



Pacific States Marine Fisheries Commission

— 2015 — **ANNUAL REPORT**

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68TH ANNUAL REPORT OF THE PACIFIC STATES MARINE FISHERIES COMMISSION

— Alaska, California, Idaho, Oregon and Washington —

2015

Presented by the Commissioners of the Pacific States Marine Fisheries Commission
in compliance with the State enabling acts creating the Commission
and Public Laws 232; 766; and 315
of the 80th; 87th; and 91st Congresses
of the United States.

Respectfully submitted,
PACIFIC STATES MARINE FISHERIES COMMISSION
Randy Fisher, *Executive Director*

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TABLE OF CONTENTS

Commissioners, Advisors and Coordinators	4
Executive Director's Message	5
68 th Annual Business Meeting Summary	7
Annual Award Recipient.....	11
Alaska Fisheries Information Network	12
Aquatic Nuisance Species Program	14
California/Idaho Fisheries Support Projects.....	16
Cooperative Ageing Project	20
Electronic Monitoring and Reporting.....	22
Fisheries Economics Data Program/Alaska Economic Data Report Collection Project.....	25
Fish Habitat Program	28
Individual Fishing Quota Trawl Rationalization Catch Monitor Program.....	31
Northern Pikeminnow Sport Reward Program.....	32
Pacific Fisheries Information Network	33
Pit Tag Information System	35
Recreational Fisheries Information Network	36
Regional Mark Processing Center.....	38
StreamNet	41
West Coast Groundfish Observer Program.....	43
Financial Statements and Supplementary Information.....	44
Headquarters Staff.....	89

COMMISSIONERS, ADVISORS AND COORDINATORS 2015

State	Commissioners	Advisors	Coordinator
Alaska	Charles Swanton Cathy Giessel Eric Olson	Terry Johnson Don Lane Matthew Moir Herman Savikko Beverly Hoffman	Karla Bush (ADFG)
California	Charlton H. Bonham Richard Gordon Barbara Emley	Jim Caito Ken Franke Donald K. Hansen Mike McCorkle Roger Thomas Kate Wing	Marci Yaremko (CDFW)
Idaho	Virgil Moore Mark Doerr Dan Johnson	Sharon Kiefer Ed Schriever Jim Fredericks Joe Stegner Eric Anderson	Pete Hassemer (IDFG)
Oregon	Ed Bowles Jeff Feldner Caddy McKeown	Walter Chuck Steve Fick Liz Hamilton Dorothy Lowman Rod Moore Brad Pettinger Richard Heap	Maggie Sommer (ODFW)
Washington	Michele Culver Brian Blake Harriet A. Spanel	Robert Alverson Phil Anderson Dale Myer Irene Martin Steve Watrous Robert Jones	Heather Reed (WDFW)



MESSAGE FROM THE EXECUTIVE DIRECTOR

Randy Fisher, Executive Director

It is a pleasure to provide the 2015 Annual Report of the Pacific States Marine Fisheries Commission (PSMFC).

In addition to the PSMFC work that is reported here, we also joined with our sister Commissions to present our joint view to Congress regarding future funding priorities for the core missions of National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS).

The following is a summary of status of federal issues relating to ocean and fisheries that the commission has been actively involved with in 2015 and into 2016.

NOAA/NMFS

There has been a surprising amount of early activity in the congressional appropriations process this year. The Senate Appropriations Committee marked up the Fiscal Year 2017 Commerce, Justice, Science (CJS) Appropriation bill on April 21. This was one of the earliest appropriations markups in the Senate in the modern era. The Senate Republican Leadership has made returning to regular appropriations order a high priority this year. The full Senate has successfully passed three appropriations bills so far and four other bills are ready to go in the next wave (including the CJS bill).

The House Appropriations Committee has also been reporting its versions of the bills. The CJS bill was successfully reported on May 24. Action by the full House has been another story. The Energy & Water bill was defeated over an issue relating to gay, lesbian, and transgender rights. Conservatives upset with the budget process sided with Democrats to defeat the bill. The House Leadership is currently maneuvering to put limits on amendments which can be offered to appropriations bills in an attempt to increase the likelihood of passage. CJS is one of a number of bills which could come before the House in June.

When taken in the context of the current budget climate, the Senate and House appropriated amounts should be viewed as a victory for marine fisheries programs around the Nation. The overall funding level is slightly higher than 2016 and most of the West Coast program priorities have been addressed.

Dungeness Crab Management

Legislation has been introduced by Rep. Jaime Herrera-Beutler (H.R. 2168) and Senator Maria Cantwell (S. 1143) to eliminate the sunset date for the West Coast Dungeness Crab Management Delegation of Authority to the States, effectively making the provision permanent.

The House bill was considered and approved by the full House in October of last year. On November 18, the Senate Commerce Committee unanimously approved S. 1143, the counterpart legislation. The Senate bill was not, however, reported to the full Senate until the end of May. The Commerce Committee has initiated the process to add the bill to the Unanimous Consent Calendar.

Invasive Species

The Senate Environment and Public Works Committee marked up its version of the Water Resources Development Act Reauthorization of 2016 (WRDA 2016). The bill includes a provision which amends the existing authorization for inspection stations in the Columbia River Basin to detect quagga and zebra mussels on trailered watercraft. The current authorization authorizes funding for only those inspection stations within the Basin (Idaho, Oregon, Washington and Montana). The amendment would allow funding for inspection stations in other states if doing so would protect the Basin from further infestation. The House version of WRDA 2016 does not include this provision. These bills have not yet been officially reported to the full Senate and full House.

Magnuson-Stevens Act (MSA)

In June 2015 the House passed H.R. 1335, the Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act. The bill passed on a largely party-line vote and is opposed by the Obama Administration. The Senate Commerce Committee has reported out S. 1403 introduced by Senator Marco Rubio (R-FL) in July. The Senate bill is more narrowly focused and is being driven by making management changes to fisheries in the South Atlantic and Gulf of Mexico. It was opposed by Senators Sullivan and Cantwell, along with six other Democrats and is held up on the Senate Floor. There has been an effort by Senate Commerce Committee staff to try and revive a bill but, the time window for this effort has effectively closed. The Commerce Committee is not scheduled to have any more markups this summer after the June markup, and a revised MSA bill is not on the agenda for June. With only thirty-five legislative days remaining for the year, there is not enough time to move forward with a bill. The reauthorization process will start over in 2017.

Miscellaneous

- **Marine National Monuments:** The Council Coordination Committee (CCC) (represented by the Chairs of the eight Regional Fishery Management Councils) has issued a resolution expressing concern over the potential impacts of designating Marine National Monuments under the Antiquities Act of 1906. The CCC stated that the Antiquities Act does not require an open, public process or science-based decisions. The resolution raises concern about the ability to achieve optimum yield from the fisheries resources and have adverse impacts on domestic fishing jobs and recreational opportunities. The resolution recommended that fisheries management continue under the auspices of the Councils and the MSA conservation and management authority even if designations are made under the Antiquities Act.
- **National Ocean Policy:** The Northeast Regional Planning Body (NE RPB) issued the Nation's first official "Regional Ocean Plan" under the National Ocean Policy. The public comment period runs through July 25. The NE RPB is expected to have a final plan approved by the National Ocean Council by December, 2016. A plan is also expected from the Mid-Atlantic RPB in the coming weeks. In the Congress, the House Natural Resources Committee held a hearing on May 17 on the implementation of the National Ocean Policy. Stakeholders from the renewable energy sector (wind), commercial and charter fishing, and the agriculture industry testified at the hearing. The Administration was invited to testify but declined to send a witness.



68TH ANNUAL BUSINESS MEETING SUMMARY

The Hotel Alyeska | Girdwood, Alaska | August 26, 2015

Chair Charles Swanton, Alaska Commissioner, called the annual meeting to order at 7:35 am. In attendance were:

Charles Swanton, Alaska Commissioner, Chair
Eric Olson, Alaska Commissioner
Sen. Cathy Giessel, Alaska Commissioner
Marci Yaremko, California, representing Commissioner Charlton Bonham
Barbara Emley, California Commissioner
Virgil Moore, Idaho Commissioner
Sen. Dan Johnson, Idaho Commissioner
Mark Doerr, Idaho Commissioner
Maggie Sommer, Oregon, representing Commissioner Ed Bowles
Jeff Feldner, Oregon Commissioner
Harriet Spanel, Washington Commissioner
Rep. Brian Blake, Washington Commissioner
Michele Culver, Washington Commissioner

Chair Swanton noted that the PSMFC Executive Committee had reviewed and discussed the FY 2016 budget in detail. Commissioner Moore moved to approve the FY2016, proposed PSMFC budget and financial statements. The Committee action was approved by unanimous vote.

The minutes of the 2014 Annual meeting were approved unanimously.

Chair Swanton announced the 2016 Pacific States Marine Fisheries Commission would be held at the Embassy Suites Portland, in Portland, Oregon, September 25–28, 2016.

The Commission deliberated on the eight resolutions forwarded from the State meetings.

ISSUE 1 – Submitted by Oregon, reviewed by Jeff Feldner

Refinance of the Pacific Coast Groundfish Fishing Capacity Reduction Loan

If the Congress does not amend the existing law to allow the REFI Pacific Act to go into effect, then the Commission supports the \$10.3 million funding level in the President's FY2016 budget to re-finance the Pacific coast groundfish fishing capacity reduction program and urges the Congress to appropriate the full amount.

Adopted Language: Recommend PSMFC support the West Coast Buyback REFI Act by asking Congress to exempt the Buyback REFI from the Federal Credit Reform Act of 1990. If Congress does not amend the existing law to allow the REFI Pacific Act to go into effect, then the Commission supports the \$10.3 million funding level in the President's FY2016 budget to refinance the Pacific Coast Groundfish fishing capacity reduction program and urges the Congress to appropriate the full amount.

The resolution was adopted unanimously.

ISSUE 2 – Submitted by Oregon, reviewed by Maggie Sommer

Land and Water Conservation Fund

The Commission supports the reauthorization of the Land and Water Conservation Fund (LWCF), which is set to expire September 30, 2015 unless Congress acts. Over its 50 year history, the LWCF has been used to support freshwater and coastal habitat protection and restoration projects for salmonids and other fish, as well as create additional access points for anglers. Through such investments, the LWCF is an economic driver for our states and communities. Senators Cantwell (WA) and Murkowski (AK) recently crafted a positive agreement to reauthorize the Fund - which uses a small portion of the revenues derived from offshore oil and gas development - as part of energy legislation. The Commission applauds Senators Cantwell and Murkowski for their bi-partisan collaboration to renew the LWCF. We encourage Congress to reauthorize the program and keep it intact. (Note: We are not endorsing the energy bill or saying that the energy bill is the only way to get LWCF done this year.)

This is in regards to the Land and Water Conservation Fund. Similarly, after some back and forth we are supporting the language of the very last sentence under the Washington comment, "The Commission supports the immediate and full reauthorization of the Land and Water Conservation Fund (LWCF), which is set to expire September 30, 2015 unless Congress acts."

Adopted Language: "The Commission supports the immediate and full reauthorization of the Land and Water Conservation Fund (LWCF), which is set to expire September 30, 2015 unless Congress acts."

The resolution was adopted unanimously.

ISSUE 3 – Submitted by Oregon, reviewed by Jeff Feldner

Aquatic Invasive Species

The 2014 Water Resources Reform and Development Act (WRRDA, Section 1039) includes an authorization of \$20 million for watercraft inspection stations in the Columbia River Basin. The fiscal year 2016 Energy and Water Development, and Related Agencies Appropriations bill contains \$4 million of that \$20 million to be allocated specifically to advance quagga and zebra mussel prevention efforts in the PNW region. The PSMFC commission directs staff, working with state and regional partners, to seek WRRDA AIS funding in FY2016 and beyond.

The 2014 Water Resources and Development Act (WRRDA, Section 1039) includes an authorization of \$20 million for watercraft inspection stations in the Columbia River Basin. The fiscal year 2016 Energy and Water Development, and related agencies appropriations bill contains \$4 million of the \$20 million to be allocated specifically to advance quagga and zebra mussels prevention efforts in the Pacific Northwest Region. The PSMFC Commission directs staff, working with state and regional partners, to seek WRRDA AIS funding in FY 2016 and beyond.

Adopted Language: PSMFC Staff to look for any future funding for prevention of all types of invasive species for all members states.

The resolution was passed with a vote of four yes and one abstain from California.

ISSUE 4 – Submitted by Washington, reviewed by Michele Culver

Support for permanent NPDES Incidental Discharge Permit Moratorium - as stated in S.371

PSMFC should support the permanent NPDES Permit Moratorium - as stated in S.371

Support for permanent National Pollutant Discharge Elimination System (NPDES) Incidental Discharge Permit Moratorium – as stated in S. 371

The resolution was adopted unanimously, with no discussion on this issue.

ISSUE 5 – Submitted by Washington, reviewed by Harriet Spanel

State authority to manage the West Coast Dungeness Crab Fishery

Specifically support for Senate bill 1143 and House companion bill H.R. 2168. These are the two bills that would take Dungeness Crab out of the Magnuson Act.

The resolution was adopted unanimously.

Discussion followed for strong support by all Commission States, to keep this a States' rights issue. Commission expressed their appreciation to PSMFC staff for their continued work on this issue.

ISSUE 6 – Submitted by Washington, reviewed by Brian Blake

Mitchell Act Funding

Restore cuts to Mitchell Act funding specifically below Bonneville Dam and continue to request an overall increase in funding due to the continued increases in cost of the program.

Adopted Language: Restore to previous funding level with new money, maintain the entirety of the Mitchell Act (MA) program functionality. Reaffirm support for full funding of MA programs and request additional funding to cover increased costs.

Discussion: Commission members had concerns and wanted to clarify that this does not mean only increases to funding would be below Bonneville Dam. California noted that they felt it was an issue that was voted on from 2014.

Resolution passed with four yes and one abstain from California. Amended comments from Idaho and Oregon.

ISSUE 7 – Submitted by Alaska, reviewed by Eric Olson

Electronic Monitoring

Confirm support for 2014 resolution for EM/ER programs

Adopted Language: Alaska noted that they understood this resolution was a previous one from 2014, but wanted to reconfirm our support for Electronic Monitoring/Electronic Reporting (EM/ER) resolution.

Resolution passed four yes and one abstain from California.

Discussion: The discussion brought a request from California moving forward on clarification of previous resolutions, is there a need for resolutions to be reaffirmed yearly and requested clarification from PSMFC Executive Director on the past resolutions. Washington commented that sometimes in the past the Commission has reaffirmed to help give sharper emphasis to PSMFC Staff on the importance of particular issues.

ISSUE 8 – Submitted by California, reviewed by Marci Yaremko

Quarterly Updates on Sea Lion and Harbor Seal Population Status Determination

Direct the PSMFC Executive Director to request quarterly progress updates of California Sea Lion and Harbor Seal OSP determination.

Adopted Language: Change the term quarterly to timely and to add western population Stellar Sea lions to the updates.

The resolution was adopted unanimously.

Additional discussion: California wished to discuss how the other states have dealt with respect to derelict gear removal in their states. California is looking at how they can minimize whale entanglement due to the crab fishery. Oregon spoke about a project in 2009 that they contracted with several boats to pick up derelict gear. Oregon followed it up with action through the Fish and Wildlife Commission that clarified the rules, about when one could pick up crab pots after the end of the season. Washington spoke of a similar project in which they received a grant from NOAA for derelict gear removal. They felt it was a successful program that lead to Washington changing the rules to allow Dungeness crab harvesters to retrieve derelict gear outside of the season. It was also mentioned there was a program in the mid-90s to set up an organization in the Washington sound area to recycle nets and retrieve derelict crab pots. They have received several grants in order to do this and have not just looked to one funding source.

California requested to make a motion to encourage PSMFC representatives to pursue new funding for gear retrieval programs. Agreement was reached by Commission members and an agreement with PSMFC Executive Director to add to his list.

Idaho submitted a motion thru acclamation to thank the State of Alaska and PSMFC Staff for an excellent meeting. Randy Fisher, Executive Director also wanted to thank his staff formally as well as Alaska for a great meeting. Meeting was adjourned at 8:50 am, Wednesday, August 26, 2015.

ANNUAL AWARD RECIPIENT

The Pacific States Marine Fisheries Commission presents an annual award that honors an individual, agency, or organization from the host state for outstanding contributions in support of Pacific Coast marine fisheries resources.

The Pacific States Marine Fisheries Commission is pleased to present the 2015 Award to:

SCOTT C. MEYER



Scott is a fishery biologist with the Alaska Department of Fish and Game, Division of Sport Fish. Since 2007 Scott has been the Statewide Bottomfish Coordinator, tasked as the lead technical advisor to division staff and as coordinator with state and federal agencies on halibut and groundfish fishery issues for the Division. His duties as advisor and coordinator are integral to the operations of the Division, with services provided to staff, policymakers, other agencies and the public on halibut and groundfish fishery issues.

Scott began working for the department in June 1983. His efforts are instrumental in establishing the Division's credibility as responsible managers of the halibut and state-managed groundfish resources and in developing rational management regimes for Alaska's groundfish sport fisheries that use the best, most robust data. His contributions are certainly not limited to the Department. The North Pacific Fishery Management Council (NPFMC), International Pacific Halibut Commis-

sion (IPHC) and Alaska Board of Fisheries all rely upon Scott for his excellent technical analyses in support of sustainable groundfish management, as do the recreational stakeholders that benefit from his expertise.

Scott is acknowledged as the department's expert and lead technical advisor on the recreational halibut fishery by the department, National Marine Fisheries Service (NMFS) and IPHC staffs. Moreover, he consistently displays mastery in his knowledge of Alaska statutes and regulations, and U.S. Code of Federal Regulations pertaining to the management of recreational halibut and groundfish fisheries in Alaska. Scott is often called upon to present scientific information concerning halibut and groundfish assessment to a wide variety of audiences ranging from scientific panels to the general public.

Scott is also an extremely effective communicator and excels at relating complex technical concepts in public and regulatory forums, a skill that cannot be valued too highly. He is required to interact with a wide variety of people including the general public, charter captains, area and regional biologists, federal agencies and policymakers.

Finally, Scott is an accomplished musician who has performed at clubs, dances, private functions, music festivals and a variety of other venues throughout Alaska. Scott, his wife Kate and their two sons live in Homer, Alaska. He is a volunteer fencing coach for the Homer Community Recreation and the Kenai Peninsula Fencing Club. In these and other ways, Scott is a positive contributor to his local community in addition to his exemplary work for the Department.



ALASKA FISHERIES INFORMATION NETWORK

The **Alaska Fisheries Information Network (AKFIN)** is one of five regional co-operative state/federal programs that provide a framework to consolidate and support the collection, analysis and reporting of a variety of information important for management of U.S. fisheries. Funding for the program is provided by an annual grant from National Marine Fisheries Service (NMFS) to the Pacific States Marine Fisheries Commission (PSMFC). These funds support the AKFIN Support Center (AKFIN-SC) and an annual subcontract with the Alaska Department of Fish and Game (ADFG) for related tasks.

