



Annual  
Report

Fiscal Year Ended

June 30

2013

## Table of Contents

|   |    |
|---|----|
| Mission Statement .....   | 3  |
| President’s Letter .....  | 4  |
| Contact Information.....  | 6  |
| 2013/2014 Officers, Trustees and Committee Chairs.....                | 7  |
| <b>President: Dustin S. Martin, CFA, CPA</b> .....                    | 7  |
| <b>VP Programs: George Chen, CFA, CIPM</b> .....                      | 7  |
| <b>VP Education: Stephen Davenport, CFA</b> .....                     | 7  |
| <b>Treasurer: Amanda M. Cogar, CFA, CAIA</b> .....                    | 8  |
| <b>Secretary: Sharon Margetson, CFA, CIPM</b> .....                   | 8  |
| <b>Trustee term to expire 2014: Kathleen C. Chrisman, CFA</b> .....   | 8  |
| <b>Trustee term to expire 2014: Mark D. Garfinkel, CFA</b> .....      | 8  |
| <b>Trustee term to expire 2014: Richard Van Nostrand, CFA</b> .....   | 8  |
| <b>Trustee term to expire 2015: Andrew H. Higley, CFA</b> .....       | 9  |
| <b>Trustee term to expire 2015: Curtis R. Kimball, CFA, ASA</b> ..... | 9  |
| <b>Trustee term to expire 2015: John A. Skinner, CFA</b> .....        | 10 |
| <b>Trustee term to expire 2016: Joe T. Porter</b> .....               | 10 |
| <b>Trustee term to expire 2016: J. Randy Loving, CFA</b> .....        | 10 |
| <b>Trustee term to expire 2016: Chuck Osborne, CFA</b> .....          | 10 |
| <b>Membership Committee Chair: Curtis R. Kimball, CFA</b> .....       | 11 |
| Past Presidents .....   | 12 |
| New Members - FY Ending 06/30/13 .....                                | 13 |
| Committee Reports .....   | 18 |
| <b>Treasurer</b> .....  | 18 |
| <b>Programs</b> .....   | 18 |
| <b>2013 Forecast Dinner</b> .....                                     | 19 |
| <b>Education</b> .....  | 19 |
| <b>Secretary</b> .....  | 19 |
| <b>Membership</b> .....   | 20 |
| <b>Scholarships</b> .....   | 21 |
| <b>CFA Investment Research Challenge – Southern Classic</b> .....     | 21 |
| Appendix.....   | 23 |
| <b>Unaudited FY 2013 Financials</b> .....                             | 24 |
| <b>Liquidity Measure</b> .....  | 25 |
| <b>Reviewed FY 2012 and 2011 Financials</b> .....                     | 26 |

|                                |    |
|--------------------------------|----|
| <b>Investment Policy</b> ..... | 29 |
| <b>Strategic Plan</b> .....    | 30 |

## **Mission Statement**

The CFA Society of Atlanta is a not-for-profit services organization fostering the highest level of professional ethics, standards, and competence among the investment professionals of Greater Atlanta. We serve our members and the local financial community through educational and other programs, and thereby contribute to the enhancement of our profession.

## President's Letter

CFA Society of Atlanta Members:

It has been an honor to serve as President of the CFA Society of Atlanta for 2012-2013. Thank you for the confidence you placed in our board, our committee volunteers, and me.

Our many highlights this year result from the dedication of our Board of Trustees and members of our various committees. Our enthusiastic volunteers in all their various roles enable us to meet our mission as we, the CFA Society of Atlanta, continue to serve both our members and the community.

CFA Society of Atlanta Highlights:

- Our Board created a new Strategic Plan to guide us over the next 3-5 years. It reaffirmed our mission and identified four major goals: broaden and deepen our volunteer pool; broaden our membership categories and community; create a more diversified revenue stream; and enhance our communications approaches. (appendix)
- Under the leadership of Curtis Kimball, our Membership Committee chair, membership grew again this year. We are one of the 15 largest of 139 societies with about 1,300 members.
- Through the leadership of our VP of Programs, Dustin Martin, our programs were well attended, our speakers were outstanding, and the programs varied in content, format, and location. Many thanks to our Board and volunteers who helped secure speakers for our Programs this year.
- Our Forecast Dinner had record attendance and corporate sponsorships. Chaired by Past President Vince Baria with the assistance of Dustin Martin, the Special Programs Committee secured Jim Rogers as our event speaker. It was an outstanding event.
- Our Vice President of Education, George Chen, led our education program for CFA candidates. He and his team of member-instructors prepared another class of candidates for the CFA candidate exams.
- In conjunction with the CFA Society of South Carolina, our Society sponsored its 5th Southern Classic Global Investment Research Challenge. Led by George Chen and John Skinner, assisted by a cadre of over 50 volunteers, our Society hosted nine teams from Georgia, Alabama and South Carolina. The University of Georgia fielded the winning team.
- Our Volunteer Committee Chair and Board Secretary, Sharon Margetson, continued to expand our number of dedicated volunteers and match the volunteers with opportunities to serve.
- Under the leadership of Darlene Van Nostrand, our Public Relations Committee Chair, WABE ~ the local NPR affiliate, Bloomberg, the Atlanta Business Chronicle and Reuters covered a number of the Society's programs. This coverage extends our brand recognition.
- Our University Outreach Committee Chair, Craig Ruff, continued his outstanding work establishing relationships with Georgia's universities and educating faculty and students about the benefits of the CFA Charter and participation in the Investment Research Challenge.
- Our Technology Committee, chaired by Paul O'Sullivan, upgraded the Society's website. It now has greatly improved functionality and a higher quality look and feel.
- Our Career Committee, chaired by Rachel Bryant, hosted several well-attended career development events and after work cocktail parties. In addition, the committee expanded the Job Board to better serve the needs of members and companies.
- Our Society established a Corporate Outreach Committee, chaired by Tim Christie, to learn the needs of our local companies and educate them on how a partnership with the CFA Society of Atlanta can help them meet their education and talent needs.
- Our Treasurer, Amanda Cogar, undertook a review of our Investment Policy and our Reserve

Policy and presented recommendations on these policies to the Board. And thanks to the dedicated revenue expansion and expense containment initiatives of board and committee volunteers, we closed the 2012-2013 fiscal year with a surplus.

- The Board of trustees approved a \$25 increase in member dues from \$75 to \$100. This is the first increase in over 20 years.
- And finally, a very special thanks to Cathy Ford, our administrator, for her cheerful, tireless and efficient management of our organization.

In closing, I would like to thank our members for their continued support. It has been a privilege to serve as your President.

Respectfully,

Joe Porter  
President 2012-2013

## Contact Information

### **CFA Society of Atlanta**

Cathy Ford, Executive Administrator  
**e-mail:** [admin@cfa-atlanta.org](mailto:admin@cfa-atlanta.org)

**website:** [www.cfa-atlanta.org](http://www.cfa-atlanta.org)

### **Mailing Address**

4355 Cobb Parkway, Suite J-533  
Atlanta, GA 30339

**Phone:** 770-516-0792

**Fax:** 770-516-0236

## **2013/2014 Officers, Trustees and Committee Chairs**

### **President: Dustin S. Martin, CFA, CPA**

Dustin is a Partner and Portfolio Manager at CastlePoint Investment Group. He is the lead Portfolio Manager for the Integrated Energy Fund. Most recently Dustin was employed with AGL Resources, Inc. a Fortune 500 Company, as the Assistant Treasurer overseeing corporate finance matters. He was also the Chief Financial Officer of Renewco, a renewable subsidiary of AGL Resources. His previous employment prior to this includes ING Group, a multi-billion dollar global financial services company based in Netherlands and several years in public accounting and consulting including Ernst & Young LLP.

