Mineralogical Society of America
2015 Treasurer’s Report

Howard W. Day
MSA Treasurer
September, 2016
MSA Finances Are Stable

- Investment Portfolio: Declined slightly
- Budget: Operating deficit $84K
- Budget: “Profit” of $6K after transfers
- 2015 Draft Audit: Clean
THE FINANCIAL TEAM

• Executive Director, J. Alex Speer
• Financial Advisory and Audit Committee
  – Mark van Baalen, Chair
    • David L. Bish
    • Gordon E. Brown, Jr.
    • Michael Brown
    • Barbara Dutrow
    • Julia A. Nord
    • Bryan C. Chakoumakos (MSA Secretary)
    • Howard W. Day (MSA Treasurer)
    • George E. Harlow (MSA Vice-President)
    • Rebecca A Lange (MSA President)
• Wells Fargo Investment Advisor, Jeff LeClair
MSA Investment Portfolio

- $3,087,459 on June 30, 2016
- Decrease over prior year: ~$5K
Conservative Strategy

• Asset Allocation
  – 66% Equities; 29% Fixed Income; 5% Cash
    Fixed Income: 17% CDs, 9% bonds, 2% MLP

• Quality of Funds
  – 57% of 28 funds ranked in top 32% of asset class
  – None ranked in the bottom 32% of asset class

• Performance
  – 3.3 % annualized over past ten years
  – 6 % annualized since 2002
Budget 2015

• Conservative Budget Strategy

• Operating Expenses Exceeded Income: $84K
  – Income $1,259,473: down $21K
  – Expenses $ 1,343,866: down $19K
  – After fund transfers: “profit” of $6,379

• Draft audit by Rubino & Co. Bethesda MD
  – Clean
Budget 2016

- Details not meaningful
- Projected operating loss: $133K
- Reflects increased investments in Am. Min.
Budget 2017

• Projected Loss After Fund Transfers: $97K
  – Operating Income down $36K from 2015
  – Operating Expenses up $78K

• Increased Investment in *Am. Min.*
  – $56K over 2015 actual expense
  – $17K for salaries
  – $14K for printing increased pages
  – $10K for Allen Track services
Budget 2017

• No new increase in dues
• Increased Subscription Rates for *Am. Min.*
  – $5 (5%) for individuals getting paper copies
  – $50 (~5%) for institutions
  – Increases help with covering real costs
  – All subscriptions heavily subsidized by MSA
Summary

• Finances are stable
• Project larger than usual operating losses
• Essential that endowments provide income
• Essential to invest conservatively
• Essential to increase our endowments
Challenges

• *Am. Min.* finances need continued vigilance
• Anticipate additional bookkeeping support
• Effect of Open Access on *Am. Min.* income?