The AKFIN-SC supports the data needs of fisheries analysts and economists by consolidating commercial fisheries data and dispensing those data upon request using custom programming services and online tools. Information is aggregated from the ADFG Division of Commercial Fisheries, Commercial Fisheries Entry Commission (CFEC), NMFS Alaska Region, Alaska Fisheries Science Center, North Pacific Fishery Management Council (NPFMC) and PSMFC. AKFIN-SC reports catch data, harvest and value from commercial fisheries in Alaska using the best available data from data source agencies. Once these data are incorporated into its system, AKFIN reports information which are used to identify and quantify impacts related to changes in fisheries management. These include species, area, gear, vessel, processor, community, fleet and fishery participants by season.

Staff

AKFIN is comprised of a small cohesive team of six located in Anchorage at the NPFMC office, Seattle at the AFSC and Portland at the PSMFC's head office. Four staff are funded by the AKFIN grant and two by other NMFS sponsored projects.

2015 Highlights Include:

AKFIN Online Reporting and Analytical Tool Development

- AKFIN Answers is an online reporting tool that provides authorized stock assessors, social scientists and economists with direct access to the program's analytical database and metadata resources. This tool allows users to access prepared reports and to formulate ad hoc queries that can be saved and shared with other analysts. Users performed over 11,000 Answers queries in 2015.
- AKFIN began a collaborative project with the Auke Bay Lab genetics department and NMFS Alaska Fisheries Science Center observer program to provide analysts at the Auke Bay Lab an Answers dashboard containing multiple analyses to view information in a tabular and spatial format. The project has proven to be useful for genetic stock identification analyses of chum and Chinook salmon that were caught in the Bering Sea and Gulf of Alaska groundfish fisheries.
- Gulf of Alaska (GOA) and Aleutian Islands (AI) trawl survey data from the Resource Assessment and Conservation Engineering (RACE) Division was incorporated into the AKFIN database beginning in 2014. The data was restructured to create reports in AKFIN Answers that allow stock assessors access to these data. In 2015, staff completed development of these data to include data from the GOA, AI, Eastern Bering Sea shelf (EBS_SHELF) and Eastern Bering Sea Slope (EBS_SLOPE) surveys. AKFIN staff worked closely with RACE staff and stock assessors to ensure the reports contain the survey information stock assessors need to complete their analyses. The reports contain many value added fields that provide details on code meanings or further detail on vessels or hauls.

- EBS Crab database tables and package were developed for the AFSC RACE office in Kodiak to perform their estimates of Catch Per Unit Effort (CPUE), abundance and biomass for various crab stocks in the Eastern Bering Sea. The algorithms for performing these calculations were adapted from a series of scripts developed by Kodiak staff that were at one time run individually to calculate estimates by species/stock and size bin. The new process follows the same methods overall, but leverages database lookups, SQL joins and aggregations to translate and group the data for reporting. The final result is a single package that creates final reporting tables with CPUE numbers and weights (EBSCRAB_CPUE) and abundance and biomass with coefficient of variation and confidence intervals (EBSCRAB_ABUNDANCE_BIOMASS). Stock assessors and plan team members access these data using the AKFIN Answers tool.
- As part of ongoing AKFIN Answers maintenance, staff responded to multiple requests for additional fields and features, and provided ongoing user support.
- Development continued on a new web-based interactive reporting tool to be used for publicly available data as well as secure access for authorized users. The tool is being developed in APEX, an Oracle based software included in the database licensing. The application will be released mid-2016 and made available through the AKFIN website (www.akfin.org).
- AKFIN purchased and began support for Oracle R Enterprise, a component of the Oracle Advanced Analytics Option. This allows users of open source R statistical programming language to interact directly with the AKFIN database. R users can run R commands and scripts for statistical and graphical analyses on data stored in the AKFIN Database - without having to learn SQL and utilizing the power of the database server.

Summary of Data Services Provided

- Staff programmed and delivered over 350 data products of varying complexity. Each taking anywhere from a few hours to multiple days to complete.
- Approximately 200 data requests completed in support of over 20 distinct North Pacific Fishery Management Council issues.
- Developed a web-based application to provide on-demand validation of BSAI Crab Economic Data Report (EDR) submissions.
- Comprehensive data support for annual crab and groundfish economic SAFE reporting.
- Provided data and administrative services in support of the AFSC Market Profiles (http://www.afsc.noaa.gov/News/Where_do_Alaska_fish_go.htm)
- Provided data and programming support for the following national data requests:
 - Annual data call for the Fisheries of the US.
 - Fisheries One-stop Shop (FOSS) – A single data report that summarizes data by species that are used to source an NMFS ST online reporting system.
 - National Bycatch Report - (http://www.nmfs.noaa.gov/sfa/fisheries_eco/bycatch/nationalreport.html)
 - Annual data call for the United States Coast Guard to support vessel safety inspections.



AQUATIC NUISANCE SPECIES PROGRAM

Aquatic nuisance (or invasive) species (ANS or AIS) are non-indigenous species that threaten the diversity or abundance of native species or the ecological stability of infested waters, or commercial, agricultural, aquacultural or recreational activities dependent on the region's waters. These species may occur in inland, estuarine and marine waters and can threaten ecological processes and natural resources. In addition to adversely affecting activities dependent on waters of the United States, invasive species can adversely affect individuals and their health. One important criterion that the Pacific States Marine Fisheries Commission (PSMFC) uses to judge a species as a nuisance is whether it can harm commercial and recreationally important fisheries.

Highlights in 2015 for the Commission's Aquatic Nuisance Species Program include:

Rapid Response Planning

With funding from Bonneville Power Administration (BPA) and U.S. Fish and Wildlife Service (USFWS), PSMFC continued to lead the effort for zebra and quagga (dreissenid) mussel rapid response planning in the Columbia River Basin. The plan, which was updated in Fall of 2013, can be viewed at <http://www.westernais.org/crb-plan>. Related to the rapid response plan is the eradication of a dreissenid mussel population if discovered in the Columbia River Basin. Ensuring that best management practices are implemented throughout the sequence of control actions for a dreissenid introduction will maximize cost-effectiveness of actions, minimize impacts to non-target organisms and the environment, and result in a coordinated, effective response that achieves the goal of controlling the introduction, where it is possible. In 2014 PSMFC developed "Best Management Practices and Effects Analysis" and "Decision Matrix" tools to help in the response to a mussel control action. See <http://www.westernais.org/rapid-response-work-group> and refer to "Regional Response Planning Documents."

Vulnerability Assessment

PSMFC has also led the preparations of the region's hydro and fish facilities for a potential dreissenid mussel invasion. Vulnerability assessments itemize and inspect all hydropower facility structures and components that come into contact with raw water, and determine the degree to which dreissenid mussels could impair the performance of the structures and their components. Understanding these factors in advance of an introduction can best prepare the facility to both prevent and deal with an introduction. A Vulnerability Assessment Team was formed after the May 15, 2013 regional "Preventing an Invasion" meeting. The team, led by PSMFC ANS program contractor Lisa DeBruyckere, completed "Strategies To Conduct Vulnerability Assessments for High Priority Columbia River Basin Hydropower and Dam Facilities" in April of 2014 (updated in August of 2015). This document and other assessment related documents can be accessed at <http://www.westernais.org/va-documents-and-reports>.

Watercraft Inspection/Decontamination Training

It is generally agreed that the most effective means to prevent the spread of dreissenid mussels is by mandatory inspection stations at key highway points for all recreational watercraft. However, to implement such a program is cost-prohibitive, though the gravity of the dreissenid expansion in the West is causing states to take another look at inspection stations. Therefore, resource managers have been using available resources to increase the capacity for law enforcement and marine safety personnel to detect and intercept contaminated watercraft.

The continued spread of dreissenid mussels has increased the emphasis on Watercraft Inspection Training (WIT). WIT began in 2006, with USFWS and BPA funding, to train boating law enforcement personnel in the western U.S. on the background, biology and impacts of zebra mussels; how to identify high risk watercraft and conduct an inspection of all types of watercraft; how to perform a vessel decontamination; and the legal authority to stop, detain and require decontamination of watercraft.

suspected of harboring zebra mussels. To date, over 100 WIT training courses have been delivered in 19 western states and Canada to approximately 4,500 individuals representing well over 100 different state, federal, local and tribal agencies and organizations.

Beginning in April 2007, training was divided into two levels. Level I (or basic) trainings are usually a one-day class and consist of an overview on the dreissenid threat, basic mussel biology, distribution, transport vectors, viewing of the “Don’t Move a Mussel Video 2011,” hands on watercraft inspection and a written exam. Level Two training is more intensive and is designed for professionals in all fields that expect to be involved in the inspection and decontamination of trailered watercraft and those who wish to become trainers within their state or work group. Level Two training is delivered over two days (12 hours) at Lake Mead on the Nevada/Arizona Border near Las Vegas and is instructed by Dee Davis. This course focuses on actual field inspection of various types of watercraft which may be contaminated with quagga mussels and the decontamination of those watercraft requiring it. In recent years, Level Two trainings have expanded and have been held at Lake Powell, AZ, Lake Pleasant, AZ and Lake Havasu, AZ. In 2015, PSMFC added a Level Three Course, which serves as a “trainer training” (Go to <http://www.westernais.org/trainer-training> for further information).

Coordination

The ANS program is providing administrative support, staffing and participation in numerous ANS interjurisdictional efforts, including the Columbia and Missouri River Basin 100th Meridian Initiative Groups; the Pacific Ballast Water Group; Invasive Species Advisory Committee; the Western Regional Panel on Aquatic Nuisance Species; Quagga Zebra Action Plan (QZAP) Committee and the Green Crab Technical Group.

Outreach and Education

Recreational watercraft are the most likely means by which zebra/quagga mussels will be spread into other western watersheds. PSMFC and cooperating agencies have ANS information and education campaigns that target recreational anglers, boaters, marinas, enforcement personnel and others on the zebra/quagga mussel threat. For the past 14 years, PSMFC has attended sport and commercial fishing shows throughout the region (e.g., Boise, Portland, Seattle, Sacramento) exhibiting its booth and distributing information to those most likely to come into contact with nuisance species. A highly popular zebra mussel education and watercraft inspection and decontamination training video “Don’t Move a Mussel” was produced in 2008, followed by “Don’t Move a Mussel, Seaplanes” in 2010. In 2012, the Commission re-released the video with new information on the impacts of these mussels, as well as updated watercraft decontamination information. The video can be found at <http://www.westernais.org/videos> and the webpage includes “B Roll” and “Interviews” files from the making of the video.

Monitoring

For the past 12 years, PSMFC has partnered with Portland State University (PSU) in a zebra mussel monitoring program. Beginning in 2010, with funding from BPA, PSMFC and PSU began partnering with the U.S. Army Corps of Engineers to expand monitoring at Corps’ projects in the Columbia River Basin. In 2010, PSMFC, in cooperation with U.S. Geological Survey, also began to host a monitoring database and map for the Columbia River Basin states. By 2014 the monitoring data included Idaho, Washington, Oregon, Montana, Wyoming, Utah and British Columbia. For more information, see: <http://crbais.psmfc.org/zebraquagga-mussel-2015>.

Website

The PSMFC renovated its invasive species website in 2014. The new website can be found at <http://www.westernais.org/> and also includes the Pacific Ballast Water Group website as well as information on Watercraft Inspection Training (WIT), Rapid Response, economic impacts of invasive species particularly zebra and quagga mussels and an archive of state and federal AIS regulations.



CALIFORNIA/IDAHO FISHERIES SUPPORT PROJECTS

Continuing assistance was provided to the **California Ocean Salmon Program** by employing fisheries technicians at various coastal ports to sample commercial salmon fisheries, collect biological data and coded-wire tag information. Data collected were incorporated into the management and season setting for salmon fisheries coastwide.

Pacific States Marine Fisheries Commission (PSMFC) worked with California Department of Fish and Wildlife (CDFW) to determine the **Age Structure of Central Valley Chinook Salmon populations** by conducting scale analysis, assisting in the field collection of scales in Chinook escapement surveys and using the aging data in combination with coded-wire tag recovery data to reconstruct the size of each returning brood year.

The **California Passage Assessment Database** (PAD) locates and documents anadromous fish passage sites in all California coastal watersheds. This multi-agency cooperative effort has led to better information on known (and suspected) fish passage issues and ultimately the correction of them through prioritized restoration projects and funding.

PSMFC continued to provide technical assistance and field staff for collecting and compiling data on the movement and timing of juvenile Chinook and Coho salmon and other species in the **Humboldt Bay Tributary Estuary Sampling Program**.

With funding provided by the California Department of Water Resources (CDWR), PSMFC assisted CDWR and CDFW with the **Feather River Monitoring** project. Work includes data collection and analysis for the Feather River and Central Valley.

PSMFC Fisheries biologists and technicians on the **Upper Sacramento Technical Assistance** projects continued to assist both CDFW and the Western Shasta Resource Conservation District (WSRCD) with running video monitoring stations and fish traps, conducting salmon carcass surveys, habitat assessment and collecting biological data.

PSMFC provided technical assistance and field staff for the **Coastal Restoration Monitoring and Evaluation** project. Staff monitors pending and completed coastal watershed restoration projects in California, collects habitat information and compiles data. This information is used by managers to assess the success of restoration activities.

PSMFC continued to provide fisheries staff in Mendocino Coast watersheds to assist in conducting a project designed to develop, test and implement the sampling scheme and field surveys described in the **CA Coastal Salmonid Monitoring Plan**.

In the **San Joaquin River Basin**, PSMFC assisted in collecting water temperature data, conducting Stanislaus River Chinook salmon carcass survey, spawning Merced River Hatchery fall-run Chinook salmon, reading coded wire tags, entering data, fish screening and monitoring entrainment of salmon into water diversions.

PSMFC's assistance contributed to the successful completion of the eighth year of the **Central Valley Constant Fractional Marking Program**. The program is responsible for annually coded-wire tagging/adipose fin clipping 25 percent of the Fall Chinook salmon production in the Central Valley hatcheries.

At the **Coleman National Fish Hatchery and Livingston Stone National Fish Hatchery (NFH)**, PSMFC provided seasonal personnel and services to assist the U.S. Fish and Wildlife Service (USFWS) mark and coded-wire tag juvenile winter-run and late-fall Chinook salmon and steelhead.

PSMFC completed and assisted with **Constant Fractional Marking (CFM) at Iron Gate Hatchery and Trinity River Hatchery** and provided staff and equipment to clip and tag 25 percent of all Chinook salmon released from the facility, which will provide critical harvest information to coastal Chinook life cycle monitoring programs.

PSMFC assisted the **Heritage and Wild Trout Program** in California for the final year by providing technical staff, expertise, supplies and support services to assist with conducting high priority native trout resource assessment and monitoring projects and supported the steelhead **Acoustic surveys on the Yuba River**.

PSMFC worked with the **Yuba County Water Agency**, CDFW and other partners to implement field studies, monitoring and other projects on the Lower Yuba River, including escapement surveys, and the operation of the VAKI Riverwatcher Installation. PSMFC also worked with the U.S. Army Corps of Engineers (USACE) to survey, monitor and map **Yuba River Redds** to evaluate the success of their gravel augmentation program.

PSMFC staff assisted the **USFWS Comprehensive Assessment and Monitoring Program** by providing statistical analysis and database development and support of California Central Valley monitoring efforts.

PSMFC provided staff assistance to conduct monitoring studies for **South Fork Eel River Coho**.

PSMFC personnel assisted CDFW with the **migration of their web mapping technologies** from Arc Internet Map Server to an Arc Geographic Information System environment.

PSMFC provided assistance to complete the **Big Basin/ San Mateo Regional Area Spawning Ground Surveys** in order to estimate salmonid escapement in coastal streams.

PSMFC assisted with the installation and implementation of **DIDSON Monitoring Stations** on Southern California streams and assisted with field implementation of the **South Coast Steelhead Monitoring Plan**.

PSMFC will be providing assistance to the **Battle Creek Fish and Ladder Monitoring Program** once several restoration projects are completed.

PSMFC assisted USFWS and CDFW collect data, monitor and report on **Salmon Redd Dewatering** on the upper mainstem of the Sacramento River.

PSMFC provided personnel assistance for the **Lower Eel and Van Duzen Rivers Salmonid Spatial Structure Project for Coho Salmon**.

PSMFC personnel assisted USFWS with their **Rotary Screw Trap Assistance and Monitoring** program to assess the abundance and production of juvenile Chinook and Steelhead on the American River.

PSMFC provided staff and technical expertise to conduct **Salmonid Habitat Enhancement and Monitoring** for Trout Unlimited, The Nature Conservancy and CDFW in Pudding and Caspar Creeks.

PSMFC provided administrative, coordination and technical support to the **Pacific Marine and Estuarine Fish Habitat Partnership** and the **California Fish Passage Forum Partnership**.

PSMFC provided personnel to **Livingston Stone National Fish Hatchery** in Shasta Lake, CA to assist the USFWS with the rearing of additional winter-run chinook salmon.

PSMFC will collaborate with USFWS, National Oceanic and Atmospheric Administration (NOAA) Fisheries and basin partners to develop an **Integrated Fisheries Restoration and Monitoring Plan for the Klamath Basin**.

The California Cooperative Fish and Aquatic Habitat Data Program (**CalFish**) website (www.calfish.org) -- a multi-agency cooperative fisheries information site -- is designed to gather, maintain and disseminate fish and aquatic habitat data and data standards and provides access to a growing number of fish and aquatic habitat datasets, through both geographical and tabular queries. Many of the following projects have data and information available through the CalFish site.

The **California Habitat Restoration Project Database** (HRPD) effort continued to maintain and add data for projects funded through the California Anadromous Fish Restoration Grants Program. This was the last year that CDFW asked for PSMFC assistance with HRPD. Data is made available via the CalFish website.

Idaho projects:

PSMFC provided personnel to assist the **Idaho Fish and Game (IDFG) Nampa Research Lab** with their fisheries research, field activities and data management needs.

PSMFC provided personnel, technical and administrative support to implement and conduct the **IDFG Marking and Tagging Program**.

PSMFC provided personnel and technical support to assist the **Lower Snake River Fish and Wildlife Compensation Plan** in managing hatchery data and monitoring and evaluating hatchery efforts.

PSMFC provided personnel to assist with the implementation of fisheries management and research activities in the **IDFG Natural Production Section, Fisheries Management Section and Eagle Fish Genetics Lab**.

PSMFC provided personnel to assist with collecting **DNA Genetic Samples in the Lower Columbia** for IDFG.

PSMFC also provided:

PSMFC provided technical expert assistance for the development of monitoring and evaluation strategies to support the **National Marine Fisheries Service's (NMFS) Salmon Recovery Plan** implementation.