Dustin has significant experience across many industries including Energy, Banking, Insurance and Investment Management. He also has significant experience concerning financial risk management.

He serves on the Board of Trustees of the CFA Society of Atlanta and other non-profit organizations in Atlanta. He is also a former board member of Global Energy Resource Insurance Company.

Dustin graduated from the University of Georgia with a bachelor of business administration in risk management. He performed advanced studies in accounting at Georgia State University. He holds both the Chartered Financial Analyst and Certified Public Accountant designations.

### **VP Programs: George Chen, CFA, CIPM**

George Chen, CFA, CIPM, is Vice President and Senior Research Analyst for Wilmington Trust Investment Advisors, the investment advisory arm of M&T Bank. He conducts due diligence on investment managers for the Wilmington Private Funds and the Wilmington Multi-Manager Mutual Funds, as well as for consulting clients and separate accounts. He holds a master's of business administration from Georgia State University's J. Mack Robinson College of Business and a B.S. in Finance from University of New Orleans.

He is also on the board of directors for Atlanta Celebrates Photography, a non-profit arts organization dedicated to the cultivation of the photographic arts and the enrichment of the Atlanta art community.

The past year, serving as your Vice President Education, has been a rewarding experience and am truly honored and blessed to work with the other officers, trustees, and most importantly, volunteers, who make our Society such a dynamic and exciting organization. I look forward to continuing to serve our membership as your Vice President Programs and welcome the opportunity to work with our Program Committee to bring a diverse and engaging speaker lineup for the next year.

### **VP Education: Stephen Davenport, CFA**

Steve is responsible for developing risk-managed investment strategies for high-net-worth clients at Wilmington Trust. He has a strong background in quantitative investment analysis, and a sophisticated approach to asset allocation and the use of derivatives.

Steve holds an M.A. in Finance from Boston College's Wallace Carroll School of Management as well as bachelor's degrees in industrial engineering and mathematics/computer science from Columbia University and Providence College, respectively. Steve obtained his charter in 2001 and has been an industry mentor to GIRC teams for four years while also serving as a CFA instructor.



### **Treasurer: Amanda M. Cogar, CFA, CAIA**

Amanda is General Manager – Pensions at Delta Air Lines, Inc. She is responsible for the firm's defined benefit and defined contribution pension plans. In this role, she assists with overseeing asset allocation and plan-level risk management, and works with outside consultants in the selection and monitoring of active investment managers. Prior to joining Delta Air Lines, Inc. in 2012, she was an Assistant Vice President at Wilmington Trust, serving as portfolio manager for the firm's real asset and private real estate funds. Earlier in her career, Amanda served as a portfolio administrator for Balentine & Company, which was acquired by Wilmington Trust in 2002.

Amanda earned an MBA with a concentration in Finance from Georgia State University's J. Mack Robinson College of Business after graduating *cum laude* from The University of the South with a Bachelor's degree in German. Amanda was the Treasurer for the CFA Society of Atlanta for the last two years, and taught CFA exam review courses before that.

### **Secretary: Sharon Margetson, CFA, CIPM**

Sharon Margetson is Vice President and Senior Research Analyst at Real Estate Management Services (REMS) Group, LLC, where she is responsible for the quantitative aspects of the firm's investment process. In her capacity as a Research Analyst she also oversees statistical research, portfolio analytics, and the firm's research database. Ms. Margetson has a Bachelor of Science in Applied Mathematics with Highest Honor and a Certificate in Economics from the Georgia Institute of Technology. She holds the Chartered Financial Analyst designation and the Certificate in Investment Performance Measurement designation and is a member of the CFA Institute, the CIPM Association and the CFA Society of Atlanta. Since 2010 it has been her privilege to be Secretary of the Board and Volunteer Coordinator of the CFA Society of Atlanta and for 2010 through 2012 she acted as Coordinator of the Southern Classic Investment Research Challenge, the Georgia/South Carolina edition of the local CFA Institute Investment Research Challenge.

### **Trustee term to expire 2014: Kathleen C. Chrisman, CFA**

Kathleen C. Chrisman, CFA has been a member of the CFA Society of Atlanta since 1982 and a CFA Charterholder since 1986. She was President in fiscal 1996 and served on the Board of Trustees for 10 years. In 2003, she was elected Presidents Council Representative by the Southeastern and Caribbean Region to represent the region globally at the CFA Institute and served for two terms. In 2008, she was recognized for her volunteer service and leadership as the recipient of the CFA Institute Society Leader Award. Kathleen was re-elected President in fiscal 2011.

Ms. Chrisman has been in the investment business for 28 years. She is currently with the Division of Investment Services, the agency responsible for managing the assets of the Georgia Teachers and Employees' Retirement System. Prior to joining the Division, Ms. Chrisman was at Atlanta Capital Management Company. Over the years, her duties have included portfolio management, securities analysis and trading for both domestic and international investments.

### **Trustee term to expire 2014: Mark D. Garfinkel, CFA**

Mark is a founding partner of Perimeter Capital Management. At Perimeter, he serves as the firm's Chief Investment Officer and lead portfolio manager of the firm's small cap growth investment discipline. Mark's previous experience includes managing \$2.5 billion in small growth assets for the institutional investment subsidiary of one of the nation's largest banks. Mark was selected to design and lead the firm's small cap growth discipline and served in this role for seven (7) years. Prior to

this position, he was a portfolio manager for the firm's large cap core growth discipline. Mark began his investment career as a portfolio manager and research analyst in the bank's Trust & Investment division in Nashville. Mark received his CFA charter in 1993, and earned his B.A. (1986) and M.B.A. (1987) from Vanderbilt University.

#### **Trustee term to expire 2014: Richard Van Nostrand, CFA**

Rick is presently a Partner and Portfolio Manager at Cornerstone Investment Partners, where he also serves on the Operating Committee. Prior to Cornerstone, Rick was a voting member of the investment committee at EARNEST Partners and a voting member of the Fundamental Value and Fundamental Core product teams at Invesco Capital Management. Rick's prior background was management consulting. He has served clients across industries at both McKinsey & Company and Accenture (then Andersen Consulting).

Rick earned a MBA with a concentration in Finance from the Wharton School at the University of Pennsylvania, and holds a Bachelor of Science in Computer Science Engineering from Southern Methodist University.

#### **Trustee term to expire 2015: Andrew H. Higley, CFA**

Andrew H. Higley, CFA, is currently a Derivative Portfolio Manager for ING Investment Management, primarily hedging the interest rate risk of insurance company assets and liabilities. Prior to joining ING in 2006, he was with the Federal Home Loan Bank of Atlanta, where he hedged the book of loans to member banks, intermediating duration, convexity, and volatility risk transfer between the banking system and rate derivative market. Andrew was the Society's VP – Programs last year, after serving as the VP – Education for the Society's review course, and having taught the economics and derivative study sessions for several years. Andrew graduated from the University of Virginia, and also holds a graduate degree from Harvard University.

