

**Notice of Meeting & Agenda for the
Board of Directors for the Portland Fish Exchange
June 20th, 2019
3 pm at Portland Fish Exchange**

- 1) Call the Meeting to order and declare a Quorum**
- 2) Motion & Vote April 11th, 2019 Meeting Minutes**
- 3) Management Report**
- 4) Pollock Cull Discussion**
- 5) Report on Fish Pier Authority Board Activities - Tom**
- 6) Discussion on Setting a limited weekly Auction Schedule**
- 7) Public Comments**
- 8) Executive Session for GM Review**
- 9) Adjourn**

PORTLAND FISH EXCHANGE
Board of Directors Meeting Minutes
April 11th, 2019
3:00 p.m.

Members

Ellen Sanborn
Tom Valleau
Matt Tarasevich
Avis Leavitt
Nick Alfiero
Nick Mavadones

Staff

Bert Jongerden

Public

- 1) **Board President, Tom Valleau, called the meeting to order at 3:00PM with a quorum**
- 2) **Motion & Vote to Accept the January 17th 2019 Meeting Minutes**
 - *Board Action: A Motion was made by Nick Alfiero to accept the minutes, no discussion – vote was (6,0). Motion passed*
- 3) **Management Report**
- 4) **Whole Monkfish Unloading Discussion**

The GM reported-out on a recent meeting with a whole-monk buyer and a number of PFE's harvesters concerning returns and a possibility to reduce unloading fees.

 - *Board Action: By consensus, off-auction unloading fees will remain at 12cents/lb.*
- 5) **Motion & Vote to Authorize the President to sign First Amendment to the PFE-FPA Lease**
 - *Board Action: Ellen Sanborn made a Motion to Authorize the President to sign First Amendment to the PFE-FPA Lease, Vote was (6,0).*
- 6) **Motion & Vote to Approve a FY20 Budget**
 - *Board Action: Nick Mavadones made a Motion to approve the FY20 budget, Vote was (6,0)*
- 7) **Process to review the General Manager**
 - *Board Action: The Board will meet in Executive Session at the next scheduled meeting to conduct a review.*
- 8) **Adjourn**
 - *Board Action: Adjourned at 4:00pm.*



PORTLAND FISH EXCHANGE

Management Report June 20, 2019

<u>Fiscal 2020 Groundfish Landings</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Variance</u>
May	123K lbs.	240K lbs.	(-117K lbs.)
<i>June forecast</i>	<i>275K lbs.</i>	<i>180K lbs.</i>	<i>+95K lbs.</i>
Total YTD (5/01/19) <i>forecasted</i>	<i>398K lbs.</i>	<i>415K bs.</i>	<i>(-17K lbs.)</i>

<u>Financial Report</u>	<u>Net Income</u>	<u>Budgeted</u>	<u>Variance</u>
May	<u>(-\$25K)</u>	<u>(-\$4K)</u>	<u>(-\$21K)</u>
Total (5/01/18)	<u>(-\$25K)</u>	<u>(-\$4K)</u>	<u>(-\$21K)</u>

Financial Notes:

- Current receivables are \$159K – checkbook is \$86K – No LOC in use
- Total net cash & receivables is \$245K
- The seller rebate account stands at \$54K for the Mid Coast Sector
- FY19 ended April 30, 2019 – a Financial Review is scheduled with Wipfli starting June
- An actual to budget FY19 comparison is included with your board packet
- Have invoiced Waterfront Maine for Marine Use Fee - \$22K

Landings Notes:

- May landings were 115K – budget was 240K lbs., variance of (-125K lbs.) boats experienced weather issues, 1st of the new fishing year, rolling closures
- Day-boats started fishing June 1st when a rolling closure area opened, then dogfish moved-in
- Whole monk landings are 47K lb. MTD – forecasting 125K lbs. for June
- On July 1 all rolling closures end – should see a pick-up in landings- if dogfish move elsewhere
- Water temperatures are still quite cold – no lobsters being landed to speak-off

Operation Notes:

- ✓ Sea Star Fisheries has provided a Stand-By Letter of Credit
- Eliminated an operations position and laid-off a full-time staff member due to reduced landings
- Walk the Working Waterfront Tours were June 8th – PFE was unable to give tours this year due to a shortage of tour guides – typically 3 guides and 1 host. All had prior plans this year.
- ✓ Have taken-in 136 pallets of bait for cold storage

