WSWS Officer and Committee Report
August 2022

Office or Committee Name: Treasurer and Finance Committee
Officer or Chairperson Name: Phil Banks, Treasurer and Committee Chair.
Committee members are**:** Ryan Rapp, Nevin Lawrence and Scott Cook
Date of Preparation (include year): July 26, 2022

Activities during the year: As Treasurer, I'm also chair of the Finance Committee. We hold quarterly Zoom calls to discuss our financial situation and most times our Financial Advisor, Stan Cooper with RBC, joins us to update us about or investments and occasionally makes suggested changes. Also on the calls are the WSWS President Joel Felix and President Elect Curtis Rainbolt. We met on January 12, 2022; April 12, 2022; and July 13, 2022. The minutes from each of these meetings can be found below. The next Zoom call is scheduled for October 12, 2022.

The most significant action of the committee from our past calls was:

1. Stan Cooper proposed that we rebalance our investments in response to the current instability in the markets and economy. He proposed to reduce our exposure to stocks by reducing the stock allocation from 45% down to 26% without eliminating any position. Doing that would generate approximately $37,000 in cash. He suggested leaving that sum in cash for the near term and review the allocation again in October 2022. After discussion, the committee approved this move. The move is in line with the investment policy of the WSWS.

The current (as of June 30, 2022) financial status of WSWS is as follows: Total assets are $ 393,734.23 (down almost 17% from the past quarter). These assets are divided into the following: American Heritage National Bank (AHNB) checking account: $ 16,715.64. AHNB Money Market account: $ 43,290.07, five Certificates of Deposit with AHNB totaling $131,690.49, and investments with RBC of $ 202,038.03.

Recommendations for Board Action: As Treasurer, my term will end at the upcoming March 2023 annual meeting. The Nominations committee needs to submit nominations for filling the office. Please note this in terms of potential candidates as stated in the Constitution: **The Treasurer shall serve a three-year term (and preferably have served on the Finance Committee in the past)**. One potential nominee from the Finance Committee has indicated that he is open to being a candidate: Ryan Rapp.

Budget Needs: None.

Name of Person Preparing This Report: Phil Banks, WSWS Treasurer and Finance Committee Chair.

Minutes from WSWS Finance Committee Zoom meeting: January 12, 2022

Present on call: Phil Banks, Ryan Rapp, Pete Forster, Nevin Lawrence, Sandra McDonald, Joel Felix and Stan Cooper.

The call started at 3:00 pm Mountain Time and was chaired by WSWS Treasurer Phil Banks. Below is a summary of the discussion.

1. Phil called the meeting to order and asked if there were any changes or additions to the minutes from the October conference call. None were reported.
2. Business Manager, Eric Gustafson, was not on the call due to a conflict. Phil went over the current (as of December 31, 2021) financial status of WSWS. Total assets are $441,573.21 (up from $428,070.63. in the past quarter). These assets are divided into the following: American Heritage National Bank (AHNB) checking account: $42,840.34. AHNB Money Market account: $43,268.61. Five Certificates of Deposit with AHNB totaling $131,502.10, and investments with RBC of $223,962.16.
3. Stan Cooper reviewed our investment portfolio. He said that for the past 12 months, our portfolio has posted an increase of 10.74% through December 31, 2021. Currently we have the following asset allocation: 2.0% Cash, 42.3% Bonds, 30.2% Stock, and 25.5% Hedge funds. He provided the following written comments: "The changes we made in July reduced the stock allocation and the cash allocation and increased the bond allocation. At this point I don't see that there are any further changes that need to be made." He also pointed out the bond funds contain mostly short term bonds.
4. Sandra and Joel discussed the upcoming annual meeting. Joel reported that paper and poster totals submitted were looking good. Student night out will be on Wednesday evening.
5. The next meeting for the committee will be at the annual meeting. It will be a breakfast meeting on Wednesday, March 9, 6:30 am to 9 am in the Lido Room.
6. There was no other business, and the call was adjourned at approximately 4 pm.

Submitted by WSWS Treasurer, Phil Banks

Minutes from WSWS Finance Committee Zoom meeting: April 12, 2022

Present on call: Phil Banks, Ryan Rapp, Nevin Lawrence, Eric Gustafson, and Joel Felix.

The call started at 3:00 pm Mountain Time and was chaired by WSWS Treasurer Phil Banks. Below is a summary of the discussion.