PSMFC provided data stewardship and technical services for the **NMFS Habitat Restoration Project Tracking Database**.

PSMFC continued to assist Bonneville Power Administration (BPA) with the **Habitat Evaluation Procedures (HEP)** project. HEP is used to evaluate wildlife habitat losses and mitigation credits associated with the federal hydropower system. Primary focus this year has been moving several thousand documents into a secure and accessible electronic repository on StreamNet.

PSMFC staff assisted, through a grant with Washington Department of Fish and Wildlife (WDFW) and the Environmental Protection Agency (EPA), to facilitate electronic transfer and sharing of fisheries data from the **Coordinated Assessments (CA)** project. CA focuses on the key population indicators for implementation of the Federal Columbia River Power System Biological Opinion.

PSMFC also manages a project funded by BPA to build and update **High Level Indicators** and Sub-Basin Dashboards that depict the status of fish populations on the Northwest Power and Conservation Council (NPCC) website.



COOPERATIVE AGEING PROJECT

The **Newport Ageing Lab** is a collaborative effort between National Oceanic and Atmospheric Administration (NOAA) and Pacific States Marine Fisheries Commission (PSMFC). It was established to production-age marine groundfish structures. The lab is located in Newport, Oregon at the Northwest Fisheries Science Center, Barry Fisher Building. Age structures, collected from federal surveys, observer programs and commercial catch, are aged by this lab and are used to directly support West Coast stock assessments. Age specific estimates of biomass, mortality and population trends are required to rigorously estimate the status of a fish stock. While this lab is primarily a production age reading lab, there are opportunities on an annual basis to conduct age-related research and assist in National Marine Fisheries Service (NMFS) directed at-sea surveys.

In 2015, Newport Ageing Lab personnel:

- Continued ageing to support 8 US West Coast groundfish stock assessments.
- Aged 27,911 otoliths from 9 species of West Coast groundfish including rockfish (black, China, canary, darkblotched, vermillion and widow); flatfish (petrale sole); and roundfish (Pacific hake and sablefish).
- Released 35,267 ages from 9 groundfish species.
- One age reader participated in the 2015 NOAA-Northwest Fisheries Science Center (NWFSC) Acoustic Survey.
- Continued to populate the database that was put in place in 2010. This database allows the lab to track all data associated with a single specimen. The lab went 14 years without having this type of data management in place and we continue to add historic records to the database.
- Added 50,017 specimen records from 66 different species collected from NWFSC programs. This archive now has 462,595 structures collected from 84 species between 1983 and 2015. The sources of these structures are from the following: At-Sea Hake Observer Program, West Coast Groundfish Bottom Trawl Survey, Pot Survey, Acoustic Survey and the Hook and Line Survey.
- Received the following number of age structures from state agencies: 3,228 otoliths from California (5 species); 18,127 otoliths from Oregon (8 species); and 5,155 otoliths from Washington (5 species). These structures will ultimately be sent back to the originating agency after they are aged.
- Continued to age vermillion and sunset rockfish as part of a broader collaborative project to compare life history traits between the two species. The age and growth data will be included in a larger research project that is planned for future submission to a peer-reviewed journal. All publications from this collaboration will be cited in future reports as they are released.
- Continued efforts at weighing otoliths. 14,810 new otolith weights were added to the database in the past year, which now has a total of 75,130 otolith weight records. These weights might be used to develop mathematical relationships to allow weight to be used as a proxy for age. These relationships are being explored by NWFSC scientists.
- The Age Lab received a micromill and grinder in the fall of 2014. The equipment will be used to mechanically extract a portion of the otolith for subsequent radiometric or chemical analysis. Portions can be extracted as either powder or as 'chunks' (e.g. first year). This will potentially allow for the validation of age estimates on a range of US west coast groundfish species. Radiometric analysis is expected to occur in 2016 and if available will be included in that report.

- Six Ageing Lab personnel attended the 2016 Western Groundfish Conference that was held in Newport, Oregon. The following poster was presented; Whiteside, C., & Hale, J. (2016, February). *Use of Otolith Weight to Check Age Estimates in Pacific Ocean perch and Pacific hake*. Poster presented at the Western Groundfish Conference, Newport, Oregon.
- The lab acquired the knowledge and became proficient in preparing lingcod fin rays. This process involves pinning, gluing, sectioning and mounting. This knowledge allows the lab to expand its supporting role for any future lingcod stock assessment.
- Hired one new age reader whom started in August of 2015 to backfill a senior age reader that left the Ageing Lab at the end of 2014. The Ageing Lab ended 2015 with seven staff (one supervisor and six full time age reading specialists).

ELECTRONIC MONITORING AND REPORTING

Cameras:

West Coast

Pacific States Marine Fisheries Commission (PSMFC) launched the Electronic Monitoring (EM) program in 2012 in anticipation of the Pacific Fishery Management Council (PFMC) considering EM as a compliance monitoring tool in the newly implemented Pacific Trawl Rationalization Program. The objective of the EM program is to prove the efficacy of EM as a source of data to document individual accountability of catch and bycatch in the Pacific Trawl Rationalization Program.

The PFMC approved four Exempted Fishing Permit (EFP) applications that were implemented in the 2015-2016 fishing years, permitting EM to be used on vessels in the whiting, fixed gear and bottom trawl fleets. These EFPs allow participants to fish using EM as a substitute for an onboard human compliance monitor, although scientific observer coverage is still required on 20-30% of fixed gear and bottom trawl fishing trips for scientific sampling. EM data reviewers at PSMFC view 100% of fishing activity to report Individual Fishing Quota (IFQ) discards, and result are compared to fisher-reported logbooks (Figure 1). If the comparison shows that there is a 10% or higher difference between EM and the logbook, or one source reports discards and the other source does not, the higher of the two numbers will be reported to the Vessel Account System (VAS), and ultimately debited from the vessel's quota.

The results from the 2015 whiting and fixed gear EM EFPs lead to a regulation recommendation by the Council. The Council decided to extend the bottom trawl EM EFPs through 2018 to collect more information on whether or not regulations should be put in place for this fishery in the future as well.

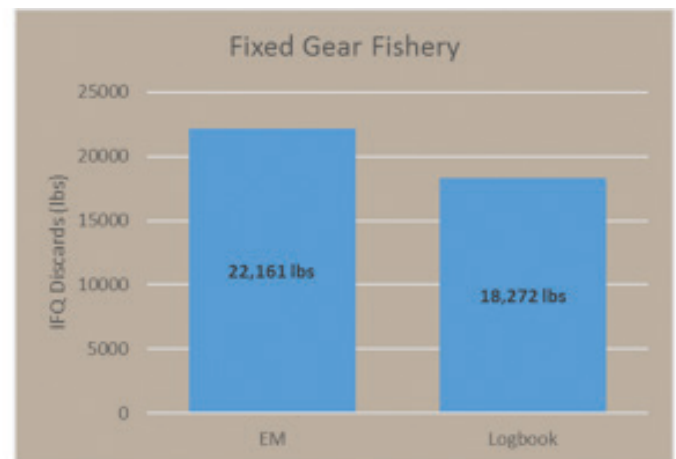
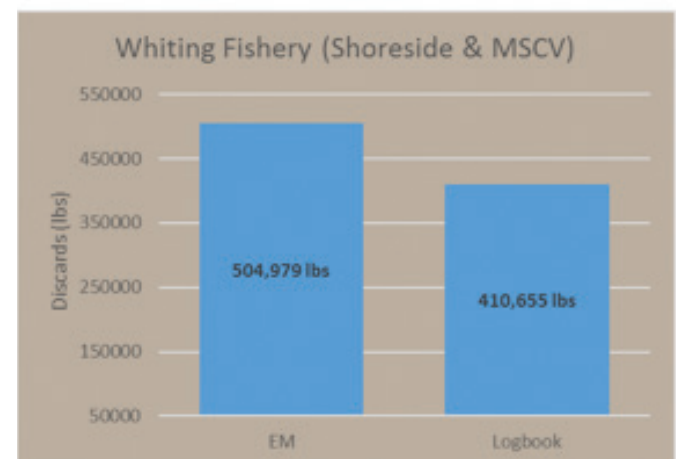


Figure 1: 2015 EFP IFQ discards.
Note: Whiting Fishery includes total discards (IFQ and non-IFQ) due to the nature of the fishery not sorting at-sea.



North Pacific

In 2013, National Marine Fisheries Service (NMFS) expanded at-sea scientific observer coverage to include small boat (<57 foot) longline groundfish fishing vessel fleet for the purposes of total catch accounting which requires complete accounting of all species caught by the fishing gear. Electronic monitoring has the potential to be a tool to collect data to manage fisheries, in particular to estimate at-sea discards on these previously unobserved vessels where deployment of observers is more challenging. In other regions, EM systems are used to collect data for compliance programs; the goal of this program is to collect data for the estimation of catch.

The North Pacific Fishery Management Council (NPFMC) Fixed Gear Electronic Monitoring Workgroup (EMWG), an ad hoc committee established in 2014, works to continue the development of this technology to allow stakeholders opportunity to develop EM systems for the small vessel fixed gear fleets of Alaska. This group was directed to work with the fleet to implement a program designed to test the functionality of available electronic monitoring systems. The workgroup is comprised of agency staff, commercial fishing industry representatives and EM service providers. Dave Colpo, Program Manager at PSMFC is a member of this Workgroup.

PSMFC is assisting the NMFS and the NPFMC in actively developing options for collecting fishery information by electronic monitoring. As a part of the North Pacific EM program, PSMFC advises, reviews video, subcontracts for installation and field support of EM systems on participating vessels, analyzes the data, and produces reports that have been used to inform next steps of the workgroup and develop recommendations for NMFS and NPFMC to inform the regulatory process. In addition, PSMFC provides analytic support for this program by developing analytical methods and documentation for the estimation of catch and discard to be used with these new data types.

Pre-Implementation Deployment of EM Systems in the North Pacific

In 2015, the EMWG Electronic Monitoring Cooperative Research and Implementation Program continued to support field trials of EM systems, including testing the assumptions and limitations associated with operationalizing the deployment of EM systems to collect data for catch estimation. Tasks under this objective included: evaluate camera configurations, test handling procedures such as full retention of rockfish to aid in the identification of cryptic species, identify field support services needed to ensure data quality and evaluate the role of dockside monitoring in validating handling procedures and/or improving data quality. EM systems were deployed on 12 volunteer vessels, and dockside monitors recorded catch from deliveries of trips that retained all rockfish. Additional details of this research can be found at the PSMFC webpage (<http://em.psmfc.org/about/>) or in the Final Report Alaska Track 1: Review of the 2015 Season (<http://npfmc.legistar.com/gateway.aspx?M=F&ID=d3b3f404-991f-4e65-9512-f2c9dc5522f2.pdf>).

The results of this research were used by the EMWG to develop their pre-implementation plan (http://www.npfmc.org/wp-content/PDFdocuments/conservation_issues/Observer/EM/EM2016Plan915.pdf). Pre-implementation deployments will be conducted in Alaska in 2016 and 2017 with the goal of implementing EM as an integrated monitoring tool in the Observer Program in 2018.

Logbooks

A system for remote data entry of logbooks is used by PSMFC groundfish port samplers to electronically capture Groundfish trawl paper trawl logbooks for California vessels. This system is also used by the EM group at PSMFC Headquarters in Portland, Oregon to electronically capture paper logbooks of vessels using EM in California, Washington and Oregon with data entry occurring within 2 business days of arrival. As a precautionary measure, this is a linked database to ensure there is no duplication of logbooks. As described in the above “**Cameras**” section, the data from EM logbooks are compared to the data collected by EM video reviewers and the higher-reported IFQ weight is then debited from the vessel’s quota.

West Coast Electronic Fish Tickets (e-tix)

Background -

Fish tickets are used to document landings by commercial vessels to West Coast ports. Historically, these tickets were collected from fish buyers by the three states using a paper reporting system. Starting in 2008, PSMFC developed and currently maintains an electronic fish ticket system to replace paper tickets. That development was driven by two changes in fisheries management.

As early as 2008 the PFMC was considering the implementation of an individual fishing quota (IFQ) system for the groundfish trawl fishery to replace the Olympic-style fishing management system. PSMFC recognized the need system to more quickly capture and report landings data to inform the fishermen of the status of their quota accounts as well as managers to track IFQ landings in season.

Prior to 2008, the Pacific hake fishery was managed by the West Coast states. Information on in-season landings were managed using state port samplers who faxed landings data from the major ports to a central clearing house where the data were combined to create an estimate of in-season landings. The NMFS does not have port samplers and, therefore, no easy way to capture these tickets.

The proposed shift to IFQ management as well as the actual shift in Pacific hake management moved PSMFC to develop e-tix. This system is capable of capturing data for all 27 fish tickets in use on the West Coast. As the graphs below illustrate, adoption of e-tix is mixed across the states with Oregon the most committed to adopting e-tix to replace all paper tickets. The figures show the percentage of e-tix versus paper tickets in terms of groundfish pounds and revenue landed as well as counts of fish tickets.

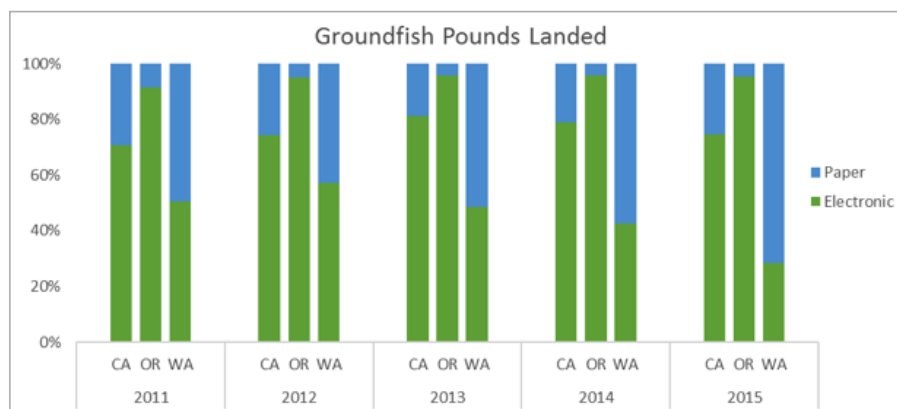


Figure 2. Percent of groundfish pounds reported electronically versus paper tickets by year and state.

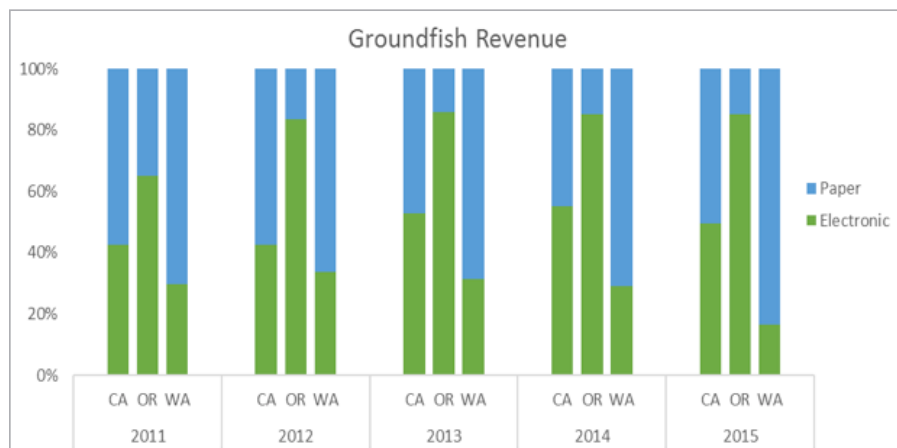


Figure 3. Percent of groundfish revenue reported electronically versus paper tickets by year and state.

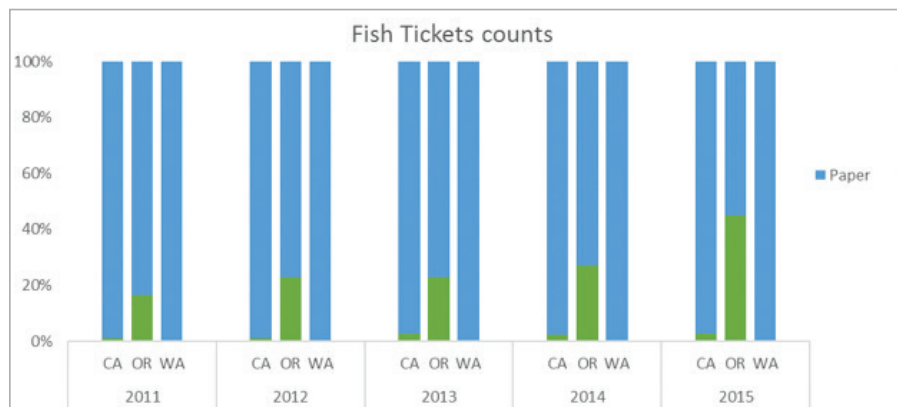


Figure 4. Percent of all fish tickets reported electronically versus paper tickets by year and state.



FISHERIES ECONOMICS DATA PROGRAM ALASKA ECONOMIC DATA REPORT COLLECTION PROJECT

Fisheries Economics Data Program (EFIN)

The Fisheries Economics Data Program is a cooperative data collection effort that addresses the needs of fisheries managers and industry for economic data and information for the West Coast and Alaska. This project is being conducted by the PSMFC as part of a cooperative agreement with the National Marine Fisheries Service (NMFS) and with the help of the Pacific and North Pacific Fishery Management Councils (PFMC and NPFMC). The goal is to provide reliable and timely data to assist with monitoring and measuring the economic performance of the harvesting and processing components of West Coast and Alaska fisheries.

In 2015, EFIN staff worked on the following:

- **2014 Fuel Report:** An annual summary of collected fuel price data from the prior year was prepared and distributed to survey participants and other interested parties.
- **Fuel Price Collection:** Program staff continued collection and maintenance of the West Coast and Alaska monthly fuel price survey through monthly phone and email contacts.
- **EFIN Web Page:** The program continued to collect data and update the EFIN web page. Updates include Gross Domestic Product data, Consumer Price Index, Producer Price Index, State Labor Data and the Employment Cost Index.
- **Tri-State Crab Website Maintenance:** The program also archived the prior year's website and created a new website for the 2015-2016 season that was updated with reports from California, Washington and Oregon.

Alaska Crab Rationalization Economic Data Report (EDR) Collection Program 2015

PSMFC functions as the Independent Third Party Data Collection Agent for the Bering Sea/Aleutian Islands (BSAI) Crab Rationalization Program. The purpose of the economic data collection is to aid the NPFMC and NMFS in assessing the success of this program and to provide data that are used in developing amendments necessary to mitigate unintended consequences of management decisions. Specifically, the data will be used to examine two aspects of the program: (1) the distribution of benefits between harvesters and processors arising under the harvest share/processor share allocations and arbitration system; and (2) the distribution of landings of different harvest share types.

