

American Fisheries Society

June Management Committee Meeting

3:00 p.m. – 4:00 p.m. (EDT), Monday, June 18, 2018

MC Participants: Steve McMullin, Joe Margraf, Heather Hettinger, Randy Schultz, Rebecca Krogman, Craig Bonds, John Boreman (Constitutional Consultant, non-voting) Mary Beth Loewen (Constitutional Consultant Apprentice, non-voting), Doug Austen (Executive Director, non-voting)

Emerging Leaders: Patrick O'Rourke

AFS Staff: Dan Cassidy, Drue Winters

Meeting Notes:

1. Welcome/Determination of Quorum - Quorum was not attained. Meeting was for information and discussion purposes only.
2. Agenda was discussed – only addition was to request an update on the Annual Meeting Revenue Sharing Model proposed by McMullin at the May Management Committee (MC) meeting. McMullin stated that it was discussed during the June 4 Officer call and additional revisions will be included in a new version that will be provided to the MC in either July or at the Atlantic City meeting of the MC.
3. Lack of quorum prevented approval of minutes from the May 29, 2018 Management Committee meeting. Minutes will be presented to the MC at the July meeting.
4. Constitutional Consultants report (Boreman) –
 - A. Mary Beth Loewen was introduced as new CC Apprentice. She will participate in a one-year training program and take over from Boreman at the June 2019 MC meeting.
 - B. An expected motion for the July 2018 meeting will be for the establishment of a student subunit at McGill University, Quebec.
 - C. An expected motion for consideration at the July 2018 MC meeting or at Atlantic City will be the request to establish a new AFS unit in Egypt. This will require AFS membership approval.
5. President/Officers report
 - A. McMullin - Reported ongoing work on AFS awards and the plenary session schedule. This is a significant and important task and the Awards chairs, Christine Moffitt and Bob Curry, as well as many individual award committees, are to be commended for their work. McMullin and President-elect Trushenski are also seeking members interested in working on the various awards committees. McMullin noted that he will be attending the annual meeting of the Fisheries Society of the British Isles in July.
 - B. Margraf – Reported work on revisions to various AFS committees
 - i. Potential to eliminate the Endangered Species Committee and move responsibility to the Imperiled Species Section
 - ii. Merge External Affairs and Resolutions into the Resource Policy Committee
 - iii. Eliminate Names of Aquatic Invertebrates Committee

- iv. Explore options with the Past Presidents Advisory Committee (PPAC) to have an elected chair and serve for up to two years. This will be discussed at the PPAC luncheon in Atlantic City
 - v. There has been some discussion on combining the Professional Certification Committee and the Board of Appeals but it was suggested that this may create a conflict of interest.
6. Executive Director and AFS staff report
- a. 2nd VP election status (Austen) – Vote results have been sent to the Vote Auditors (Lisa Kerr and Kathy Mills) for confirmation. It is expected that the candidates will be informed of the results by late June or first days of July
 - b. Staff activities updates (Austen)
 - i. TAFS and NAJFM editor selections – Trent Sutton and Dan Isermann
 - ii. Editor-in-Chiefs :
 - 1. Jeff Schaeffer – Fisheries magazine
 - 2. Deb Murie – Marine and Coastal Fisheries
 - 3. Dan Daugherty – North American Journal of Fisheries Management
 - 4. Derek Aday – Transactions of the American Fisheries Society
 - iii. Fisheries Managing Editor selection process has moved to a selection of two finalists who were recommended by the initial review panel of Aaron Lerner, Laura Hendee and Kurt West. A final interview by Austen and Lerner (and possibly Jeff Schaeffer) will take place this week with selection by the end of the week.
 - iv. Journals Assistant Production Manager – Laure Hendee will initiate a search in the next week or two for this position.
 - c. Atlantic City meeting of the Management Committee will be from 1-5 p.m. on Friday, August 17 while the Governing Board will meet from 8 a.m. to 5p.m. on Saturday, August 18. Hotel room options are increasingly limited so make sure to make a reservation as soon as possible.
 - d. Policy update – AFS Policy Director Drue Winters reviewed status of several issues.
 - i. Recovering America’s Wildlife Act (RAWA) currently has 66 co-sponsors (in addition to Reps. Fortenberry). The AFS Cal-Neva chapter sent support letters to the entire CA delegation and this has been immensely helpful to Winters in establishing visits and obtaining sponsorship. Unfortunately the development of a companion bill in the Senate has been delayed due to lack of primary bill sponsor. Senator James Risch (Idaho) is a potential lead sponsor but he has expressed concerns about the dedicated funding component of the bill. Partners are working to determine next steps for Senate introduction.
 - ii. Senate Interior Appropriations bill has been moving but funding for the Cooperative Fish and Wildlife Units is unclear and will continue to be researched. (Follow-up note - Senate Appropriations Report provides for a small increase of \$250,000 for the Co-Op units and the language calls for it to be directed to to research Moose at the southern end of their range in New England. The increase is smaller than the House mark.)

