CFA Society Seattle

ANNUAL REPORT

July 1, 2017 – June 30, 2018

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ANNUAL REPORT

President's Letter

Dear Fellow Members,

We are coming to the end of another great year for CFA Society Seattle. Our sole focus is on our mission – to advance our members' investment knowledge and careers by providing educational and networking opportunities, while promoting the CFA charter and investment ethics in the Puget Sound region. We take our obligation to deliver member value seriously, and to this end in fiscal year 2018 we launched several new initiatives this year to better serve you, our members.

A large percentage of our member base works in the private wealth management space. Given its relevance, our board decided that it was an important strategic goal to produce more content directly relevant to this constituency. To help us deliver on this goal, this year we have partnered with Markets Group to bring the Private Wealth West Forum to Seattle on July 18th. The lineup of speakers is impressive, and we have secured a significant discount for CFA Society Seattle members. We look forward to bringing this event to you this summer and will continue to look for ways to bring innovative programming to the private wealth management community in Western Washington.

Another key strategic focus for FY2018 was to improve our engagement with local investment firms as the local voice for the investment management profession. In April, we held our inaugural CEO/CIO Summit, where over thirty leaders from local investment firms gathered for an event focused on diversity in finance, a topic of great importance to our local firms and one where CFA Society Seattle has invested significant resources over the past three years.

In addition to these new initiatives, we have continued to deliver content through our regular events, such as semi-monthly lunch programming events, the annual CFA Research Challenge, and supporting our local CFA candidates with educational resources as they prepare to sit for the exam. In 2018, we welcomed 49 new charterholders to our local society.

I would like to thank our wonderful staff, Pam Cahill and Amber Fowler, who do excellent work on your behalf and take care of every last detail at each of our events. In addition to our staff, none of this could be done without the dedication of our volunteers. If you are interested in learning more about how you can participate, please let us know. We have exciting plans for next year and look forward to seeing you in FY2019.

Best regards,

Matthew Griffith, CFA

Our Mission

To advance our members' investment knowledge and careers by providing educational and networking opportunities, while promoting the CFA charter and investment ethics in the Puget Sound region.

(Revised May, 2016)

Our Vision

Trusted community of knowledgeable investment experts in the Puget Sound region.

(Revised May, 2016)

Membership Profile

With multiple types of membership available, joining CFA Society Seattle provides today's investment professionals with a network of over 1,000 local colleagues. Additionally, membership offers access to the exciting educational programs, career resources, and social opportunities, serving our members with the most current industry and CFA Institute information.

Our members are a diverse mix of Puget Sound area finance professionals, consisting largely of CFA charterholders. The job functions represented by our membership are as diverse as their demographic differences: covering everything from equity, fixed income, and alternative investments in job functions such as investment analysts, portfolio managers, sales and marketing partners, principals, and CEOs.

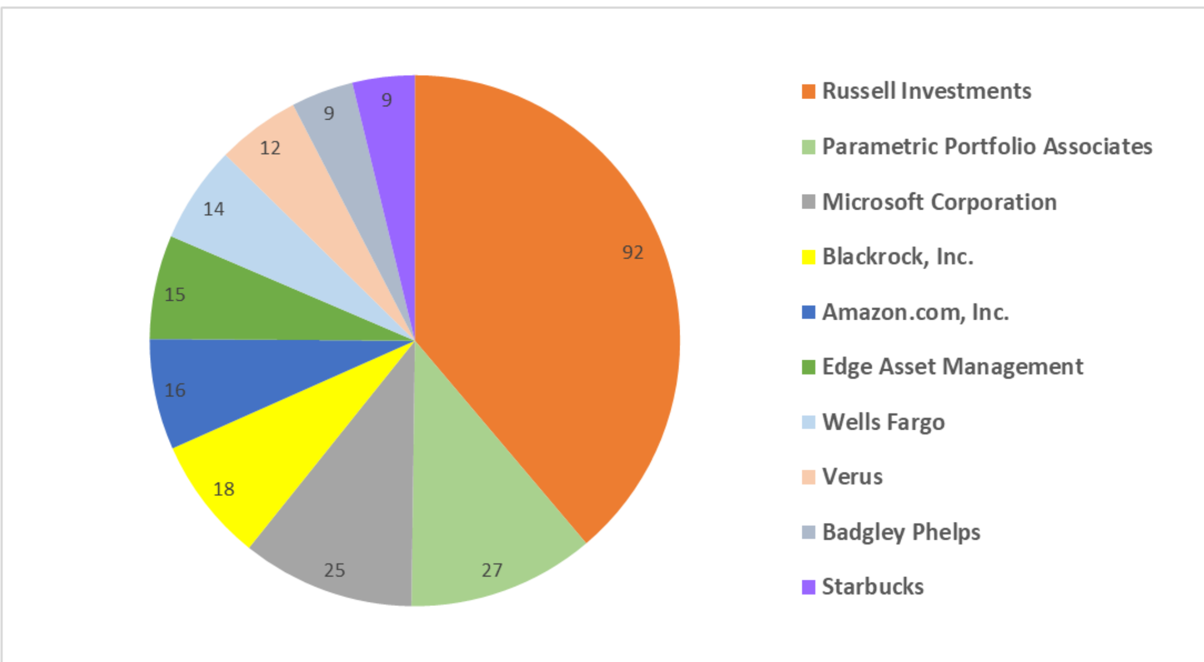
Member Statistics:

