

Report of the Treasurer for 1984

This report summarizes the financial activity of the Mineralogical Society of America for the calendar year 1984. The financial statements have been audited by M. B. Hariton and Co., and a copy of the audit report is on file at the Society's business office. The financial statements given herein are taken from the audit report. The statements consist of a balance sheet (Table 1), a summary statement of income and expense for 1983 compared to 1982 (Table 2), a statement of 1983 income and expense for the Society's Funds (Table 3), and a statement of income and expense for the various subactivities of the General Operating Fund (Table 4).

The summary statement of income and expense (Table 2) shows that the Society's net worth increased in 1984 by \$47,542, considerably less than the increase in 1983. The major difference was in capital gains income of the Endowment Fund. Last year this Fund had capital gains of \$49,113 but this year had capital loss of \$8,329. Profit from operations in 1984 was \$35,957 (in comparison to \$10,110 for 1983), whereas profit from investment was only \$11,585 (in comparison to \$71,038 for 1983).

Examination of the statements for the Society's Funds provides the best means for evaluating the Society's current financial status and predicting the future. The Society has four Funds. The *General Operating Fund* accounts for all aspects of Society operations and consists of six subactivities (Table 4): 1) Administration; 2) Special Activities; 3) The American Mineralogist; 4) Reviews in Mineralogy; 5) Short Courses; and 6) The International Mineralogical Society meeting at Stanford, California in 1986. The *Crystallography Fund* and *Mineralogy-Petrology Fund* provide biennial research grants awarded to promising young scientists. The *Endowment Fund* acts as a reserve for the Society, and its income provides support for Society operations and special projects. The 1984 financial and year-end status of each of these four funds are outlined below.

The *General Operating Fund* (Table 4) increased in value from

Table 1. Balance Sheet as of December 31, 1983 and 1984

	1983	1984
ASSETS		
Checking and Money-Market Accounts	\$ 235865	\$ 333380
Investments at Cost	460379	408575
Accounts Receivable	31511	41069
	<u>\$ 727755</u>	<u>\$ 783024</u>
LIABILITIES		
Accounts Payable	\$ 56360	\$ 43420
Min. Abs. & Jour. Pet. Subs.	18854	15842
Prepaid Dues	54455	40492
Prepaid Subscriptions	77252	114894
	<u>\$ 206921</u>	<u>\$ 214648</u>
FUND BALANCES		
General Operating Fund	\$ 85581	\$ 145196
Endowment Fund (at Cost)	377335	358039
Crystallography Fund	44822	30836
Mineralogy-Petrology Fund	13096	34305
NET WORTH	<u>\$ 520834</u>	<u>\$ 683376</u>
	<u>\$ 727755</u>	<u>\$ 783024</u>

\$85,581 at the end of 1983 to \$145,196 at the end of 1984. The combined *Administration* and *Special Activities* (formerly Member Activities) subactivities of the General Operating Fund had increased costs during 1984. Part of this increase was the expense of hiring Barbara Minich as Executive Secretary in May of 1984 to handle MSA business within the office of the American Geophysical Union. The Society has a contract with AGU to handle MSA business and the contract costs show up in the

Table 2. Summary Statement of 1983 and 1984 Income and Expense

	1983	1984
INCOME		
American Mineralogist		
Subscriptions & Back Issues	\$ 126340	\$ 141643
Page Charges & Author Alter.	31895	38439
Reprints & Miscellaneous	14375	4933
Subtotal	<u>172610</u>	<u>185015</u>
Reviews in Mineralogy		
Subscriptions	6150	12112
Sales & Miscellaneous	63471	90412
Subtotal	<u>69621</u>	<u>102524</u>
Dues		
Regular, Student & Prior Years	65804	75578
New Life	200	200
Subtotal	<u>66004</u>	<u>75778</u>
Investments		
Money-Market Fund Interest	11431	21995
Investment Portfolio Mgmt. Fees	(10692)	(9400)
Portfolio Dividends/Interest	21186	7295
Portfolio Cap. Gains (Losses)	49113	(8329)
Subtotal	<u>71038</u>	<u>11561</u>
Short Courses	11095	11875
Contributions to Invested Funds	1784	3845
Contribution to IMA86	--	5010
Miscellaneous Operations	2254	5727
TOTAL	<u>\$ 394406</u>	<u>\$ 401335</u>
EXPENSES		
American Mineralogist		
Editorial Office & Editors	\$ 28053	\$ 31714
Compos., Printing, Postage	124466	114518
Back Issue Handling, Storage	10044	7176
Reprints	9428	7039
AGU Services	17909	25290
Subtotal	<u>189900</u>	<u>185737</u>
Reviews in Mineralogy		
Editorial Office	3400	5633
Compos., Printing, Postage	22281	28104
Storage & Handling	9194	11257
AGU Services	5750	11312
Subtotal	<u>40625</u>	<u>56306</u>
Administration		
AGU Services	32059	55530
Travel, Officer Expense, Typist	5564	6105
Services and Supplies	4941	4772
Compos., Printing, Postage, Handling	8067	2927
Liability Insurance	805	2831
Professional Services	6000	5650
Miscellaneous	539	807
Subtotal	<u>57875</u>	<u>78622</u>
Special Activities		
Dues to IMA, AGU	3903	3589
Roebling Medal, Newsletters, AMU	7588	13104
AGU Services	1716	2204
Subtotal	<u>13207</u>	<u>18897</u>
Short Courses	10151	9639
IMA86	--	3092
Research Grants	1500	1500
TOTAL	<u>\$ 313258</u>	<u>\$ 353793</u>
EXCESS OF INCOME OVER EXPENSE	<u>\$ 81148</u>	<u>\$ 47542</u>