#### **Trustee term to expire 2015: Curtis R. Kimball, CFA, ASA**

Curtis R. Kimball, CFA, ASA is a managing director of Willamette Management Associates, a nationally prominent valuation and financial advisory firm, and director of WMA's Atlanta regional office. He is a Chartered Financial Analyst (CFA) of the CFA Institute, an Accredited Senior Appraiser (ASA) of the American Society of Appraisers in business valuation, and a member of the Institute of Business Appraisers. He has been valuing companies and interests in companies, intangible assets and other property for a variety of purposes for over thirty years and was formerly with Wachovia Bank and, later, the Citizens & Southern Trust Company (now Bank of America) prior to joining WMA in 1988. He holds a B.A. in Economics from Duke University and an M.B.A. from Emory University. He is a contributing author to several standard reference works on private business valuation including: *Valuing a Business*, *Valuing Small Businesses and Professional Practices*, *Financial Valuation: Businesses and Business Interests (1997 Update)*, *Business Valuation Discounts and Premiums* and *The Business Valuation Handbook (2<sup>nd</sup> Edition)*. He also acts as WMA's national director for wealth management valuations including estate, gift, asset protection, buy-sell agreement, trust, fiduciary liability, family, marital and charitable issues. Mr. Kimball has appeared as an expert witness on valuation issues in U.S. District Court, U.S. Tax Court, U.S. Bankruptcy Court and other venues. His most recent appearances include the U. S. Tax Court cases: *Estate of Anna Mirowski* (Mirowski Family Ventures, LLC), *Estate of Georgina T. Gimbel* (Reliance Steel and Aluminum Company), *Estate of H. A. True, Jr. and Jean D. True et al v. Commissioner* (True Ranches and True Oil Company) and *Estate of Harriet Mellinger v. Commissioner* (Frederick's of Hollywood).

### **Trustee term to expire 2015: John A. Skinner, CFA**

John Skinner, CFA is a Consulting Group Analyst with Morgan Stanley's Graystone Consulting business in Atlanta. He is an active volunteer with the CFA Society of Atlanta and has been involved with coordinating the Southern Classic Research Challenge for the past three seasons. John moved to Atlanta to join Morgan Stanley in 2003, with prior experience at Fifth Third Securities in Cincinnati, OH. With Graystone, he focuses on investment manager selection and analysis, asset allocation, and performance reporting for institutional clients. In addition to the CFA charter, John holds FINRA Series 7, Series 63, and Series 66 registrations, and graduated with a Bachelor of Arts degree in Music from Furman University in Greenville, SC.

### **Trustee term to expire 2016: Joe T. Porter**

Following a 28-year career in commercial banking and investment management, Porter invests his time with non-profits that seek capital markets expertise and access. In 1979, Porter started with Barnett Bank in Florida in its commercial lending program as a credit analyst. He then transferred to the Investment Division to perform credit analysis on the municipal bond portfolio and assist to with the start-up of the bank's discount brokerage firm. In 1984 he began working in fixed-income and derivatives. From 1987 to 1996, he served as Chief Investment Officer of an \$8 billion commercial bank; his team managed a \$3 billion fixed-income portfolio, a \$4 billion derivatives portfolio, and the liquidity, funding and rate-risk management functions. From 1996 to 2007, Porter was a co-owner and Chairman of the Board of Enterprise National Bank of Palm Beach County. Over the eleven year period management grew the bank from \$30 million in assets to \$250 million in assets. He sold his interest in 2007. Currently he works with a nationwide non-profit affordable housing corporation, Community Housing Capital, to increase its capital base and capital markets access. He also consults with Goodwill Industries International, which is about to launch a \$10 million loan fund with support from Kresge, Annie E. Casey, and another national foundation. The loan fund will accelerate Goodwill members' social enterprise expansion, create jobs, and sustainably fund the Goodwill mission for decades to come. Porter has also served as a volunteer for the American Cancer Society (ACS) Foundation. Under his leadership, ACS created a program to enable terminally ill cancer patients to access their life insurance policy's death benefit prior to death when the liquidity need was greatest. Annually 550,000 people die of cancer resulting in death benefits exceeding \$8 billion. ACS led this initiative in conjunction with AARP, the American Council of Life Insurers, Prudential, and New York Life. ACS' work helped establish Accelerated Death Benefits as a standard feature of most life insurance policies. Porter currently serves as the president of the 1,300 member CFA Society of Atlanta and board treasurer of AID Atlanta.

### **Trustee term to expire 2016: J. Randy Loving, CFA**

I joined the Atlanta Society when I moved to Atlanta in 2003 as a research analyst with the Personal Asset Management group at SunTrust. Currently I am a Sector Portfolio Manager on the Silvant team of RidgeWorth Capital Management. During my time in Atlanta I have enjoyed volunteering for the annual research challenge as a team mentor and grader. I look forward to supporting the Society and its Membership as a Trustee. Our university outreach through the research challenge and use of members as liaisons to local universities is impressive. It builds awareness of the CFA designation by introducing to students at a time in life when they are trying to decide what to become. Programs like this also keep our Membership engaged which is the hallmark of a strong society. I am excited to contribute to the growth of the Atlanta Society.

### **Trustee term to expire 2016: Chuck Osborne, CFA**

Chuck is co-founder and managing director of Iron Capital Advisors and the firm's chief investment officer. Headquartered in Atlanta, Iron Capital provides truly independent, customized investment counsel to institutional, corporate and individual investors nationwide.

Chuck has more than 20 years of experience in the investment industry. Prior to founding Iron Capital, Chuck was the director of investment services at Invesco Retirement Inc. Chuck's previous positions also include ING (then Aetna Retirement Services), and LOMA, an educational association serving financial services company members worldwide.

Chuck holds a B.A. in Economics from Wake Forest University, is a Fellow of the Life Management Institute and a Chartered Financial Consultant, and has earned the right to use the Chartered Financial Analyst (CFA) designation. Chuck is an avid golfer and is actively involved in the Georgia Culver Club and with Peachtree Road United Methodist Church, where he serves on the Finance Committee. Chuck also is a member of the CFA Society of Atlanta and the CFA Institute. Chuck and his wife, Frost, live in Atlanta with their two children, Charlie and Mary Frost.

### **Membership Committee Chair: Curtis R. Kimball, CFA, ASA**

Curtis R. Kimball, CFA, ASA is a managing director of Willamette Management Associates, a nationally prominent valuation and financial advisory firm, and director of WMA's Atlanta regional office. He is a Chartered Financial Analyst (CFA) of the CFA Institute, an Accredited Senior Appraiser (ASA) of the American Society of Appraisers in business valuation, and a member of the Institute of Business Appraisers. He has been valuing companies and interests in companies, intangible assets and other property for a variety of purposes for over thirty years and was formerly with Wachovia Bank and, later, the Citizens & Southern Trust Company (now Bank of America) prior to joining WMA in 1988. He holds a B.A. in Economics from Duke University and an M.B.A. from Emory University. He is a contributing author to several standard reference works on private business valuation including: *Valuing a Business*, *Valuing Small Businesses and Professional Practices*, *Financial Valuation: Businesses and Business Interests (1997 Update)*, *Business Valuation Discounts and Premiums* and *The Business Valuation Handbook (2<sup>nd</sup> Edition)*. He also acts as WMA's national director for wealth management valuations including estate, gift, asset protection, buy-sell agreement, trust, fiduciary liability, family, marital and charitable issues. Mr. Kimball has appeared as an expert witness on valuation issues in U.S. District Court, U.S. Tax Court, U.S. Bankruptcy Court and other venues. His most recent appearances include the U. S. Tax Court cases: *Estate of Anna Mirowski* (Mirowski Family Ventures, LLC), *Estate of Georgina T. Gimbel* (Reliance Steel and Aluminum Company), *Estate of H. A. True, Jr. and Jean D. True et al v. Commissioner* (True Ranches and True Oil Company) and *Estate of Harriet Mellinger v.*

### **Communications Committee Chair: Darlene van Nostrand, CFA**

I am honored to serve as the Chair of Communications for the CFA Society of Atlanta. For two years, I have served in this role, and in previous years my efforts were focused as a member of the Program Committee. The Atlanta financial community is strong and vibrant, and I believe the Atlanta Society of the CFA Institute plays a major leadership role in molding the finance community's continued evolution. Never has the CFA Institute's mission been more important than it is today.

