



**Association Meeting Agenda and
Documents
NH Dept. of Environmental Services Office
June 17, 2015**

Gulf of Maine Association Board of Directors Meeting

(All times are EDT)

| Wednesday, June 17, 2015 NH Dept. of Environmental Services Office, 222 International Drive, #175, Portsmouth, NH Call In Information: 1 888-206-2266 Passcode: 5764669 | | |
|--|--|---|
| 12:40 PM | Welcome and Introductions <i>W. Donald Hudson, Chair</i> | |
| 12:45 PM | Consent Agenda December 16, 2014 Gulf of Maine Association Meeting Summary | ✓ For Approval (p. 2-3) |
| 12:50 | Election Of Officers <i>W. Donald Hudson, Chair</i> | ✓ For Approval (p. 4) |
| 12:55 PM | July 2014 – June 2015 Budget vs. Actual <i>Cindy Krum, Executive Director</i> | ✓ For Approval ("GOMA Financial and Scope of Work Documents") |
| 1:05 PM | July 2015 – June 2016 GOMA Operating Budget and Associated All Contractor Scope of Work Document <i>Cynthia Krum, Executive Director</i> | ✓ For Approval (p. 4-5 and "GOMA Financial and Scope of Work Documents") |
| 1:20 PM | Canadian Association Financial report <i>Robert Capozzi, Canadian Association Secretariat</i> | ✓ For Approval |
| 1:25 PM | Planning for the Future <i>W. Donald Hudson, Chair</i> <i>Cynthia Krum, Executive Director</i> | ✓ For Approval (p. 5-6) |
| 1:40 PM | Other Business/Items Removed from Consent Agenda | ✓ For Information |
| 1:50 PM | Recess | |

Consent Agenda

| Gulf of Maine Association Meeting Briefing Note | | | | | |
|--|---------------------|---|----------------------|---|--------------------------------------|
| Title of Agenda Item: December 16, 2014 Gulf of Maine Association Meeting Summary | | | | | |
| Submitted by: Cynthia Krum | | | | | |
| Type of Item (place X in appropriate box) | For Decision | X | For Direction | For Information (internal GOMA) | For Information (External) |
| <p>Meeting Summary for the Gulf of Maine Association Meeting via Teleconference December 16, 2014 10:00 AM EST</p> <p>Board of Directors members in attendance: Steve Couture (proxy from Thomas Burack); Kathleen Leyden; Don Hudson; Priscilla Brooks; Lee Sochasky; Perry Haines; Bruce Carlisle Directors not in attendance: Ru Morrison Others in attendance: Theresa Torrent; Robert Capozzi; Randy Libby (Marshall and Libby) Tonya Libby (Marshall and Libby); Christophe Rivet (EC), Lisa Muton (EC) Contractor support: Cynthia Krum</p> <p>Consent Agenda</p> <p style="margin-left: 20px;">A. June 18, 2014 Gulf of Maine Association Meeting Summary B. Fund development Update</p> <p>Approval of the consent agenda was: Moved: Lee Seconded: Steve Unanimously approved</p> <p>2013-2014 Audit Presentation and Annual Indirect Rate</p> <p>Randy Libby of Marshall and Libby, LLC presented the audit page by page as laid out in the “GOMA FY 14 Audit and Indirect Cost Rate” document. Items he pointed out included:</p> <ul style="list-style-type: none"> • There is a \$-14,173 foreign exchange transaction • The A133 report starts on page 14 and that the major program that was investigated was for habitat restoration. He explained that because it was the final year of this project it was deemed a higher risk than the NROC projects. • He explained that the indirect expenses remain steady, but that more direct expense has brought the indirect percentage down to 14.45 % from 18.14% in the prior year. • There were no findings - accounting, etc. is all in compliance. • He thanked Lori in particular as well as Cindy for their quality work. <p>Questions included:</p> <ul style="list-style-type: none"> • More information on the Environment Canada grants receivable on page 11 (this was a receivable to GOMA at that time not to the Canadian Association) • More thorough explanation of the foreign exchange transaction on page 5 (GOMA budgets for exchange rate are based on an average of prior year rates; sometimes there is a loss, sometimes a gain. Due to time taken for fund transfer method, typically GOMA cannot adjust for actual exchange rate.) <p>Approval of the Audit was: Moved: Lee</p> | | | | | |

Seconded: Steve
Unanimously approved

Approval of the 14.45% indirect rate to be used for new funding applications as of December 17, 2014 was:

