership renewals and investment income. Total income is \$1,489,000 on expenses of \$708,000 resulting in net income of \$781,000, before restricted contributions. These results compare favorably to last year when revenue was \$180,000 lower. The strong investment performance makes up most of the operating differences between years. The 2017 budget projects a loss of \$325,000.

Key Income Results

- Investment income and gains total \$173,000 and exceed 2016 results by over \$131,000
- Member dues are 3% higher in 2017
- Job board income about 50% of last year's total to date, despite more ads
- Advocacy/Policy has a \$23,500 of funding federal support.
- Books income is actually lower than last year with no new titles in 2017. The significantly higher figures in 2016 include contributions for SP 30.
- Journal income includes individual subscriptions.

Key expense results

- Staff costs are 10% higher than last year with nearly all positions filled and the earlier accrual of employee benefits
- Board/Governance expenses tracking ahead of last year reflecting significant international travel
- Climate Science Center review expenses awaiting reimbursement from Cornell
- Annual meeting costs lower than last year but there is over \$40,000 of prepaid meeting deposits awaiting posting as expense in 2017
- Membership expenses are down reflecting lower database development and support in 2017

Program Updates

Membership. Membership results are strong for all categories except for regular members. The following table shows comparative results as of April for each year. 2017 YTD results for Regular members ranks the lowest for any membership category – 9th out of the past 11 years and at 88% relative to the average category level.

TOTAL MEMBERSHIP DATA

Year	Regular	Student	Life	Yprof	Retired	Other	Total	Annual Meeting Location
2007	4,213	1,191	755	499	340	15	7,013	San Francisco
2008	4,077	1,218	755	519	348	15	6,932	Ottawa
2009	3,852	951	742	297	334	14	6,190	Nashville
2010	3,549	1,156	751	436	254	13	6,159	Pittsburgh
2011	3,730	1,261	751	477	349	13	6,581	Seattle
2012	4,405	1,290	753	486	348	12	7,294	St Paul
2013	3,583	1,108	760	478	341	35	6,305	Little Rock
2014	2,828	1,108	760	431	296	37	5,460	Quebec
2015	3,313	1,321	764	673	330	44	6,445	Portland
2016	3,157	1,276	767	752	343	54	6,349	Kansas City
2017	3,208	1,386	768	958	368	69	6,757	Tampa
Avg # Mbrs	3,629	1,206	757	546	332	29		
2017 % Avg	88%	115%	101%	175%	111%	236%		
2017 Rank	9	1	1	1	1	1		

Annual Meeting. Planning for the Tampa meeting is on track but registrations are soft, despite high hotel room pick up. Fundraising is strong against the \$130,000 goal. The local committee has raised \$69,000 in cash / commitments and \$57,000 of in-kind contributions while AFS has raised over \$22,000.

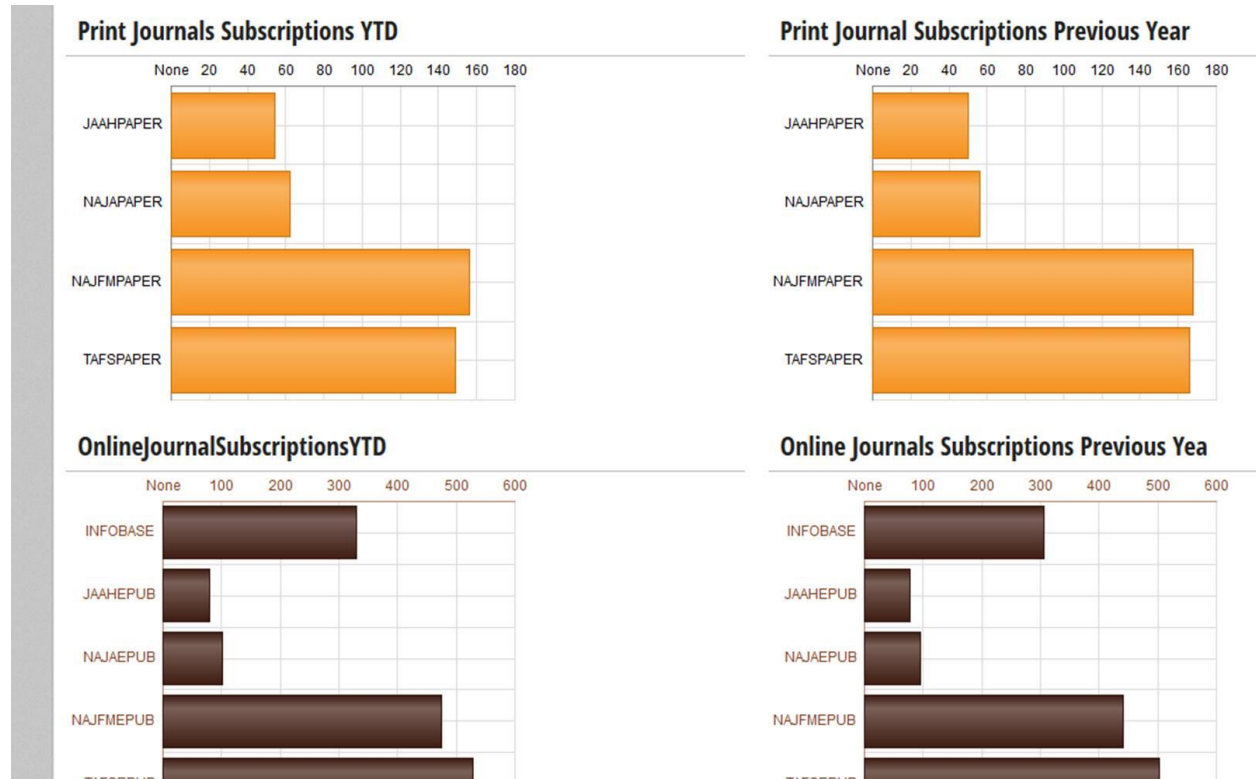
<u>Category</u>	<u>6/2017</u>	<u>6/2016</u>
Registrations	279	422
Exhibits	69	49
Room pickup		
Marriott	73%	
Embassy	22%	
Westin	2% (this property only recently opened)	

