

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN

Local Association Award

Best AAPL Director's Communication
(During Calendar Year 2023)

Awards Committee Evaluation Form

To be completed by Local Association

Local Association Name: _____

Name of Director: _____

Month Communication Presented: _____

Number of Members in Local Association: _____

ATTACH THIS ENTRY FORM TO COPY OF AAPL DIRECTOR'S COMMUNICATION
(No comments or further explanations will be considered)

To Be Completed By Awards Committee

The following criteria are listed to assist in the evaluation of the AAPL Director's Communication.

<u>Criteria</u>	<u>Points</u>	<u>Score</u>
OBJECTIVITY: Was communication presented in an unbiased manner?	0-6	_____
CLARITY: Were board actions, professional and AAPL issues clearly communicated?	0-5	_____
ANALYSIS: Were key issues identified and concisely presented?	0-5	_____
OVERALL PRESENTATION	0-5	_____
	Total Points	<input type="text"/>

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN
QUARTERLY BOARD of DIRECTORS MEETING, Coral Gables, FL
September 10, 2023

The AAPL Quarterly Board Meeting was held on September 10th, 2023 at The Loews Coral Gables Hotel. Brooks Yates, AAPL President, called the meeting to order. The invocation was given by Lester Zitkus, followed by the introduction of guests and roll call of the Executive Committee, Directors and Committee Chairs. New Directors/Temporary and Sub-Directors were seated. Upon adoption of the agenda, the minutes from the last board meeting on June 13, 2023 were adopted by acclamation.

Financials

Treasurer's Report: Jerris Johnson, CPL, Treasurer, provided a report on AAPL and its affiliates for the period ending June 30, 2023 as follows:

Statement of Financial Position

- Compared to June 30, 2022, total assets have increased from \$39,338,051 to \$40,775,171, a change of \$1,437,120 or 3.7%. The increase is primarily due to market activity related to the investment account and the use of less cash from the investment account for operating purposes. During fiscal year 22-23, \$2.0M (operating purposes) was transferred from the investment account. During fiscal year 21-22, \$4.0M (operating purposes) and \$100k (AAPL board-designated EF disaster relief funds) were transferred from the investment account. Additionally, accounts receivable increased by \$636,568 due to the employee retention credit granted as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT).
- Compared to June 30, 2022, total liabilities have decreased from \$2,174,503 to \$2,001,064, a change of \$173,439 or 8.0%. This amount is made up primarily of \$1.35M of membership revenue for 2023-24. Accounts payable decreased \$269,070 or 45.5%, primarily due to the elimination of profit sharing and lower annual meeting payables due to deposits held over since the cancellation of the 2020 annual meeting and applied to the 2023 annual meeting. This decrease is offset by an increase of \$69,529 or 35.1% in accrued expenses primarily due to the change in accounting standard for leases. Additionally, due to the increased membership dues, deferred revenue has increased by \$69,185 or 5.3%.

Statement of Activities

- **Revenues** (exclusive of investment revenue) compared to June 30, 2022, have increased 2.9% from \$4,274,165 to \$4,400,076, a change of \$125,911.
 - Notable items:
 - Membership Income increased \$194,416 year over year due to increase in membership dues.
 - Education Income increased \$168,437 year over year due to increase in webinar and book sales.
 - Annual Meeting Income increased \$159,179 year over year due to increased registrations and sponsorship income.
 - NAPE Income decreased \$327,719 year over year primarily due to NAPE holding back reserves for operating expenses in fiscal year 22-23 and the F-1 receipt of NAPE management fees for Summit 2021 (held in August 2021) and Summit 2022 in FY 21-22.
- **Expenses** compared to June 30, 2022, have decreased 9.7% from \$7,082,741 to \$6,398,300, a change of \$684,441.
 - Notable items:
 - General and Administrative expenses decreased year over year in the amount of \$460,760 primarily due to the reduction in staffing and elimination of profit sharing, resulting in a decrease of salaries and benefits of \$471,334.
 - Other offsetting variances in General and Administrative expenses were in these areas:
 - Increase in contract labor of \$55,384
 - Increase in utilities of \$34,201
 - Contributions decreased year over year in the amount of \$200,000 due to the return of \$100,000 from the AAPL Educational Foundation, Inc. contributed during fiscal year 21-22.
 - IT and Software expenses decreased year over year by \$82,802 due to replacing a Personify consultant with a full-time employee.
 - Financial expenses decreased year over year by \$74,517 primarily due to employee retention tax consulting services incurred in fiscal year 21-22.
 - Advocacy increased year over year by \$144,573 due to lobbying efforts in fiscal year 22-23