- iii. Waters of the U.S. (WOTUS) – A House appropriations bill includes a rider to repeal the 2015 WOTUS rule, but the Senate bill does not contain the poison pill rider. The Administration has submitted a proposed repeal rule to the Office of Management and Budget for review. This generally takes at least 30 days, but this review could be longer. After OMB review, the EPA will put the proposed rule out for public comment. A “Headwaters Working Group” has been convened to develop a fisheries position paper and submit comments to the EPA on the rule-making when the new rule is made available.
- iv. The Magnuson-Stevens Working Group has been progressing and is developing a more robust climate change component for the report. A draft final report will be submitted to the AFS Marine Fisheries Section for review and eventual be submitted to AFS Officers or the Management Committee for endorsement.
- e. Financial update for 1st Quarter of CY2018 (Cassidy) – AFS maintains a strong financial position and holds a majority of its assets in cash and investments. Keep in mind that about 60% of the investment account is comprised of restricted funds—chapter and award fund investments—and are not available for operating purposes. Overall, the 2018 budget includes an ambitious income target that is actually higher than 2017 actual results. While it is too early to tell how 2018 operations will end, it is safe to say a strong contributing factor is annual meeting performance. Early meeting indicators, such as number of symposia and papers, point towards strong meeting attendance based on experience. For additional financial insights, see the briefing slides in Attachment A.

