

Waterbird Society - Treasurer's Report – Oct. 13, 2022

Prepared by: Christine M. Custer

Overview – The financial situation for our Society this year is grim, but not unexpected. On the positive side we are projected to have either a small surplus or, worst case scenario, a small deficit. We are catching up on publishing the journal with the diligent efforts of Gopi and Paige, 45(2) is in production and has just been mailed. We have maintained a positive gap between revenue and expenses (Fig. 1) since about 2005, however that will not be the case this year. Based on revenue and expenses to date (Oct. 11, 2021), we will hopefully finish the year slightly in the black, but exactly by how much is unknown. Some of our revenue sources, like page charges, are very uncertain, as are the exact cost of printing the next 2 issues of *Waterbirds*.

On the revenue side (Fig. 2), we still have three main sources of revenue and continue the trends from the past several years with BioOne & JSTOR being our largest revenue source, and our page charge revenue (~\$25K) and membership dues (~\$15K) as less. Our electronic revenue (BioOne and JSTOR) is for electronic usage in 2021 and should now start a gradual increase again now that we have started to add issues of *Waterbirds* back into their system. Our BioOne and JSTOR revenue is determined by how many pages are in our inventory and how many times our journal is accessed. Our page charge revenue has started to recover, again as a result of publishing the journal, and because author's organizations (Univ., gov., etc.) have recovered from COVID-related issues. Worrysome, partly because of actual revenue generated, but also because it reflects our membership numbers, is the continued downward trend in memberships. The membership revenue in 2021 (\$14.4K) is less than it was 2 decades ago.

On the expense side (Fig. 3), our print and mailing costs for our journal are our largest expense and will ~double because we have 2 more issues to publish this year. Our 'Other' expenses are varied and are only slowly increasing; that is a good thing. The 'Other' category includes basic operating costs such as web page hosting, the fees paid to Schneider to handle our membership details which is being terminated this month, Scholar One (billed as Clarivate), insurance, credit card fees, etc. The third largest expense is the Editors Office. In 2022, we paid Andy for his remaining work on vol 44 plus we began reimbursing both the Editor-In-Chief and Managing Editor. We still have both of those expenses to be paid by the end-of-the year for the remaining 2 issues. This year, because we did not anticipate having any projected surplus in the operating budget, we did not have any special projects. Last year we purchased access to DRYFTA to provide meeting software as a Special Project. This year that expense is being covered by the Corpus Christi meeting. See the attached Special Projects list for more detail on the types of projects that can qualify as a special project. This is a living document so projects can be added as needed.

For Special Projects, our policy is to identify projects that enhance the Society and then set that money aside from our Operating surplus for dispensation the following year rather than it being transferred into the general endowment and then removing it later on in the year. Council decided several years ago to spend up to ~30% of the projected Operating surplus in any given year (for 2021 = ~\$12,000 per year) with the rest of the surplus going to the general endowment. If a Special

Project becomes a re-occurring expense then it is moved to the Operating budget in subsequent years. Two examples of this are DRYFTA and Scholar One which were paid for this year as a Special Project, but will in the future be a standard operating expenses. Over the past several years, one of our reoccurring special projects has been to increase travel funds for student travel, but also to occasionally fund scientists from developing countries to attend our annual scientific meeting (appendix Project #4). Because Council approved the use of meeting proceeds to fund this activity, this activity will now be funded from a dedicated fund to pay those expenses. The annual amount authorized is \$5000/year from past meeting profits to augment the revenue from the silent auction, but this year we increased the amount to \$7000/year.

While Ricardo and/or Jennifer will provide more detail, our investments are doing very well, but note the market correction we are currently in. Our investments are being well managed by Parsec Financial in Ashville, North Carolina. All annual financial reports are available at www.waterbirds.org.

Specific details for our operating costs to date in 2022 are in Tables 1 and 2. I have included in red anticipated revenue and expenses until the end of the year, but to highlight a few details. We transfer money annually from the 3 endowment accounts to the operating budget to pay for the Society, Nisbet, and Kushlan research grants. A like amount is then shown below under Expenses. We front end load most of our revenue, except for page charge revenue, so what is listed is pretty much all that there will be for the year. Our revenue from membership dues was \$14,381 this year and I don't anticipate much additional revenue. Our page charge revenue is \$19,915 but anticipate that some additional will be collected because 45(2) is currently at the printers and should be out to members within the next month. It is at that point that I bill the authors. We have received \$110,417.80 total to date. The miscel. income is \$55.70 from Amazon Smile, CapitalOne credit card cash back, etc.