- Total number of active members: 1065
- Total number of charterholders: 942
- Annual membership growth: 2.1%
- Member retention rate: 91.4%

Member Demographics:

- Average age: 44
- Average years with the charter: 11.7
- Percentage of female vs. male members: 19.6% vs. 80.4%

Top Employers of Local CFA Charterholders



Events

CFA Society Seattle has offered a variety of programming events this year to meet the needs of our members. (Average attendance in parenthesis.)

- Educational Programming: 10 events
  - Topics included Ethics in Finance, Behavioral Finance, Commodity Investing, Understanding U.S. Tax Reform, Trends in Interest Rates, MLPs, and many more
- Networking/Social: 4 events (YPN Meet the Professionals, Women's spin event, Candidate Social, CEO Summit)
- 15th Annual Economic Forecast Dinner: (329 attendees), see photos below
- 2 Day Financial Modeling Course with Wall Street Prep – 13 attendees
- Share events with CAIA: 2

University Relations/CFA Candidates

CFA Society Seattle supports our local universities and CFA Candidates by offering several programs, scholarships, and educational sessions throughout the year.

- Number of New Charters Awarded: 59
- Mock Exam Scheduled for June 9th at University of Washington

New CFA Charter Holders at the December, 2017 New Charter Holder Ceremony and Holiday Social.

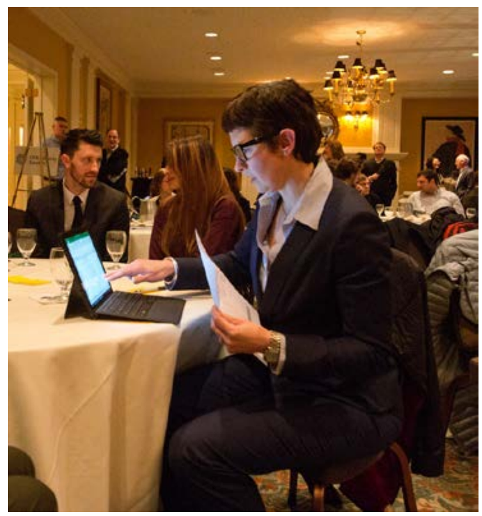
CFA Institute Research Challenge

This year, CFA Society Seattle hosted the 9th annual local competition of the CFA Research Challenge on February 13th at The Rainier Club. The Research Challenge is an annual global competition that provides university students with hands-on mentoring and intensive training in financial analysis. Students work in teams to prepare a research report on a local publicly traded company. This year's subject company was Bellevue-based PACCAR (PCAR).

In October 2017, students from the five participating universities – Seattle University, University of Puget Sound, University of Washington Bothell, University of Washington Computational Finance and Risk Management, and University of Washington Foster Business School – learned about the competition and met their local industry mentor, one of whom was paired with each team. In addition to gathering publicly available data to form the basis of their recommendation, the teams were able to meet company management to learn about the company's strategy. PACCAR's Investor Relations and head of Corporate Development, Ken Hastings, generously made himself available to speak about the company and give the students the opportunity to ask questions. The students were also able to tour the Renton Kenworth manufacturing plant. Students then worked with their faculty advisors and industry mentors to finalize their report ahead of its submission in January.

Following evaluation of the written reports by a panel of volunteer local investment professionals, the teams with the top three written report scores – Seattle University, University of Washington – Foster Business School, and University of Washington - Bothell – prepared an oral presentation which was given in front of a panel of three local portfolio managers. The event was attended by over 50 people and was followed by a networking reception for CFA Seattle members interested in equity research. Seattle University's team – Eric Tatsuno, Kevin Brown, Matthew Alderson, Travis Ulvestad, and Jarrett Lum - then traveled to Boston for the regional portion of the competition.

