

1992

*The Rochester
Society of Security Analysts, Inc.*

Rochester, New York

ANNUAL REPORT TO MEMBERS

July 1, 1991 - June 30, 1992

Founded - 1955

Affiliated F.A.F. - 1955

Affiliated A.I.M.R. - 1990

Incorporated - 1970

ANNUAL REPORT OF THE
ROCHESTER SOCIETY OF SECURITY ANALYSTS INC.
FOR THE YEAR JULY 1, 1991 - JUNE 30, 1992

Introduction

As Rochester nears the end of "the summer that never came", I am able to report that I have not pillaged our Society's bank account and fled to a warmer, drier climate. Since I am still here and it is raining outside, I am please to take this opportunity to review the 1991-1992 fiscal year.

Program

Organizing a year's worth of luncheon programs is one of the most time-consuming jobs assigned to an RSSA officer. This year's program schedule was made more difficult than normal as the recession reduced the number of companies interested in sharing their results with investors. In the face of this adversity our Vice President and Chairman of Program Development, Kevin Gavagan, organized a full schedule of luncheon programs. Kevin suspected that we would draft him for another term and began work on the fiscal 1992-1993 program months ago. As a result, I think we can look forward to an interesting year of luncheon presentations. If anyone has any suggestions for future program ideas please feel free to call Kevin or any other member of the board of directors.

Finances

Our reserve balance rose slightly this year from \$10,617 to \$11,073. This was the result of membership growth and a fewer number of educational luncheon presentations. Although unplanned, the fewer number of these programs did reduce their negative impact on our finances.

This year the board of directors decided to invest \$8,000 of RSSA reserves in the Vanguard Short-term Bond Portfolio rather than accept the low rates offered on CDs. Our Treasurer, Sam King, has done a fine job of overseeing our finances and I look forward to working with him for another year.

The financial position of the RSSA is growing stronger each year and I am confident that our plan for the upcoming fiscal year will further enhance our finances. A detailed Financial report for fiscal 1992 is presented in Appendix B.

Membership

Our total membership rose from 130 to 135 members this year. The number of regular and local members increased while the affiliate and retired categories were unchanged. A detailed record of our membership for the past three years can be found in Appendix C.

An important factor in our member growth over the past several years has been the increasing number of CFA candidates in Rochester. This is a positive force because the RSSA, AIMR and our profession all benefit from the rigorous education that professionals receive as they negotiate the CFA program.

The job of membership chairman is probably the most thankless job we bestow upon an officer. Given this situation, I would like to thank Dave Khalil not only for the good job he has done, but also for the positive attitude he has brought to the task.

Education

The members of the RSSA are involved in furthering their knowledge of the investment profession through several different efforts. The first is the CFA program. During the fiscal year 1992, 6 members of the RSSA earned their CFA designations by passing their third level examination and fulfilling the work experience requirement. We congratulate these professionals for their success and their effort to expand their knowledge of our business.

Members who have already achieved the CFA designation further their education by reading or attending seminars that review topics considered important to the investment process. This year 14 of our CFA members were awarded certificates of accreditation for their efforts to keep pace with the ever-changing investment world. We congratulate these members and list them in Appendix D with this year's new CFAs.

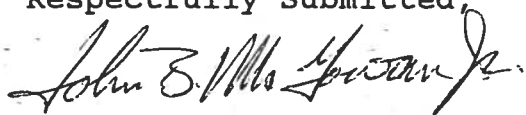
One additional way that our society is involved in education is through our scholarship program. Each year we award three scholarships to students interested in finance - one each from the University of Rochester, St. John Fisher, and RIT. This year's winners were: Brain Bell, RIT; Michael Lahr, U of R; James Steiger, St. John Fisher.

These individuals have also been accepted as student members for the 1992-1993 year and will be allowed to attend our luncheon meetings for free.

Other Business

This year the RSSA has instituted a committee comprised of myself and several of our past presidents. It is the board's intent to utilize the experience and perspective of these individuals to assist us as we plan for the future. This committee will be called the Presidents' Advisory Committee and is listed in Appendix E. I would like to take this opportunity to thank these individuals for once again accepting a leadership role in our society.

Respectfully Submitted,

A handwritten signature in cursive script that reads "John B. McGowan Jr.".