7. Additional Topics – none presented

8. Next MC meeting is at 3:00 p.m. EDT on Monday, July 16, 2018

9. Adjourned at 4:11 p.m. EDT.

Attachment A – Financial Update for 1st Quarter 2018

AFS Management Committee

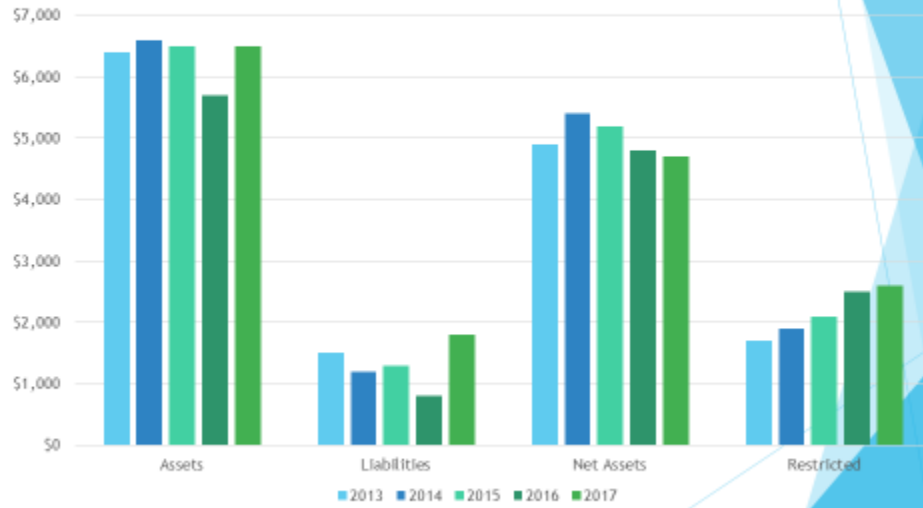
Quarterly Financial Update

June 18, 2018

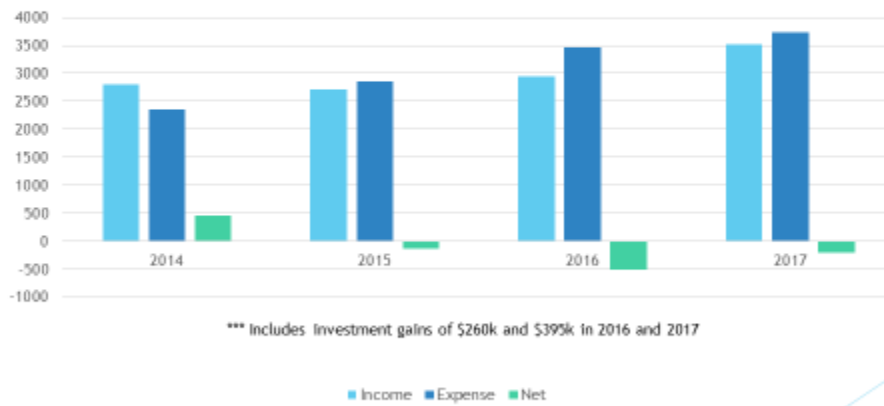
Topics

- ▶ 2017 Financial Results
- ▶ March 2018 Financial Results
- ▶ Investment Performance
- ▶ Restricted Funds
- ▶ Performance Indicators
- ▶ Other Updates

Financial Position 2013 - 2017



Income/Expense 2014 - 2017



Sources of Revenue

Source	2017 Revenue	2016 Revenue
Publications	32%	35%
Meetings	24%	19%
Investment	17%	14%
Membership	13%	16%
Contracts	11%	13%
Other	3%	3%
Totals	100%	100%

Uses of Revenue

Uses	2017 Expense	2016 Expense
Staffing	58%	68%
Meeting	20%	16%
Admin/OH	11%	15%
Publications	6%	5%
Contracts	5%	6%
Membership	4%	4%
Other	2%	3%
Totals	106%	117%

Financial Position - Assets

	2018	2017	Variance
ASSETS			
Current Assets			
Petty Cash	\$694	\$694	
Checking	570,060	857,747	(287,687)
Certificate of Deposits		54,095	(54,095)
Accounts Receivable	54,430	181,510	(127,080)
Allowance of doubtful accounts	(14,170)	(14,170)	
Inventory	282,238	439,814	(157,576)
Prepaid Expenses & Deposits	55,328	91,381	(36,053)
Current Assets	948,580	1,611,071	(662,491)
Property and Equipment	1,119,826	1,085,886	33,940
Accumulated Depreciation	(708,524)	(672,706)	(35,818)
Net Property and Equipment	411,302	413,180	(1,878)
Long Term Assets			
Long-Term Investments	4,409,305	4,141,704	267,601
Total Long Term Assets	4,409,305	4,141,704	267,601
Total Assets	5,769,187	6,165,955	(396,768)

Financial Position - Liabilities and Net Assets

LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable	161,531	154,585	6,946
Accrued Expenses	237,634	178,551	59,083
Subunits Dues Payable	132,298	94,340	37,958
Subunits Books Payable	18,804	20,549	(1,745)
Deferred Income	867,857	107,303	760,554
Total Current Liabilities	1,418,124	555,328	862,796
Net Assets			
Net Assets - Unrestricted	4,409,323	4,843,718	(434,395)
Change in Unrestricted Net Assets - Curr Year	(58,260)	766,909	(825,169)
Total Net Assets - End. Balance	4,351,063	5,610,627	(1,259,564)
Total Liabilities and Net Assets	5,769,187	6,165,955	(396,768)