Facility Report

- Making needed improvements to PFE’s Network:
 - Purchased a new Virtual Host Server
 - Updated the SQL Server
 - Upgraded the financial software to a current version
 - Removing the Small Business Server- this version is no longer supported by Microsoft
 - Moving email to a cloud-based exchange server – only have 5 email accounts
 - Upgrading buyer remote auction access

Legislative/Regulatory/Misc. news

- The New England Fisheries Management Council met last week – no concerning actions

Portland Fish Exchange
Summary Financial Results
Fiscal May FY20

	Current Month			YTD			Total Budget to Actual		Prior YTD		Variance from Prior Year
	Actual	Budget	Variance	Actual	Budget	Variance	FY20 Budget	% Actual	Actual		
Landings in Lbs											
Groundfish	107,269	220,000	(112,731)	107,269	220,000	(112,731)	2,750,000	3.9%	116,255		6,561
Off-Auction	15,547	20,000	(4,453)	15,547	20,000	(4,453)	250,000	6.2%			
Pumping	0	60,000	(60,000)	0	60,000	(60,000)	2,000,000	0.0%	0		0
Net Revenue	\$ 59,735	\$ 96,116	\$ (36,381)	\$ 59,735	\$ 96,116	\$ (36,381)	\$ 1,190,463	5.0%	\$ 52,036	\$	\$ 7,699
COGS	6,998	9,749	(2,751)	6,998	9,749	(2,751)	121,425	5.8%	5,878	\$	1,120
Gross Profit	\$ 52,737	\$ 86,367	\$ (33,630)	\$ 52,737	\$ 86,367	\$ (33,630)	\$ 1,069,038	4.9%	\$ 46,158	\$	6,579
Operations Labor	\$ 38,767	\$ 46,871	\$ (8,104)	\$ 38,767	\$ 38,134	\$ 633	\$ 493,000	7.9%	\$ 30,287	\$	8,480
Operations Expense	\$ 1,617	\$ 3,375	\$ (1,758)	\$ 1,617	\$ 3,375	\$ (1,758)	\$ 40,500	4.0%	\$ 1,404	\$	213
Administration Expense	\$ 37,854	\$ 40,216	\$ (2,362)	\$ 37,854	\$ 40,216	\$ (2,362)	\$ 498,750	7.6%	\$ 30,089	\$	7,765
Total Expenses	\$ 78,238	\$ 90,462	\$ (12,224)	\$ 78,238	\$ 81,725	\$ (3,487)	\$ 1,032,250	7.6%	\$ 61,780	\$	16,458
Net Income	\$ (25,501)	\$ (4,095)	\$ (21,406)	\$ (25,501)	\$ 4,642	\$ (30,143)	\$ 36,788	-69.3%	\$ (15,622)	\$	(9,879)
Direct cost per lb.	\$0.36			\$0.36			\$0.18			\$	\$0.26

	\$ lb	%	Revenue	% to Total	Fish fee/lb.	Avg fish/lb.
Labor						
Direct	\$ 26,144	67%	Fish Fees \$ 27,084	45%		
Temp	\$0.00	0%	Pumping \$ -	0%	\$ 0.25	1.55
Taxes	\$ 2,469	6%	Tote/Pallets \$ 1,384	2%		
Benefits	\$ 6,333	16%	Boxes \$ 4,750	8%		
Work Comp	\$ 1,729	4%	Misc \$ 71	0%		
Overtime	\$ 353	1%	Warehousing \$ 4,224	7%		
Net Operations Labor	\$ 37,028	96%	Weighing \$ 1,797	3%		
Lumpers	\$ 1,739	4%	Berthing \$ 1,886	3%		
Total	\$ 38,767	100%	Rental \$ 15,067	25%		
			Lumping \$ 1,736	3%		
			Contract \$ 1,736	3%		
Total	\$ 38,767		Total \$ 59,735			

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	FY19	FY20	Variance	% Var
Groundfish Lbs. on auction	2,500,000	2,750,000	250,000	10%
Groundfish Lbs. off-auction	250,000	250,000	0	0%
Pumping	<u>9,000,000</u>	<u>2,000,000</u>	<u>(7,000,000)</u>	<u>-78%</u>
Total	11,550,000	5,000,000	(6,550,000)	-57%

