



9 July 2008

To: ASPT Council and Officers
From: Warren Wagner, Chair, Finance Committee

Finance Committee Report

This report consists of three parts: 1) The 2nd quarter spreadsheets for 2007 and 2008 analyzing cost/value of the endowment-like assets of the ASPT; 2) ASPT Restricted Funds Calculator spreadsheet for June 2008; and 3) Summary points (below) for the past year.

1. During 2007-2008 period assets have increased for ASPT. The 11 equities held by ASPT were up and down during the year with a sustained period of decline beginning in October 2007. All our stocks are in the top 5% for safety (rated 1 by ValueLine) and 1 to 3 for timeliness. The total assets are up \$14,848.02 or 3.1% since last year at this time. This overall increase was due to the addition of \$20,000 to the account in May 2008. The investments, however, showed a loss of \$5,151.98; relatively small compared with the overall market that plunged to near an official bear market (down 20%). The chart below shows the values at the start and end of the 2nd quarters for the year in each asset category.

Asset Category	2007	2008	Difference
Equity	299,834.30	364,685.50	64,851.20
Income Investment	154,808.53	96,680.54	<58,127.99>
Liquid Assets	26,405.39	34,530.20	8,124.81
Total	\$481,048.22	\$495,896.24	\$14,848.02

Assets added	\$20,000.00
Gain past year	<\$5,151.98>

2. During the year we put the Council approved plan to increase the proportion of the assets in equities to 80% into effect. In order to do this we decreased the amount invested in the income portion (Dodge & Cox Income Fund) by \$58,127.99. However, due to the decline in value of the equities overall the current level is only 73%. We have no plan to adjust this. Hopefully, the market will begin to recover soon, allowing the percentage to increase again.
3. In mid-May 2008 excess funds from the operating account and 2007 donations to named funds (total \$20,000) were transferred to the Siebert account. These funds, along with income accumulated in the Siebert account (for a total of \$34,530.20) is awaiting a decision to be taken at the 2008 Council meeting concerning where to invest it. The table below indicates the amounts added for each fund as part of the recent deposit.

Named Fund	Amount
Webster	\$4,025
ASPT Gen	\$448
Cooley	\$275
Gray	\$299
Grad #1	\$2,234
McVaugh	\$109
Graham	\$117
Anderson	\$683
Named fund	\$500
Undesignated	\$11,310
Total	\$20,000

4. As of 30 June 2008, the ASPT brokerage account had assets totaling **\$495,896.24** with 73.5% in equity, 19.5% in income investment, and 7% in cash. The increase in cash is due to the recently transferred \$20,000 mentioned in item 3, along with accumulated income from investments. The assets currently generate \$12,912 estimated annual income, an increase of \$537 from the yearly estimate of last quarter. This is due primarily to the larger proportion of assets in cash. Total assets started at \$298,372 in January 2005. The current total includes \$155,000 of new funds added over the past three years. Thus the overall increase beyond the amount added directly to the account is \$42,524 since inception (ca. \$1063/month).
5. I want to thank Shirley Graham, who finishes her term on the Finance Committee this year, for her good advice, which was especially critical when we were first initiating the new approach using ValueLine and the Siebert account in 2005.
6. There are two areas for discussion/decision at the present meeting in Vancouver.
 - a. During the year there has been accumulation of cash currently at \$34,530. It is available for spending, if needed, or reinvestment. Given present operating account balances reinvestment of these funds is proposed.
 - b. As suggested at last year's council meeting the level of assets and the income they generate (ca. \$12,912) is sufficient to consider new ASPT initiatives; 65% of the income is associated with the ASPT General Fund, which has no designated use, but is where extra funds not part of a named fund are accumulated.