The NPFMC is interested in ensuring that it will be able to adequately assess the impact of the program on affected parties, including harvesters, processors and communities. Existing data collection programs have not provided the information required to understand the economic performance of crab fishermen, to determine how this performance has changed after rationalization or to specify the aspects of these changes that are attributable to crab rationalization. This data collection program will substantially reduce the types of analytical difficulties that were encountered in the past in attempting to assess the effects of the halibut/sablefish Individual Fishing Quota (IFQ) program and the American Fisheries Act (AFA).

At the beginning of this program in 2005, historical Economic Data Reports (EDRs) were collected for the years 1998, 2001 and 2004. In each subsequent year, EFIN staff collected data in an annual report. Historical EDRs captured pre-program implementation data for comparison to the economics of harvesting and processing before and after program implementation. The annual reports capture economic data on an annual basis at the conclusion of each calendar year's crab fisheries. The 2014 EDR was collected in June and July 2015. Participation in the data collection program

is mandatory for all participants in the BSAI crab fisheries. All owners and leaseholders of a vessel or processor that harvested, processed or had crab harvested and processed for them in any of the BSAI crab fisheries during 2014 were required to submit an annual report.

EDR online login and passwords were mailed to crab processing plants and vessels and submitted EDRs were collected, tracked and reported to the Restricted Access Management Program (RAM) for permit and quota issuance. They were also reviewed for completeness. The EDR data were entered, archived and submitted to NMFS for analysis. PSMFC hired AKT, LLC to conduct random and outlier audits on the 2014 annual EDRs. These audits are conducted to verify the quality of data collected in the EDRs as well as to provide guidance on improving future reports. This process is repeated every year for the prior year's fishery.

Alaska Fisheries Information Network (AKFIN) built a database to house data, standardized variables and conducted metric analysis to help describe the data. Reports and forms are being developed to allow permitted researchers to access the data.

Amendment 80 Economic Data Reports

Amendment 80 was adopted by the NPFMC in June 2006. The final rule implementing Amendment 80 was published in the Federal Register on September 14, 2007. This action allocates several BSAI non-pollock trawl groundfish species among trawl fishery sectors, and facilitates the formation of harvesting cooperatives in the non-American Fisheries Act (non-AFA) trawl catcher/processor sector.

The Council adopted Amendment 80 to meet the following broad goals: (1) improving retention and utilization of fishery resources by the non-AFA trawl catcher/processor fleet by extending the groundfish retention standard to non-AFA trawl catcher/processor vessels of all lengths; (2) allocating fishery resources among BSAI trawl harvesters in consideration of historical and present harvest patterns and future harvest needs; (3) authorizing the allocation of groundfish species to harvesting cooperatives and establishing a limited access privilege program for the non-AFA trawl catcher/processors to reduce potential Groundfish Retention Standard compliance costs, encourage fishing practices with lower discard rates, and improve the opportunity for increasing the value of harvested species; and (4) limiting the ability of non-AFA trawl catcher/processors to expand their harvesting capacity into other fisheries not managed under a limited access program.

The groundfish species in the BSAI areas directly affected by Amendment 80 include: Atka mackerel, Aleutian Islands Pacific Ocean perch, Flathead sole, Pacific cod, Rock sole and Yellowfin sole.

In addition, Amendment 80 would modify the management of halibut and crab prohibited species catch limits.

PSMFC has been designated by NMFS as the Data Collection Agent for the Amendment 80 program. The first annual Amendment 80 reports were collected in June 2010 for the 2009 calendar year.

In 2015, the 2014 annual EDRs were mailed to catcher/processors and were collected, tracked, and reported to RAM for permit and quota issuance. They were reviewed for completeness. The data were entered, archived and submitted to NMFS for further analysis. PSMFC hired McGladrey, Inc. to conduct audits on the reports. These audits are conducted to verify the quality of data collected in the EDRs as well as to provide guidance on improving future EDRs. This process is repeated every year for the prior year's fishery.

AKFIN built a database to house data, standardized variables, and conducted metric analysis to help describe the data. Reports and forms are being developed to allow permitted researchers to access the data.

Amendment 91 Chinook EDR for the AFA Pollock Fishery Economic Data Reports

Amendment 91 to the BSAI Fishery Management Plan established a hard cap of 60,000 Chinook salmon caught per year for the Bering Sea pollock fishery beginning in 2011, with the additional requirement that annual Chinook bycatch must not exceed 47,591 more than twice in any 7-year period. The bycatch quota is allocated to sectors of the fleet proportional to both the pollock allocation and historic bycatch. The bycatch quota can be allocated by cooperatives to individual vessels and is transferable across the fleet and will improve economic efficiency.

Following the recommendation of Amendment 91 in April 2009, the NPFMC asked the Alaska Fisheries Science Center (AFSC) to develop “a data collection program for the pollock fleet that would provide the information necessary to evaluate the salmon bycatch program to ensure that it is meeting the Council’s intent.” The goal of this project is to collect information on the amount of money vessel operators are paying to acquire salmon bycatch quota and assess the way in which fishing changes as a result of the new restrictions on salmon bycatch. Because there is the potential for large financial impacts to some vessel operators who will have to purchase salmon bycatch quota to harvest their allocation of pollock and who may have to incur additional travel expenses to fish in areas where salmon are less concentrated, an additional goal of this project is to estimate how costs of salmon bycatch avoidance may increase in the pollock fishery. In addition, this data collection effort is aimed at understanding the steps vessel captains undertake to avoid salmon bycatch during the fishing seasons.

PSMFC has been designated by NMFS to be the data collection agent for the Amendment 91 EDR program. The first annual Amendment 91 EDRs were collected in June 2013 for the 2012 calendar year.

In 2015, the 2014 data were collected, tracked and reviewed for completeness. This data collection has a June 1 deadline and is repeated every year for the prior year’s fishery.

A database was built on AKFIN servers to house collected data, standardize variables and conduct metric analysis to help describe the data. Reports and forms are being built to allow researchers access to the data.



FISH HABITAT PROGRAM

The Pacific States Marine Fisheries Commission (PSMFC) Fish Habitat Program works to protect and restore habitat for salmon and other marine fish species. The program's work is supported through funding from the Wallop-Breaux Sport Fish Restoration program managed by the U.S. Fish and Wildlife Service (USFWS) and from National Oceanic and Atmospheric Administration (NOAA's) inter-jurisdictional funds.

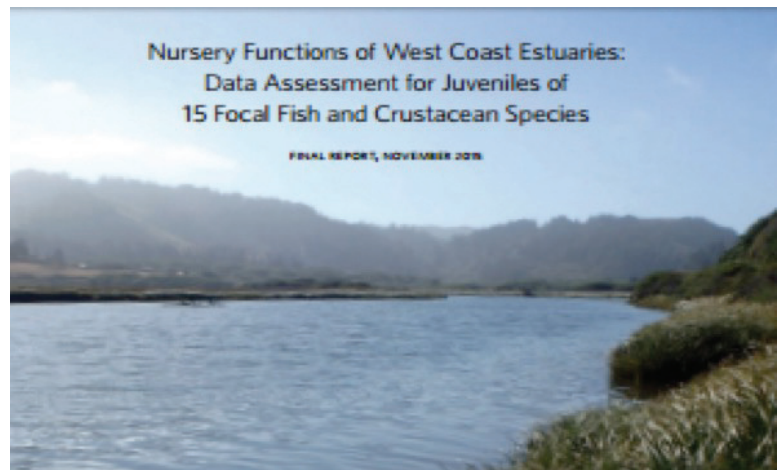
The Habitat Program supports multi-stakeholder groups working on cooperative, non-regulatory programs and projects to advance habitat conservation and restoration actions, science and policies. Program Manager, Fran Recht, works with non-profit, inter-agency, inter-state and federal groups. The Habitat Program furthers work in these arenas by active participation in each group's meetings and work, serving on committees and boards, and by taking on duties and projects for the groups.

Activities in 2015 included:

Pacific Marine Estuarine Fish Habitat Partnership (PMEP)

PSMFC is an active member of PMEP: (<http://www.pacificfishhabitat.org/>) and hosts the PMEP website. Fran Recht and Stan Allen are involved on the steering committee and various other committees, and Van Hare, Brett Holycross and Kate Sherman provide research and Geographic Information System (GIS) services. PMEP is a diverse partnership that includes federal, tribal, state and non-governmental members in Washington, Oregon and California. The partnership is focusing its work on juvenile fish habitat in estuarine and nearshore areas, assuring connectivity between nearshore and tidal wetland areas and maintaining water quality and fresh water inflow into these estuarine and nearshore environments. It supports restoration and conservation projects focused on these topics with funding from the National Fish Habitat Partnership.

In 2015, PMEP completed two estuarine assessments using 15 focal fish species to represent a diversity of habitat types:



Estuaries

The Habitat Program is involved in a project regarding sea level rise impacts on estuaries. Where will our future tidal wetlands be as sea levels rise? Tidal marshes and swamps are nursery grounds for salmon, crab, sturgeon and a diverse host of other species (as the above publications outline). However, as sea levels rise and storm surges increase, our marshes will be inundated more and more of the time.

Where are the areas that would allow for “landward migration” of these marshes to higher ground? What “landward migration areas” should be prioritized for conservation through easements or acquisition with willing landowners, i.e. allowed to become marshes and not be hardened with rocks or drained?

PSMFC is the manager for an Oregon pilot project that will assess these questions for all 21 estuaries south of the Columbia River. The project began in 2015 and will be completed in 2016, with information structured to be useful for city and county planners, watershed councils, land trusts and others. Its methodology will also be shared with the North Pacific Landscape Cooperative and others to advance such planning in other areas of the region.

The image on the right of a “King Tide” event (during the highest tides of the year) help illustrate what tidal marshes will look like more frequently as sea levels rise.



Photos courtesy of LightHawk and The Wetlands Conservancy

The Habitat Program also participated in and assisted the Oregon Central Coast Estuary Collaborative (OCCEC) in planning and priority setting. This effort lead by The Nature Conservancy (TNC), has 42 federal, state, agency, tribal governments, academic scientist and non-profit participants. In 2015, the following work was prioritized and a funding proposal submitted to the state to allow for further implementation planning:

- An assessment of roads and rail passage barriers to address impacts to estuaries
- Collaborating to fund and implement larger scale estuary restoration projects
- Development and implementation of invasive species Early Detection Rapid Response (EDRR) programs to catch new invasions early
- Develop and implement outreach strategies for targeted audiences
- Help develop and share information to support estuary conservation and restoration decision making
- Integration of restoration into working landscapes
- Influence policy that affects estuary health

Watershed Restoration Projects

Small Grant Team: The Habitat Program helped watershed councils, soil and water conservation districts, and tribal groups put restoration projects ‘on the ground’ by managing the Oregon Watershed Enhancement Board’s (OWEB) North Coast small grant team. In 2015, it oversaw the grant review and approval process for four grants, which help fish habitat through erosion control, fish passage improvements and riparian restoration.

US Forest Service (USFS) Stewardship Group: The Habitat Program also helped advise restoration work through the Alsea Stewardship Group. Stewardship groups are multi-party groups that work cooperatively with the U.S. Forest Service to put habitat restoration projects on the ground. Under federal stewardship contracting authority (commonly termed the Wyden Authority),



Photo courtesy of OWEB



Eel River Delta; photo David Kensworthy, courtesy SRF

a portion of timber sale receipts from commercial cuts or thinning sales can be re-invested in habitat restoration projects within National Forests and on surrounding private lands (if there is a direct benefit to the forest watershed, fish and other species). In 2015, it reviewed national forest restoration projects such as road decommissioning for erosion control and large wood placement projects. It also reviewed projects for funding on private lands for riparian planting, invasive plant control and culvert repair for fish passage.

Watershed Council support: The Habitat Program also provided administrative and technical support for groups working on the ground to conserve and restore fish habitat on the Oregon coast. It provided support by direct engagement on the boards, committees and working groups of the non-profit organizations. The program worked with the MidCoast Watersheds Council and the Salmon Drift Creek Watershed Council to assure that high priority projects were designed and put in place. It did this by participating in meetings, conference calls and email communications; by helping direct the groups' staff. It also reviewed restoration plans, and drafted documents and proposals outside of these meetings. Through this work in 2015, over \$500,000 worth of technical assistance, restoration and monitoring projects were secured or are in the implementation phase.

Educational Field Tours

Each year, the Habitat Program helps sponsor watershed tours for restoration practitioners at California's Salmonid Restoration Federation (SRF) conference. In 2015, the conference held in Fortuna, California focused on Salmonid Restoration in Working Watersheds. Field Tours included a Headwaters to Bay - Tour of Arcata's Community-based Urban/Wildland Restoration Program; Lower Nattole River and Estuary - Heli-wood Placement, Riparian Planting, and Off-channel Slough Restoration; Salmon Creek Watershed, from Headwaters Forest Reserve to Humboldt Bay National Wildlife Refuge; Voyage of the Argonauts - Returning Habitat, Economic Prosperity and Navigability to the Eel River Delta; Fish Passage and Tidegates - Projects in the Humboldt Bay and Lower Mad River Watersheds and a Lower Klamath and Strawberry Creek Field Tour.

Each full-day tour was attended by 20–30 restoration practitioners. The tours allowed those working on restoration projects to learn from each other and encourage new participants in these important efforts.

Marine Debris

PSMFC continues to serve on the West Coast Governors Alliance on Ocean Health Marine Debris alliance team. Fran Recht served as co-chair of the steering committee in 2015 and promoted work towards curtailment of land based and ocean based debris. Members of the team shared programs and policies and supported funding for priority efforts including derelict fishing gear removal efforts. PSMFC also worked to pursue funding for gear studies to reduce whale entanglements in crab pot gear.

Pacific Fishery Management Council

Fran Recht serves on the Council's Habitat Committee. (PSMFC's Dave Hanson also serves on the Council as a non-voting member and parliamentarian as well as chair of the Council's Legislative Committee). Habitat issues tackled in 2015 included California water issues including the Lower Klamath and Sacramento Rivers, eelgrass and aquaculture, off-shore aquaculture, groundfish essential fish habitat, offshore wave energy proposals and fishery ecosystem planning.

INDIVIDUAL FISHING QUOTA TRAWL RATIONALIZATION CATCH MONITOR PROGRAM

The **Individual Fishing Quota (IFQ) Catch Monitor Program** provides accurate, timely and independent third party verification of catch landed in the IFQ Trawl fishery. Catch monitors (CMs) conduct dockside monitoring at first receivers who land IFQ catch. They verify the sorting, weighing and recording of catch as it is offloaded by first receivers. The Catch Monitor Program was created in 2008 to monitor the whiting fishery and then expanded to include all trawl landings when the IFQ program was implemented in January 2011.

The IFQ trawl fishery has a catch verification system in place to ensure IFQ Groundfish species and in particular, overfished species, as well as Chinook salmon and Pacific halibut can be adequately monitored and accounted for in season to maintain the integrity of vessel quotas used to manage Groundfish species and trip limits.

During the course of the year, the Catch Monitor Program (CMP) conducted annual briefings for 46 returning CMs to ensure they have the tools they need to effectively complete their job duties including a review session, as well as, a discussion of any applicable changes to Federal regulations and CMP protocol changes.

The CMP completed four trainings certifying a total of 34 new CMs bringing the total of certified CMs for 2015 to 80. Until this year, the CMP has worked with the West Coast Groundfish Observer Program (WCGOP) to ensure all aspects of monitoring the IFQ program were adequately covered as the majority of CMs were also active observers. The relationship has continued this year and the CMP has also created a new CMP training program. With the implantation of the Electronic Monitoring Program (EMP), industry expressed interest in having CMs remain on shore for greater availability. To meet the needs of industry, a new program was created that covers portions of the training that had been covered by WCGOP in the past in order to ensure CMs have the knowledge necessary to complete required tasks effectively.

For the 2015 fishing year, debriefings were conducted with each CM in the field. This is to ensure data quality and resolution of any problems that may not yet have been addressed either with regards to CM data quality, first receiver problems or any other concerns that may have been encountered. Program staff completed 67 debriefings during the calendar year for CMs in the field.

Program staff completed a review of Catch Monitor Plans for 44 IFQ first receivers located from Bellingham to Santa Barbara and conducted site visits at 30 of the locations. During these site visits, program staff work with fish buyers to ensure they have the ability to comply with Federal regulations and also that offload and safety procedures are clearly outlined in the Catch Monitor Plan and submitted to National Marine Fisheries Service (NMFS) prior to issuance of their annual IFQ First Receiver Site License.

The CMP reviews CM and first receiver data as it enters the data system looking for any anomalies between the data sets. Staff work with the CMs, first receivers and NMFS to resolve data issues in a near real time setting to the extent possible.

The IFQ Catch Monitor Program is comprised of two full time Pacific States Marine Fisheries Commission (PSMFC) employees who work solely on this project.



NORTHERN PIKEMINNOW SPORT REWARD PROGRAM

The **Northern Pikeminnow Sport Reward Program** is a joint effort between the fishery agencies of the states of Washington and Oregon and the Pacific States Marine Fisheries Commission (PSMFC). Funding for the program is provided by the Bonneville Power Administration (BPA). The 2015 season marked the 25th consecutive year of the Sport Reward Fishery program. The Washington Department of Fish and Wildlife (WDFW) operated the sport reward registration/creel check stations throughout portions of the Columbia and Snake rivers and handled all fish checked into the program. Oregon Department of Fish and Wildlife (ODFW) provided fish tagging services, population studies, food habit and reproductive studies, as well as exploitation rate estimates. The Commission provided fiscal and contractual oversight for all segments of the Program and processed all reward vouchers for sport reward anglers. Maintenance of the website (www.pikeminnow.org) is provided by the Commission. The 2015 season ran from May 1 through September 30.

Highlights of the 2015 Season include:

A season total of 200,213 fish were harvested in the sport reward fishery.

Vouchers for 198,610 fish of the 200,213 total catch were submitted for payment with rewards totaling \$1,588,259.

Rewards were paid at \$5 for each of the first 25 fish caught by an angler during the season; \$6 for each fish caught in the 26-200 range; and \$8 for each fish caught by an angler above 200 fish.

A total of 1,388 anglers who registered were successful in catching one or more fish in 2015. The top Pikeminnow angler for 2015 caught 12,053 fish and was paid \$100,453 for his efforts.

A total of 196 tagged fish were caught. Anglers were issued a special tagged fish voucher for all tagged fish brought to the registration station. The tag voucher was then sent in with the tag for verification. A payment of \$500 was then made for each tagged fish. Vouchers for 195 (of the 196 total tagged fish caught) were submitted for payment with rewards totaling \$97,500.

A total of 161 tag-loss fish were paid a bonus reward of \$100. The total season tag-loss bonus totaled \$16,100.

System-wide exploitation of Northern Pikeminnow during the Sport Reward fishery was 17.2 percent (95 percent confidence interval; 12.3–22.1 percent). Using the model of Friesen and Ward (1999), the estimated 2015 predation levels were 29 percent (range: 15–47 percent) lower than pre-program levels.