The local competition would not be possible without the local CFA Seattle members and management teams that give their time to support this event. Thank you to those of you who were involved with the 2018 Research Challenge!

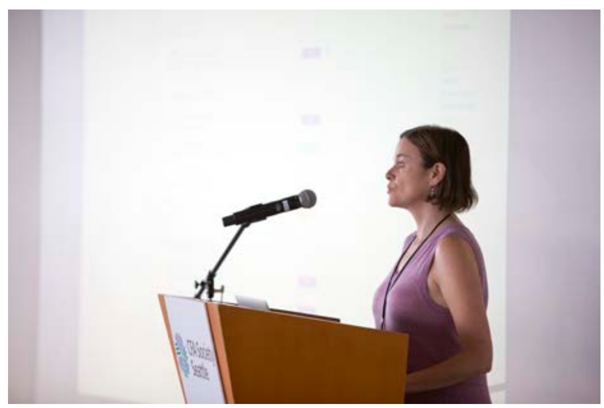


Congratulations to Seattle University for advancing to the Americas Regional competition in Boston, MA.

Other Noteworthy Items

CEO Summit

The inaugural CEO/CIO Summit brought together over 30 local senior executives to discuss key issues facing the asset and wealth management industry. Diversity in finance was a primary topic and the program centered on information and resources to help leadership improve diversity and recruitment in our industry. Kieran Snyder, the Co-Founder & CEO of Textio was our featured speaker and spoke to methods for improving job posts to achieve greater diversity in applicants. There was significant interest in holding future executive summits as a forum for collaboration firms and we intend to make this a recurring event.



Annual Forecast Dinner

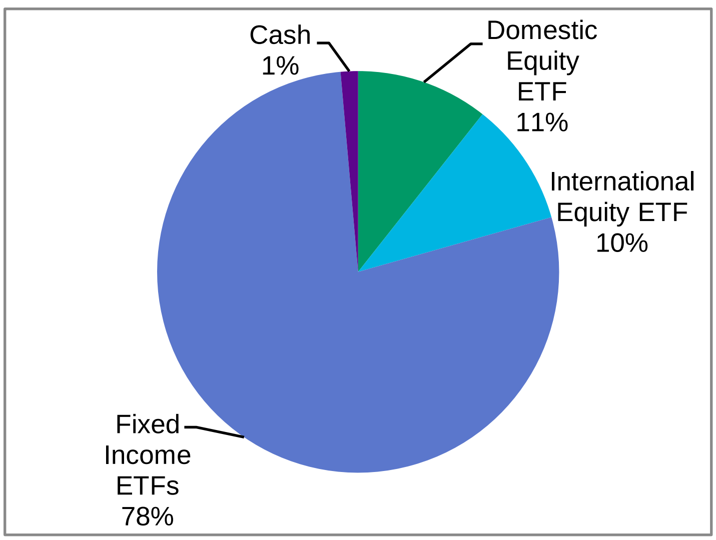
2017-2018 Fiscal Year Financial Statements

Non-GAAP, Cash Basis Financial Statements

REVENUE	1 July, 2017 - 1 June, 2018	1 July, 2016 - 1 June, 2017	1 July, 2015 - 1 June, 2016
Membership Revenue	55,300.0	59,037.5	54,722.3
CFA Institute Operational Funding	97,865.0	76,210.0	48,630.0
Programming Revenue	15,187.5	11,013.5	33,395.1
Economic Forecast Dinner Revenue	89,466.9	92,710.2	108,925.7
CFA Review Course Revenue	337.8	6,454.3	1,484.4
Investment Research Challenge Sponsorship Revenue	5,400.0	5,350.0	4,750.0
Miscellaneous Revenue	1,362.1	0.0	339.1
Dividends & Interest	3,099.4	3,259.9	2,724.4
Ethics in Finance Project	0.0	0.0	35,000.0
Job Board Revenue	6,823.2	6,084.2	5,941.5
Western Region Meeting	73,176.7	0.0	0.0
TOTAL REVENUE excl. Western Region Meeting	**274,842.0**	**260,119.6**	**295,912.5**
TOTAL REVENUE	**348,018.7**	**260,119.6**	**295,912.5**
EXPENSES			
Contract Labor	96,674.3	62,886.5	41,643.1
Programming expenses	36,987.6	47,187.5	45,281.6
Economic Forecast Dinner Expenses	71,674.5	89,864.7	79,553.0
Administrative Expensive	6,697.8	7,294.8	7,233.2
Investment Research Challenge Expenses	6,728.2	6,056.7	7,769.0
Outreach and Awareness	30,122.3	30,691.5	26,385.7
Board of Directors & Committee Expenses	10,193.2	11,070.5	21,409.0
Western Region Meeting	68,220.7	0.0	0.0
TOTAL EXPENSES excl. Western Region Meeting	**259,078.0**	**255,052.2**	**229,274.5**
TOTAL EXPENSES	**327,298.7**	**255,052.2**	**229,274.5**
NET OPERATING PROFIT excl. Western Region Meeting	**15,763.9**	**5,067.4**	**66,637.9**
NET OPERATING PROFIT	**20,720.0**	**5,067.4**	**66,637.9**