FINANCE COMMITTEE

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ASPT Equity Investments					as of end of June 2007			Quarterly Div. @ share	Estim. Quart. Div.	Estim. Annual Divid.
Shares	Stock	Purchase Date	@ Share Cost	Total Cost	@ Share Price	Market Value	gain/loss			
650	Coca Cola	08 Jun 2007	51.092	33,209.80	52.310	34,001.50	2.38%	0.340	221	884
500	Du Pont	11 Dec 2006	48.601	24,300.25	50.840	25,420.00	4.61%	0.370	185	740
600	Johnson & Johnson	05 Jan 2005	61.245	36,746.83	61.620	36,972.00	0.61%	0.415	249	996
775	McDonald's Corp.	05 Jan 2005	36.546	28,323.22	50.760	39,339.00	38.89%	0.250	194	775
250	McGraw Hill Cos	05 Jan 2005	50.419	12,604.81	68.080	17,020.00	35.03%	0.205	51	205
630	Medtronics Inc	08 Dec 2005	54.571	34,379.50	51.860	32,671.80	-4.97%	0.125	79	315
400	PepsiCo Inc.	31 Mar 2004	56.570	22,627.90	64.850	25,940.00	14.64%	0.375	150	600
700	Pfizer Inc	05 Jan 2005	26.291	18,403.95	25.570	17,899.00	-2.74%	0.290	203	812
500	Sysco Corp.	05 Jan 2005	37.290	18,644.95	32.990	16,495.00	-11.53%	0.190	95	380
800	Walgreen Co.	05 Jan 2005	40.957	32,765.90	43.540	34,832.00	6.31%	0.078	62	248
400	Wal-Mart Stores	05 Jan 2005	53.587	21,434.95	48.110	19,244.00	-10.22%	0.220	88	352
TOTAL				\$283,442.06		299,834.30	5.78%			\$5,423
					goal > 5% per year		goal > 5% per year			
Prior year figures				\$251,227		\$244,052				\$4,295
% change from prior year				12.8%		22.9%				26.3%

ASPT Income investments		Matures	Annual Rate	Cost	Current Price	Market Value	gain/loss	Income
Shares	Title							
12,474	Dodge & Cox Inc	never	4.880%	158,658.00	12.41	154,809	-2.43%	7,742.51
TOTAL				\$158,658.00		\$154,809		\$7,742.51

ASPT Liquid Assets		Value	Current rate	Income
Fidelity Capital Reserves		26,405.39	4.47%	1,180.32
TOTAL		\$26,405.39		

Source	Annual Cash
Dividends	5,423.00
Interest	7,742.51
Liquid assets	1,180.32
Total Income	14,345.83

Allocation of major ASPT Assets		
Equity	299,834.30	62.3%
Income Invest.	154,808.53	32.2%
Subtotal Invest.	454,642.83	94.5%
Liquid Assets	26,405.39	5.5%
Total	\$481,048.22	100%

Changes			
Time frame	Value	Change	% change
Past quarter	\$428,543.91	\$52,504.31	12.25%
1 yr.	\$401,149.88	79,898.34	19.9%

Realized Capital Gain/Loss Summary				Cost	Sale value	Gain (Loss)
600	SLM Corp.	05 Jan 2005	53.947	32,367.90	33,632.590	\$1,264.69

Warren Wagner, 30 June 2007
Chair, ASPT Finance

This quarter ASPT assets were up 12.25 %. Part of this increase was due to the addition of \$35,000 from the ASPT operating account in June 2007. The market fluctuated a lot over the past quarter, but assets are up, however, over the past year 19.9% of which 11.2 % is due to appreciation in the value of the assets and 8.7% due to the \$35,000 transfer. SLM Corp. holding were sold during the quarter as the company is being taken private in the near future. We sold while the market anticipated the sale with a large run-up in the share price so that we sold at a gain.

ASPT Equity Investments					as of end of June 2008			Quarterly Div. @ share	Estim. Quart. Div.	Estim. Annual Divid.
Shares	Stock	Purchase Date	@ Share Cost	Total Cost	@ Share Price	Market Value	gain/loss			
1000	AFLAC	01 Feb 2008	60.09495	60,094.95	62.800	62,800.00	4.50%	0.240	240	960
650	Coca Cola	08 Jun 2007	51.092	33,209.80	51.980	33,787.00	1.74%	0.380	247	988
500	Du Pont	11 Dec 2006	48.601	24,300.25	42.890	21,445.00	-11.75%	0.410	205	820
300	IBM	18 Sep 2007	115.490	34,646.95	118.530	35,559.00	2.63%	0.500	150	600
600	Johnson & Johnson	05 Jan 2005	61.245	36,746.83	64.340	38,604.00	5.05%	0.460	276	1,104
775	McDonald's Corp.	05 Jan 2005	36.546	28,323.22	56.220	43,570.50	53.83%	0.375	291	1,163
2000	Microsoft	01 Feb 2008	30.514	61,027.98	27.510	55,020.00	-9.84%	0.110	220	880
400	PepsiCo Inc.	31 Mar 2004	56.570	22,627.90	63.590	25,436.00	12.41%	0.375	150	600
700	Pfizer Inc	05 Jan 2005	26.291	18,403.95	17.470	12,229.00	-33.55%	0.320	224	896
500	Sysco Corp.	05 Jan 2005	37.290	18,644.95	27.510	13,755.00	-26.23%	0.220	110	440
400	Wal-Mart Stores	05 Jan 2005	53.587	21,434.95	56.200	22,480.00	4.88%	0.238	95	380
TOTAL				\$359,461.73		364,685.50	1.45%			\$6,883
						goal > 5% per year			goal > 5% per year	
Prior year figures				\$283,442.06		\$299,834.30				\$5,247
% change from prior year				26.8%		21.6%				31.2%