AMERICAN FISHERIES
Summary of All Units
For the Three Months Ending 3/31/2018

	Year to Date - Actual			Budget		2017 Annual
	2018	2017	Var \$	2018 BUDGET	vs YTD Actual	Actual
Revenue						
Administration	(\$36,567)	\$172,451	(\$209,019)	\$297,000	(\$333,567)	\$560,301
Web	16,839		16,839	7,000	9,839	4,920
Continuing Education				12,000	(12,000)	19,675
Rotenone				16,000	(16,000)	3,856
Certification	1,510	300	1,210	10,000	(8,490)	5,750
Other Education				12,000	(12,000)	
Other Gov		590	(590)			
Hutton	4,000		4,000	150,000	(146,000)	134,650
Cornell				132,000	(132,000)	237,477
Other Grants & Contracts				125,000	(125,000)	
Annual Meeting	24,280	17,570	6,710	1,009,000	(984,720)	931,802
Membership	459,941	415,030	44,911	567,000	(107,059)	464,930
Awards	3,207	3,750	(543)	4,000	(793)	5,590
Mem Other	5,525	3,047	2,478	13,000	(7,475)	8,865
Jobs	6,675	6,650	25	30,000	(23,325)	26,677
Advocacy		23,500	(23,500)	25,000	(25,000)	26,700
Books	21,202	14,136	7,066	131,000	(109,798)	30,843
Journals	276,740	835,717	(558,977)	1,240,000	(963,260)	1,048,166
Fisheries						45
Total Revenue	783,352	1,492,741	(709,391)	3,780,000	(2,996,649)	3,510,247

	2018	2017	Var	2018 Bgt	Var	2017
Expenses						
Administration	110,668	75,952	(34,716)	320,000	209,332	569,365
Staff Costs	548,410	523,904	(24,506)	2,139,000	1,590,590	2,029,516
Technology	18,337	1,064	(17,273)	39,000	20,663	36,403
Communication	566	26	(540)	11,000	10,434	1,585
Web	9,912	6,985	(2,926)	19,000	9,088	40,131
Development		433	433	12,000	12,000	3,234
Continuing Education	280		(280)	10,000	9,720	20,132
Rotenone				16,000	16,000	
Certification	44		(44)	1,000	956	404
Other Education				1,000	1,000	2,040
Board	13,967	22,828	8,861	54,000	40,033	46,008
Committees				2,000	2,000	
Hutton	62	1,991	1,929	123,000	122,938	96,291
Cornell	26,385	20,114	(6,271)	61,000	34,615	88,792
Annual Meeting	73,881	35,469	(38,412)	818,000	744,119	758,089
Other Meetings				1,000	1,000	488
Membership	28,561	26,396	(2,165)	114,000	85,439	134,627
Awards	451	966	515	15,000	14,549	5,791
Mem Other	1,058		(1,058)	1,000	(58)	1,043
Units		577	577	1,000	1,000	577

	2018	2017	Var	2018 Bgt	Var	2017
Advocacy	4,105		(4,105)	27,000	22,895	5,099
Books	9,833	10,068	235	25,000	15,167	32,213
Journals	14,045	6,180	(7,865)	152,000	137,955	168,741
Fisheries	1,267	5	(1,262)	7,000	5,733	2,750
Total Expenses	861,832	732,958	(128,873)	3,969,000	3,107,168	4,043,319
Net Change from Operations	(78,480)	759,783	(838,264)	(189,000)	110,520	(533,072)
Non Operating (shown on a net basis)						
Rotonone						(3,856)
Restricted contributions	18,560	7,124	11,436	285,000	(266,440)	98,779
Total Non Operating	18,560	7,124	11,436	285,000	(266,440)	94,923
TOTAL NET CHANGE	(59,920)	766,907	(826,828)	96,000	(155,920)	(438,149)

Take-Aways and Buts ...

- ▶ Financial position is improving but to maintain this level, many things have to go right
- ▶ Membership off to good start but lagging last year by -4%
- ▶ AC team selling exhibits and sponsorships but sales are trailing last year so far
- ▶ A lot riding on the “Big 3” Meeting, Membership and Publications ... plus Investments!
 - ▶ Below expected results in any of these categories may require taking funds from investments
 - ▶ AFS has little control over investment gains and losses

Performance Indicators Meeting Registrations 2016 - 2018

Annual Conference Weeks Out Reg Counts

<u>Event Year</u>	<u>City</u>	<u>Event Weeks Out 9</u>	<u>Event Weeks Out 8</u>	
2016	Kansas City	422	522	
2017	Tampa	388	532	
2018	Atlantic City	362	362	← 385 as of today!