PSMFC staff spent some time upgrading and enhancing the Northern Pikeminnow Sport Reward Program's website (www.pikeminnow.org) including new regular updates of top-20-angler catch and payment numbers.

Vaunt Marketing was hired in May for program promotion and assisted in obtaining and securing regular promotion of the Northern Pikeminnow Sport Reward Program on NBC Outdoor GPS, ESPN Radio Outdoorline in Seattle and Northwestern Outdoors Radio. Expanded use of print media advertising and participation in numerous outdoor shows across the Northwest were all part of our successful effort to improve catch and participation in the 2015 season.



PACIFIC FISHERIES INFORMATION NETWORK

The **Pacific Fisheries Information Network (PacFIN)** provides timely and accurate data essential for effective fisheries management. The nation's first regional fisheries data network, PacFIN is a joint federal and state data collection and information management project. It is funded by a grant from the National Marine Fisheries Service (NMFS). Cooperative agency and industry partners supply data from fisheries off the coasts of Washington, Oregon, California and British Columbia. These statistics are recorded in the PacFIN central database,

which includes fish-ticket and vessel registration data from state fishery agencies in Washington, Oregon and California and species-composition and catch-by-area proportions from port sampling and trawl logbook data systems. NMFS supplies the central database with limited-entry permit data and daily summaries for the West Coast at-sea fishery developed from tow-by-tow observations. The Network combines the collected information in order to provide accurate estimates of commercial catch and value for the West Coast. This regional data source allows state and federal fisheries agencies to manage regional fisheries and fishery resources more effectively and enables research by industry, non-governmental organizations and universities.

In 2015 the PacFIN office updated the central database with regular datafeeds from nine data sources and responded to various requests for information. PacFIN reports were generated weekly and monthly and uploaded to the Pacific States Marine Fisheries Commission (PSMFC) and PacFIN website.

Following are highlights of PacFIN central office activities in 2015:

Internal system upgrades

Internal system upgrades were performed. These activities included database performance improvements, new production automation and retrieval scripts, new documentation and metadata.

Oracle database support

Contracted services were employed to provide database administration support, including: Oracle software maintenance services to apply critical patches and database upgrades when necessary; database monitoring to include regularly scheduled checks of logs; backup procedures; and statistics and consultation regarding performance, upgrades and database tools and functionality.

PacFIN user support

PacFIN staff worked with clients to establish new accounts, grant table access and assist with data retrievals from the PacFIN server environment.

Software development support

Contracted services were retained for software development and varied programming support.

Database Redevelopment

Fish ticket, Quota Species Monitoring (QSM) weekly reported catches and permit data were loaded directly by state agency data coordinators using PacFIN's web application interface. Data validation is incorporated into the loading process. The new process employs a web based delivery application and APEX applications for loading, staging and production updates. Data Marts have been established for user access and enhanced web-based reporting. Plans for enhancement of biological sample and groundfish trawl logbook data systems are in the initial stages of development.

PacFIN web query tool development

Development of Oracle Business Intelligence software to query the PacFIN database continued during this period. Oracle Answers software was used to develop various user-specific queries and build customized user dashboards for generating specific reports and data sets on demand. The PacFIN Answers tool and PacFIN Explorer tool have been enhanced to select from the new comprehensive data tables as part of the re-development process. These web based query tools allow PacFIN users to directly access the database with an easy to use interface.

PacFIN public web report development

Redevelopment of PacFIN public web reports from static text files to an interactive web based design using APEX was completed during this period. The enhanced reporting system is live on the PacFIN public website. The former static report files are maintained in a “Legacy PacFIN Reports” Data link temporarily, as users transition to the APEX tool. The user response to the APEX design has been very positive, as demonstrated by a significant increase in website activity.

Web Site redesign

The PacFIN web site redesign has been implemented with a new look and enhanced user interface. As previously noted, PacFIN Legacy reports, including all of the previous DATA links will be maintained for a limited period of time under the “Legacy PacFIN Reports” link.

In-season Reporting Redevelopment

The Quota Species Monitoring (QSM) sub-system redesign was completed during this period incorporating COMPREHENSIVE_FT and COMPREHENSIVE_NPAC as source data tables and utilizing the web based APEX reporting application to display the Best Estimate Report (BER) online.

PacFIN Workgroups

PacFIN workgroup activity included: Highly Migratory Species (HMS), working principally in support the HMS SAFE document data assemblages; Groundfish Management Team (GMT), working to plan and implement in-season reporting protocols; PacFIN Data Management, coordinating data collection, delivery and validation operations between the PacFIN central office and all data sources.

Report from Groundfish Catch Monitoring and data systems in California

The program monitors and provides California commercial groundfish data for effective fisheries management. Fisheries Technicians report landings of commercial groundfish species under numerical quota or harvest guideline to PacFIN within seven days of landing. They sample commercial groundfish landings to determine species compositions of landings and collect biological data on size, sex and reproductive condition of those species. They key that data into a statewide groundfish sampling program database. They also key groundfish trawl logs into a database. The data analyst and managers generate monthly and annual estimates of species, age, length and sex composition from the statewide groundfish sampling program and submit the data to PacFIN. Considerable effort must be expended to satisfy in season and between-season management needs dictated by the Groundfish Fishery Management Plan.

Meetings and seminars

PacFIN staff meetings were conducted weekly. Work group meetings with PacFIN partners were conducted by teleconference as needed. The Annual PacFIN meeting was held on October 28th and 29th in Portland, Oregon.



COLUMBIA BASIN PIT TAG INFORMATION SYSTEM

The Columbia Basin PIT Tag Information System (PTAGIS) is a coordination and data management project of the Pacific States Marine Fisheries Commission (PSMFC). PTAGIS develops and maintains software that can be used to collect and contribute PIT tag data. Data contributed by regional agencies are validated, loaded into a database system and made available for download and reporting via the PTAGIS website. This project is an important prerequisite component of all PIT Tag research conducted for the Fish and Wildlife Program.

The PTAGIS program's responsibilities include direct operations and maintenance of 27 large scale interrogation sites throughout the Columbia Basin that provide the majority of 188 million observation events available in the database system. PTAGIS also maintains the Separation-by-Code (SbyC) systems at eight of these sites that selectively segregate individual PIT-tagged fish from other tagged and non-tagged fish.

The use of PIT tags for monitoring fish migration is a popular and effective research and management tool. This was confirmed by the strong turnout at the *2015 PIT Tag Workshop* hosted in Stevenson, WA earlier this year. PTAGIS provided the coordination for this 3 day event which included 70 presentations from experts using this technology within the basin region and beyond. Vendor booths were packed with participants at an evening reception and during breaks. Staff also provided training on the advanced features of PTAGIS reporting system that was upgraded a few years ago.

The database system continues to expand with new data and usage. This year 2.15 million fish marked with a PIT tag were contributed to the database from 31 agencies. The marked fish were released to one of 341 known sites and as they migrated to and from the ocean they generated 13 million detections from the 269 established interrogation sites within the Columbia Basin. This data was submitted in 378 thousand data files generating 118 million database rows (either updated or inserted). 463 researchers executed 225 thousand queries resulting in 8.5 billion rows of data returned.

The database, website and related field software systems continue to evolve as well. In coordination with the PIT Tag Steering Committee a new data model was designed to improve support for additional mark/recovery scenarios. New fields requested by researchers provide additional scope to their studies and tie important research to other fishery databases. Implementation of this new model in the database will continue through next year in conjunction with the development of new tagging software called P4. PTAGIS coordinated a focus group of regional experts to help beta test P4 and the new data model. Tag distribution and tag model information as far back as 1999 was added to the powerful reporting system which was not possible with the legacy system replaced a few years ago. Researchers can now filter data by tag type (9mm vs. 12mm tag) or identify a specific study or project that received certain tags.

The detection efficiencies of antennas at interrogation sites managed by PTAGIS edged even higher (99+%) with the deployment of tag readers that auto-tune with changing environmental conditions and the increased usage of better performing tags. The diversion gate efficiencies at SbyC sites remain high due to in-year and off-season maintenance by PTAGIS and Corps of Engineers (COE). Staff have played a pivotal role in the design and coordination of the upcoming adult detections system at John Day Dam, which has been requested by the community for many years.

2015 was a very productive year for this program. Some of the more significant accomplishments won't be fully realized until next year when new tagging software and data model are operating in production and the new JDA adult interrogation site is fully operational.



RECREATIONAL FISHERIES INFORMATION NETWORK

The **Recreational Fisheries Information Network** (RecFIN) continued in 2015. The Pacific States Marine Fisheries Commission (PSMFC) works cooperatively with the National Marine Fisheries Service (NMFS) and state fish and wildlife agencies from California, Oregon and Washington to maintain robust and accurate recreational fishery data collection and data base programs for the Pacific Coast. The four goals of RecFIN are:

- Develop and implement a State/Federal cooperative program for a coast-wide marine recreational fisheries data system.
- Coordinate collection, management and dissemination of Pacific Coast marine recreational fishery data.
- Provide the data in a central location on a timely basis in the format needed to support state and federal work on Pacific marine recreational fisheries.
- Reduce and avoid duplication of data collection efforts between RecFIN members.

The database contains recreational fishery data for the years 1980-89 and 1993 to the present. The primary source of data in the RecFIN database comes from the following five state sampling programs: The Oregon Recreational Boat Survey (ORBS), the Oregon Shore and Estuary Boats Survey, currently inactive due to funding shortage, the Washington Ocean Sampling Program (OSP), the Washington Puget Sound Boat Survey and the California Recreational Fisheries Survey (CRFS). These programs are partially funded by NMFS and supplemented with state agency funding in all three states. The survey is spread out over approximately 800 fishing access points coast-wide in the three states. Of these sites, 57 percent are in California, 10 percent in Oregon and 33 percent in Washington.

2015 Highlights include:

The state of California, with partial funding from the Commission, continued collection of recreational finfish harvest from six geographical districts through the CRFS program. Almost 65,000 angler trips were sampled in 2015 from four distinct fishing modes– (private and rental boats, party and charter boats, man-made structures and beaches and banks) and three water areas (ocean offshore, nearshore and inland marine/estuarine). Of the catch that was retained, CRFS staff observed and identified over 90,000 finfish and invertebrates.

The Commission provided partial funding for recreational fishery sampling in Oregon and Washington through RecFIN. Sampling was conducted by the state fish and wildlife agencies in both states. Approximately 35-40 percent of all ocean boat angler trips were sampled in Oregon in 2015, where sampling occurred from March through October. Harvest estimates for 2015 are posted to the RecFIN database. The state of Washington conducted their Ocean Boat Survey and the Puget Sound Boat Survey in 2015. Sampling occurred throughout the year in Puget Sound and from March through October on the coast. Sampling rates totaled about 40 percent of all ocean boat trips. In addition, the OSP estimation program has been modified to generate estimates of recreational groundfish catch by depth bin. These changes will assist the fishery managers in evaluating and modifying depth based mortality impacts from the results of barotrauma injuries.

Field testing of new electronic data collection devices continued in 2015 in Washington, funded through the Marine Recreational Information Program (MRIP). The goal of the project is to develop and deploy an electronic data collection platform that will increase the efficiency and accuracy of recreational fishery data collection, as well as remain functional under use in the harsh outdoor environment. Early results indicate that useful electronic tools can be developed. Further testing will occur in Puget Sound in 2016 and coastwide implementation will occur for the ocean fisheries in 2016.

A pilot project to electronically collect recreational groundfish fishing data with samplers aboard commercial passenger fishing vessels (CPFV) in Oregon was initiated in 2015. Successful testing of a new data collection application was completed on 32 CPFV trips in 2015. Full implementation of the new electronic data collection program is anticipated in 2016.

Marine finfish catch from Oregon bays, estuaries and shores has not been sampled since 2005 due to funding restrictions. With new funding through MRIP, planning began in 2015 to initiate a pilot project to evaluate the feasibility of reinitiating this sampling program along at least part of the Oregon coast. Implementation of the pilot is expected in 2016 with efforts focused on shore and estuary fisheries primarily in Lincoln County, Oregon.

All catch and effort information for each sampling month from the various surveys is loaded into the RecFIN database maintained at the Commission with a one-month lag time. Access is available to the catch and effort information for all three states through the Commission's website, www.psmfc.org. Detailed explanations of the sampling conducted, sampling methodology and estimation statistics of the various sampling programs along with catch and effort estimates by month are also available on the RecFIN website (www.recfin.org). In addition, the PSMFC staff continue efforts on a major conversion of the RecFIN data base from a Statistical Analysis System (SAS) based format to a Microsoft Structural Query Language (MS-SQL). Results of this database conversion will improve fishery manager and stock assessors access and use of the data. Database conversion activities will continue in 2016 utilizing the expertise of the RecFIN Technical Committee as well as other partners and frequent users of the database to guide the efforts.



REGIONAL MARK PROCESSING CENTER

The **Regional Mark Processing Center (RMPC)** serves federal, state, tribal and private fisheries agencies on the Pacific Coast by processing and exchanging coded wire tag (CWT) release, recovery and associated catch sample information. The RMPC adopts new data formats and implements software, hardware and personnel enhancements, in order to meet evolving CWT informational needs by the Pacific Salmon Commission (PSC) and other agencies, in support of the Pacific Salmon Treaty. In addition, the RMPC has the

responsibility of serving as the single United States database to exchange CWT information with Canada in PSC format on a regular basis. The RMPC maintains the Regional Mark Information System (RMIS) database and coordinates the acquisition and validation of these data from the various agencies. Funding is provided by the U.S. Fish and Wildlife Service and the Bonneville Power Administration. Over 60 million coded wire tagged fish are now released coast-wide every year, mostly from publicly funded fish hatcheries, with approximately 1,200 different tag codes.

Database Software Change

In 2015 we transitioned from using Oracle database software to a newly installed version of PostgreSQL open source database software. This will save the program about \$9,000 per year in software support fees and also make use of the available space on the Pacific States Marine Fisheries Commission (PSMFC) virtual server system, thus eliminating the need to purchase a new stand-alone computer server for the database to reside on. This amounts to additional budget savings for the project and helps to put the project on a sound financial footing into the future.

Data Validation

The CWT data load programs were again upgraded to perform more rigorous cross-table checks of tag releases in format version 4.1 when validating newly submitted tag recovery data sets. This is an ongoing project as data uploading errors are identified and corrected. The staff continues to work closely with several agencies to implement improved validation of new data before it is merged with RMIS and to correct historical data already in the database.

Data Integrity

Maintaining data integrity is an important aspect of maintaining large databases and considerable time was spent working with the various data reporting agencies to resolve various inconsistencies found in the CWT data sets. While the number of errors was relatively small, it took considerable effort to resolve the causes of the errors and correct them. Also substantial effort was put into adding Global Positioning System (GPS) coordinates (latitudes and longitudes) for land-based release and recovery locations. GPS coordinates for the U.S. locations were completed. Canadian locations will be completed in the future. This provides the ability to map the data.

RMPC Web Site

New updated information has been added to the RMPC website. Sixty years of the proceedings of the Northwest Fish Culture Conference are now available; scientific papers related to the use of coded wire tags have been added; meeting minutes for the Data Standards Work Group and the PSC Data Sharing Committee were posted; and other relevant material is added as requested or needed. See: <http://www.rmpec.org>

Missing Recovery Data

Missing freshwater tag recovery data for certain areas have been identified. The RMPC continues to work closely with the responsible agencies to coordinate the filling of those data gaps.

Annual Meeting of the Regional Committee on Marking and Tagging

The annual Mark Meeting was held April 28 and 29, 2015, at the Baranof Hotel in Juneau, Alaska and was hosted by the Alaska Department of Fish and Game. The meeting minutes and presentations are available at: <http://www.rmpec.org/annual-mark-meeting-minutes.html>. Agenda items included updates on the RMPC activities; the status of coded wire tag data sets and unreported tag releases; website changes, updated documents and new mapping tool; the new database software installation project at RMPC (the need to upgrade the Oracle server, evaluation of virtual server options and the possible use of a new database software to replace Oracle); a demonstration of the updated InfoMap service which displays coded wire tagged fish release location and subsequent recovery locations by tag code and now displays the number of recoveries at a particular site; an update on the PSC Data Sharing Committee and the Data Standards Working Group activities; a presentation of double index tag analyses, and their current usage; agency updates on marking and tagging programs; Carrie Cook-Tabor gave a presentation on PSC Selective Fisheries Evaluation Committee activities; there was also a presentation and discussion of recording errors with “tag type 15” (half-length tags); Lorraine Vercessi gave a presentation of the Alaska hatchery program; Northwest Marine Technology gave a presentation on their new tag detection handheld “T” wands which included a discussion of tuning the wands to be less sensitive and eliminating false positive detections. The group also toured the Douglas Island Pink and Chum, Inc. (DIPAC) hatchery facility in Juneau.

Regional Coordination

RMPC staff participated in Pacific Salmon Commission committees and regional science and management teams to assist with coordinating coded wire tagging activities and providing CWT data. The RMPC continues working closely with Idaho Department of Fish and Game in providing PSMFC staff to assist with their hatchery data under a contract with the Lower Snake River Compensation Plan and with Oregon and Washington Departments of Fish and Wildlife to implement the coded wire tag recovery program in sampling sport, commercial and tribal fisheries for salmon and steelhead carrying tags under a Bonneville Power Administration-funded contract. The recovered tags are read and decoded and the information is added to the RMIS database for use by fish management agencies to make science-based decisions regarding populations of salmon and steelhead in the region. PSMFC staff also assisted research biologists in the region in acquiring the CWT data they need for a variety of projects.

Coded Wire Tag Data

Work continued full time on expediting the processing of new data sets (CWT releases, recoveries, catch/sample, etc.) as they were supplied by the various reporting agencies.

There were a number of new data rows added to RMIS tables during calendar year 2015:

• Releases	4,275 rows
• Recoveries	372,504 rows
• Catch/Sample	13,625 rows
• Locations	735 rows

These data were received from multiple agencies within the member states of PSMFC, were processed and validated to ensure accuracy, and were uploaded to the RMIS server and shared with Canada. All data are available to fisheries scientists and the public via the RMPC web site within 24 hours of receipt.

This was a very busy data management year again. Canada again made significant updates and corrections to their historical data sets. In 2015 Alaska reported the most coded wire tag recoveries at 99,953 with Oregon close behind with 91,829 and Washington with 88,779 recoveries.

Use of the RMIS database remains strong in the fisheries community. It is of interest that 485 different people logged-in to RMIS in 2015. Many of those people logged-in multiple times, with 407 people logging-in more than once and 251 people logging-in ten or more times over the year. One power user has logged-in 818 times since registering on the RMIS site.

Specialized Data Requests

Throughout the year, specialized requests were received and processed for all CWT recoveries for specific sets of tag codes. These “brood reports” summarized tag recoveries across all fisheries, agencies, and recovery years. In addition, numerous data users were assisted in retrieving “raw” recovery records. These data subsets were then processed by the respective data users in a variety of ways to build their own in-house PC databases and generate customized reports, etc.