Table 3. Statement of 1984 Income and Expenses for the Funds of the Mineralogical Society of America

	General Operating Fund	Endowment Fund	Crystal- lography Fund	Mineralogy- Petrology Fund	Total
INCOME					
Operations					
Dues (Prior Years)	\$ 675	--	--	--	\$ 675
Dues (Regular & Student)	74903	--	--	--	74903
Dues (New Life Members)	200	--	--	--	200
Subscriptions	151476	--	--	--	151476
Back Issues	2279	--	--	--	2279
Page Charges	38439	--	--	--	38439
Reprints & Author Alt.	4562	--	--	--	4562
Sales, Reviews in Mineralogy	87519	--	--	--	87519
Short Course Registration	11851	--	--	--	11851
Contributions	5000	\$ 1138	\$ 670	\$ 2037	8845
Miscellaneous	9025	--	--	--	9025
Subtotal, Operations	<u>385929</u>	<u>1138</u>	<u>670</u>	<u>2037</u>	<u>389774</u>
Investments					
Interest	15979	--	2980	3036	21995
Transfer from Endow. to GOF	10000	(10000)	--	--	--
Portfolio Div./Int.	--	7295	--	--	7295
Portfolio Cap. Gains (Losses)	--	(8329)	--	--	(8329)
Subtotal, Investments	<u>25979</u>	<u>(11034)</u>	<u>2980</u>	<u>3036</u>	<u>20961</u>
TOTAL	\$ 411908	\$ (9896)	\$ 3650	\$ 5073	\$ 410735
EXPENSES					
Typist for MSA Secretary	\$ 2000	--	--	--	\$ 2000
Salary, Am. Min. Manag. Ed.	20068	--	--	--	20068
Honoraria	9500	--	--	--	9500
Edit. Off. Expenses	9785	--	--	--	9785
Comp., Printing, Mailing	137619	--	--	--	137619
Postage, Freight	17241	--	--	--	17241
Reprints	7039	--	--	--	7039
Travel & Officer Exp.	9473	--	--	--	9473
Short Course Facil. & Food	4114	--	--	--	4114
Services & Supplies	5988	--	--	--	5988
Awards	2703	--	--	--	2703
Storage & Handling	18433	--	--	--	18433
Grants; Dues to IMA, AGI	3589	--	\$ 1500	--	5089
Liability Insurance	2831	--	--	--	2831
Professional Services (Audit)	5650	--	--	--	5650
Telecommunications	547	--	--	--	547
Miscellaneous	1377	\$ 24	--	--	1401
Investment Management Fees	--	9376	--	--	9376
AGU Services	94336	--	--	--	94336
TOTAL	\$ 352293	\$ 9400	\$ 1500	--	\$ 363193
NET INCREASE (DECREASE)	\$ 59615	\$ (19296)	\$ 2150	\$ 5073	\$ 47542
OPENING FUND BALANCE	\$ 85581	\$ 377335¹	\$ 28686	\$ 29232	\$ 520834
CLOSING FUND BALANCE	\$ 145196	\$ 358039¹	\$ 30836	\$ 34305	\$ 568376

¹Value of Endowment Fund investments given at cost rather than market value

statements as AGU Services. The *American Mineralogist* showed a profit of \$25,769 in 1984, compared with a profit of \$32,921 in 1983. Income increased in 1984 while expenses actually decreased. However, the journal showed only a small operating surplus in 1984 and most of its profit can be attributed to almost \$16,000 in money market interest and a transfer of \$10,000 from the Endowment Fund to the American Mineralogist. The cost of publishing the *American Mineralogist* increased to \$200 per page in 1984, compared to \$185 per page in 1983. *Reviews in Mineralogy* showed a profit of \$29,253 in 1984, substantially up from that of \$19,553 in 1983. Fully one-half of the total books sold in 1984 were sold in the last two months of the year. This appears to be the direct result of enabling members to easily purchase books on the same form as the membership renewal. In the future, increased advertising and placement of order forms in

the Lattice and other journals is expected to increase sales. The *Reviews* have certainly become one of the Society's greatest assets. The *Mica Short Course* produced a profit of \$2,236. *IMA86* has been added this year as a subactivity because of the commitment of the Council to sponsor the international meeting at Stanford in July of 1986. Therefore, expenses for the meeting impact the operations of the Society. It is expected that the meeting will produce no revenue for the Society nor spawn any deficits.