Performance Indicators AC Meeting Exhibits and Fundraising

- ▶ **Exhibits**
 - ▶ 44 booths sold so far in 2018 vs. 59 last year. Budget = 80 booths or \$95,000
- ▶ **Sponsorships**
 - ▶ \$61,000 raised in 2018 vs. \$52,000 last year. Budget = \$130,000

Performance Indicators Membership May, 2016 - 2018

	Life	Regular	Yprof	Student	Dev	Retired	Honorar y	Totals
2018May	759	3,134	941	1,438	96	414	11	6,793
2017May	768	3,265	987	1,438	62	373	11	6,904
2016May	767	3,256	796	1,329	46	351	11	6,556
2018 over 2017	(9)	(131)	(46)	-	34	41	-	(111)
2018 over 2017	-1%	-4%	-5%	0%	55%	11%	0%	-2%

Investment Returns - Model Portfolio



Trailing Returns*	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	-0.59	9.66	6.86	9.21	8.63
Benchmark Return	-0.07	12.62	7.41	8.79	7.15
+/- Benchmark Return	-0.52	-2.96	-0.55	0.42	1.48

*Full return history is not available for all securities. Please see Return Participation disclosure.

Investment Advisor Commentary

- ▶ Security markets have been extremely volatile since the beginning of the year and went negative the last week of the quarter (Q1 2018)
- ▶ The Moderately Aggressive benchmark was down -0.83% for the year, and the Moderate benchmark, down -0.91%.
- ▶ Your returns, down -0.95%, are within range of these benchmarks, although we work to do better than these targets (Returns came back to even for the year as of April 26) Both equity and bond markets took a hit in the period.
- ▶ The S&P 500 US Total Return index² was down -0.76%, and Barclay's US Aggregate Bond Index fell to -1.46%. Past performance is no guarantee of future performance.

Restricted Funds

Fund Description	Balance 3/31/2018
Skinner Memorial Fund *	388,009
Publications Endowment Fund	791,798
J. Francis Allen Scholarship Fund	258,592
Sniezko Endowment Fund	68,716
Sully Fund	6,433
CRS/International Fisheries Endow. Fd	318,466
Shelby Gerking Education Fund	82,818
Hutton Fund	4,345
Steve Berkeley Fellowship	370,495
AFS 2000 Fund	125,388
Obligated Reserve	146,083
Total	\$2,561,064
Joan Duffy	345
Disaster Relief Fund	(0)
World Council of Fisheries	(0)
Past president's Endowment Fund	42,311
Puerto Rico Fund	10,993
Combined Federal Campaign/ Disaster Relie	8,678
Total	\$62,326
Chapter Investments	\$221,759
Grand Total	\$2,845,149

Example Fund Report

Fund or Unit Name:	Publications Endowment	
For the period ending:	3/31/2018	
Investment Contributions	Date	Amount
Total Invested		\$0
	Calendar Year	Year-to-Date
Description	2017	2018
Beginning Balance	\$688,051	\$786,763
Contributions	\$170	\$180
Withdrawals	\$0	\$0
Income	\$16,341	\$2,950
Gains / Loss	\$85,827	\$2,880
Fees	-\$3,626	-\$973
Ending Balance	\$786,763	\$791,800

Other Updates

- ▶ **New Opportunities**
 - ▶ Advertising income; Society Marketing; Membership committee
- ▶ **Investments**
 - ▶ Committee has received responses from award fund managers
 - ▶ Began issuing quarterly award / chapter fund reports
 - ▶ Will begin revising investment policy
- ▶ **Audit**
 - ▶ Awaiting final reports for 2017 financial audit
- ▶ **2019 Budget**
 - ▶ Staff have begun 2019 budget preparations. Hope to have key directions to share with you next month

Budget Timeline

- ▶ **June 2018-** Budget orientation, staff goal setting
 - ▶ June 6 staff meeting
 - ▶ June 14, 15, 18, 20 Individual department goal setting meetings-
- ▶ **July 2018-** managers finalize POW and complete budget worksheets
 - ▶ July 9 issue budget outline for MC call
 - ▶ July 16 MC call budget briefing
- ▶ **August 2018-** Staff budget review meetings; MC-GB budget approval
 - ▶ August 2-6 staff finalize budgets and written reports
 - ▶ August 9 issue materials to MC and GB
 - ▶ August 18 MC/GB meeting