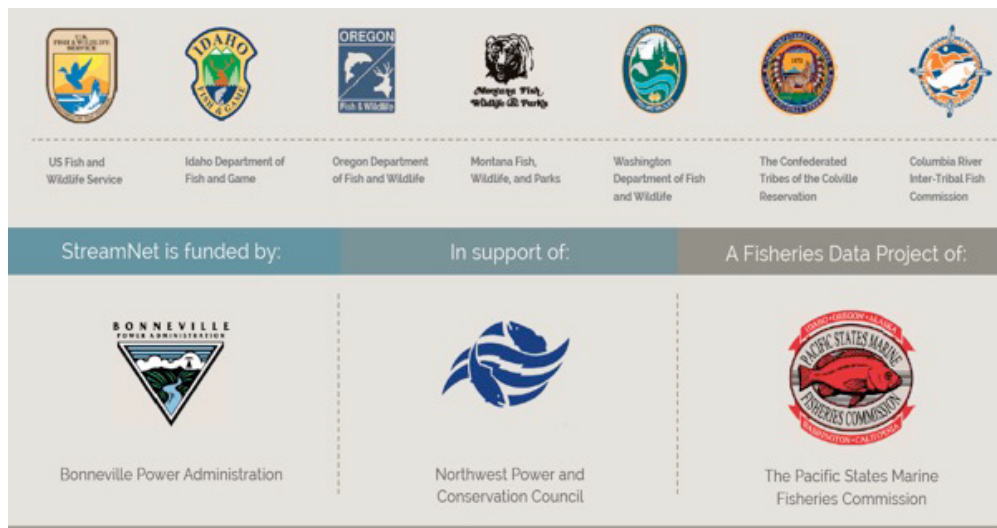


DIPAC Hatchery Facility in Juneau, Alaska
Photo courtesy of George Nandor



STREAMNET

StreamNet provides access to regional fish data by maintaining a coordinated, standardized, web-based distributed information network. The need for regionally coordinated and readily accessible data has been identified by the Northwest Power and Conservation Council (NPCC), the Bonneville Power Administration (BPA) and the National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NOAA-NMFS). StreamNet works cooperatively with the agencies that create the data through StreamNet-supported technical staff inside these agencies and by leading or coordinating a number of initiatives to aid in assuring a regional approach to data management.



Photos Courtesy of Tony Grover

During 2015 StreamNet continued to help lead implementation of the Coordinated Assessments (CA) project. Accomplishments included adoption of a 5-year Plan for the project by the StreamNet Executive Committee, collection of data from partners on the first indicators and continuing development of Data Exchange Standards (DES). In 2015 a decision was also made to resume updates of certain prioritized standard data trends, such as those related to the CA project or feeding the NPCC dashboards. CA focuses on the key indicators and metrics that have been identified as priorities for reporting progress on implementation of the Federal Columbia River Power System (FCRPS) Biological Opinion (BiOp). At the end of 2015 BPA identified a need to gather as much data as possible for populations they determined were priorities, and efforts were begun to assist in this effort.

States and tribes provided available data for the first indicators to StreamNet in 2015. This table shows the data flow for populations (as outlined by the Technical Recovery Teams (TRT));

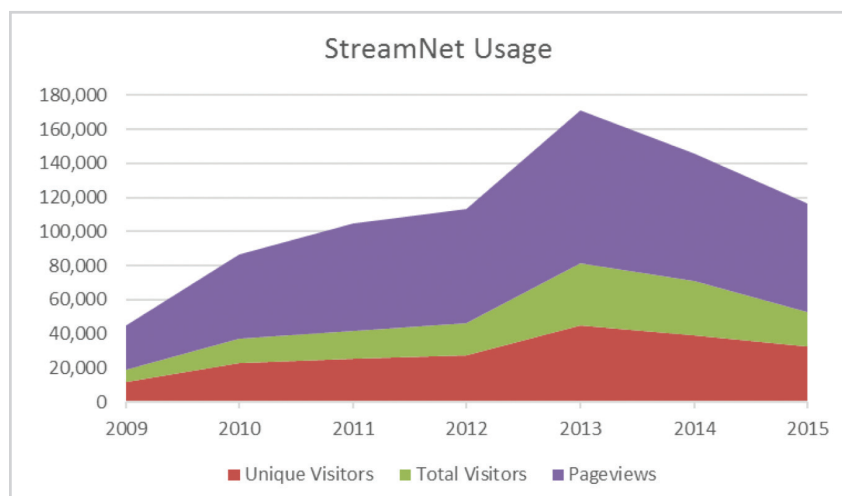
Staff at PSMFC and subcontracting agencies also continued implementation of the BPA secure data repository initiative and StreamNet maintained the Data Store as a Repository for any BPA projects without identified secure repositories. Staff provided leadership and support for a second workshop on hand-held technology for fish data projects, in collaboration with the Western Forestry Association, Pacific Northwest Aquatic Monitoring Partnership (PNAMP) and Sitka Technologies. StreamNet partner staff participated in or presented findings at this workshop.

Coordinated Assessments Data Flow in FY 2015 216 TRT populations listed in the Interior Columbia & Lower Columbia/Willamette Recovery Domains							Non-TRT CRB Populations	Non-Population Level Assessments
Estimated reporting for TRT populations in FY 2015							Overall TRT Reported	Non-TRT Reported
Indicator	Estimated /Total TRT	Est./Total %	ODFW	IDFG ^a	WDFW	Tribes [*]		
Natural Origin Spawner Abundance	133/216	61.6	40	29	63	1		
Recruits per Spawner	34/216	15.7	19	15				
Smolt to Adult Ratio	3/216	1.4	1	1	1			
Juvenile Abundance	25/216	11.6		25				
Reported publishable TRT populations/annual HLI estimates as of December 17, 2015							Non-TRT Reported	Non-Pop. Reported
Indicator	Reported/ Estimated	Rep./Tot. %	Pops/Yrs ODFW	Pops/Yrs IDFG ^a	Pops/Yrs WDFW	Pops/Yrs Tribes [*]	Pops/%/Years with HLI	Pops / Years Areas / Years
Natural Origin Spawner Abundance	125/133	94.0	63/1,513	18/901	46/483	1/9	125/57.9%/2,906	4 / 31
Recruits per Spawner	54/34	158.8	36/897	18/802			54 / 25% / 1,699	
Smolt to Adult Ratio	1/3	33.3	1/13				1 / 0.5% / 239	14 / 224
Juvenile Abundance	0/25	0.0					0 / 0% / 0	
^a Includes estimates coordinated with ISEMP, NPT or SBT. [*] Comprehensive only for StreamNet Partners. Includes late 2014 CCT. ODFW has also reported 4 non-TRT steelhead populations. Note: Some of the numbers don't add up across indicators reported due to portions of Populations shared by agencies or multiple Report Types reported per Population, etc. (See previous detailed report for specifics)								

✗ Includes estimates coordinated with ISEMP and/or NPT *Comprehensive only for StreamNet Partner Tribes *

HLI = High Level Indicators; TRT = Technical Recovery Team; CRB = Columbia River Basin

A wide variety of data types were disseminated through the StreamNet website in 2015 (www.streamnet.org). Improvements to the appearance and accessibility of data on the website were made in 2015. Work commenced on a new query system for use and display of the CA data. Average time on site, average number of page views per visitor and use by key data providers/users such as state and federal agencies all increased from 2014 to 2015, but total views declined. The goal of the project is to facilitate the flow of data “from the stream to the screen”.





WEST COAST GROUNDFISH OBSERVER PROGRAM

The **West Coast Groundfish Observer Program (WCGOP)** continued its efforts to collect data to supporting the management of the West Coast groundfish fisheries during 2015 by working collaboratively with NOAA Fisheries. 2015 was the fourteenth year the program has deployed observers in a variety of West Coast groundfish fisheries. The program remains flexible and prepared to provide the data needed to support the management and science needs of West Coast groundfish and other protected species. Observers collect scientific, management and other data through measurements of selected portions of the catch and fishing gear; on-board interviews with vessel captains and crew; observations of fishing

operations; and collection of biological samples. In addition, a variety of other information is collected by observers on protected species and species of concern, including seabirds, marine mammals and sea turtles.

In 2015, Pacific States Marine Fisheries Commission (PSMFC) worked with National Oceanic Atmospheric Administration (NOAA) Fisheries to administer three 3-week trainings and six 4-day briefings to prepare observers to collect data in the field. A total of 94 observers were trained or briefed in 2015, 68 of whom were for the catch share fisheries not including the at-sea hake fisheries and 26 for the Non-Catch Share fisheries (NCS). The At-Sea Hake Observer Program (ASHOP) component (Catcher Processors and Motherships) conducted three trainings that prepared 48 observers for deployment. The catch share observer training is coordinated with the catch monitor program as nearly every observer is also trained to serve as a catch monitor by PSMFC's catch monitor program which provides dockside monitoring of catch share trip offloads. In addition, observer collected discard data for the catch share fishery is combined with landing data from the catch monitoring program in the NOAA Fisheries Vessel Account System which tracks quota utilization for the catch share fishery.

PSMFC debriefers assure observer data quality through review of observer data and periodic in person meetings with observers during the year. NCS observer effort is coordinated by a PSMFC field coordinator who manages observer resources to meet the coverage goals established for each fishery.

In addition, PSMFC staff worked to procure and manage observer gear to equip observers to carry out their duties. This gear includes safety and sampling gear. PSMFC manages the gear, computers and software used by the observers to complete sampling activities and access the NOAA observer database to enter their data and report activities. PSMFC is assisting NOAA Fisheries with the development of electronic data

In 2015, WCGOP observers spent 6,435 days at sea: 3,468 in the catch share fisheries (excluding at-sea hake), 474 in the hake shoreside and mothership catcher vessels and 2,493 in the NCS. NCS fisheries are all other groundfish fisheries not included in the catch share fishery. For the ASHOP component of the program in 2015 there were 1,506 sea days (2 observers per vessel), 1,172 of which were on catcher processors and 334 were on Motherships. In 2015, PSMFC had 13 full-time and one half-time staff working for the program, including debriefers, coordinators, a gear technician, a data analyst and a program manager.

**PACIFIC STATES MARINE
FISHERIES COMMISSION**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2015

**PACIFIC STATES MARINE FISHERIES COMMISSION
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2015**

BOARD OF COMMISSIONERS	1
INDEPENDENT AUDITORS' REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS	
COMMISSION-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	10
STATEMENT OF ACTIVITIES AND CHANGE IN NET POSITION	11
GOVERNMENTAL FUNDS FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	13
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS	14
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES AND CHANGE IN NET POSITION	15
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	16
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION – PROPRIETARY FUNDS	17
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	18
NOTES TO FINANCIAL STATEMENTS	19
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	31
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	33
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	35
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	39
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	40
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	43

**PACIFIC STATES MARINE FISHERIES COMMISSION
BOARD OF COMMISSIONERS
JUNE 30, 2015**

California

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Fred Trevey
Idaho Department of Fish and Game
6626 Cougar Ridge Road
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Pacific States Marine Fisheries Commission
Portland, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the commission-wide governmental activities, each major governmental fund, and the aggregate remaining fund information of Pacific States Marine Fisheries Commission, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the commission-wide governmental activities, each major governmental fund, and the aggregate remaining fund information of Pacific States Marine Fisheries Commission as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pacific States Marine Fisheries Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2015, on our consideration of Pacific States Marine Fisheries Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pacific States Marine Fisheries Commission's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Bellevue, Washington
September 25, 2015

**PACIFIC STATES MARINE FISHERIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

This discussion and analysis of the Pacific States Marine Fisheries Commission's (the Commission) financial performance provides an overview of the Commission's financial activities for the year ended June 30, 2015. Please read it in conjunction with the accompanying basic financial statements and notes to the financial statements.

Overview of the Financial Statements

This discussion and analysis is an introduction to the Commission's basic financial statements, which comprise three components: 1) Commission-wide financial statements, 2) governmental fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Commission-Wide Financial Statements (Reporting the Commission as a Whole)

The Commission-wide financial statements are designed to be similar to private sector businesses in that all Commission activities are consolidated. These statements combine fund financial resources with capital assets and long-term obligations.

The statement of net position presents information on all the Commission's assets and liabilities, with the difference between the two reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allowance for depreciation.

The statement of activities and change in net position presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of when cash is received or paid.

This report also includes two schedules that reconcile the amounts reported in the governmental fund financial statements (modified accrual accounting) with activities on the Commission-wide statements (accrual accounting).

The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in Commission activities are not reported on governmental fund statements.
- Unless due and payable, long-term liabilities such as capital lease obligations, notes payable, and others, only appear as liabilities in the Commission-wide statements.
- Capital outlay spending results in capital assets on the Commission-wide statements and are depreciated over their estimated useful lives, but are reported as expenditures on the governmental fund statements.
- Repayment of debt principal decreases liabilities on the Commission-wide statements, but is reported as an expenditure on the governmental fund statements.
- Gains and losses from disposal of capital assets are reported on the Commission-wide statements, but the total proceeds from such disposals are reported as other financing sources on the governmental fund statements.

**PACIFIC STATES MARINE FISHERIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

Overview of the Financial Statements (Continued)

Fund Financial Statements (Reporting the Commission's Major Funds)

The fund financial statements provide information about the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the Commission uses to keep track of specific sources of funding and spending for a particular purpose.

The Commission's basic services are reported in the funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for future spending. The fund financial statements provide a short-term view of the Commission's general operations and the basic services it provides. Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's programs.

These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Commission's funds include the General, Grants and Contracts, and Proprietary funds.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Commission-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements.

Commission-Wide Condensed Financial Information

The following table reflects the condensed statement of net position at June 30:

	2015	2014
ASSETS		
Other Assets	\$ 21,787,443	\$ 19,464,815
Capital Assets	1,018,194	1,089,529
Total Assets	<u>\$ 22,805,637</u>	<u>\$ 20,554,344</u>
LIABILITIES		
Current Liabilities	\$ 10,904,557	\$ 7,748,254
Long-Term Liabilities	1,715,598	2,481,860
Total Liabilities	<u>12,620,155</u>	<u>10,230,114</u>
NET POSITION		
Invested in Capital Assets, Net of Related Debt	1,006,801	992,982
Unrestricted	9,178,681	9,331,248
Total Net Position	<u>10,185,482</u>	<u>10,324,230</u>
Total Liabilities and Net Position	<u>\$ 22,805,637</u>	<u>\$ 20,554,344</u>

The Commission's net position, referred to as unrestricted, may be used to meet the ongoing obligations of the Commission. The remaining net position reflects investment in capital assets used to provide services to programs; consequently, these assets are not available for future spending.

**PACIFIC STATES MARINE FISHERIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

Commission-Wide Condensed Financial Information (Continued)

The 2015 increase in current liabilities was primarily due to Alaska Chinook salmon disaster claims in the amount of \$4,174,866 accrued as accounts payable at June 30, 2015 but disbursed after fiscal year-end. The financial statement offset was an increase in grant receivables included in other assets.

Long-term liabilities decreased during 2015 due to funding the Post Employment Health Plan in the amount of \$729,215 for employee sick leave hours in excess of 480. Cash expended to fund this action resulted in a decrease in other assets.

The following condensed financial information was derived from the Commission-wide statement of activities and change in net position and reflects how the Commission's net position changed during the fiscal year.

	2015	2014
REVENUE		
Grants and Contracts	\$ 63,114,592	\$ 52,524,102
General Revenue	205,606	239,048
Total Revenue	63,320,198	52,763,150
EXPENSES		
Fisheries Related Programs	63,457,859	52,322,097
Other Expenses	1,087	5,692
Total Expenses	63,458,946	52,327,789
INCREASE IN NET POSITION	(138,748)	435,361
Net Position - Beginning of Year	10,324,230	9,888,869
NET POSITION - END OF YEAR	<u>\$ 10,185,482</u>	<u>\$ 10,324,230</u>

The net position decreased by \$138,748 during the current fiscal year in comparison with an increase in the prior year of \$435,361.

2015 expense related to the Alaska Chinook Salmon Disaster program in the amount of \$11,805,550 was the primary reason for the increase in grants/contracts revenue and fisheries related programs expenses. This did not contribute to an increase in net position, however, because salmon disaster payments are not subject to indirect cost recovery.

Indirect costs charged to programs in 2013 exceeded actual costs by \$181,383. Over recoveries are carried forward as a reduction in future indirect rate calculations. The carryforward of the 2013 over recovery to 2015 decreased the indirect cost rate from 12.36% in 2014 to 11.16% in 2015. Accordingly, the decrease in net position for 2015 was appropriate and expected.

Financial Analysis of the Commission's Funds

General Fund and Grants and Contracts Fund

The focus of the Commission's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, the unrestricted fund balance may serve as a useful measure of the Commission's net resources available for spending at the end of the fiscal year.

(7)

**PACIFIC STATES MARINE FISHERIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

Financial Analysis of the Commission's Funds (Continued)

As the Commission completed the year, its general fund reported an unrestricted fund balance of \$9,027,218 as of June 30, 2015. This amount constitutes the unreserved fund balance, which is available for appropriation for the general purposes of the fund. The excess revenues of the special revenue fund (grants and contracts) are transferred to the general fund at the end of the year resulting in a zero fund balance at the end of the year. The Commission has no legal requirement for a budget, though budget estimates are prepared for the general fund. Certain contracts and grants have budget requirements, which must be monitored; however, these budgets are not program wide. Accordingly, budgetary information has not been included in the basic financial statements.

Proprietary Fund

The proprietary fund reported a cash balance at June 30, 2015 of \$2,043,423 for future payouts of vacation and sick leave liabilities to employees upon termination or retirement. During the fiscal year ended June 30, 2015, the cash balance decreased by \$713,329 as the result of a change to sick leave accruals. Effective January 1, 2015 sick leave was capped at 480 hours. Excess hours as of the conversion date were transferred to the Post Employment Health Plan in the amount of \$729,215.

Capital Assets and Long-Term Debt

Capital Assets

The Commission's investment in capital assets, net of accumulated depreciation, amounted to \$1,018,194 and includes a broad range of assets (see the table below). Depreciation charges for this fiscal year totaled \$322,510.

	2015	2014
Computers	\$ 208,934	\$ 215,834
Furniture and Office Equipment	17,421	26,563
Leasehold Improvements	97,466	118,871
Field and Scientific Equipment	479,623	433,887
Truck/Boat	214,750	294,374
Total	<u>\$ 1,018,194</u>	<u>\$ 1,089,529</u>

The additions to capital assets for the year ended June 30, 2015 totaled \$307,275. There are no planned future acquisitions of any significance.

Long-Term Debt

During the current fiscal year, the Commission acquired no new debt. The Commission has encountered no problems in obtaining financing as needed.