Moved: Lee
Seconded: Steve
Unanimously approved

Budget vs. Actual Report, July 2014 – June 2015 Revised Budgets, FY 15-16 Budget Estimate, and Six-Month Contractor Scopes of Work

Budget materials were presented as laid out in the “GOMA Financial and Scope of Work Documents.” Other discussion included:

- Under the Expenses category change “Fiscal Agent Services” to “Fiscal Agent Expenditures”
- With the federal funding proposals that have been submitted, how much additional indirect revenue might there be? Cindy said there is a spreadsheet uploaded on the meeting section of the website that shows the exact amount. It is approximately \$30,000 for FY 15 – 16.
- It was pointed out that we need to continue to encourage dues from all jurisdictions. It was also noted that Environment Canada will no longer be providing funds for core services in lieu of dues
- It was noted that the contract for Lori Hallett, Finance Manager, was still being negotiated.

All financial reports and scopes of work were:

Moved: Steve
Seconded: Priscilla
Unanimously approved

Next Steps for GOMA – Initial Thoughts

- Don stated that we did not have much time during this call to discuss the issues and recommended that the GOMA Executive Committee formally start the process.
- It was raised that the Working Group and Council Advisory Group would also review future of GOMA.
- Don stated that it is a two-step process:
 1. Plan for FY 15- 16 GOMA contracting. This includes how to carry out the current responsibilities and commitments that extend into FY 15-16.
 2. Determine the need for GOMA once the Council has determined their next steps
- It was determined that Cindy would coordinate a GOMA Executive Committee call in early January to begin work on step one.

Canadian Association Financial report

Robert Capozzi presented the Council of Atlantic Premiers, Trust Fund GOMC Association of Canadian Delegates Account, Statement of Change in Trust Fund Balance for the 8 months ended November 30, 2014. He presented the information per the Attachment.

Other Business/Items Removed from Consent Agenda/Conflict of Interest Policy

Cindy asked Board members to be in contact with her if they have any suggestions for storage of GOMA files.

Adjournment

Moved to adjourn: Lee
Seconded: Steve
Unanimously approved
Meeting Adjourned at 11:05 AM EST

Meeting Summary prepared by Cynthia Krum, GOMA Executive Director

Actions, Outcomes or Decisions Requested (optional):

Approval

Action Agenda

| Gulf of Maine Association Action Agenda Meeting Briefing Note | | | | | |
|--|---------------------|---|----------------------|---|--------------------------------------|
| Title of Agenda Item: Election of Officers | | | | | |
| Submitted by: Cynthia Krum | | | | | |
| Type of Item (place X in appropriate box) | For Decision | X | For Direction | For Information (internal GOMA) | For Information (External) |
| Background (required): The GOMA Officers were elected June, 2012 for a three year term. Although some were changed in June 2014, there needs to be an official re-election for another 3 year term. Officers are as follows: Don Hudson as Chair Lee Sochasky as Vice Chair Priscilla Brooks as Secretary Steve Couture as Treasurer | | | | | |
| Actions, Outcomes or Decisions Requested (optional): For action agenda vote. | | | | | |

| Gulf of Maine Association Briefing Note Meeting Briefing Note | | | | | |
|--|---------------------|---|----------------------|---|--------------------------------------|
| Title of Agenda Item: Fiscal Year 2015-2016 Operating Budget and Associated Scopes of Work | | | | | |
| Submitted by: Cynthia Krum and GOMA Executive Committee | | | | | |
| Type of Item (place X in appropriate box) | For Decision | X | For Direction | For Information (internal GOMC) | For Information (External) |
| Background (required): Details on FY 2015 – 2016 Proposed Operating Budget <ul style="list-style-type: none"> • GOMC and Fiscal Agent Expense Predictions <ul style="list-style-type: none"> ○ GOMC predicted direct expenses are \$199,819 ○ Fiscal Agent predicted direct expenses are \$392,295 ○ Total budget (including GOMA management and administration) is \$698,988. • Unrestricted net asset balance <ul style="list-style-type: none"> ○ Prediction for FY 2014-2015 year-end at June 30 is \$119,993. ○ If contracting in 2015-2016 goes as budgeted, FY 16 year-end prediction is \$75,385. Details on GOMA Management and Administration and Core Service Contracting <ul style="list-style-type: none"> • GOMA Management and Administration Contracting: <ul style="list-style-type: none"> ○ For the first six months of fiscal year 2015 – 2016 it is recommended that GOMA contractors remain at current level due to need to complete A-133 audit and close out five grants. This is based on 2014 – 2015 fiscal year annual expenses at June 30, 2015 expected to be \$1,327,668. ○ The second six months of fiscal year 2015 – 2016 budgets reflect a 20% reduction to GOMA contractor fees. This will be discussed in November, 2015 when actual level of effort needed will be determined. Both GOMA management and administration contractors will begin with six month contracts. • Core Service Contracting: <ul style="list-style-type: none"> ○ The Council Coordination contract will remain at same level as 2014-2015 fiscal year | | | | | |