The two research-grant Funds—the *Crystallography Fund* and the *Mineralogy-Petrology Fund*—are invested in money market accounts and U.S. Treasury Notes. Donations to the Funds totalled \$670 to Crystallography and \$2,037 to Mineralogy-Petrology. The Crystallography Fund increased in value to \$30,838 after paying out a grant of \$1,500. The Mineralogy-Petrology Fund increased in value to \$34,305.

Table 4. Statement of 1984 Income and Expense for the Subactivities of the General Operating Fund

	Adminis- tration	Special Activities	American Mineralogist	Reviews in Mineralogy	Short Course	IMA86	Total
INCOME							
Operations							
Dues (Prior Years)	--	\$ 675	--	--	--	--	\$ 675
Dues (Regular & Student)	--	17941	\$ 56962	--	--	--	74903
Dues (New Life Members)	--	200	--	--	--	--	200
Subscriptions	--	--	139364	\$ 12112	--	--	151476
Back Issues	--	--	2279	--	--	--	2279
Page Charges	--	--	38439	--	--	--	38439
Reprints & Author Alt.	--	--	4562	--	--	--	4562
Sales, Reviews in Mineralogy	--	--	--	87519	--	--	87519
Short Course Registration	--	--	--	--	\$ 11851	--	11851
Contributions	--	--	--	--	--	\$ 5000	5000
Miscellaneous	--	5727	371	2893	24	10	9025
Subtotal, Operations	--	24543	241977	102524	11875	5010	385929
Investments							
Money-Market Interest	--	--	15739	--	--	240	15979
Transfer from Endowment	--	--	10000	--	--	--	10000
Subtotal, Investments	--	--	25739	--	--	240	25979
TOTAL	--	\$ 24543	\$ 267716	\$ 102524	\$ 11875	\$ 5250	\$ 411908
EXPENSES							
Typist for MSA Secretary	\$ 2000	--	--	--	--	--	\$ 2000
Salary, Am. Min. Manag. Ed.	--	--	\$ 20068	--	--	--	20068
Honoraria	--	--	4000	\$ 3000	\$ 2500	--	9500
Edit. Off. Expenses	--	--	5432	2000	--	\$ 2353	9785
Comp., Printing, Mailing	1950	\$ 4750	104833	25347	--	739	137619
Postage, Freight	977	3822	9685	2757	--	--	17241
Reprints	--	--	7039	--	--	--	7039
Travel & Officer Exp.	4105	613	1667	327	2761	--	9473
Short Course Facil. & Food	--	--	--	--	4114	--	4114
Services & Supplies	4772	1216	--	--	--	--	5988
Awards	--	2513	190	--	--	--	2703
Back Issue Storage, Handling	--	--	7176	--	--	--	7176
Storage & Handling	--	--	--	11257	--	--	11257
Dues, Contrib. to IMA, AGI	--	3589	--	--	--	--	3589
Liability Insurance	2831	--	--	--	--	--	2831
Professional Services (Audit)	5650	--	--	--	--	--	5650
Telecommunications	--	--	547	--	--	--	547
Miscellaneous	807	--	--	306	264	--	1377
AGU Services	55530	2204	25290	11312	--	--	94336
Subtotal, Direct Costs	78622	18707	185927	56306	9639	3092	352293
Alloc. Admin. Expense ¹	(78622)	5636	56020	16965	--	--	--
TOTAL	--	\$ 24343	\$ 241947	\$ 73271	\$ 9639	\$ 3092	\$ 352293
NET INCREASE (DECREASE)		\$ 200	\$ 25769	\$ 29253	\$ 2236	\$ 2158	\$ 59615
OPENING FUND BALANCE							\$ 85581
CLOSING FUND BALANCE							\$ 145196

¹Allocated in proportion to direct costs as indirect costs (overhead)

The assets of the *Endowment Fund* are invested in a portfolio managed by Wm. Campbell and Co. As of the end of 1984, the cost value of the Endowment was \$358,039, and the market value was \$485,203, in comparison to a market value of \$572,265 at the end of 1983.

In conclusion, as of the end of 1984 the Mineralogical Society of America remained in a sound financial position. Continual

rising costs and reduction of income require close monitoring of the financial status of the Society.

Respectfully submitted,

Gordon L. Nord Jr.
Treasurer