Supplementary Information

- Investments as of June 30, 2023, are \$32,435,133, an increase of \$916,000 or 2.9% as compared to the same period last year. The change resulted from unrealized and realized gains/(losses) due to market activity in the AAPL investment account offset by withdrawals for operating purposes.
- As of June 30th, 2023, the **Education Foundation, Inc.**'s balance sheet reflects \$5,034,539, which is an increase of \$182,166 as compared to the same period last year. The Statement of Investment Accounts reflects \$4,973,734 total monies invested which is an increase of \$305,103 as compared to the same period last year.
- As of June 30th, 2023, the **Landman Scholarship Trust's** balance sheet reflects \$9,162,450 which is an increase of \$487,509 as compared to the same period last year. The Statement of Investment Accounts reflects \$9,017,968 total monies invested, which is an increase of \$463,898 as compared to the same period last year.

AAPL General Report:

AAPL Mission: Our mission is to promote the highest standards and ethics of performance for all land professionals and to encourage sound stewardship of all energy and mineral resources

AAPL Strategic Goals

- Goal #1: Excellence. Advance the culture and structure of AAPL to ensure excellence.
- Goal #2: Education. Position AAPL as the go-to resource for information, certification, and training.
- Goal #3: Value. Deliver and promote world-class member value to attract and retain membership.
- Goal #4: Diversity and Inclusion. Build and foster an inclusive and diverse organization that is representative of both cultural and professional diversity in membership and leadership.
- Goal #5: Advocacy. Promote the profession through elevating the voices of land professionals.
- Goal #6: Sustainability. Ensure the financial security and longevity of the association.

AAPL Membership Trends

Data is obtained from the results of the AAPL 2022 Annual Membership Satisfaction Survey.

- The average age of a member is 52.
- The average land work experience is 22.9 years.
- The average membership in AAPL is 18.17 years.
- The average age when respondents entered the land profession is 29 years.
- The average age when a member plans to retire – 66.67 years (33% of AAPL members are within 5 years of this range).
- 11% of respondents to the annual survey say their work falls under renewable energy.
- 50% of respondents to the survey stated they do some sort of renewable energy work.
- Females, according to survey responses, value their AAPL membership more than males.

NAPE Summit

- The NAPE Summit will be held February 7-9, 2024, at the George R. Brown Convention Center in Houston, TX.
- 2023 NAPE Summit attendance was ~8,011 and to date registration for the 2024 event is on pace to exceed 2023 attendance.
- Expecting around 500 exhibitors.

Annual Meeting

- The 70th Annual meeting will be held in Boston, MA June 19-21, 2023
- Host hotel is the Boston Park Plaza
- Annual Meeting Committee is working to finalize speakers and events

Women In Energy Institute

- Inaugural event will be held on October 24th, 2023, at the JW Marriot hotel in downtown Houston, TX
- Open to both men and women in all disciplines
- 5.75 AAPL CEUs available
- See AAPL website for additional details and schedule of events

Upcoming AAPL Board Meetings

- December 8-10, 2023, | Santa Ana PBL, NM Hyatt Regency Tamaya Resort 1300 Tuyuna Trail Santa Ana PBL, NM 87004
- March 8-10, 2024, | Tulsa, OK Mayo Hotel 115 W. 5th Street Tulsa, OK 74103 B-4
- June 18-19, 2024, | Boston, MA Boston Park Plaza 50 Park Plaza at Arlington Street Boston, MA 02116

Other Noteworthy News/Reports:

- AAPL President, Brooks Yates, will be attending and speaking at the April 1st, 2024, OCAPL Monday Night Meeting.

If you are interested in serving on an AAPL or OCAPL committee or otherwise becoming more involved, please feel free to contact me. Additionally, if you have any questions, comments, concerns, or ideas regarding the AAPL and/or its services, please do not hesitate to reach out.

Respectfully submitted,

Matt Beavers
AAPL Director