

1993

The Rochester Society of Security Analysts

**A N N U A L
R E P O R T
T O
M E M B E R S**

July 1, 1992 through June 30, 1993

**Founded ■ 1955
Affiliated F.A.F. ■ 1955
Affiliated A.I.M.R. ■ 1990
Incorporated ■ 1970**

Letter to the Members:

The Rochester Society of Security Analysts in fiscal year 1992-1993 continued its mission as a professional organization dedicated to serving the investment profession and our members. Our strength derives largely from our members' willingness to be actively involved in our programs. As your outgoing President, it is my pleasure to report to you our activities over the last year:

Program

Thanks to the work of Program Chair Kevin Gavagan, this year's schedule of luncheon presentations was well organized. Program management is one of the most time-consuming tasks in the organization, and we should all be grateful that Kevin agreed to a second year in this role. The RSSA's goal is to continue to invite companies that our members wish to investigate; should any of you have suggestions for companies to invite in the future, please contact our new Program Chair Ed Shill.

Finances

Our balance rose this year from \$11,073 to \$12,528. This improvement was the result of two factors. First, our luncheon program improved from last year's loss to a slight gain before printing and postage costs. This was due in large part to the increased fee we charge presenting companies. Secondly, our balance benefited from a full year of returns from the Vanguard Short Term Bond funds, versus a partial year's investment last year. As reported last year, the Board of Directors moved \$8,000 from an interest-bearing checking account to this short-term bond fund.

Membership

Our total membership declined from 135 to 132 this year. The primary reason for the decline was the establishment of an analysts society in Buffalo. We have been in contact with the members of this new society and wish them the best of luck.

Despite the fact that some of our members absconded west, the Rochester Society continues to enjoy moderate growth. This year we admitted three regular members, two affiliate members and three local members. Thanks are due to Dave Khalil, who maintained membership records and managed the membership process during his second year as Membership Chair.

Education

RSSA members further their knowledge of the investment profession through several different avenues. The first is the CFA program. During fiscal year 1993, one member of RSSA earned his CFA designation by passing the third-level examination and fulfilling the work experience requirement. We congratulate Todd Green for his successful effort—at no small cost in time and work—and commitment to expanding his knowledge of our business.

Members who have already achieved the CFA designation further their education by reading or attending seminars on topics considered important to the investment process. This year, 14 of our CFA members were awarded certificates of accreditation for keeping pace with developments in the profession. We congratulate these members for their commitment and list them in Appendix C.

Looking outward, RSSA is also involved in education through our scholarship program. Each year we award three scholarships to students—one each from the University of Rochester, St. John Fisher and Rochester Institute of Technology. This year's recipients were: Richard Ricelli, RIT; Robert Williams Jones, UR; and Jamie Criss, St. John Fisher. In addition to their financial awards, these students are accorded RSSA student membership for the 1993-1994 year and are invited to attend our luncheon meetings for free.

Other Business

On November 30, AIMR members voted to unify the requirements for membership in all societies. Your board of directors felt that this proposal was beneficial to the national organization—helping to enhance the reputation of AIMR—and to our local members, who now can easily transfer their membership from one society to the next. A copy of the board's letter to members is found in Appendix E.

I would like to thank the members of the President's Advisory Committee for the time they spent on behalf of the RSSA. I consider their input to be important and am sure this committee will continue to be a valuable resource for the board of directors.

It has been my honor and pleasure to serve as your President for the last two years. My job has been made much easier by the dedication of the society's board members and officers. The officers who began their service in 1991-1992, are to be commended for "hanging in there" for a second round this year. Their experience lent stability to this year's operations.

Conversely, the Society should expect to benefit from the enthusiasm of new officers and board members taking over next year. Our best wishes and support go to incoming President Sam King (Howe and Rusling, Inc.); Program Chair Ed Shill (QCI Asset Management); Treasurer Dave Khalil (QCI Asset Management); Secretary Van Harissis (Howe and Rusling, Inc.) and new board members Matt Kaufler (Clover Capital Management, Inc.) and John Piccione (Chase Manhattan Bank).

Respectfully submitted,



John B. McGowan, Jr., CFA
President



*The Rochester
Society of Security Analysts, Inc.*

July 1993

Rochester, New York

Treasurer's Report - ANNUAL STATEMENT

July 1, 1992-June 30, 1993

I. CHECKING ACCOUNT-Chase Manhattan

Balance Forward July 1, 1992 \$2,409.99

Receipts:

Membership Dues	\$4,615.00
Luncheons	<u>4,453.00</u>
TOTAL	\$9,068.00

Disbursements:

Luncheons	\$4,400.51
Mailing, postage, printing, misc.	1,413.27
Student Scholarships	1,500.00
Travel	972.66
Bank fees (net of interest)	<u>35.45</u>
TOTAL	\$8,321.89

Ending Balance June 30, 1993 \$3,156.10

II. INVESTMENT ACCOUNT-Vanguard Short Term Bond Portfolio

Balance Forward July 1, 1992 \$8,663.01

Interest and Net Capital Gains \$708.95

Ending Balance June 30, 1993 \$9,371.96

III. TOTAL BALANCE-Checking & Investment Accounts

Balance Forward July 1, 1992 \$11,073.00

Net Change \$1,455.06

Ending Balance June 30, 1993 \$12,528.06

Respectfully submitted,

Samuel R. King

Samuel R. King
Treasurer

Appendix B

Membership Type

	<u>1993</u>	<u>1992</u>	<u>1991</u>
Regular	79	82	78
Affiliate	30	30	30
Retired	<u>7</u>	<u>10</u>	<u>10</u>
Total AIMR	116	122	118
Local	<u>16</u>	<u>13</u>	<u>12</u>
Total	132	135	130

Appendix C

CFA's Earned in 1993

Todd D. Green, CFA

CFA's Accredited in 1993

Thomas M. Bartlett, CFA
Jeffrey S. Coons, CFA
John D. Fitzpatrick, CFA
James C. Galloway, CFA
Jeffrey A. Herrmann, CFA
Albert H. Illig, CFA
Matthew P. Kaufler, CFA
David F. Khalil, CFA
Edward D. Lipski, CFA
Michael J. Magiera, CFA
John B. McGowan Jr., CFA
John W. Piccione, CFA
Charles W. Ruff, CFA
Robert H. Shaw, CFA

Appendix D

1993

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



*The Rochester
Society of Security Analysts, Inc.
Rochester, New York*

TO: All Regular RSSA Members
FROM: Board of Directors
RE: AIMR Membership Issue
DATE: 11/4/92

Dear Member:

The Association for Investment Management and Research (AIMR) has asked you to vote on a proposal to unify the requirements for regular membership in all societies. Your board of directors has reviewed and discussed the proposal and recommends that you vote FOR the proposal as written.

There are two good reasons to vote for this proposal:

1. The establishment of a unified member base should enhance our status as a national organization of skilled, ethical professionals.
2. Consistent membership requirements among societies will ease the transferability of membership from one society to the next. This should prevent the membership loss that occurs at both the local and the national level as members relocate.

It should be noted that the proposed requirements for regular membership are identical to the current requirements of the RSSA. Also, all current regular members will be "grandfathered" regardless of when they were admitted as a regular member.

If you would like to discuss this in more detail, please feel free to call me or any member of the board of directors.

Sincerely,

John B. McGowan Jr., CFA
President
Rochester Society of Security Analysts Inc.

JBM/jb

APPENDIX F

Rochester Society of Security Analysts, Inc.

Board of Directors - 1992-1993

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
QCI Asset Management
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
QCI Asset Management
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
QCI Asset Management
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