WSWS Officer and Committee Report
2020 Annual Meeting – Maui, HI

Office or Committee Name: Finance Committee
Officer or Chairperson Name: Phil Banks
Date of Preparation (include year): February 22, 2020

Western Society of Weed Science
Statement of Financial Position
As of January 31, 2020

ASSETS		
Current Assets		
Bank Accounts		
10000 American Heritage Bank - 520		**14,426.60**
10100 American Heritage Bank - MM-748 0.6%		**82,996.82**
10200 AHB CD#3 - 87815 - 10/14/22 @ 1.45%		**25,463.95**
10300 AHB CD#4 - 87816 - 10/14/20 @ 1.75%		**25,351.23**
10500 AHB CD#6 - 87818 - 10/14/20 @ 1.20%		**25,603.60**
10600 AHB CD#7 - 87819 - 10/14/21 @ 1.45%		**25,730.26**
10700 RBC Wealth Management -30622871		**203,728.12**
Total Bank Accounts	**$**	**403,300.58**
Total Current Assets	**$**	**403,300.58**
Other Assets		
Total Other Assets	**$**	**0.00**
TOTAL ASSETS	**$**	**403,300.58**

Comments:

1. CDs 87816 and 87818 are both maturing in October of this year. In order to get the CD maturity dates in line with laddering of the investments, One of the CDs should be renewed for three years and the other renewed for 4 years. Current interest rates would result in each earning approximately 2% and we would then have one CD maturing each year between 2021 and 2024.
2. It is unknown if there will be any positive return from the 2020 annual meeting. However, we will still be within our stated policy of having 2 years of operating funds on hand.

Status of RBC Investments:

$190,514.00	January, 2019
$203,728.12	January, 2020
$+ 13,214.00	Net gain of 6.9%

Current Asset Allocation:%
9.89% Cash
24.84% Bonds
10.56% Global Stock
15.46% Long/Short Hedge
16.54% Global Managed Futures
22.71% Stock Market Hedge

Recommended changes from Stan Cooper RBC:

1. Unless there is an imminent need, I think the 9.89% or $20,363 in cash is too much and could be earning more interest. I would recommend investing half in bonds and half in a conservative "value" oriented stock fund.

2. We bought a U.S. Government Treasury bond in June of 2016. That has an approximate 4% gain in it and is only yielding 2.4%. Approximate current value is $41,000. I can find other bonds that are yielding between 4-5%. I think we should sell this position.

3. Most of what I read is indicating that this will be a bumpy, volatile year in the markets so we need to be prepared for some unwelcome drama as the year unfolds.

Our current investment policy states: "allows the investment portfolio to be as much as 100% in bonds/cash and no more than 65% in stocks."

In response to my question if the proposed changes would be in line with our policy, Stan Cooper responded:
"The account is well within the guidelines. The long/short hedge and the other hedged positions are a combination of long stock positions and short stock positions that tend to offset each other, so the net exposure to stocks is closer to 30%. The Managed futures position, 16.54%, is also a "risk" asset, like stocks, but strategically are "counter trend" investing, meaning they are going against the grain. So, all in all the allocation is below the maximum of 65% in the stock market."

The Finance Committee agreed to the proposed changes that were proposed by Stan Cooper.

Recommendations for Board Action:
The Finance Committee has proposed that the WSWS Constitution be amended to add the elected position of Treasurer to the Board of Directors. The proposed changes to the Constitution and the Operating Guide have been earlier provided to the Board and sent to the membership. This needs to be voted on at the Business Breakfast meeting this year.

Budget Needs:
None.
Name of Person Preparing This Report: Phil Banks
Committee members: Josh Adkins
Board Contact: Julie Kraft