On the expense side, Allen Press stores our extra back issues and takes care of sending out hard copies that are lost or damage in the mail, etc. The Kushlan and Nisbet awards, and the Society's research award have been distributed. The credit card fees are for page charges that are charged on a credit card (3%± of amount charged), plus the monthly fees for security and access fees etc. charged by the credit card companies. There may be some additional payments to the credit card companies depending on whether or when page charge invoices can be sent. The Dues category covers Ornithological Council (\$6K), and the rest is for payments to the Schneider Group and a small amount for OE. Our quarterly payments to the Schneider Group (~\$2165 each) are now at an end, but we will be substituting payment to MemberClicks for membership services. We still have payments to our Editor-In-Chief and Managing Editor, and payment to our printer, E.O. Painter Printing, to print and mail 45(2) and perhaps 45(3). There will be some additional Professional fees for our IRS 990 preparation. Right now, we have an operating surplus of \$0

Past President Dave Moore had asked me last year to discuss what our process is for requests to fund 'big-ticket' items (>~\$5000) that are outside the Special Projects process. This discussion continues to be relevant, so I'll repeat my thoughts. I suggest the following: (1) the initiator provides a detailed document and analysis of what the money is to be used for, including how it will

benefit the Society, specific costs, preferred vendors, duration of need, etc. (2) the document and analysis are provided to Council at the annual meeting, or via email if at other times of the year. (3) a robust discussion should occur prior to any motions being made to allow for free exchange of ideas, pros and cons, investigation of other means, mechanisms to address the issue, etc. There is a “relaxed” option under Roberts Rules of Order that permits informal discussion while no motion is pending. (4) If the idea is first presented at the annual meeting, because of limited time at the annual meeting for in-depth discussions, actual motions and decisions will be made at a later date to be determined at the meeting. (5) Once there is consensus that the idea is appropriate for the Mission of the Society, the costs are reasonable, etc., then a carefully worded motion or motions, will be prepared. Financial decisions of this magnitude need to be made only after careful deliberation and should not be rushed.

One final item that may impact our financial wellbeing going forward. The Federal government has mandated that all research published by federal government authors must be ‘open access’, i.e. free to readers, beginning in 2025. One unknown is will it negatively affect our revenue stream from BioOne. I think this is unlikely because we should still receive revenue from BioOne because access to this resource is on a subscription basis and should not be influenced by the few articles designated open access by specific journals. What the Society may need /chose to do, however, is to offer access to a PDF of the articles authored by federal government employees free of charge from our webpage. This could be a simple solution. How this is handled by BioOne needs to be investigated, however, to be sure we are not violating our contract with them. We further need to investigate whether the government of Canada is anticipating putting a similar rule into effect.

End of 2022 Treasurer’s Report

Budget 2023

The budget for 2023 is similar to, and uses the totals from our 2022 operating budget (Table 3). We are projecting to have little if any surplus next year either.