### **Technology Committee Chair: Paul J. O'Sullivan, CFA**

The core of the CFA Charter is above all else a commitment to our clients and to our industry via our Code and Standards. That shared commitment is enhanced yet reliant upon our members' willingness to volunteer to help uphold its ideals. It is therefore both a privilege and an honor to volunteer with CFA Society of Atlanta as the Technology Chair.

I am well prepared for this role and have a long history of volunteerism. I currently volunteer with the Red Cross, Toys For Tots, and I served in the Marine Corps Reserve for eight years in an IT role.

I also have a deep commitment to the Atlanta area financial community. I've worked in accounting and financial analysis capacities in the Atlanta area for the past eleven years. I look forward to making a meaningful contribution now and in the future to CFA Institute and CFA Society of Atlanta.

### **Corporate Outreach Chair: Timothy A. Christie, CFA**

Tim Christie, CFA is Vice-President Corporate Development and Strategy with First Data, primarily involved with Mergers & Acquisitions. Previously, he spent 10 years as Director, Strategic Initiatives with RBC Bank, based in Raleigh, NC. Tim holds an MBA from Duke's Fuqua School of Business and a BA in Economics / Political Science from Queen's University (Canada).

### **Audit Committee Chair: Raanan Pritzker, CFA**

Raanan joined Fifth Third Bank in 2011 as a Senior Wealth Management Advisor for Fifth Third Private Bank specializing in wealth management solutions, including investments, private banking, insurance, wealth planning, fiduciary services, and retirement plans.

Spent 12 years with SunTrust in the following roles: Portfolio Manager in Corporate and Investment Banking, Buy-Side Analyst in Personal Asset Management, and Client Advisor in Private Wealth Management.

BA from Rollins College Married for 14 years with two boys, ages 8 and 10. Expecting in January a third addition. Originally from Orlando, Florida, lived now in Atlanta for almost 10 years.

### **Past Presidents**

2012 – 2013 Joe T. Porter  
2011 – 2012 Andrew H. Higley, CFA  
2010 – 2011 Kathleen C. Chrisman, CFA  
2009 – 2010 Dean A. Austin, CFA, CAIA  
2008 – 2009 R. Vincent Baria, CFA  
2007 – 2008 William R. Annis, CFA  
2006 – 2007 Eli P. Niepoky, CFA  
2005 – 2006 Richard T. Bartolo, CFA  
2004 – 2005 Anna M. Craig, CFA  
2003 – 2004 John C. Yeoman, Jr., CFA  
2002 – 2003 Bradford S. J. Young, CFA  
2001 – 2002 Ronald Jerome Days, CFA  
2000 – 2001 Molly M. Guenther, CFA  
1999 – 2000 Kurt J. Tesh, Jr., CFA  
1998 – 1999 Barry N. Berlin, CFA  
1997 – 1998 Jane R. Davenport, CFA  
1996 – 1997 Thomas A. Martin Jr., CFA  
1995 – 1996 Kathleen C. Chrisman, CFA  
1994 – 1995 Lynn T. Blake, CFA  
1993 – 1994 Brion D. Friedman, CFA  
1992 – 1993 Janet T. Miller, CFA  
1991 – 1992 George J. Hauptfuhrer III, CFA  
1990 – 1991 Janet B. Bunch, CFA  
1989 – 1990 Richard B. Vivona, CFA  
1988 – 1989 Carole H. Cox, CFA

1987 – 1988 John L. Haverkamp Jr., CFA  
1986 – 1987 John F. Morgan, CFA  
1985 – 1986 Donald J. Thompson II, CFA  
1984 – 1985 Carolyn Chinn Hughes, CFA  
1983 – 1984 Charles B. Morris Jr., CFA  
1982 – 1983 Edward C. Mitchell, CFA  
1981 – 1982 Daniel W. Boone III, CFA  
1980 – 1981 Robert E. Reiser Jr., CFA  
1979 – 1980 Keith Anthony Greaves, CFA  
1978 – 1979 David Arthur Lee, CFA  
1977 – 1978 Hazel A. D. Sanger, CFA  
1976 – 1977 Wendell M. Starke, CFA  
1975 – 1976 J. Robert Douglas, CFA  
1974 – 1975 Frederick L. Muller, CFA  
1973 – 1974 Herbert H. Frost, CFA  
1972 – 1973 James R. Dillon Jr., CFA  
1971 – 1972 Richard W. Agnor, CFA  
1970 – 1971 Raymond L. Steele, CFA  
1969 – 1970 Solon P. Patterson, CFA  
1968 – 1969 Jay L. Levine, CFA  
1967 – 1968 Valjean B. Brookshaw Jr., CFA  
1966 – 1967 William M. Matthews Jr., CFA  
1965 – 1966 Thomas E. Martin Jr., CFA  
1964 – 1965 Eugene Caldwell, CFA  
1963 – 1964 Frank E. Block, CFA  
1962 – 1963 John B. Ellis, CFA  
1961 – 1962 Norman S. Welch, CFA

### **New Members - FY Ending 06/30/13**

Adam Benjamin Breit, CFA  
Alexander John Hertz  
Alysia Fabrienne Wurst, CFA  
Amanat Salim Jetha  
Andrew Spears, CFA  
Ankur A. Vyas, CFA  
Arcan Hajer, CFA  
Ashish Bansal, CFA  
Ashwinkumar G. Dhanesha, CFA  
Bo Barret Hanson, CFA  
Bradley Edward Phillips  
Bradley Thomas Chitty, CFA  
Brandon Jeng Leung  
Brett Michael Slattery, CFA  
Brian J. Jagt, CFA  
Brian Michael McClard, CFA  
Britton David Brewer  
Carter Phillips Vick, CFA  
Catharine C. Burkett  
Chadd McLane Evans, CFA

Charles Gordon Waterman, CFA  
Christian K. Ulrich, CFA  
Christopher Russ Wright, CFA  
Clayton Triick, CFA  
David Martin Johnson  
Derek Michael Tubbs  
Douglas Jay Gooding, CFA  
Dow Derato, CFA  
Dwane Joseph Bacak, CFA  
Eaton Zhou, CFA  
Edward Eugene Hetherington Jr., CFA  
Edward James Wilcox, CFA  
Emilie Esteban Sumera, CFA  
Eric G. Banta, CFA  
Eric Shapiro, CFA  
Francis Carl Atkins III, CFA  
George Botchorishvili, CFA  
Grant Monroe Rogers, CFA  
Grayson Lee Barnard  
Hanson Simms Farmer III, CFA  
Henry Charles VandeSype, CFA  
Jacob Brown, CFA  
James Andrew Shilkett  
Jason Huang, CFA  
Jason Michael Harris, CFA  
Jennifer A. Hilbers, CFA  
Jeremy Daniel Wohlberg, CFA  
Jing-Wun Liao  
Joe Maloney, CFA  
John C Alexander, CFA  
John Dennison, CFA  
Joseph Brett Richards  
Joshua Daniel Reser, CFA  
Joshua Timothy Cochran CFA  
Kasim Lekan Alli, CFA  
Kevin Michael Keefe, CFA  
Kyle Douglas Glenn, CFA  
Lu Chang, CFA  
Lu Yan, CFA  
Luke Webber  
Manoj Madhavan, CFA  
Mark Wiles, CFA  
Michael Christopher Parsons, CFA  
Michael Eugene Marek, CFA  
Michael Joseph Sweeney Jr., CFA  
Murray Tyler Bandy, CFA  
Nicholas Augustus Alef, CFA  
Nicholas Tyler Tiemeyer, CFA  
Nikita Smeshko  
Peter Michael Osterland, CFA