John B. McGowan Jr., CFA
President

Appendix A

RSSA

1991 - 1992 Programs

7/11/91	Sysco
7/23/91	Gillette
8/21/91	Warner Lambert
9/11/91	Phillip Morris
10/23/91	H & R Block
11/20/91	United Technologies
12/10/91	Pitney Bows
1/15/92	Boston Company
2/12/92	Fleet/Norstar
3/25/92	Sonat
4/09/92	Moscom Varicare
4/29/92	FNMA
5/19/92	Tenneco
5/26/92	ONBANCorp Inc. Monro Muffler
6/02/92	Archer Daniels Midland
6/09/92	CSX Corporation
6/17/92	Bausch & Lomb



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Society of Security Analysts, Inc.*

Rochester, New York

July 1992

Treasurer's Report - ANNUAL STATEMENT
July 1, 1991-June 30, 1992

I. CHECKING ACCOUNT

Balance Forward, July 1, 1991 \$10,617.07

Receipts:

Membership Dues	\$4,288.00
Luncheons	3,181.00
Bank Interest (net of fees)	<u>100.21</u>
TOTAL	\$7,569.21

Disbursements:

Luncheons	\$ 3,977.90
Student Scholarships	1,500.00
Travel	898.98
Investment	8,000.00
Mailing, postage, printing, misc.	<u>1,399.41</u>
TOTAL	\$15,776.29

Balance June 30, 1992 \$2,409.99

II. INVESTMENT ACCOUNT

Vanguard Short Term Bond Portfolio \$8,663.01
(as of 6/30/92 close)

III. TOTAL BALANCE (Checking & Investment Accounts) \$11,073.00

Respectfully submitted:

Samuel R. King
Samuel R. King
Treasurer

Appendix C

Membership Type

	<u>1992</u>	<u>1991</u>	<u>1990</u>
Regular	82	78	68
Affiliate	30	30	34
Retired	<u>10</u>	<u>10</u>	<u>5</u>
Total AIMR	122	118	107
Local	<u>13</u>	<u>12</u>	<u>NA</u>
Total	135	130	107

Appendix D

CFA's Accredited in 1992

Philip R. Acinapuro, CFA
Thomas M. Bartlett, CFA
Curt F. Fey, CFA
John D. Fitzpatrick, CFA
James C. Galloway, CFA
Susan London Gordon, CFA
Albert H. Illig, CFA
Matthew P. Kaufler, CFA
Edward D. Lipski, CFA
John B. McGowan Jr., CFA
Charles W. Ruff, CFA
Richard A. Scalfani, CFA
Robert H. Shaw, CFA
Paul W. Spindler, CFA

CFA's Earned in 1992

James C. Burns, CFA
Jeffrey A. Herrmann, CFA
Richard J. Labs, CFA
Michael J. Magiera, CFA
John W. Piccione, CFA
Mahesh Sankaran, CFA

Appendix E

Presidents' Advisory Council

John B. McGowan Jr., CFA	President 1992, 1993
Robert H. Shaw, CFA	President 1973, 1991
Richard J. Huxley	President 1989, 1990
Ronald Fielding, CFA	President 1987, 1988
Arthur F. Smith Jr.	President 1980, 1983
James A. Knauf Jr., CFA	President 1979

APPENDIX F

Rochester Society of Security Analysts, Inc.

Board of Directors - 1991-1992

Officers:

Mr. John B. McGowan, Jr., CFA
Clover Capital Management, Inc.
11 Tobey Village Office Park
Pittsford, NY 14534

President 385-6090
Fax # 385-9068

Mr. Kevin P. Gavagan, CFA
QC Investments
387 East Avenue
Rochester, NY 14607

Vice President &
Program Chair 262-6080
Fax # 262-6089

Mr. Samuel R. King
Howe & Rusling, Inc.
120 East Avenue
Rochester, NY 14604

Treasurer 325-4140
Fax # 325-7361

Mr. Edward H. Shill, II, CFA
QC Investments
387 East Avenue
Rochester, NY 14607

Secretary 262-6080
Fax # 262-6089

Other Board Members:

Mr. Van Harissis, CFA
Howe & Rusling Inc.
120 East Avenue
Rochester, NY 14604

Director 325-4140
Fax # 325-7361

Mr. Glenn C. Jordan
Trust Investment
Central Trust Co.
44 Exchange Street
Rochester, NY 14692

Director 546-4500 Ext.3235
Fax # 546-7208

Mr. David F. Khalil, CFA
QC Investments
387 East Avenue
Rochester, NY 14607

Director &
Membership Chair 262-6080
Fax # 262-6089

Mr. Anthony J. Mordaci
Fleet Investment Advisors
45 East Avenue
Rochester, NY 14604

Director 546-9876
Fax # 546-9570

Mr. Robert H. Shaw, CFA
Chase Lincoln First Bank, N.A.
P.O. Box 1412
Rochester, NY 14603

AIMR/CFA Liaison 258-5124
Fax # (notify first) 258-7525