Figure 1. Summary of all revenues and expenses October 3, 2022

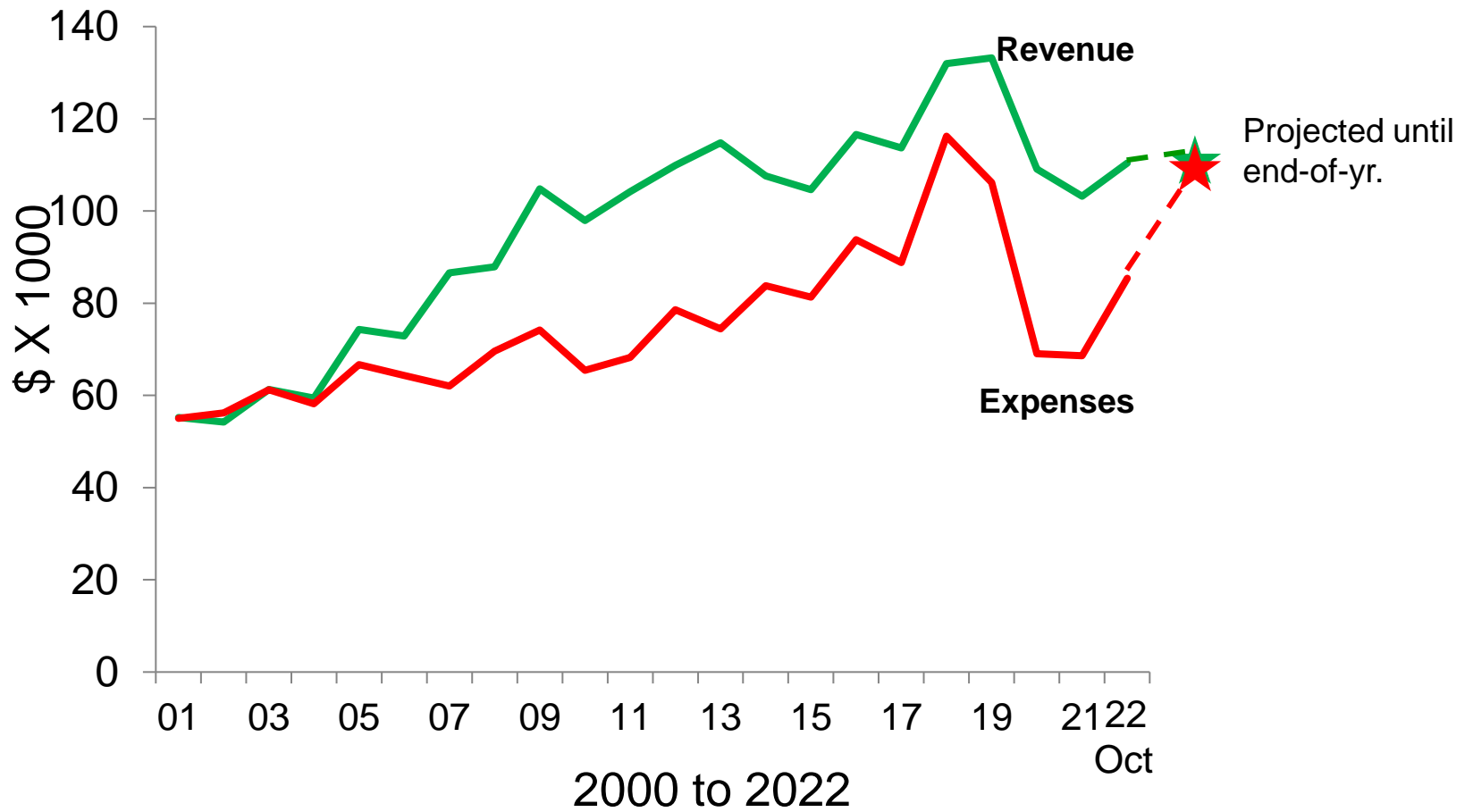