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| <p>for the first 6 months. The second six month contract is likely to remain at the same level of effort and funding. However, this will also be discussed in November based on available funding and level of effort needed</p> <ul style="list-style-type: none"> ○ The Information Technology contract will be for 12 months and was cut by approximately \$6,000 from the 2014-2015 fiscal year amount. This was based on level of effort needed. |
| <p>Actions, Outcomes or Decisions Requested (optional):</p> <ul style="list-style-type: none"> • Approval of 2015-2016 Operating Budget and Associated Scopes of Work • Acknowledgement that some unrestricted net assets are proposed for operating expense use |
| <p>Supporting Documentation (If applicable, list additional documents included in the Briefing Book following this Briefing Note):</p> <p>GOMA Financial and Scope of Work Documents</p> |

| Gulf of Maine Association Meeting Briefing Note | | | | | |
|---|--------------|---------------|---|------------------------------------|-------------------------------|
| Title of Agenda Item: Planning for the Future | | | | | |
| Submitted by: Cynthia Krum and GOMA Executive Committee | | | | | |
| Type of Item (place X in appropriate box) | For Decision | For Direction | X | For Information (internal GOMC) | For Information (External) |
| <p>Background (required):</p> <ul style="list-style-type: none"> • Use of unrestricted net assets: <ul style="list-style-type: none"> ○ The 2015-2016 Budget and early predictions for the 2016-2017 Budget both incorporate unrestricted net assets to cover needed contractor expenses. These funds have been saved for this purpose, but this is the first time they have been needed due to decreasing budgets. ○ GOMA need for contract support lags behind closing a year with a significant budget due to required audit and grant close-out procedures. ○ Predicted US federal income for fiscal year 2015 – 2016 is \$508,892. If this amount is \$500,000 or greater, and A-133 audit will be needed in the fall of 2016. GOMA needs to be sure to retain funding for contractor/audit expenses at that time. • Fiscal Year 2016 – 2017 Budget: <ul style="list-style-type: none"> ○ At this time the total predicted budget is \$222,378. ○ This number includes predicted GOMC dues and unrestricted net assets to cover first six months of GOMA expense. • Reliance on fiscal agent services: <ul style="list-style-type: none"> ○ In the past and upcoming year the majority of the budget has been for fiscal agent services. ○ Assuming that the need for fiscal agent services will diminish after for NOAA NROC grants are closed out by December 31, 2015, GOMA needs to plan for reduction in services. • Future Funding Applications: <ul style="list-style-type: none"> ○ Environment Canada plans to release new requests for proposals in summer, 2015. ○ NOAA NMFS and NOAA NOS have recently released Federal Funding Opportunities for climate change initiatives. ○ Committees such as the Climate Network and ESIP continue to look for other opportunities. ○ Future funding will primarily come from federal partners | | | | | |
| <p>Possible Activities / Next Steps (optional):</p> <ul style="list-style-type: none"> • GOMA is needed as the non-profit arm to continue to allow for management of GOMC funds | | | | | |

- Downsizing if additional funding is not received:
 - With the current known funding there would be less GOMA work by January, 2017 and contracting roles would be minimized.
 - Unrestricted net assets will be needed to contract for GOMA work in the first six months of Fiscal Year 2016-2017.
- Plans need to be made to reduce GOMA contracting. The GOMA Executive Committee (EC) recommends the following schedule:
 - GOMA EC meets in November 2015 to prepare initial ideas for a proposal for contracting starting January 2017.
 - GOMA Board discusses proposal at their December, 2015 meeting.
 - Additional meetings are held as needed and final decisions are made at the June, 2016 GOMA meeting.
 - During the course of the 2015-2016 fiscal year, GOMA is informed of the needs of the GOMC.

Actions, Outcomes or Decisions Requested (optional):

Approve schedule as outlined above.

Supporting Documentation (If applicable, list additional documents included in the Briefing Book following this Briefing Note):

GOMA Financial and Scope of Work Documents