Rachana Rathi  
Raymund Uy, CFA  
Robert Woessner, CFA  
Roman Shishmintsev, CFA  
Ronald P. Meier, CFA  
Samuel Alton Beall  
Samuel Kwaku Ayenu-Prah, CFA  
Stephen Joseph Potter  
Stephen Kendall Scouten  
Teodor Tocan, CFA  
Tingting Liu, CFA  
Troy Lynn Harmon, CFA  
Varang Hareshkumar Trivedi, CFA  
Victoria Rothschild, CFA  
Vincent Celentano II  
Viswanathan Ramakrishnan, CFA  
William Taylor Gray Tuggle, CFA

## **CFA Society of Atlanta Volunteers - FY Ending 06/30/13**

### **CFA Society of Atlanta Board of Directors**

Joe T. Porter, President  
Dustin S. Martin, CFA, CPA, VP - Programs  
George Chen, CFA, CIPM, VP - Education  
Amanda M. Cogar, CFA, CAIA, Treasurer  
Sharon Margetson, CFA, CIPM, Secretary  
Dean A. Austin, CFA, CAIA, Past President, Trustee  
R. Vincent Baria, CFA, Past President, Nominating Committee  
Kathleen C. Chrisman, CFA, Past President, Trustee  
Carole Cox, CFA, Nominating Committee  
Mark D. Garfinkel, CFA, Trustee  
Andrew H. Higley, CFA, Past President, Trustee  
Curtis R. Kimball, CFA, Trustee & Membership Chair  
William King, CFA, Trustee  
Craig K. Ruff, PhD, CFA, Trustee & University Liaison Chair  
Richard van Nostrand, CFA, Trustee  
Bradford S. J. Young, CFA, Presidents Council Representative

### **Advocacy**

Abe Riazati, CFA – Committee Chair

### **Audit**

Ranaan Pritzker, CFA – Committee Chair

### **Career Development**

Rachel Bryant, CFA, FRM  
Christy Loop, CFA  
Jonathan Fox, CFA  
Michael Hammill, CFA



Ellen Knox, CFA  
Pete Osterland, CFA

### **Communications**

Leo Svoboda, CFA

### **Education – CFA Exam Review Classes**

George Chen, CFA, CIPM, Lead Instructor  
LaShonda Fuselier, CFA, CPA, Coordinator  
Dean Austin, CFA, CAIA, Instructor  
Tony Brown, CFA, Instructor  
Adrian Cronje, CFA, Instructor  
David Damiani, CFA, Instructor  
Steve Davenport, CFA, Instructor  
John Douglas, CFA, Instructor  
Rex Macey, CFA, Instructor  
Lynn Pierson, CFA, Instructor  
Josh Rosenberg, CFA, Instructor  
Greg Silberman, CFA, Instructor

### **Education – CFA Institute Research Challenge**

Russ Allen, CFA, Mentor  
Brian Bugg, CFA, Grader  
John Caldwell, CFA, Judge  
George Connaughton, Grader  
Patrick Coyne, CFA, Mentor  
Anna Craig, PhD, CFA, Judge  
Stephen Davenport, CFA, Mentor  
Aaron Foresman, CFA, Judge  
Marilyn Kimball, CFA, Grader  
Matt Laing, CFA, Judge  
James R. Loving, CFA, Grader  
Rex P. Macey, CFA, Judge  
Chuck Osborne, CFA, Judge  
Garrett O'Malley, CFA, Mentor  
Aki Pampush, CFA, Judge  
Raanan Pritzker, CFA, Grader  
Victoria Rothschild, CFA, Mentor  
John Shepard, CFA, Judge  
Trey Shipp, CFA, Judge  
Carrie Tallman, CFA, Judge

### **Education – CFA Institute Research Challenge – Committee and Volunteers**

George Chen, CFA, CIPM, Challenge Committee Chair  
John Skinner, CFA, Challenge Coordinator  
Kathleen C. Chrisman, CFA  
Isaac Dunkelberger  
LaShonda Fuselier, CFA, CPA  
James Kelley  
Grace Liao-Moore

Sharon Margetson, CFA, CIPM  
Dustin Martin, CFA, CPA  
Joe T. Porter  
Craig K. Ruff, PhD, CFA  
Darlene M. van Nostrand, CFA  
Kevin T. White  
Yan Zhang, CFA

### **Industry Outreach**

Tim Christie, CFA – Committee Chair

### **Programs**

Dustin S. Martin, CFA, CPA – Committee Chair  
Steven Benjamin, CFA  
Michael Blake, CFA  
Jay Hinton, CFA  
Nathan Lewis  
Darlene M. van Nostrand, CFA  
Elena Vasilescu, CFA  
Thomas Wilkins, CFA  
Janet Yuen, CFA

### **Special Programs – Forecast Dinner**

R. Vincent Baria, CFA  
Dustin S. Martin, CFA, CPA

### **Public Relations**

Darlene M van Nostrand, CFA – Committee Chair  
Sandra Reif  
Merlin Tolstyk, CFA

### **Scholarships**

Aradhana Gupta Kejriwal, CFA  
Ranaan Pritzker, CFA

### **Technology**

Paul O’Sullivan, CFA – Committee Chair

### **University Outreach**

Craig K Ruff, PhD, CFA – Committee Chair  
Celia Anderson, CFA  
Aradhana Gupta Kejriwal, CFA  
Grace Liao-Moore  
James R. Loving, CFA  
Erika McGrew  
Adrian Morffi, CFA  
Victoria Rothschild, CFA  
Emilie Sumera, CFA

### **Volunteer Coordinator**

## Committee Reports

### Treasurer

The 2012-2013 year was again a very successful one for our Society. The Society held 17 events, including regular educational programs, career development programs, volunteer appreciation and networking affairs, and our annual forecasting dinner. It was the third year in which the Society delivered programs through sponsorships. These sponsorships allowed us to serve our membership while working closely with corporations within the investment community. Moreover, the sponsorships allowed us to add value to our members while fulfilling the overall mission.

We recognized \$278,000 in revenues for the fiscal year and held \$379,000 in reserves at June 30, 2013. The reserve base covers approximately 2.2x our \$171,000 normalized run rate of operating expenses. Please refer to the Appendix for unaudited financials and our investment policy statement at 6/30/2013.

Our goal continues to be maintaining a strong financial position while supporting opportunities to create value for our membership. It was a pleasure to serve as Treasurer to the Society this year.

### Programs

During the FY ending in June 2013, your Program Committee held 17 events. As Program Chair, I would like to thank my fellow committee members for their hard work. Serving on the committee were Tom Wilkins, Michael Blake, Elena Vasilescu, Janet Yuen, Darlene Van Nostrand, and George Chen. The work performed by the Program Committee this year was outstanding.