REVENUE

Fish Fees	550,000	660,000	110,000	20%
Pumping	31,500	8,500	(23,000)	-73%
Misc. Unloading	10,000	15,000	5,000	50%
Off-auction fees	25,000	30,000	5,000	20%
Totes/Pallets	5,000	5,000	0	0%
Boxes/Cartons	112,500	94,875	(17,625)	-16%
Misc. Items	1,000	2,500	1,500	150%
Warehousing	78,800	70,000	(8,800)	-11%
Steaking/Weighing	40,800	36,000	(4,800)	-12%
Berthing	27,500	20,000	(7,500)	-27%
Rental Income	172,000	175,500	3,500	2%
Misc. Income	30,000	30,000	0	0%
Lumping	20,000	38,200	18,200	91%
Utility Reimbursement	9,000	8,000	<u>(1,000)</u>	<u>-11%</u>
Subtotal	1,112,300	1,193,575	81,275	7%

(Auction Discrepancy)	250	1,000	750
(Berthing Rebates).	550	2,000	1,450
Total	800	1,190,575	1,189,775

Net Revenue	1,111,500	1,190,575	79,075
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COST OF GOODS SOLD

Totes/Pallets	5,000	5,000	0	0%
Boxes/Cartons	61,875	56,925	(4,950)	-8%
Ice	41,250	54,000	12,750	31%
Tote Disposal	5,000	5,000	0	0%
Misc. Items	500	500	<u>0</u>	<u>0%</u>
Total	113,625	121,425	7,800	7%

Net Revenue	997,875	1,069,150	71,275	7%
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Operations

Labor	415,000	450,000	35,000	8%
Temporary Labor	15,000	10,000	(5,000)	-33%
Safety	500	500	0	0%
Lumping hourly/Bonus	17,000	33,000	16,000	94%
Direct Supplies	30,000	30,000	0	0%
Uniforms	9,000	10,000	1,000	11%
Repairs & Maintenance	<u>30,000</u>	<u>25,000</u>	<u>(5,000)</u>	<u>-17%</u>

Total Operations Expense	516,500	558,500	42,000	8%
Admin & Management				
Administrative Pay	210,000	210,000	0	0%
City of Portland Rental	37,000	37,000	0	0%
City of Portland Shared Revenue	3,375	750	(2,625)	-78%
Off-Site Rental	1,500	1,500	0	0%
Dues & Licenses	1,000	1,500	500	50%
Security System	2,500	2,500	0	0%
Training	0	0	0	#DIV/0!
Utilities	115,000	105,000	(10,000)	-9%
General Coverage	40,000	35,000	(5,000)	-13%
Interest Expense	1,000	500	(500)	-50%
Office Expense	7,500	7,500	0	0%
IT Repair	18,000	18,000	0	0%
Office Equip Repair	500	500	0	0%
Trash Removal	1,500	4,500	3,000	200%
Hardware	1,000	1,000	0	0%
Software Licensing	27,000	30,000	3,000	11%
Professional Fees	5,000	11,500	6,500	130%
Banking Fees	3,000	2,000	(1,000)	-33%
Gift Expense	3,500	3,500	0	0%
Travel & Meals	3,000	1,500	(1,500)	-50%
Total	481,375	473,750	(7,625)	-2%
Revenue	1,112,300	1,193,575	81,275	7%
Sales Adjustments	800	3,000	2,200	275%
Net Sales	1,111,500	1,190,575	79,075	7%
COG Sold	113,625	121,425	7,800	7%
Gross Profit	997,875	1,069,150	71,275	7%
Total Expenses	1,008,225	1,033,250	25,025	2%
Gross Income	997,875	36,900	(960,975)	-96%
Capital Fund	0	12,000	12,000	#DIV/0!
Net Income	0	24,900	24,900	#DIV/0!
Depreciation	58,476	58,476	0	0%
Net Income	-58,476	-33,576	24,900	-43%

Pollock Cull Discussion Material

Current PFE Cull:

Small	19" to <6 lb.
Medium	≥6 lb. to <8 lb.
Large	≥8 lb. to any

Optional PFE Cull:

Small	19" to <5 lb.
Medium	≥5 lb. to <8 lb.
Large	≥8 lb. to any

Gloucester/New Bedford Cull:

Small	19" to <4 lb.
Medium	≥4 lb. to <8 lb.
Large	≥8 lb. to any

Notes:

- Sellers are interested in getting more smalls called mediums as there is a price difference
- PFE can safely steak a 5lb. fish – buyer acceptance appears okay in testing to date
- Gloucester/New Bedford occasionally will cull a SM/Medium based on run of fish