Journals and Publications. Books sales are lower in 2017 due to lack of new titles. AFS has considerable unsold inventory on its books and anticipates a sizable write-down of excess title inventory, some well over a decade old. Journal subscriptions remain consistent.

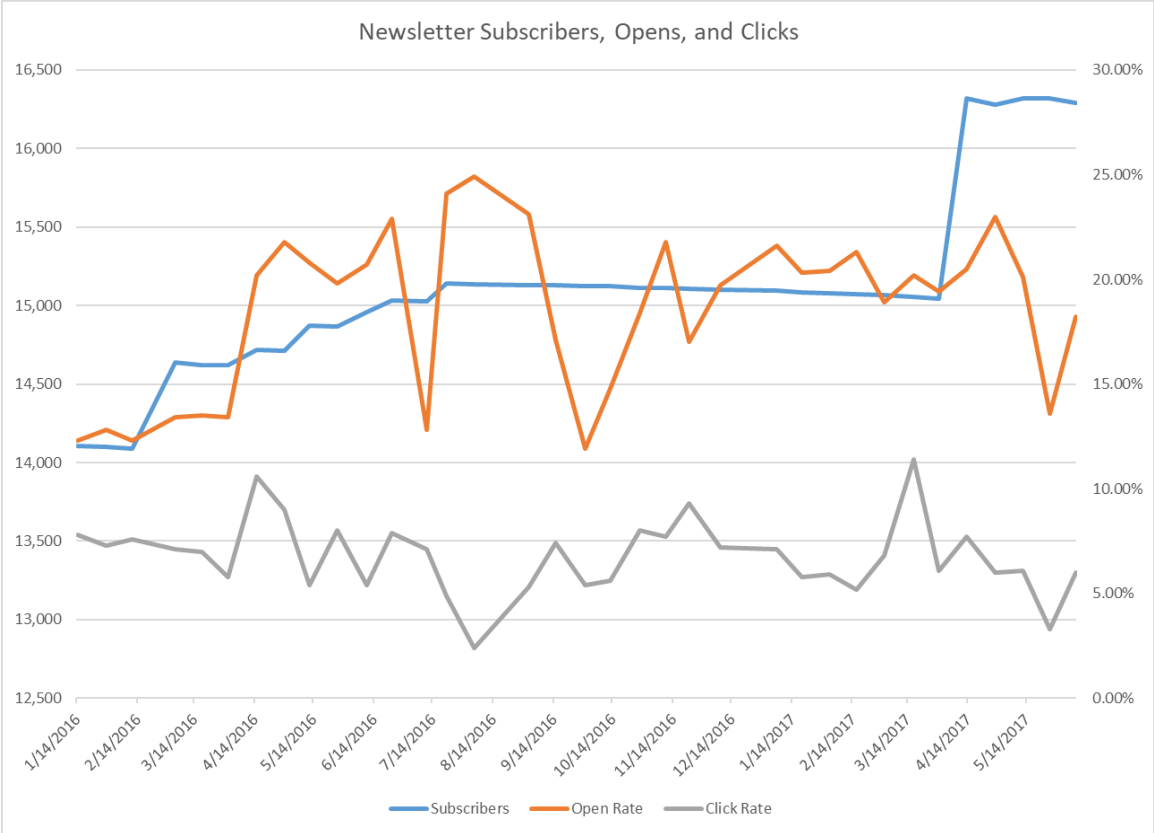
Book sales:

Jan-May 2016: \$27,897

Jan-May 2017: \$22,764



Communciations. Newsletter statistics over the past 18 months are in the chart below.