Moreover, the Program Committee would like to thank Cathy Ford for ensuring all events were executed flawlessly. Education is a key part of our mission. It allows us to provide high quality educational content to our members while reaching out to our community.

The program events from September 2012 through June 2013 included the following:

#### September

Investing in the Venture Capital Space

Alan Tatelle, Noro Mosley

Investing in America's Energy Independence

Jeff Fulmer, Tortoise Capital and Pete Tumminello, Sequent Energy

#### October

The Revenge of Geography: What the Map Tells Us About Coming Conflicts and the Battle Against Fate

Robert Kaplan, Stratfor

Can The Past Be Instructive? The Current Economic Crisis In Historical Perspective

Jeremy Attack, Vanderbilt University

#### November

Greater Investment Success can be accomplished through Behavioral Insights

Arnold S. Wood, Martingale Asset Management

#### December

Range Bound Investing

Vitaliy Katenelson, Investment Management Associates

## **January**

Update on the Investment Management Business

Martin Flanagan, INVESCO

## **February**

Private Equity Real Estate Model

Richard Gold, Northfield Information Services

## **March**

Pension Finance and Risk Management

Barton Waring

## **April**

Investing in Art as an Asset Class

Professor Michael Moses

## **June**

Profit from Currency Wars

Axel Merk, Merk Investments

## **2013 Forecast Dinner**

On February 6, the CFA Society of Atlanta hosted the ninth annual Forecasting Event featuring Jim Rogers. Jim was interviewed by Jeffrey Albert Tucker, Executive editor of Lasissez Faire Books. The event was held at the Cobb Energy Center and attended by 339 members and guests. We received a great deal of positive feedback from this event.

## **Sponsors**

Diamond – ING USA

Gold – iShares by BlackRock and RBS

Silver – Aberdeen Asset Management, Invesco Powershares, Liquidnet, Morningstar, State Street Global Advisors, Vanguard and Wisdom Tree Asset Management

Also the event featured a forecasting contest among members. The winner of the previous year's contest, Joe Roman was announced. He received a \$100 Buckhead Life Group gift card in recognition of his achievement.

## **Education**

We renewed our partnership with Kaplan Schweser to combine their exam review materials with our Society's live instruction to offer a comprehensive package for exam candidates taking Level I and II exams. By offering 16 weekly live classes, we fulfill our mission to provide educational resources to meet the preparation needs for exam candidates. For Fall 2012 we had 11 students and for Spring 2013, we had 14 total students. In addition, we held mock exam for both the Fall and Spring exams that was attended by more than 90 exam candidates.

I would like to personally thank LaShonda Fuselier for her significant contributions this past year in ensuring the continued success and growth of our educational efforts.

## **Secretary**

The Officers and Board of Trustees of the CFA Society of Atlanta held six regular meetings during FY 2012/2013. Separately, this year saw the start of regular meetings of the Officers, with five (of six scheduled) Executive Committee meetings held. Board members attended CFA Society Leadership meetings in Hong Kong and Newport Beach, California during the year. The Society's Strategic Plan was completed during the year, with focus on four areas - volunteer management/development, the Society's revenue model, membership and communications. There

was a Bylaw change to embrace a more independent Nominating Committee. Early in the year Trustee William King, CFA resigned due to employment relocation to Florida.

Thanks to outgoing Trustees and Committee Chairs: Dean A. Austin, CFA, CAIA, Craig K. Ruff, Ph.D., CFA, Rachel Bryant, CFA, and Vincent Baria, CFA, and a special thanks to CFA-Atlanta member, past president and former trustee Bradford S.J. Young, CFA, who ended his term as Presidents Council Representative for the Southeastern US and Caribbean region.

The Nominating Committee recommended the following slate for the 2013/2014 year and having received 292 proxies, representing more than the 20% required for quorum, the following officers and trustees were elected.

Dustin S. Martin, CFA, CPA, President  
George Chen, CFA, CIPM, VP-Programs  
Stephen P. Davenport, CFA, VP-Education  
Amanda M. Cogar, CFA, Treasurer  
Sharon Margetson, CFA, CIPM, Secretary  
John A. Skinner, CFA, Trustee  
Charles E. Osborne, CFA, Trustee  
James R. Loving, CFA, Trustee  
Joe T. Porter, Trustee

### **Volunteer Coordinator**

CFA Society of Atlanta recognizes that member volunteers are one of our most valuable resources. The Society had 80 volunteers during the year, representing a 30+% increase in volunteer participation over the previous FY. We were very pleased to see such an increase in member volunteer involvement, and with our new strategic focus on volunteer engagement and development we look forward to maintaining this trend. New opportunities for volunteers this year included Career Development, Communications, Employer Outreach and University Outreach. Also new this year - two volunteer get-togethers were held: a volunteer recruitment happy hour early on and a volunteer recognition event at year end. In addition, in line with the focus on volunteer management, a new volunteer committee was formed. This committee will have three or four members going forward and will work to formalize the Society's volunteer management function.

### **Membership**

As of June 30, 2013, the Atlanta Chapter had 1,290 active members of all types. Atlanta chapter membership was static, with a net gain of one member (from 1,289 members as of June 30, 2012). There are 1,239 regular members and 51 affiliate members.

During the year the following membership actions occurred (not including transfers):

#### Members who activated or reactivated between 7/1/2012 and 6/30/2013

|           |           |
|-----------|-----------|
| Affiliate | 14        |
| Regular   | <u>71</u> |
| TOTAL     | 85        |

#### Members who lapsed, cancelled or revoked between 7/1/2012 and 6/30/2013

|               |    |
|---------------|----|
| <b>LAPSED</b> |    |
| Affiliate     | 15 |

|              |           |
|--------------|-----------|
| Regular      | <u>84</u> |
| LAPSED TOTAL | 127       |

**CANCELLED**

|                 |          |
|-----------------|----------|
| Affiliate       | 0        |
| Regular         | <u>1</u> |
| CANCELLED TOTAL | 1        |

**REVOKED**

|               |          |
|---------------|----------|
| Affiliate     | 0        |
| Regular       | <u>0</u> |
| REVOKED TOTAL | 0        |

TOTAL LAPSED & CANCELLED 100

Our membership retention rate of just under 90 percent is among the top one-third of all the CFA Institute constituent chapters.

**Communications Committee**

I accepted the role of Communications Chair for the CFA Society of Atlanta in May 2012. My goal as Committee Chair is to increase awareness of the Society’s mission and members. This year, the committee focused on building deeper relationships with key media contacts with two goals in mind. First, through relationships with the media, we identified the CFA Society of Atlanta as a key resource upon which the media can draw for subject matter expertise in the sometimes dense world of financial news. Second, we believe having these relationships will help the CFA Society of Atlanta proactively communicate with the broader community in matters related to its mission and members. In the upcoming year, we plan to expand upon these efforts.

**Scholarships**

The CFA Society of Atlanta was able to award five scholarships for the December 2012 examination to students from Georgia State University, University of Georgia and Emory University before the CFA Institute’s Scholarship program transitioned to the new Access Scholarship format. Although the Society per se did not award any scholarships for 2013, CFA Institute did award scholarships to 11 out of 14 applicants in the Atlanta area. The new system is based on a single award per calendar year, and scholarship recipients have the option to take the exam in either the June or December sitting of the following year.

**CFA Investment Research Challenge – Southern Classic**

The CFA Societies of Atlanta and South Carolina collaborated to host the fifth annual Southern Classic Investment Research Challenge, a local edition of the Global Investment Research Challenge.