Figure 2. Main revenue sources

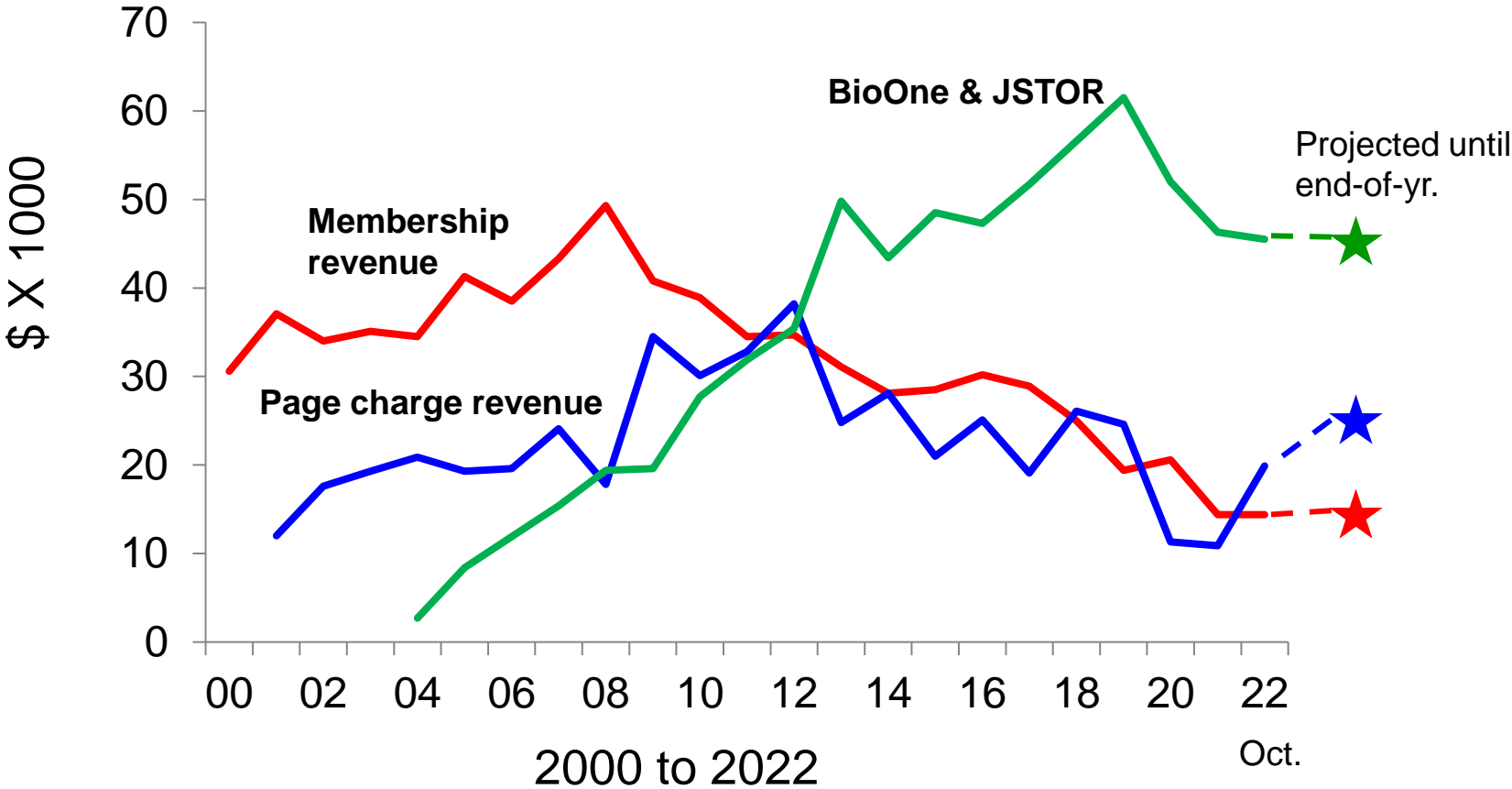


Figure 3. Main