Attachment 3

April 11, 2017

MEMORANDUM

To: Douglas Austen,
Executive Director; and
Dan Cassidy, Deputy Exec. Dir.,
American Fisheries Society

From: Gretchen S. Bolton,
CFP®, CLU, ChFC

Subject: **American Fisheries Society 1st Quarter Review 2017**



The 1st Quarter Review for 2017 of AFS Long Term Investment Reserves is based on figures from the AXA/LPL Performance Appraisal through March 31, 2017, and Morningstar Snapshot Report of that date. The most authoritative sources for account information are your monthly statements.

The portfolio balance on March 31, 2017, was \$4,144,259.67. In February, there was a deposit of \$45,000 in Chapter funds. All funds are pooled investments. Since another chapter was anticipating possible withdrawals, keeping a larger cash balance than usual during this period seemed prudent. Nevertheless, the portfolio has stayed within our allocation guidelines, maintaining an allocation of 70% equity to 30% fixed income and cash, on the conservative side of moderately aggressive. The surge in the stock market since the November election has helped offset the larger cash balance.

Fixed income holdings are estimated to yield \$39,171 in dividends (going to cash) over the next 12 months, and another \$41,451 will come from dividends on stock fund holdings (most of which are reinvested), an overall 1.95% yield for the whole portfolio.¹ The uninvested cash balance of \$80,153 has reduced the predicted income, but is appropriate if a withdrawal is still to be expected soon. It would not be prudent to make new investments into an uncertain market, which has reached a new high, using cash that might be required for withdrawals in the short term.

Your total return for the first three months of 2017 was 4.25%. The S&P 500 Total Return index² was up 6.07% for the year to date. Small and mid-cap stock funds, as included in the Russell 2000 index, returned 2.47% in the same period, and Morningstar's Moderately Aggressive target benchmark returned 5.32%. It should be noted that most of these gains took place in January and February. The broad markets treaded water, a little up and a little down, throughout March. Past performance is, of course, no indication or guarantee of future performance.

On the bond side, the Federal Reserve raised interest rates on Federal funds by one quarter of 1% in December and again in mid-March.³ Barclay's US Aggregate Bond Total Return Index was up only 0.82% for the year, which implies a valuation drop, with most return coming from interest. This is a growing contrast from years of high valuation and low interest rates. The diversity of your holdings in long, intermediate and short duration bond funds, as well as international and high income, has buoyed your

returns in comparison to the index. Retaining more money in cash has avoided any losses for this period. We have been delaying reinvestment of cash dividends at high bond prices, but will soon recommend dividend reinvestment and move more money to longer term bonds once we have a better idea of potential immediate cash needs.

We are able to evaluate the quality of your investments and their performance through the hypothetical Morningstar Snapshot, which is included herewith. It demonstrates what the performance of your portfolio's specific fund choices in the given allocation would have looked like in a *static* portfolio over a multi-year look-back period. Our goal is that quality fund choices in the mix will outperform the benchmark index, both on returns and with less risk, on a rolling 3-year look-back basis. We would expect that the portfolio returns would fall slightly short of the benchmark Moderately Aggressive target at this time, due to the larger cash position, and they do. But we note that, as planned, your specific funds beat that benchmark in each time period over the past 10 years up to the last three months.⁴ Past performance is no guarantee of future performance.

¹Figures are based on the March 31, 2017, AXA/LPL Performance Appraisal Report and the Estimated Income projection, which accompany this summary. Total returns are calculated by a modified internal rate of return method and include both market changes and dividends. While this material summarizes certain information contained in the attached documentation, it is not the official record of your account. This summary is offered at your request for your general reference, but the information it provides is in no way guaranteed. You should rely solely on the attached documentation and monthly statements that you have already received for complete and final information. In the event of a discrepancy between this summary and the attached documentation, or a discrepancy between this summary and any other product sponsor/issuer-generated statements, the monthly statements will prevail. Please note that values shown herein may not reflect surrender charges that may be applicable to annuities and life insurance products and that some investments may have substantial fees and/or penalties associated with early withdrawals. (This last sentence does not apply to your current holdings.) Securities products and services are offered through AXA Advisors, LLC (member FINRA and SIPC), 1290 Avenue of the Americas, New York, NY 10104 (212) 314-4600.

²All quoted indices herein are unmanaged baskets of securities according to type, valuable as indications of market trends, not directly comparable to your portfolio. Indices are provided by Morningstar Associates daily, at its website <http://news.morningstar.com/index/indexreturn.html>. Past performance is no guarantee, nor forecast, of future performance.

³Resources used in preparing this report include AXA Advisors portfolio information sources, Morningstar Associates, LLC; S&P Stock Reports; LPL research sources, and access to multiple independent researchers' recommendations. Please refer to the Research Disclaimer Statements accompanying the Portfolio Appraisal and the Morningstar Snapshot.

⁴Volatility or "risk" is measured by Standard Deviation; return on risk is measured by the Sharpe ratio—see the Morningstar Snapshot report, which looks back at fund performance over a period of years based on your *current* allocations and fund selections. Returns in the Morningstar report are not identical with your actual returns, since activity in your account in the look-back periods covered is not taken into consideration.

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