Economic Expectations

The Commission receives the majority of its revenue from the administration of contracts and grants related to fisheries resources management. The Commission expects stable funding in these services. The Commission's prudent use of resources continues to position it well in providing services to its customers and member states of Alaska, California, Idaho, Oregon, and Washington.

**PACIFIC STATES MARINE FISHERIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

Closeout of Office of Inspector General Audit

The Office of the Inspector General Audits (OIG-11-025A dated May 19, 2011 and OIG-11-026A dated June 10, 2011) and the Defense Contract Audit Agency (DCAA) Audit of March 6, 2014 have been officially closed. The Commission paid \$33,245 for questioned costs resulting from the DCAA audit. A letter dated April 1, 2015 was received from the National Oceanic and Atmospheric Administration, Grants Management Division, stating all financial and non-financial findings related to the above audits have been adequately addressed.

Requests for Information

This financial report is designed to provide a general overview of the Pacific States Marine Fisheries Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance, Accounting Division, 205 SE Spokane Street, Suite 100, Portland, Oregon 97202-6413.

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2015**

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 8,737,495
Receivables:	
Grants and Contracts	9,697,112
Other	3,201,373
Prepaid Expenses	<u>151,463</u>
Total Current Assets	21,787,443
NONCURRENT ASSETS	
Capital Assets, Net of Accumulated Depreciation	<u>1,018,194</u>
 Total Assets	 <u>22,805,637</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts Payable	9,166,478
Payroll Liabilities	793,933
Compensated Absences, Current Portion	332,548
Long-Term Debt, Current Portion	6,670
Unearned Rent	312,583
Unearned Revenues	<u>292,345</u>
Total Current Liabilities	10,904,557
LONG-TERM LIABILITIES (Due in More than One Year)	<u>1,715,598</u>
Total Liabilities	<u>12,620,155</u>
NET POSITION	
Investment in Capital Assets, Net of Related Debt	1,006,801
Unrestricted	<u>9,178,681</u>
 Total Net Position	 <u>\$ 10,185,482</u>

See accompanying Notes to Financial Statements.

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF ACTIVITIES AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2015**

	<u>Governmental Activities</u>
PROGRAM REVENUES	
Grants and Contracts	\$ 63,114,592
PROGRAM EXPENSES	
Fisheries Management:	
Materials and Services	25,930,465
Personal Services	23,876,791
Salmon Disaster Relief	11,746,798
Sport Rewards	1,393,691
Capital Outlay Not Capitalized	187,604
Interest Expense	1,087
Depreciation	<u>322,510</u>
Total Program Expenses	<u>63,458,946</u>
NET PROGRAM REVENUES	(344,354)
GENERAL REVENUES	
State Dues	106,000
Interest and Other Income	<u>99,606</u>
Total General Revenues	<u>205,606</u>
CHANGE IN NET POSITION	(138,748)
Net Position - Beginning of Year	<u>10,324,230</u>
NET POSITION - END OF YEAR	<u><u>\$ 10,185,482</u></u>

See accompanying Notes to Financial Statements.

(11)

PACIFIC STATES MARINE FISHERIES COMMISSION
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	Grants and Contracts	Total
ASSETS			
Cash and Investments	\$ 6,694,072	\$ -	\$ 6,694,072
Due from Other Funds	9,697,112	292,345	9,989,457
Receivables:			
Grants and Contracts	-	9,697,112	9,697,112
Other	3,201,373	-	3,201,373
Prepaid Expenses	151,463	-	151,463
	<u>\$ 19,744,020</u>	<u>\$ 9,989,457</u>	<u>\$ 29,733,477</u>
LIABILITIES AND FUND BALANCES			
Due to Other Funds	\$ 292,345	\$ 9,697,112	\$ 9,989,457
Accounts Payable	9,166,478	-	9,166,478
Payroll Liabilities	793,933	-	793,933
Unearned Rent	312,583	-	312,583
Unearned Revenues	-	292,345	292,345
Total Liabilities	<u>10,565,339</u>	<u>9,989,457</u>	<u>20,554,796</u>
Nonspendable Fund Balances	151,463	-	151,463
Fund Balances, Unassigned	9,027,218	-	9,027,218
Total Fund Balances	<u>9,178,681</u>	<u>-</u>	<u>9,178,681</u>
	<u>\$ 19,744,020</u>	<u>\$ 9,989,457</u>	<u>\$ 29,733,477</u>

See accompanying Notes to Financial Statements.

**PACIFIC STATES MARINE FISHERIES COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2015**

Fund Balances - Governmental Funds	\$ 9,178,681
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds:

Capital Assets	3,986,479
Less: Accumulated Depreciation	<u>(2,968,285)</u>
Total	<u>1,018,194</u>

Long-term debt obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds

	<u>(11,393)</u>
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Net Position	<u><u>\$ 10,185,482</u></u>
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See accompanying Notes to Financial Statements.

(13)

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	General	Grants and Contracts	Total
REVENUES			
Grants and Contracts	\$ -	\$ 63,114,592	\$ 63,114,592
State Dues	106,000	-	106,000
Interest and Other Income	99,606	-	99,606
Total Revenues	<u>205,606</u>	<u>63,114,592</u>	<u>63,320,198</u>
EXPENDITURES			
Current:			
Personal Services	2,734,047	21,142,744	23,876,791
Materials and Services	1,167,144	24,763,321	25,930,465
Salmon Disaster Relief	-	11,746,798	11,746,798
Sport Rewards	-	1,393,691	1,393,691
Capital Outlay	64,189	374,591	438,780
Debt Service:			
Principal	-	85,153	85,153
Interest	-	1,087	1,087
Total Expenditures	<u>3,965,380</u>	<u>59,507,385</u>	<u>63,472,765</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,759,774)	3,607,207	(152,567)
OTHER FINANCING SOURCES (USES)			
Indirect Cost/Administration			
Transfers In	3,607,207	-	3,607,207
Indirect Cost/Administration			
Transfers Out	-	(3,607,207)	(3,607,207)
Total Other Financing Sources (Uses)	<u>3,607,207</u>	<u>(3,607,207)</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES (USES) OVER EXPENDITURES AND OTHER SOURCES (USES)	(152,567)	-	(152,567)
Fund Balance - Beginning of Year	<u>9,331,248</u>	<u>-</u>	<u>9,331,248</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 9,178,681</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,178,681</u></u>

See accompanying Notes to Financial Statements.

(14)

**PACIFIC STATES MARINE FISHERIES COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCES TO THE STATEMENT OF
ACTIVITIES AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2015**

Net Change in Fund Balances - Total Governmental Funds \$ (152,567)

Amounts reported for governmental activities in the statement of revenues, expenditures, and change in fund balances are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of revenues, expenditures, and change in fund balances, the cost of those assets is capitalized and depreciated over their estimated useful lives.

Capital Outlay	438,780
Less: Capital Outlay Not Capitalized	(187,604)
Less: Current Year Depreciation	<u>(322,510)</u>
Total	<u>(71,334)</u>

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment of principal reduces long-term liabilities in the statement of net position and the amount representing interest is included as an expense in the statement of revenues, expenditures, and change in fund balances:

Capital Lease Payments	<u>78,318</u>
Total	<u>78,318</u>

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment of principal reduces long-term liabilities in the statement of net position and the amount representing interest is included as an expense in the statement of revenues, expenditures, and change in fund balances:

Long-Term Debt Payments	<u>6,835</u>
Total	<u>6,835</u>

Change in Net Position	<u><u>\$ (138,748)</u></u>
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See accompanying Notes to Financial Statements.

(15)

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2015**

	Governmental Activities- Internal Service Fund Type
	<u>Compensated Absences</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,043,423
LIABILITIES	
Accrued Compensated Absences	<u>2,043,423</u>
NET POSITION	
Unrestricted	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

(16)

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION –
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2015**

	Governmental Activities- Internal Service Fund Type <u>Compensated Absences</u>
OPERATING REVENUES	
Charges for Services	\$ 356,827
OPERATING EXPENSES	
Compensated Absences Expense	<u>356,827</u>
OPERATING INCOME	-
Net Position - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

(17)

**PACIFIC STATES MARINE FISHERIES COMMISSION
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2015**

	Governmental Activities- Internal Service Fund Type Compensated Absences
CASH FLOWS FROM OPERATING ACTIVITIES	
Charges for Services	\$ 356,827
Cash Paid to Employees for Services	<u>(1,070,156)</u>
Net Cash Used by Operating Activities	(713,329)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(713,329)
Cash and Cash Equivalents - Beginning of Year	<u>2,756,752</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,043,423</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	\$ -
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Compensated Absences	<u>(713,329)</u>
Net Cash Used by Operating Activities	<u><u>\$ (713,329)</u></u>

See accompanying Notes to Financial Statements.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Pacific States Marine Fisheries Commission (the Commission) was authorized in 1947 by an Act of the Congress of the United States of America granting consent and approval to an interstate compact. The Commission is composed of five member states: Alaska, California, Idaho, Oregon, and Washington. While the Commission has no regulatory or management authority, it was created to provide collective participation by states to work on mutual problems of fisheries resource management. The Commission's principal offices are located in Portland, Oregon.

Financial Reporting Entity

The Commission is a quasi-governmental corporation governed by a 15-member board. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the Commission (the primary government) and any component units. Component units, as established by Governmental Accounting Standards Board (GASB) Statement No. 14, are separate organizations that are included in the Commission's reporting entity because of the significance of their operational or financial relationships with the Commission. The Commission has no reportable component units.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting and Measurement Focus

The accounts of the Commission are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Commission-Wide Financial Statements

The Commission-wide financial statements include the statement of net position and statement of activities and change in net position. These statements present summaries of governmental activities for the Commission.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Commission-Wide Financial Statements (Continued)

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the Commission’s assets and liabilities, including capital assets and long-term liabilities are included in the accompanying statement of net position. The statement of activities and change in net position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Grants and contracts revenue are considered program revenues by the Commission.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All interfund balances in the statement of net position have been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and change in fund balances for the following governmental funds:

General Fund – This fund accounts for all financial resources and uses which are not included in the special revenue fund. Resources of the general fund are typically not restricted for use within specific projects. The fund’s principal revenue sources are indirect costs charged to the special revenue fund and state contributions.

Special Revenue Fund (Grants and Contracts) – This fund accounts for revenue and expenditures restricted for specific projects or programs. The fund’s principal revenue sources are grants and contracts from various federal and member state agencies.

All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the fund balance sheet. The statements of revenues, expenditures, and change in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Financial Statements (Continued)

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Most revenue sources have been treated as susceptible to accrual by the Commission as the amounts due are known at year-end. Interest revenue and some other miscellaneous revenues are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unavailable revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when the Commission receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

Reconciliation of the governmental fund financial statements to the Commission-wide financial statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Proprietary Funds

Proprietary funds account for the operations that are financed and operated in a manner similar to private business, where the determination of operating income, change in net position, financial position, and cash flows is necessary. These funds utilize the accrual basis of accounting.

Internal Service Fund

Internal service funds are used to account for goods and services provided by one department or agency to other departments or agencies of the Commission on a cost reimbursement basis. The internal service fund includes the compensated absences balance of the Commission.

Fund Equity

GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB No. 54) effective for reporting periods after June 15, 2011. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity (Continued)

GASB No. 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

In addition to the nonspendable fund balance, GASB No. 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted – fund balances that are constrained by external parties, constitutional provisions enabling legislation.
- Committed – fund balances that contain self-imposed constraints of the Commission from its highest level of decision-making authority.
- Assigned – fund balances that contain self-imposed restraints of the Commission to be used for a particular purpose.
- Unassigned – fund balances of the Commission that are not constrained for any particular purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the Commission's policy to use restricted first, then unrestricted fund balances. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the Commission's policy to use committed first, then assigned, and finally unassigned amounts.

Budgets

The Commission has no legal requirement for a budget, though budget estimates are prepared for the general fund. Certain contracts and grants have budget requirements which must be monitored; however, these budgets are not program-wide. Accordingly, budgetary information has not been included in the basic financial statements.

Grants

Unreimbursed grant expenditures due from grantor agencies are recorded in the Commission-wide financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability, unearned revenues, in the statement of net position.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets, Including Equipment Leased Under Capital Leases

Capital assets are recorded at original cost or estimated original cost in the statement of net position. Acquisitions of general capital assets are recorded as expenditures at the major program levels in governmental fund types at the time of purchase. Maintenance, repairs, and equipment replacements of a routine nature are charged to expenditures as incurred and are not capitalized. Upon disposal of capital assets, the related cost or estimated cost and any proceeds from such disposal are accounted for as other financing sources. At their inception, capitalized leases are recorded as capital assets at the net present value of future minimum lease payments to be made.

The portion of the payment applicable to principal, determined by using interest rates implicit in the lease, is reported as a reduction of the capitalized lease obligation.

Depreciation is recorded in the statement of activities and change in net position. The statement of net position reflects the cost of capital assets net of depreciation and is computed on the straight-line basis over the following estimated useful lives. Assets acquired by capital lease are amortized over their estimated useful lives using the straight-line basis. Amortization is included in depreciation expense in these financial statements.

Buildings and Improvements	30 Years
Computers, Furniture, Office, and Field Equipment	3 - 10 Years

Capital assets include assets which were purchased with funds from various federal and state agencies. Those funding agencies retain residual interests in certain assets, which are exercised upon disposal.

Cash and Investments

The Commission maintains its cash either in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor or in certain noninterest bearing accounts that are fully insured by the FDIC. The Commission had \$8,777,104 in cash that was exposed to uninsured deposit risk at June 30, 2015. To reduce its overall exposure, the Commission holds its funds in banks that participate in the Oregon Public Funds Collateralization Program. This program provides additional protection for public funds in Oregon, but does not guarantee the funds fully. The Commission has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Certificates of deposit are recorded at cost.

Grants and Contracts Receivable

The majority of receivables are comprised of claims for reimbursement of costs under various federal and state grant programs. The Commission considers all receivables to be substantially collectible. Accordingly, no allowance for doubtful accounts has been established.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

Vacation pay is vested when earned. Employees earn annual leave based on length of service to the Commission. Unpaid vested vacation and 50% of vested sick pay that is expected to be paid with current resources is shown as accrued compensated absences payable on the statement of net position and recorded as expenditures when earned.

Unearned Rent

The Commission recognized escalating rent provisions on straight-line basis over the lease term.

Retirement Plans

Commission employees meeting eligibility requirements are participants in a defined contribution pension plan. Contributions to this plan are made on a current basis as required by the plan and are charged to expenditures as the related liabilities are incurred.

Employees of the Commission are also allowed to participate in a Northwest Plan Services, Inc. IRC 457 Plan. The plan permits employees to voluntarily defer a portion of their compensation. The Commission makes no contributions to this plan. Northwest Plan Services, Inc., as the plan administrator, retains custody and fiduciary responsibility for all funds deposited into the plan.

Post Employment Health Plan

The Commission sponsors a Post Employment Health Plan (PEHP), which helps participants pay for certain qualified medical expenses after their retirement or termination. Once an employee has qualified to be in the pension plan they can participate in the PEHP. The PEHP has two individual accounts: 1) Universal Reimbursement Account in which the Commission contributes a fixed amount (\$10) each month for each eligible participant; and 2) Insurance Premium Reimbursement Account which is funded at termination or retirement with a portion of accrued sick leave. To be eligible for the second account, the employee must be 100% vested in the Commission Pension Plan and have accrued sick leave at termination. Employees are responsible for directing their PEHP contributions among the various funds selected by the plan administrator. The participant's account is passed on to a spouse and/or dependents if the participant were to die. As of June 30, 2015, there were 352 participants in the plan, and the Commission contributed \$781,289 into the plan.

Interfund Transactions

Activity between funds represent short-term receivables or payables in the normal course of the Commission's operations or are reimbursements for administrative expenses that are outstanding at the end of the fiscal year. All outstanding balances are reported as either due to or due from other funds in the fund financial statements.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 CASH AND INVESTMENTS

The Commission maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is reported on the statement of net position as cash and investments.

Cash and investments (recorded at cost) consisted of the following at June 30, 2015:

Petty Cash	\$ -
Deposits with Financial Institutions:	
Demand Deposits	2,701,769
Money Market	11,410
Savings	6,024,316
Total Cash and Investments	<u>\$ 8,737,495</u>

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. To reduce its overall exposure, the Commission holds its funds in banks that participate in the Oregon Public Funds Collateralization Program. This program provides additional protection for public funds in Oregon, but does not guarantee the funds fully. The Commission has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash. The Commission's bank balance was exposed to custodial credit risk as follows at June 30, 2015:

Uninsured and Uncollateralized	\$ 8,777,104
Uninsured and Collateral Held by Pledging Bank's Trust	
Department not in the Commission's Name	-
Total	<u>\$ 8,777,104</u>

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 3 CAPITAL ASSETS

Capital asset activity was as follows at June 30:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital Assets:				
Computers	\$ 913,189	\$ 77,016	\$ -	\$ 990,205
Furniture and Office Equipment	151,583	-	-	151,583
Leasehold Improvements	410,164	-	-	410,164
Field and Scientific Equipment	1,636,404	230,259	56,100	1,810,563
Truck/Boat	623,964	-	-	623,964
Total Capital Assets	3,735,304	307,275	56,100	3,986,479
Accumulated Depreciation:				
Computers	697,355	83,916	-	781,271
Furniture and Office Equipment	125,020	9,142	-	134,162
Leasehold Improvements	291,293	21,405	-	312,698
Field and Scientific Equipment	1,202,517	128,423	-	1,330,940
Truck/Boat	329,590	79,624	-	409,214
Total Accumulated Depreciation	2,645,775	322,510	-	2,968,285
Total Assets	<u>\$ 1,089,529</u>	<u>\$ (15,235)</u>	<u>\$ 56,100</u>	<u>\$ 1,018,194</u>

NOTE 4 LONG-TERM LIABILITIES

Compensated Absences

The following is a schedule of the compensated absences as of June 30, 2015:

Balance - Beginning	\$ 2,756,752
Incurred	356,827
Retired	(1,070,156)
Balance - Ending	<u>\$ 2,043,423</u>
Due Within One Year	<u>\$ 332,548</u>
Long-Term Portion	<u>\$ 1,710,875</u>

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 4 LONG-TERM LIABILITIES (CONTINUED)

Capital Lease Obligation

The following is a schedule of the capital lease obligations as of June 30, 2015:

Balance - Beginning	\$ 78,319
Additions	-
Payments	(78,319)
Balance - Ending	<u>\$ -</u>

The total interest incurred for the year ended June 30, 2015 was \$1,087.

