

Mineralogical Society of America Treasurer's Report

Thomas S. Duffy

MSA Treasurer

November 2018

The Financial Team

- Executive Director, J. Alex Speer
- Accountant, Mary Endosome
- Financial Advisory and Audit Committee
 - Mark van Baalen, Chair
 - David L. Bish
 - Edward S. Grew
 - Howard Day
 - Donald D. Hickmott
 - Julia A. Nord
 - Bryan C. Chakoumakos (MSA Secretary)
 - Thomas S. Duffy (MSA Treasurer)
 - Mickey Gunter (MSA Vice-President)
 - Michael Brown (MSA President)
- Wells Fargo Investment Advisor, Jeff LeClair

MSA Investment Portfolio

- \$3,464,339 on June 30, 2018
- Increase over prior year: ~\$33,000

Date	Market Value	Annual Change
6/30/2018	\$ 3,464,339	1.0%
6/30/2017	\$ 3,431,236	11.2%
6/30/2016	\$ 3,084,458	-0.3%
6/30/2015	\$ 3,092,256	-1.1%
6/30/2014	\$ 3,126,568	13.7%
6/30/2013	\$ 2,748,896	6.2%
6/30/2012	\$ 2,588,117	-0.2%
6/30/2011	\$ 2,593,622	14.6%
6/30/2010	\$ 2,263,134	13.6%
6/30/2009	\$ 1,992,368	-10.4%
6/30/2008	\$ 2,224,590	--

Conservative Strategy

- Asset Allocation
 - 64% Equities; 32% Fixed Income; 4% 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
 - 54% increase over ten year period
 - 26% increase over past five years

Budget 2017

- Operating Expenses Exceeded Income: \$134K
 - Income \$1,271,391: up \$88K
 - Expenses \$ 1,405,533: up \$99K
 - After fund transfers: Operating “Profit” of \$121K
- Draft audit by Rubino & Co. Bethesda MD
 - Clean

Budget 2018

- Details not meaningful yet
- Projected operating loss: \$73K
- Reflects changes in income stream and increased investments in *Am. Min.*

Budget 2019

- Incremental Budget
- Increase in Member Dues
 - \$5 increase to \$85 for regular members
 - No increase for student members
 - New membership category: Early Career Professional
- Increased Subscription Rates for *Am. Min.*
 - \$10 (~8%) for individuals getting paper copies
 - \$50 (~ 4%) for institutions
 - Increases help with covering real costs
 - All subscriptions subsidized by MSA
- Projected Operating Loss: \$10K
- Transition Expenses are not reflected in this budget

Summary

- MSA currently in transition period presenting significant financial challenges over the next 18 months
- Investment performance mixed
- Essential to continue conservative investment strategy; Strong need to increase endowment
- *American Mineralogist* still undergoing transition; Future uncertainty over Open Access