The CFA Institute Research Challenge is a global competition which tests the analytic, valuation, report writing, and presentation skills of university students. The challenge comprises analysis of a publicly-traded company, mentoring by a professional research analyst, writing a research report, and presentation of research to a panel of experts. Over 3,500 students from over 775 universities in 54 countries participated in the 2013 Challenge and learned best practices in equity research from leading industry experts.

The CFA Societies of Atlanta and South Carolina hosted the local level of this global competition, called the Southern Classic. The CFA Society of Alabama also assisted and participated. During this round, nine teams of three to five students from the area’s leading universities and business schools

competed for a place in the regional final in Toronto. Rock-Tenn, Inc. (RKT) was the subject company for the Southern Classic this year. FactSet provided students and faculty with access to their academic financial software solution throughout the competition. Kaplan Schweser provided financial sponsorship to all local challenges this year, including the Southern Classic.

University of Georgia won the final round against finalists Wofford College and Georgia Institute of Technology (Georgia Tech). Also competing in Alpharetta on February 23, 2013 were: Clemson University, Coastal Carolina University, Furman University, Georgia State University, Samford University, and University of Alabama. All participants were very appreciative of the effort put forth by the many volunteers who made this competition a great learning experience.

This year, the prize for the winner was a professional presentation consultation from Carol Edelson of SpeakStyles. Her consultation was very well reviewed by the students at UGA. University of Georgia competed at the Americas Regional level in Toronto and advanced as far as the semifinal round of 16 teams. UGA's team members were Daniel Coogle, Katherine Kellert, Viju Krishnan, and Patrick Muller. Throughout the competition, the team received guidance from their faculty advisers Matt Blasko and Anne Cooper, and industry mentor Patrick Coyne of Lincolnshire Management.

The Southern Classic is a volunteer-intensive event, and this year was no exception. The following list of volunteers assisted along with volunteers from the CFA Societies of South Carolina and Alabama.



The University of Georgia team in Alpharetta with the finalist judges panel. From left to right: Daniel Coogle, Katherine Kellert, Rex Macey, Kendall Anderson, Aki Pampush, Patrick Coyne, and Viju Krishnan.



UGA students in Toronto preparing for their presentation at the Regional level. From left to right: Daniel Coogle, Katherine Kellert, and Patrick Coyne.

## Appendix



## Unaudited FY 2013 Financials

CFA Society of Atlanta  
Fiscal Year 2013 (July 1, 2012 - June 30, 2013)

### Financials Review

|   | <b>2013</b>                                       | (cash basis)   |  |  |
|---|---|--|--|--|
|   | <u>Actual</u><br><u>7/1/12-</u><br><u>6/30/13</u> | <u>2012</u><br><u>Actual</u><br><u>(7/1/11-</u><br><u>6/30/12)</u> | <u>2011</u><br><u>Actual</u><br><u>(7/1/10-</u><br><u>6/30/11)</u> | <u>2010</u><br><u>Actual</u><br><u>(7/1/09-</u><br><u>6/30/10)</u> |
| <b><u>Operating Revenue</u></b>             |   |  |  |  |
| Membership Dues                             | <b>\$121,095</b>                                  | \$84,105   | \$106,545  | \$90,825   |
| CFA Institute - Operational Support Funding | <b>43,415</b>                                     | 44,915   | 38,578   | 26,351   |
| CFA Institute - Career Funding              | <b>2,000</b>                                      | 0  | 0  | 0  |
| Career Development - Member Fees            | <b>350</b>  | 0  | 0  | 0  |
| CFA Institute - Growth Support Funding      | <b>0</b>  | 0  | 3,025  | 0  |
| Forecasting Dinner                          | <b>62,600</b>                                     | 31,920   | 25,050   | 19,035   |
| Programming (Events)                        | <b>12,175</b>                                     | 12,485   | 20,890   | 19,662   |
| Education                                   | <b>35,884</b>                                     | 40,458   | 18,087   | 35,315   |
| Job Posting                                 | <b>750</b>  | 975  | 1,150  | 2,200  |
| <b>Total Operating Revenue</b>              | <b>278,269</b>                                    | 214,858  | 213,325  | 193,388  |
| <b><u>Operating Expenses</u></b>            |   |  |  |  |
| Total Program Expenses                      | <b>42,565</b>                                     | 44,904   | 88,269   | 72,622   |
| Total Forecasting Dinner Expenses           | <b>78,123</b>                                     | 69,139   | 38,682   | 27,267   |
| Education                                   | <b>34,881</b>                                     | 20,164   | 5,647  | 6,285  |
| Career Development                          | <b>3,384</b>                                      | 0  | 0  | 0  |
| Volunteer Recognition                       | <b>1,968</b>                                      | 0  | 0  | 0  |
| Public Relations                            | <b>4,350</b>                                      | 129  | 5,885  | 20   |
| Technology                                  | <b>1,809</b>                                      | 1,200  | 2,000  | 1,527  |
| Total Board of Trustees Expenses            | <b>10,168</b>                                     | 12,842   | 11,799   | 5,194  |
| The Buckhead Club Membership                | <b>2,209</b>                                      | 2,028  | 2,490  | 1,782  |
| Charitable Contributions                    | <b>1,500</b>                                      | 1,000  | 1,000  | 1,000  |
| Management Fees                             | <b>44,163</b>                                     | 32,734   | 31,781   | 30,855   |
| Accounting Fees                             | <b>3,789</b>                                      | 3,687  | 3,783  | 5,917  |
| Bank Charges/Credit Card Machine            | <b>2,802</b>                                      | 1,991  | 2,259  | 1,368  |
| Phone Charges                               | <b>960</b>  | 960  | 960  | 960  |
| Office Equipment & Supplies                 | <b>425</b>  | 660  | 1,127  | 991  |
| Postage & Delivery                          | <b>274</b>  | 629  | 377  | 443  |
| Corporate registration                      | <b>30</b>   | 10   | 50   | 30   |
| Miscellaneous                               | <b>0</b>  | 327  | 0  | 1,485  |
| Liability Insurance                         | <b>0</b>  | 0  | 0  | 1,300  |

|  |                  |          |          |          |
|--|------------------|----------|----------|----------|
| <b>Total Operating Expenses</b>                  | <b>233,400</b>   | 192,404  | 196,109  | 159,046  |
| <b>Operating Surplus/(Deficit)</b>               | <b>\$44,869</b>  | \$22,454 | \$17,216 | \$34,342 |
| <b><u>Non-Operating Revenue and Expenses</u></b> |                  |          |          |          |
| <b>Dividends and Interest</b>                    | <b>4,763</b>     | 5,050    | 7,073    | 14,964   |
| <b>Net Surplus/(Deficit)</b>                     | <b>\$49,632</b>  | \$27,504 | \$24,290 | \$49,306 |
| <b>Cash Balance</b>                              | <b>\$379,240</b> |          |          |          |

## Liquidity Measure

|                               |                   |
|-------------------------------|-------------------|
| <b>Balances as of 6/30/13</b> |                   |
| SunTrust Money Market         | \$ 76,627         |
| SunTrust Checking             | \$ 84,862         |
| Vanguard Money Market         | \$ 22,898         |
| Vanguard Investment Account   | \$ 194,853        |
| <b>Total</b>                  | <b>\$ 379,240</b> |
| FY 2013 Actual Expenditures   | 233,400           |
| Normalized Expenditures       | 171,000           |
| 6/30/13 Coverage              | 1.6x              |
| 6/30/13 Adjusted Coverage     | 2.2x              |