Assets	1 June, 2018	1 June, 2017	1 June, 2016
CURRENT ASSETS			
Cash and cash equivalents	153,467.0	214,982.3	225,399.5
Accounts Receivable	2,500.0	0.0	22,658.1
TOTAL CURRENT ASSETS	**155,967.0**	**214,982.3**	**248,057.5**
NON-CURRENT ASSETS			
Investments (at cost)	255,719.5	120,006.3	117,549.0
PP&E	1,849.8	1,849.8	1,849.8
TOTAL NON-CURRENT ASSETS	**257,569.4**	**121,856.2**	**119,398.8**
NET ASSETS	**413,536.4**	**336,898.7**	**365,789.7**

INVESTMENTS at MARKET VALUE as of 5/31/2018



Executive Committee

President	Matthew Griffith, CFA
Vice President 1	Phill Rogerson, CFA
Vice President 2	Thomas Garrett, CFA
Treasurer	Olga Bystrova, CFA
Secretary	Annika Williams, CFA
Trustee	Jamelah Leddy, CFA
Past President	Dylan Kelly, CFA

Staff

Operations Director	Pam Cahill
Executive Director	Amber Fowler

Committee Chairs

Forecast Dinner	Dylan Kelly, CFA
Programming	Thomas Garrett, CFA
Women's Network	Sherrie Trecker, CFA
Employer Outreach	Phill Rogerson, CFA
Membership	Niyada Taraka
University Relations	Annika Williams, CFA
Research Challenge	Jamelah Leddy, CFA
Ethics in Finance	Giorah Bour, CFA
Young Prof. Network	Michael Steingold, CFA

Past Presidents

Dylan Kelly, CFA	2016-2017
Ufuk Ince, PhD, CFA	2015-2016
Andy Loechl, CFA	2014-2015
Kristi Lord, CFA	2013-2014
Brian Rowe, CFA	2012-2013
Leisa Sánchez Western, CIPM	2011-2012
Jeffery L. Lippens, CFA	2010-2011
Phillip Vitale, CFA	2009-2010
Doug Hockersmith, CFA	2008-2009
Jay Turley, CFA	2007-2008
Dan Rutter, CFA	2006-2007
Aimée Huff, CFA	2005-2006
Michelle Rubesch, CFA	2004-2005
Elaine Heller, CFA	2003-2004
James Simone, CFA	2002-2003
Roy Hamrick, CFA	2001-2002
Rae Lyn Stannard, CFA	2000-2001
Sharon Rowley, CFA	1999-2000
Neil J. Beaton, CFA	1998-1999
Linda C. Selegue, CFA	1997-1998
Linda K. Mauzy, CFA	1996-1997
Harvey G. Bateman, CFA	1994-1995
Peter M. Musser, CFA	1995-1996
Sandra L. Hanower, CFA	1993-1994
Lynette Dashiell Sagvold, CFA	1992-1993
George A. Haloulakos, CFA	1991-1992
Steven M. Koenig, CFA	1990-1991
Carol L. Beers, CFA	1989-1990
Darcy S. MacLaren, CFA	1988-1989
William B. Whitlow, Jr., CFA	1987-1988
Joseph T. Suty, CFA	1986-1987
Ralph E. Purvis, Jr., CFA	1985-1986
Craig S. Hobbs, CFA	1984-1985
George B. Kauffman, CFA	1983-1984
David A. Anderson, CFA	1982-1983
Gary R. Bech, CFA	1981-1982
Carolyn W. Hamilton, CFA	1980-1981
Jeffrey Atkin	1979-1980
David A. Veterane, CFA	1978-1979
J. Michael Flinn	1977-1978
Richard W. Hubbard, CFA	1976-1977
Louis M. Lundquist, CFA	1975-1976
F. Tomlinson White, Jr., CFA	1974-1975