expense sources

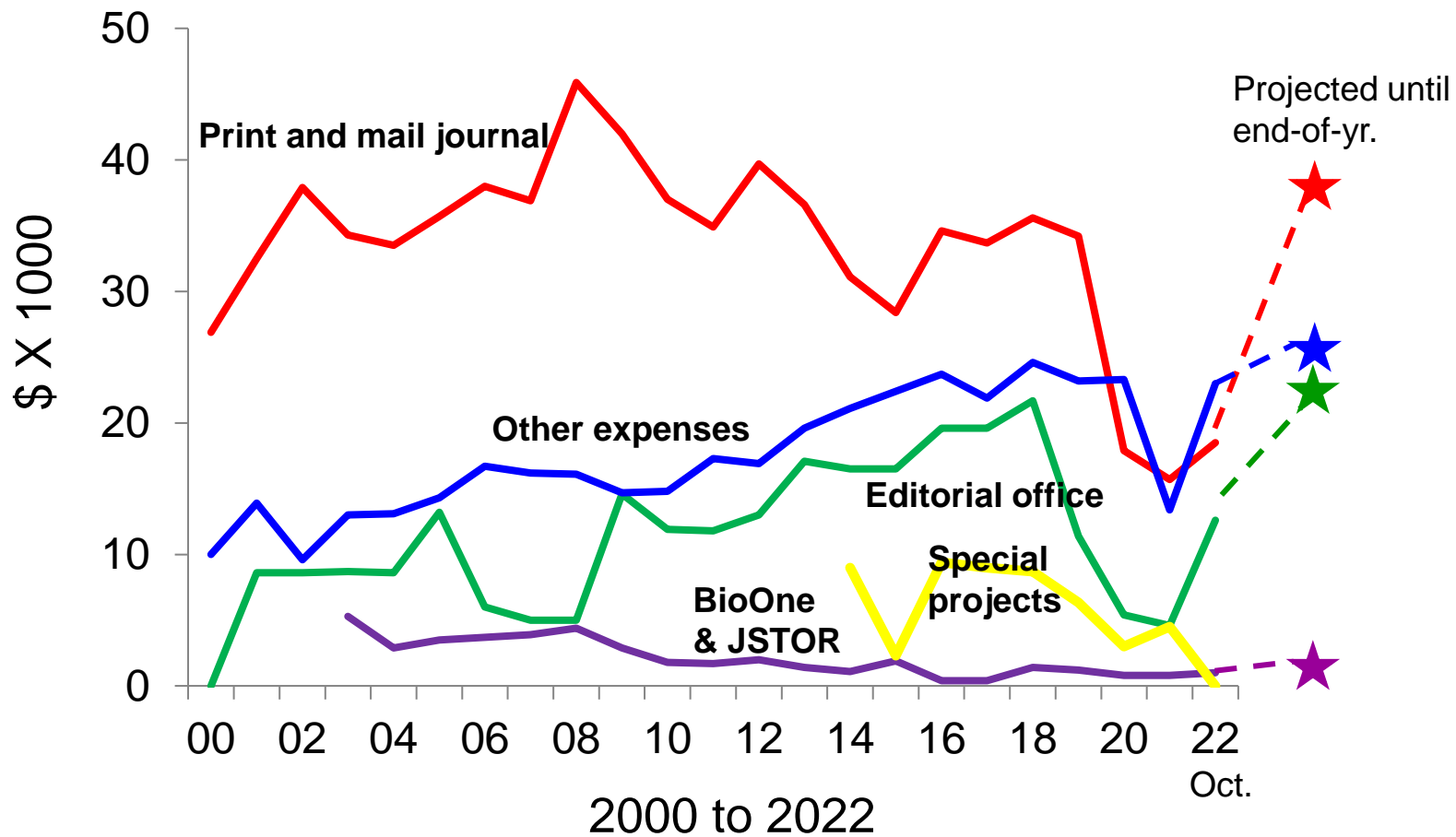
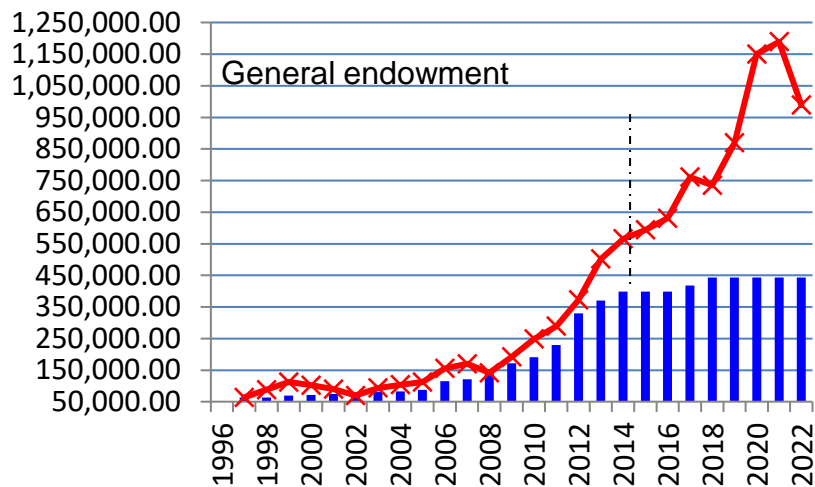