## Reviewed FY 2012 and 2011 Financials

### CFA SOCIETY OF ATLANTA, INC. Statements of Financial Position

|  | As of June 30,    |                   |
|--|-------------------|-------------------|
|  | 2012              | 2011              |
| <b>ASSETS</b>  |                   |                   |
| <b>CURRENT ASSETS:</b>   |                   |                   |
| Cash and cash equivalents:   | \$ 139,568        | \$ 138,172        |
| Marketable securities (Note 1)   | 191,452           | 186,486           |
| Receivables  | 18,314            | 27,150            |
| Prepays  | 2,519             | -                 |
| <b>Total Current Assets</b>  | <b>351,853</b>    | <b>351,808</b>    |
| <b>EQUIPMENT, at cost, less accumulated depreciation</b><br><b>\$21,331 and \$20,790</b> | <b>-</b>          | <b>539</b>        |
| <b>TOTAL ASSETS</b>  | <b>\$ 351,853</b> | <b>\$ 352,347</b> |
| <b>LIABILITIES AND NET ASSETS</b>  |                   |                   |
| <b>CURRENT LIABILITIES:</b>  |                   |                   |
| Deferred revenue   | 15,346            | 25,980            |
| <b>Total Current Liabilities</b>   | <b>15,346</b>     | <b>25,980</b>     |
| <b>COMMITMENTS (Note 2)</b>  |                   |                   |
| <b>NET ASSETS:</b>   |                   |                   |
| Unrestricted   | 336,507           | 326,367           |
| <b>Total Net Assets</b>  | <b>336,507</b>    | <b>326,367</b>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>  | <b>\$ 351,853</b> | <b>\$ 352,347</b> |

**CFA SOCIETY OF ATLANTA, INC.**  
**Statements of Activities**

|  | <b>For the Year Ended June 30,</b> |                   |
|--|------------------------------------|-------------------|
|  | <b>2012</b>                        | <b>2011</b>       |
| <b>REVENUE:</b>                                    |                                    |                   |
| Dues   | \$ 94,737                          | \$ 95,685         |
| CFA review course                                  | 23,808                             | 22,321            |
| CFA Institute reimbursement                        | 44,915                             | 57,603            |
| Program fees                                       | 45,380                             | 47,090            |
| Research challenge income                          | 5,500                              | 6,000             |
| Interest and dividends                             | 5,039                              | 10,720            |
| Realized gains (losses) on marketable securities   | -                                  | 770               |
| Unrealized gains (losses) on marketable securities | 11                                 | (4,417)           |
|  | <b>219,390</b>                     | <b>235,772</b>    |
| <b>EXPENSES:</b>                                   |                                    |                   |
| Program:   |                                    |                   |
| Educational programs and gifts                     | 152,380                            | 135,087           |
| Communication:                                     |                                    |                   |
| Postage and delivery                               | 629                                | 377               |
| Webpage  | 1,200                              | 2,000             |
| Administrative:                                    |                                    |                   |
| Management fees                                    | 32,734                             | 31,781            |
| Professional fees                                  | 3,687                              | 3,783             |
| Leadership activities                              | 12,841                             | 10,694            |
| Bank charges                                       | 1,991                              | 2,259             |
| Telephone  | 960                                | 960               |
| Advertising  | 129                                | 5,885             |
| Depreciation                                       | 539                                | 1,666             |
| Charitable contributions                           | 1,000                              | 1,000             |
| Other  | 1,160                              | 1,176             |
|  | <b>209,250</b>                     | <b>196,668</b>    |
| <b>Total Expenses</b>                              | <b>209,250</b>                     | <b>196,668</b>    |
| <b>CHANGES IN NET ASSETS</b>                       | <b>10,140</b>                      | <b>39,104</b>     |
| <b>NET ASSETS (Note 3):</b>                        |                                    |                   |
| <b>Beginning of year</b>                           | <b>326,367</b>                     | <b>287,263</b>    |
| <b>End of year</b>                                 | <b>\$ 336,507</b>                  | <b>\$ 326,367</b> |

**CFA SOCIETY OF ATLANTA, INC.**  
**Statements of Cash Flows**

|  | <u>For the Year Ended June 30,</u> |                   |
|--|------------------------------------|-------------------|
|  | <u>2012</u>                        | <u>2011</u>       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                                    |                   |
| Changes in net assets  | \$ 10,140                          | \$ 39,104         |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities: |                                    |                   |
| Depreciation   | 539                                | 1,666             |
| Unrealized loss (gain) loss on marketable securities   | (11)                               | 4,417             |
| Cash provided by (used for):   |                                    |                   |
| Receivables  | 8,836                              | (26,234)          |
| Prepaid expenses   | (2,519)                            | -                 |
| Deferred revenue   | <u>(10,634)</u>                    | <u>10,860</u>     |
| <b>Net Cash Provided by (Used in) Operating Activities</b>   | <u>6,351</u>                       | <u>29,813</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                                    |                   |
| Marketable securities purchased with reinvested income   | <u>(4,955)</u>                     | <u>(11,285)</u>   |
| <b>Net Cash Provided by (Used in) Investing Activities</b>   | <u>(4,955)</u>                     | <u>(11,285)</u>   |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>  | 1,396                              | 18,528            |
| <b>CASH AND CASH EQUIVALENTS:</b>  |                                    |                   |
| Beginning of year  | <u>138,172</u>                     | <u>119,644</u>    |
| End of year  | <u>\$ 139,568</u>                  | <u>\$ 138,172</u> |

## Investment Policy Statement

### CFA Society of Atlanta Investment Policy Statement Effective as of April 15, 2013

The purpose of these assets is to provide a 2x fixed cost coverage for the Society's ongoing operational needs. The reasons for maintaining reserves include: sustaining basic operations and core member services during a short-term economic downturn, providing a source of capital to cover unanticipated temporary revenue shortfalls, and creating the ability to fund long-term strategic initiatives.

For those assets that exceed the reserve levels described above, the CFA Society of Atlanta would like to maintain maximum liquidity such that those resources could be applied to additional programming or other specific items as deemed appropriate by the CFA Society Board and Leadership group.

- Investment Time Horizon – Because these assets are primarily viewed as reserves, the investment time horizon is actually quite short as these reserves may be utilized at any point in time.
- Risk/Return Tolerance – Because these assets are primarily viewed as reserves, the risk tolerance for any loss of principle is very low such that the return expectations should be commensurate with an enhanced cash type vehicle. These vehicles' returns are dependent on market levels of short-term interest rates.
- Cash Requirements – We should determine the amount of daily liquidity needed and set that aside. Other assets could be invested in slightly longer maturity investments to improve the overall yield earned.
- Tax Considerations – Given the 501C3 status of the society, there are no tax considerations to be considered.
- Legal or Other Constraints – We are not aware of any legal or other constraints at this time.
- Other Considerations – The following items need to be confirmed going forward:
  - Documentation of the 2x fixed operating costs needs to secure those assets as reserves.
  - Determine excess if any beyond reserves and discuss liquidity needs associated with those assets.
  - Determine whether any exposure should be maintained beyond an enhanced cash type investment.

## Strategies

Over the next three to four years, four organizational strategies will be implemented.

- 1. Create new membership types to broaden the CFA Society of Atlanta community**
- 2. Develop a volunteer management program that includes succession planning, volunteer development activities, and a robust pool of volunteers**
- 3. Create a diversified, stable, and sustainable model**
- 4. Develop a communications program that is proactive, effective, and tech-enabled**