1. Phil called the meeting to order and asked if there were any changes or additions to the minutes from the January conference call. None were reported.
2. Business Manager, Eric Gustafson, went over the current (as of March 31, 2021) financial status of WSWS. Total assets are $475,210.46 (up from $441,573.21. in the past quarter). These assets are divided into the following: American Heritage National Bank (AHNB) checking account: $79,552.23. AHNB Money Market account: $43,279.28, five Certificates of Deposit with AHNB totaling $131,528.66, and investments with RBC of $220,850.29. He reported that we have a $65,000 invoice that is pending with the host hotel for the past 2022 annual meeting.
3. Stan Cooper was not on the call but he sent the following report:

   $223,962 12-31-21 year end value
   $220,778 3-1-22 value (the date of the last note I sent.)
   $220,905 4-8-22 value last Friday
   -1.36% Year to date return thru 4-8-22
   The GMO Resources fund that was purchased on 3-18-22 for $22,000, is today valued at $22,905, up 4.3%.

   Most stocks and stock indexes are down year to date although not as severely as they were last month. The bond market is also down for the year, meaning that yields are up. What that means to almost all bond investors is that existing bond portfolio values are down (because the market devalues bonds that are lower yielding than the current higher yielding bonds.) In the case of the shorter duration bond funds that are held in this account the devaluation is relatively minor because many of the bonds will mature in the near term and new higher yielding bonds can be purchased with the available cash. The important thing to remember is that the bonds continue to pay dividends regardless of the fluctuation in bond values. The overall annual dividend income for this account is $9,797 for a yield of 4.77%.
4. The committee discussed how to replace Pete Forster who has rotated off of the committee. Eric and Joel are sending the list of meeting registrants that expressed interest in serving on WSWS committees. Phil will go over the list and contact those that may be of interest to serving on the Finance Committee and report back to the committee. From this we will recommend to Joel the new committee member.
5. The next meeting for the committee will be scheduled for July 13, 2022.
6. There was no other business, and the call was adjourned at approximately 4 pm.

Submitted by WSWS Treasurer, Phil Banks

Minutes from WSWS Finance Committee Zoom meeting: July 13, 2022

Present on call: Phil Banks, Ryan Rapp, Nevin Lawrence, Scott Cook, Curtis Rainbolt, Eric Gustafson, Stan Cooper, and Joel Felix.

The call started at 3:00 pm Mountain Time and was chaired by WSWS Treasurer Phil Banks. Below is a summary of the discussion.

1. Phil called the meeting to order and asked if there were any changes or additions to the minutes from the last conference call. None were reported.

2. Our financial advisor, Stan Cooper, gave the following overview of our investment portfolio:
   The following is a brief update of the WSWS Investment.

$202,750	12-31-2020	-0.003% YTD
$223,962	12-31-2021	+10.46% YTD
$220,905	4-8-2022	-1.36% YTD
$ 200,408	7-13-2022	-10.51% YTD
S&P 500	7-8-2022	-19.91%YTD
NASDAQ	7-8-2022	-27.85%YTD

   Current Asset Allocation:
   1% Cash
   38% Bonds
   45% Stock
   16% Hedge
   $10,409 Annual dividend income (5.18%)

   The GMO Resources fund has not appreciated since the date of purchase. I spoke to the firm this morning and they describe their strategy as more of a long term approach and have maintained their positions in energy (56%), including oil, natural gas, and clean energy. They hold 30% in industrial metals, including copper and lithium, 10% in Agriculture, including food products, manufactures, timber, and fish farming, and approximately 2% in water resources.
   Stan posed this question to the committee: *If we are already in, or entering, a recession, and stock markets don't like recessions, should we reduce the exposure to the stock market? If no changes are made, can we live with the account being down for the next one or two years, or more? Would it make more sense sitting on some cash and waiting for a better entry point once the markets are down to a point where no one wants to invest?*
   Following a discussion by the committee it was decided to reduce our exposure to stocks and retain cash until the market recovers. Stan was asked to put his proposal in writing, which would be shared with the committee. The following is his proposal:

I propose reducing the overall exposure to the stock market. By pruning each of the various stock positions I could reduce the stock allocation down from 45% down to 26% without eliminating any position. Doing that would generate approximately $37,000 in cash. I would suggest leaving that sum in cash for the near term. We can then review the allocation again in October.
After the committee reviewed the proposed plan, it was approved unanimously.

3. Business Manager, Eric Gustafson, went over the current (as of June 30, 2022) financial status of WSWS. Total assets are $ 393,734.23 (down almost 17% from the past quarter). These assets are divided into the following: American Heritage National Bank (AHNB) checking account: $ 16,715.64. AHNB Money Market account: $ 43,290.07, five Certificates of Deposit with AHNB totaling $131,690.49, and investments with RBC of $ 202,038.03.

4. The next meeting for the committee is scheduled for October 12, 2022.
5. There was no other business, and the call was adjourned at approximately 4 pm.

Submitted by WSWS Treasurer, Phil Banks