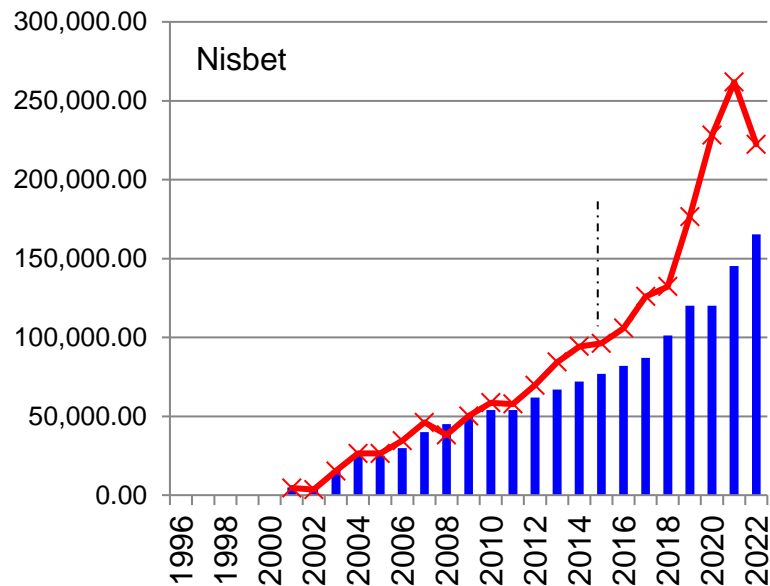
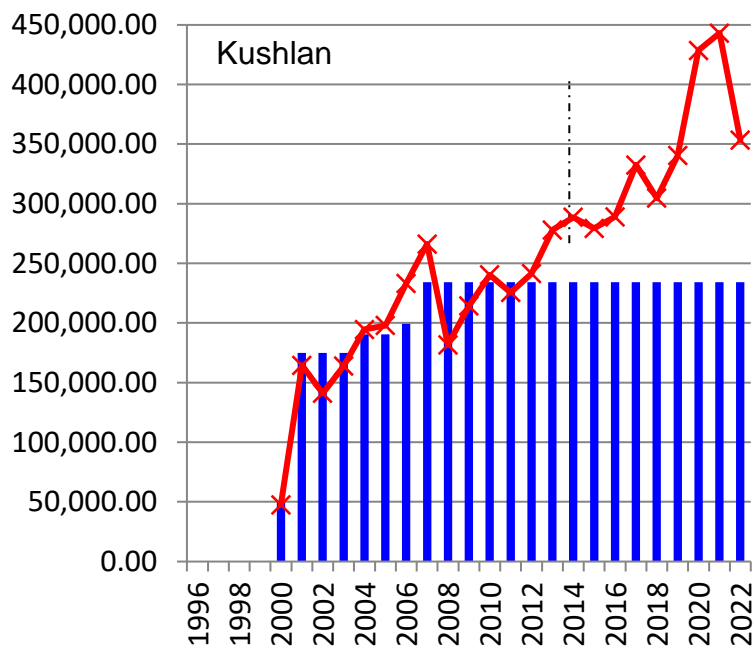
Figure 4. Investment summary since inception
















■ Principal = WbS money added through time (meeting proceeds, life memberships, operating excess, etc.) or money donated by Nisbet and Kushlan to their respective funds.







x Current value based on number of shares owned and the value of those shares on that day.

- - - Financial management moved to Parsec Financial



Appendix . List of Special Projects and their status.

Special Project title (see full description in footnote below for each numbered entry)	Cost 1-time or reoccurring cost	Timeframe ^a	Priority / Status	Enhancement			
				Membership	Journal	Meeting	General Society
1. Establish a research fund analogous to, but complimenting the Nisbet and Kushlan Funds	\$2000/year	Medium	 Done!				
2. Provide logistical aid in support of meeting: purchase meeting software (registration and abstract submission), development, or rental	\$3000 - \$4000 if purchased/programed, or \$4500 - \$7500 /year if contracted	Short	 Done!				
3. Teleconference ability enhancements	?	Short					
4. Travel award enhancements	\$3000 - \$5000/year	Short	 Done!				
5. Miscel. meeting enhancements	\$1000/year	Long					
6. Recognition awards	\$3000/year as needed	Short	 Done!				
7. Expand number of pages published	\$2000 - \$4000/year	Long					

9 – Archive and oral history at 40 th annual meeting	One time -????	Short					
10. Web page design	One time - Up to \$5000	Short					
11. Stipend for Past Presidents or Editors to attend 40 th annual meeting	One time - ????????	Short					
Other projects							

^a time frame for implementation

- DONE** - There are now worthy, but unfunded research proposals being received by the Nisbet and Kushlan award committee. There is now perhaps room for some of these proposals to be funded by the General Endowment. This would be done only after consultation with both Ian Nisbet and Jim Kushlan so that the value of those two award funds is not diminished in any way. The Nisbet and Kushlan awards were established to fund research on gulls and terns (Nisbet) and long-legged wading birds (Kushlan). On occasion that mandate has been broadened to include conservation activities on those taxa rather than strictly research. A niche for the General Endowment might be to fund conservation activities and leave the other two endowments for research projects. Another niche might be to fund waterbird studies on other groups of Waterbirds e.g. marsh birds or waterfowl. Other options should be considered as well. A tentative amount could be set at \$1500 - 2000/year to be consistent with the other two awards.
Assessment metrics: 1. A greater diversity of proposals submitted for consideration. 2. A greater number of proposals submitted for consideration. 3. Higher quality of proposals submitted.
- DONE** - The annual scientific meeting is a critical aspect of the WbS's mission. As the membership has grown, and the size and complexity of the annual meeting has increased, it has become more difficult to find individuals willing to step forward and organize these meetings. There are two aspects to hosting a successful annual meeting: the scientific program and the logistical detail. Those logistical details include many mundane tasks such as accepting registration fees, printing up name badges and receipts, organizing a web page, accepting abstracts etc., etc., all of which are needed to have a smooth running meeting. These details can be time consuming and the learning curve steep. The WbS could help with the latter by providing