ASPT Income investments		Matures	Annual Rate	Cost	Current Price	Market Value	gain/loss	Income
Shares	Title							
7,918	Dodge & Cox Inc	never	5.360%	100,707.60	12.21	96,681	-4.00%	5,397.93
TOTAL				\$100,707.60		\$96,681		\$5,397.93

ASPT Liquid Assets		Value	Current rate	Income
Fidelity Capital Reserves		34,530.20	1.83%	631.90
TOTAL		\$34,530.20		

Source	Annual Cash
Dividends	6,882.50
Interest	5,397.93
Liquid assets	631.90
Total Income	12,912.33
Past quarter	12,374.85
Change	537.48

Allocation of major ASPT Assets		
Equity	364,685.50	73.5%
Income Invest.	96,680.54	19.5%
Subtotal Invest.	461,366.04	93.0%
Liquid Assets	34,530.20	7.0%
Total	\$495,896.24	100%

Changes			
Time frame	Value	Change	% change
Past quarter	\$489,551.57	\$6,344.67	1.30%
1 yr.	\$481,048.22	14,848.02	3.1%

2008 Realized Capital Gain/Loss				Cost	Sale value	Gain (Loss)
630	Medtronics Inc	08 Dec 2005	54.571	34,379.50	30,115.31	-\$4,264.19
800	Walgreen Co.	05 Jan 2005	40.957	32,765.90	28,595.13	-\$4,170.77
				Total		-8,434.96

Warren Wagner, 8 July 2008
Chair, ASPT Finance

ASPT Restricted Funds Calculator

Fund	Cost last year	Current Cost	Change	Value	% of Total	Shares	Est Income (yr)
Named Funds (permanently restricted)							
Cooley Award	23,075.10	23,075.10		23,256.07	5.0%	2,341.047	620.53
Asa Gray Award	14,648.92	14,648.92		14,208.01	3.2%	1,430.233	393.94
ASPT Endowment	11,952.40	11,952.40		12,341.46	2.6%	1,242.339	321.42
Grad Student Fund 1	34,460.19	34,460.19		41,835.27	7.5%	4,211.302	926.70
McVaugh Grad Student Fund	21,554.00	21,554.00		21,534.75	4.7%	2,167.772	579.63
Shirley and Alan Graham Fund	21,601.00	21,601.00		21,660.23	4.7%	2,180.403	580.89
William Anderson Fund	21,907.00	21,907.00		22,101.99	4.8%	2,224.872	589.12
General Funds (Council restricted)							
"new named fund"	5465.00	5,465.00		5,380.58	1.2%	541.63	146.96
Webster Award	5000.00	5,000.00		4,922.72	1.1%	495.54	134.46
ASPT General Fund	295,882.24	300,505.72	\$4,623.48	294,124.96	65.3%	29,607.765	8,081.18
Total	\$455,545.85	\$460,169.33	\$4,623.48	\$461,366.04	100%	46,442.90	\$12,374.85

Share Price \$ 9.93 on 30 June 2008 Cash \$34,530.20 Total Assets \$495,896.24

Summary new shares added in 2008

Date	Fund	Purchase	Share price	No. Shares	Previous No.	New total No.
1 February 2008	ASPT Fund	\$4,623.48	\$9.19	503.09902	29,104.666	29,607.76502
	Total	\$4,623.48				

Share price Initiated on 19 Feb. 2005 @ \$10

General Note: When a stock is sold and another purchased the gain from the sale and any additional cash needed for the purchase are added to the ASPT General Fund.