Long-Term Debt

The following is a schedule of the long-term debt as of June 30, 2015:

Balance - Beginning	\$ 18,228
Additions	-
Payments	(6,835)
Balance - Ending	<u>\$ 11,393</u>

Long-term debt consisted of the following at June 30, 2015:

Description	Security	Amount
U.S. Bank Equipment Finance, Monthly Installments of \$566.64, with Interest at 5.9%; Maturing February 2017	2014 Jeep Latitude	\$ 11,393
Less: Current Portion		(6,670)
Total Long-Term Debt		<u>\$ 4,723</u>

Scheduled principal payments of the long-term debt are as follows:

Year Ending June 30,	Amount
2016	\$ 6,670
2017	4,723
Total	<u>\$ 11,393</u>

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 5 PENSION PLAN

The Commission sponsors the Pacific States Marine Fisheries Commission Employees Pension Plan (the Plan), which is a defined contribution pension plan.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments on those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account.

Employees must meet eligibility requirements based upon hours and length of service to participate in the Plan. The Commission is required to contribute an amount equal to 14% of the eligible employee's gross earnings. Vesting is based on a schedule that provides 100% vesting at the end of five years of qualified employment. An employee who leaves the employment of the Commission is entitled to his or her vested interest in the Plan.

Forfeitures are used to reduce future contributions. For the year ended June 30, 2015, the Commission contributed \$1,708,927 to the Plan, net of forfeitures. There were 335 participants in the Plan at June 30, 2015.

NOTE 6 RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission purchases commercial insurance to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 OPERATING LEASES

The Commission, as lessee, leases office space, vehicles, and equipment under various operating leases. The total amount expended under such leases was \$641,182 for the year ended June 30, 2015.

Future minimum lease payments for the noncancellable leases with initial or remaining lease terms of one year or more are as follows:

Year Ending June 30,	Amount
2016	\$ 493,328
2017	466,607
2018	463,756
2019	360,970
2020	345,104
Thereafter	1,437,933
Total	<u>\$ 3,567,698</u>

NOTE 8 COMMITMENTS AND CONTINGENCIES

As discussed in Note 1, the Commission holds capital assets for which granting agencies, principally federal agencies, have residual interests. The granting agencies, at their discretion upon disposition of these assets, are entitled to possession of the assets or the proceeds from their sale.

Substantially all amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Commission's management expects such amounts, if any, to be immaterial.

**PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 9 SUBSEQUENT EVENT

On August 1, 2015, the Commission entered into a purchase agreement with Northwest Marine Technology, Inc. to purchase four AutoFish Systems for \$2,252,000. A downpayment of \$581,950 is due by September 30, 2015. The remainder of the purchase price plus interest of 4.25% is due annually by December 30. Scheduled payments are as follows:

Year Ending June 30,	Amount
2016	\$ 108,332
2017	767,807
2018	686,977
2019	245,645
Total	<u>\$ 1,808,761</u>

At the same time, the Commission entered into a lease-purchase option memorandum of understanding with Idaho Department of Fish and Game (IDFG) for the four AutoFish Systems for \$2,252,000. The initial rent payment of \$581,950 is due from IDFG on September 1, 2015. The remainder of the payments are due to the Commission annually by December 1 for the same amounts as listed in the table above.



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Pacific States Marine Fisheries Commission
Portland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pacific States Marine Fisheries Commission (the Commission), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated September 25, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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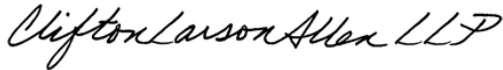
(31)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Bellevue, Washington
September 25, 2015



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
Pacific States Marine Fisheries Commission
Portland, Oregon

Report on Compliance for Each Major Federal Program

We have audited Pacific States Marine Fisheries Commission's (the Commission) compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2015. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, Pacific States Marine Fisheries Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.



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(33)

Report on Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be significant deficiencies.

Pacific States Marine Fisheries Commission's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Pacific States Marine Fisheries Commission's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Bellevue, Washington
September 25, 2015

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor Direct Awards	CFDA No.	Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Energy</u>			
<i>Direct Awards - Bonneville Power Administration</i>			
ZEBRA AND QUAGGA MUSSEL PREVENTION IN THE COLUMBIA	81.Unknown	00049365	\$ 252,273
COWLITZ FALLS FISH FACILITY	81.Unknown	00050217	108,048
BPA COLUMBIA RIVER TAGGING	81.Unknown	00059976	8,060
STREAMNET 2014	81.Unknown	00063021	872,547
CHUM SPAWNING BELOW BONNEVILLE	81.Unknown	00063058	1,709
COMPARATIVE SURVIVAL STUDY	81.Unknown	00063203	216,116
FISH PASSAGE CENTER 2014	81.Unknown	00063416	639,534
BPA CODED WIRE TAG	81.Unknown	00063610	143,579
BPA COLUMBIA RIVER TAGGING	81.Unknown	00064046	808,481
NORTHERN PIKEMINNOW MANAGEMENT	81.Unknown	00064365	2,252,868
HABITAT EVALUATION PROJECT (HEP)	81.Unknown	00064637	280,798
PTAGIS	81.Unknown	00064846	1,568,030
SMOLT MONITORING PROGRAM	81.Unknown	00064847	1,313,289
STREAMNET 2015	81.Unknown	00066435	1,184,227
CHUM SPAWNING BELOW 4 LOWER DAMS	81.Unknown	00066561	2,477
NPCC TECH SVCS FISH DATA PRODUCTS	81.Unknown	00067008	58,128
EXP CODED WIRE TAG DATABASE	81.Unknown	00067252	151,145
EXP FISH PASSAGE CENTER 2015	81.Unknown	00067312	882,859
PSMFC CSS COMPONENT FY2015	81.Unknown	00067386	228,413
NORTHERN PIKEMINNOW MANAGEMENT	81.Unknown	00068321	1,434,392
SMOLT MONITORING PROGRAM	81.Unknown	00068326	874,088
HABITAT EVALUATION PROJECT (HEP)	81.Unknown	00068425	12,703
PTAGIS	81.Unknown	00068472	926,773
Subtotal - Direct Awards - Bonneville Power Administration			14,220,537
<i>Pass-Through Awards from CRITFC</i>			
CRITFC GENETIC ASSESSMENT OF CR STOCK	81.999	V1406	25,617
CRITFC GENETIC ASSESSMENT OF CR STOCKS	81.999	V1505	36,348
Subtotal - Pass-Through Awards from CRITFC			61,965
<i>Pass-Through Awards from State of Washington</i>			
FY14 LCR CHUM BIOP	81.999	13-1830	135
FY15 CHUM BIOP PROJECT	81.999	14-02020	35,923
Subtotal - Pass-Through Awards from State of Washington			36,058
Total U.S. Department of Energy			14,318,560
<u>U.S. Department of Agriculture</u>			
<i>Pass-Through Awards from National Fish and Wildlife Foundation</i>			
RANGE-WIDE COASTAL CUTTHROAT TROUT ASSESSMENT	10.683	90113040245	4,826
Subtotal - Pass-Through Awards from National Fish and Wildlife Foundation			4,826
Total U.S. Department of Agriculture			4,826

See accompanying Notes to Schedule of Expenditures of Federal Awards.

(35)

PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015

Federal Grantor Direct Awards	CFDA No.	Entity Identifying Number	Federal Expenditures
U.S. Department of Commerce			
Direct Awards			
IJFA	11.407	NA10NMF4070441	\$ 497,496
MONITORING SALMON HABITAT RESTORATION	11.436	NA12NMF4360202	860,012
NATIONAL VMS DATA COLLECTION	11.437	NA08NMF4370657	1,713,398
2008-2013 GROUND FISH AGE READER PROGRAM	11.437	NA08NMF4370660	103
FISHSET-FISHERIES SPATIAL ECONOMIC TOOLBOX	11.437	NA10NMF4370286	308,622
COST EARNINGS EFIN	11.437	NA10NMF4370440	36,220
RECFIN	11.437	NA10NMF4370449	113,917
AKFIN	11.437	NA10NMF4370459	446,395
PACFIN	11.437	NA10NMF4370460	608,770
GF TRAWL OBSERVER COMPLIANCE MONITORING	11.437	NA10NMF4370469	2,084,165
EDR COLLECTION FOR BSAI RATIONALIZED CRAB	11.437	NA11NMF4370169	264,309
W COAST GF FISHING INDUSTRY	11.437	NA11NMF4370198	415,905
PAC. COAST FISHERIES MANAGEMENT SUPPORT	11.437	NA11NMF4370212	3,540,367
W COAST GF OBSERVER PROGRAM	11.437	NA11NMF4370255	458
WEST COAST GROUND FISH OBSERVER PROGRAM	11.437	NA12NMF4370222	3,644,255
RECFIN	11.437	NA12NMF4370239	2,286,513
BSAI CRAB FISHERIES COOP ECONOMIC	11.437	NA13NMF4370035	102,161
GROUND FISH AGEING ASSISTANCE 2013-2017	11.437	NA13NMF4370183	458,571
AKFIN	11.437	NA14NMF4370087	2,239,713
PACIFIC COAST FISHERIES MGMT SUPPORT	11.437	NA14NMF4370120	961,394
ELECTRONIC MONITORING IN NORTH PACIFIC	11.437	NA14NMF4370237	817,015
ROCK FISH BAROTRAUMA MORTALITY	11.437	NA14NMF4370294	62,788
PACFIN	11.437	NA14NMF4370359	2,294,028
Subtotal			22,399,067
PINNIPED POPULATION STUDIES	11.439	NA11NMF4390206	265,761
AK CHINOOK SALMON DISASTER-DIRECT	11.452	NA14NMF4520238	7,593,997
AK CHINOOK SALMON FISHERY SPORT-RESEARCH	11.452	NA15NMF4520002	4,211,553
Subtotal			11,805,550
2012 BREP ROCK FISH BYCATCH	11.472	NA12NMF4720257	111,530
REDUCING ESA-LISTED EULACHON BYCATCH	11.472	NA13NMF4720268	67,021
REDUCING SABLE FISH AND ROCK FISH BYCATCH	11.472	NA13NMF4720276	81,159
USE OF ARTIFICIAL ILLUMINATION ON CHINOOK SALMON	11.472	NA14NMF4720315	16,537
REDUCE BYCATCH IN BOTTOM TRAWL FISHERY	11.472	NA14NMF4720317	2,118
Subtotal			278,365
Subtotal - Direct Awards			36,106,251

See accompanying Notes to Schedule of Expenditures of Federal Awards.

(36)

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

Federal Grantor Direct Awards	CFDA No.	Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Commerce (Continued)</u>			
<i>Pass-Through Awards from State of California</i>			
09/10 ADAPTIVE WATERSHED PROJECTS	11.438	P0981300	\$ (764)
JUVENILE SALMONID USE RYAN CREEK SLOUGHS	11.438	P1110524	88,549
COASTAL MENDOCINO SALMONID MONITORING	11.438	P1210327	419,710
NORTH COAST RESTORATION MONITORING	11.438	P1210328	147,680
SALMONID SPATIAL STRUCTURE-LWR ELL/VAN DUZEN RVRS	11.438	P1210516	32,692
SC STEELHEAD MONITORING-SANTA YNEZ	11.438	P1250012	251,675
S FORK EEL RIVER ADULT SALMONID	11.438	P1310501	42,424
Subtotal - Pass-Through Awards from State of California			981,966
<i>Pass-Through Awards from Other Sources</i>			
PFMC LIAISON	11.441	05-14	17,435
PFMC LIAISON	11.441	05-15	16,841
N PAC FISHERY MGMT COUNCIL	11.441	2010-4	2,476
N PAC FISHERY MGMT COUNCIL	11.441	2014-4	25,191
N PAC FISHERY MGMT COUNCIL	11.441	2015-4	12,033
Subtotal - Pass-Through Awards from Other Sources			73,976
Total U.S. Department of Commerce			37,162,193
<u>U.S. Department of the Interior</u>			
<i>Direct Awards</i>			
OR COASTAL CUTTHROAT TROUT DATABASE	15.231	L10AC20376	20,002
FWS CAMP DATA	15.512	F09AC00463	6,393
FWS CAMP DATA	15.512	F09AC00464	21,650
AMERICAN RIVER ROTARY TRAP ASSISTANCE	15.512	F13AC00053	144,238
CFM AT TRINITY RIVER FISH HATCHERY	15.512	R11AC20083	90,100
UPPER SACRAMENTO RIVER CHINOOK MONITORING	15.512	R11AC20089	593,182
COLEMAN/NIMBUS CONSTANT FRACTIONAL MARKING	15.512	R14AP00125	744,154
Subtotal			1,599,717
RECFISH	15.605	F13AP00105	2,596
RECFISH	15.605	F14AP00093	146,287
Subtotal			148,883
DREISSENID MUSSEL REMOVAL PROTOCOLS	15.608	F09AP00096	6,670
WATERCRAFT DREISSENID MUSSEL ELIMINATION	15.608	F10AP00301	105,687
PMEP COORDINATOR	15.608	F12AC00472	48,275
PASSAGE ASSESSMENT DATABASE ASSISTANCE 2012-2013	15.608	F12AC00585	19,774
MARK CENTER USFWS SUPPORT	15.608	F12AC00660	137,882
RAPID RESPONSE-100TH MERIDIAN	15.608	F12AC00747	25,537
CA FISH PASSAGE FORUM PARTNERSHIP	15.608	F12AC00949	59,981
WESTERN NATIVE TROUT INITIATIVE	15.608	F13AC00614	19,611
100TH MERIDIAN OUTREACH ANS	15.608	F14AP00903	2,779
WATRCRAFT INSPECTION AND DECONTAMINATION	15.608	F14AP01018	9,511
FISH PASSAGE INPECTION COORD PGRM	15.608	F13AC00130	8,659
Subtotal			444,366
REDD DEWATERING PROJECT	15.648	F12AC00838	69,922
FWW CAMP DATA	15.648	F14AC00524	101,395
Subtotal			171,317

See accompanying Notes to Schedule of Expenditures of Federal Awards.

(37)

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

Federal Grantor Direct Awards	CFDA No.	Number	Expenditures
<u>U.S. Department of the Interior (Continued)</u>			
IDAHO DATA MANAGEMENT	15.661	F14AC00011	\$ 414,260
ID HATCHERY EVALUATION	15.661	F14AC00012	357,205
Subtotal			<u>771,465</u>
Subtotal - Direct Awards			3,155,750
<i>Pass-Through Awards from State of Oregon</i>			
OR RECFIN SUPPLEMENTAL	15.605	36313	50,974
OR RECFIN SUPPLEMENTAL	15.605	38614	141,804
Subtotal - Pass-Through Awards from State of Oregon			<u>192,778</u>
<i>Pass-Through Awards from Other Sources</i>			
RANGE-WIDE COASTAL CUTTHROAT TROUT ASSESSMENT	15.663	90113040245	2,168
Subtotal - Pass-Through Awards from Other Sources			<u>2,168</u>
Total U.S. Department of the Interior			3,350,696
<u>Environmental Protection Agency</u>			
<i>Pass-Through Awards from State of Washington</i>			
EPA COLUMBIA RVR SALMON DATA EXCHANGE - STREAMNET	66.608	13-2095	88,130
Subtotal - Pass-Through Awards from State of Washington			<u>88,130</u>
Total Environmental Protection Agency			<u>88,130</u>
Total Expenditures of Federal Awards			<u>\$ 54,924,405</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

(38)

PACIFIC STATES MARINE FISHERIES COMMISSION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015

NOTE 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all grant programs of Pacific States Marine Fisheries Commission and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts reported in, or used in, the preparation of the financial statements.

NOTE 2 – Subrecipients

The following programs receiving funds from the U.S. Department of Commerce and the U.S. Department of Energy provided awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Interjurisdictional Fisheries Act of 1986	11.407	\$ 227,829
Columbia River Fisheries Development Program	11.436	761,449
Pacific Fisheries Data Program	11.437	4,702,647
Marine Mammal Data Program	11.439	159,127
Bonneville Power Administration Environment, Fish and Wildlife Program	81.Unknown	4,518,069

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes _____ X no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes _____ X none reported

Noncompliance material to financial statements noted? _____ yes _____ X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes _____ X no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ X yes _____ none reported

Type of auditors' report issued on compliance for for major programs?

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?

_____ yes _____ X no

Identification of major programs:

CFDA Number(s)

11.437
11.452

Name of Federal Program or Cluster

Pacific Fisheries Data Program
Alaska Chinook Salmon Disaster

Dollar threshold used to distinguish between type A and type B programs:

\$1,647,732

Auditee qualified as low-risk auditee?

_____ yes _____ X no

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

SECTION II –Financial Statement Findings

None

**Section III – Federal Award Findings and Questioned Costs
Finding 2015-001:**

U.S. DEPARTMENT OF COMMERCE
Pacific Fisheries Data Program – CFDA No. 11.437

**Allowable Activities and Allowable Costs/Cost Principles
Significant Deficiency, Internal Control over Compliance**

Condition:

During our testing of compliance with allowable activities and allowable cost requirements, we noted an employee timecard that had not been reviewed and approved by a supervisor.

Criteria:

Recipients of federal awards are required to have proper internal controls over compliance in order to ensure expenditures claimed for reimbursement are for allowable activities, properly allocated, authorized and properly supported. The Commissions policies and procedures state that all timecards are required to be reviewed and approved. This approval certifies that the hours indicated on the timecard are accurate and the activities fairly represent the employee's work effort.

Effect:

Lack of supervisory review and approval of timecards could result in employee time charged to an incorrect grant or reported for an incorrect amount.

Cause:

Inadequate internal controls relating to the Commission's timesheet policies and procedures.

Recommendation:

We recommend the Commission revise and strengthen the timecard approval process to ensure that supervisors approve timecards in a timely manner.

View of Responsible Official:

PSMFC agrees that all employee timecards should be reviewed and approved by managers. An internal review of timecards for the period January 1, 2015 through May 31, 2015 did not reveal a widespread problem, but there were several instances of non-compliance. In the specific instance identified in this audit finding, there was a configuration problem preventing the manager from accessing the employee's timecard. The issue has been fixed, but should not have been permitted to exist over multiple pay periods.

**PACIFIC STATES MARINE FISHERIES COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

Planned Corrective Action:

It has been communicated to staff that a manager approval is mandatory. In the rare instance where a manager is unavailable to approve a timecard within the timekeeping system prior to processing payroll, a subsequent email from the manager indicating review and approval of the employee's timecard will be obtained.

Anticipated Completion Date:

September 1, 2015

Responsible Individual(s):

Fiscal Manager
Supervisory Accountant

**PACIFIC STATES MARINE FISHERIES COMMISSION
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2015**

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

HEADQUARTERS STAFF 2015

Randy Fisher, *Executive Director*
Pam Kahut, *Fiscal Manager*
Shannon McKewon, *Human Resources Manager*

— Program Managers —

Stan Allen, *Senior Program Manager*
Fisheries/Habitat Assistance Programs

Dave Colpo, *Senior Program Manager*
Commercial Fisheries Data Programs

Stephen Phillips, *Senior Program Manager*
Aquatic Nuisance Species Programs

Steve Williams, *Senior Program Manager*
Recreational Fisheries Information Network
Northern Pikeminnow Sport Reward Management Program