Table 1 - Operating

6:57 PM

10/02/22

Accrual Basis

Waterbird Society Profit & Loss January 1 through October 2, 2022

	Jan 1 - Oct 2, 22	
Ordinary Income/Expense		
Income		
Awards-donations	30,277.00	transferred from Endowments
BioOne	41,434.00	
Interest Income	268.85	
JSTOR	4,086.05	
Membership Dues		
credit card fees	-683.80	
donations	915.00	
Emeritus	390.00	
Family Dues	170.00	
Life Dues	1,000.00	
OSNA miscel.	-225.00	
over/short	-20.00	
Regular Dues	9,435.00	
Student Dues	880.00	
Subscriptions	2,520.00	
Total Membership Dues	14,381.20	
Miscellaneous Income	55.70	Amazon Smile, Cengage, etc.
Page Charges		
41(1)	1,300.00	
43(3&4)	250.00	
44(1)	2,480.00	
44(2)	6,645.00	
44(3)	3,300.00	
44(4)	5,940.00	
Total Page Charges	19,915.00	+5,000
Total Income	110,417.80	
Expense		
Allen Press	681.76	+\$682
Awards		
Kushlan Award	15,875.00	
Nisbit Award	7,100.00	
Society Research Award	7,304.98	
Total Awards	30,279.98	
BioOne-expenses	965.60	
Credit Card fees	1,746.85	Monthly + 3% of charges
Dues	11,773.34	Schneider & OC (\$6K)
Insurance	2,551.00	
Journal Editorial Office		
Editors expenses	4,639.72	
Managing Editor	8,000.00	
Total Journal Editorial Office	12,639.72	+\$6,502
Miscellaneous Expense	65.00	wire fees
Officer Expenses		
Treasurer	42.70	
Total Officer Expenses	42.70	postage stamps
Printing & Postage		
44(3)	7,890.68	
44(4)	10,645.97	
Total Printing & Postage	18,536.65	+\$21,292

6:57 PM

10/02/22

Accrual Basis

Waterbird Society
Profit & Loss
January 1 through October 2, 2022

	Jan 1 - Oct 2, 22	
Professional Fees	6,127.02	--- Maine Hosting, Zoom, 990
Total Expense	85,409.62	prep. Clarivate (ScholarOne)
Net Ordinary Income	25,008.18	= \$4420
Net Income	<u><u>25,008.18</u></u>	

\$28,476 total in
outstanding expenses!
\$5,000 in possible
revenue

Estimated to be in ~\$1,500
in the black

Table 2 - Balance sheet

8:02 PM

10/02/22

Accrual Basis

Waterbird Society

Balance Sheet

As of October 2, 2022

Oct 2, 22

ASSETS

Current Assets

Checking/Savings

Cash in Checking

13,558.91

Meeting_checking

9,907.01

Money Market

137,432.84

Parsec

Kushlan - cash

15,529.99 Values as of Jan. 1, 2022

Kushlan DFA Emerging Markets

7,784.00

Kushlan DFA Inflation Protected

8,101.94

Kushlan DFA Internation Sustain

25,599.65

Kushlan DFA Invest Grade

24,508.20

Kushlan DFA Short term extended

35,084.20

Kushlan DFA Social Core Equity

28,937.44

Kushlan DFA US Sustaine Core

39,954.94

Kushlan Dodge&Cox Global Bond

22,926.89

Kushlan Fidelity contra

72,705.26

Kushlan First Trust Water

7,773.60

Kushlan Invesco FD TR Water

5,779.80

Kushlan ishares ESG AW EAFE

37,107.82

Kushlan ishares ESG AWR MSCI EM

8,188.50

Kushlan ishares ESG AWR MSCI US

48,339.20

Kushlan Openheim. Int Bond FD

1,859.99

Kushlan Oppenheim. Int. Bond

-1,859.99

Kushlan Parnassus Core Equity

26,906.18

Kushlan TIAA CREF Impact Bond

9,989.46

Kushlan Vanguard Inflation

16,675.96

Kushlan Vanguard World FD ESG U

1,175.60

Nisbet - cash

5,229.09

Nisbet DFA Emerging Market Soci

8,840.45

Nisbet DFA Inflation Protect

4,023.57

Nisbet DFA Internat Sustain Co

8,519.54

Nisbet DFA Short Term Extend Qu

19,876.41

Nisbet DFA US Sustain Core

68,993.29

Nisbet Dodge&Cox Global Bond

12,401.19

Nisbet First Trust Water

4,360.80

Nisbet ishares Core S&P

18,964.96

Nisbet iShares ENTL Aggregate B

1,799.49

Nisbet ishares ESG AW MSCI EAFE

24,950.44

Nisbet ishares ESG AWARE MSCI

15,039.36

Nisbet ishares ESG AWR MSCI EM

4,412.25

Nisbet ishares ESG AWR MSCI USA

15,645.50

Nisbet iShares TR ESG AWRE

3,873.15

Nisbet iShares TR FLGT Rate NR

507.30

Nisbet JP Morgan Corporate Bond

16,651.75

Nisbet Parnassus Core Equity

13,261.23

Nisbet Schwab Strategic TR US

377.34

Nisbet Vanguard Inflation

10,134.50

Nisbet World FD ESG US

3,967.67

Society - cash

37,217.27

Society DFA Emerging Markets

27,080.55

Society DFA inflation Protected

21,978.04

Society DFA Internat Sustain Co

59,759.85

Society DFA Invest Grade

65,277.94

Society DFA Short Term Extended

54,380.02

Society DFA US Social Core Equi

77,205.16

Society DFA US Sustain Core

183,384.23

Society Dodge & Cox

63,921.04

Society Fidelity Contra

116,194.92

Society First Trust Water

20,287.20

Society INC ESG AWR MSCI EM

17,847.75

Society Invesco FD TR Water

15,696.72

Society JPMorgan Corporate Bond

24,463.42

Society Parnassus Core Equity

79,857.88

Society TIAA CREF Core Impact

6,986.62

Society TR ESG AW MSCI EAFE

108,383.44

Waterbird Society
Balance Sheet
 As of October 2, 2022

	<u>Oct 2, 22</u>	
Society TR ESG AWR USA	121,387.50	
Society Vanguard InflationProof	44,793.68	
Society Vanguard Short Term Inv	42,271.93	
Society Vanguard World FD ESG U	955.18	
Total Parsec	<u>1,894,228.25</u>	
Total Checking/Savings	<u>2,055,127.01</u>	
Total Current Assets	<u>2,055,127.01</u>	
TOTAL ASSETS	<u><u>2,055,127.01</u></u>	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Holding - Corpus Christi meetin	-3,949.25	accumulated from meeting
Holding - meeting proceeds	59,940.43	profits for student travel to
Holding WoodStork	8,166.73	meetings
Total Other Current Liabilities	<u>64,157.91</u>	
Total Current Liabilities	<u>64,157.91</u>	
Total Liabilities	64,157.91	
Equity		
Retained Earnings	1,965,960.92	
Net Income	25,008.18	
Total Equity	<u>1,990,969.10</u>	
TOTAL LIABILITIES & EQUITY	<u><u>2,055,127.01</u></u>	

Table 3. Budget for 2023

7:42 PM

10/12/22

Accrual Basis

Waterbird Society Profit & Loss Budget Overview January through December 2023

	Jan - Dec 23
Ordinary Income/Expense	
Income	
Awards-donations	31,000.00 transferred from endowment
BioOne	43,000.00
Cengage	30.00
Interest Income	350.00
JSTOR	4,112.66
Membership Dues	14,400.00
Miscellaneous Income	60.00
Page Charges	25,000.00
Total Income	117,952.66
Expense	
Allen Press	1,200.00 storage, back issue claims, etc.
Awards	
Kushlan Award	16,130.00
Miscel	60.00
Nisbit Award	7,100.00
Recognition Award	500.00
Society Research Award	7,740.00
Total Awards	31,530.00
BioOne-expenses	1,648.00
Credit Card fees	2,000.00
Dues	15,000.00 \$6K OC, \$6K Memberclicks
Insurance	2,414.00
Journal Editorial Office	
Managing Editor	12,000.00
Journal Editorial Office - Other	5,000.00
Total Journal Editorial Office	17,000.00
Miscellaneous Expense	50.00
Printing & Postage	40,000.00
Professional Fees	6,200.00 Accountant, Scholar One, etc.
Total Expense	117,042.00
Net Ordinary Income	910.66
Net Income	910.66