

ON COURSE WITH THE PRESIDENT  
Dave Braasch, *Glen Erin Golf Club*



# MAGCS Financial Resources

*With the arrival of summer we are all out of the office and on the course, hence this will be the shortest President's message in MAGCS history. This is in keeping with our most recent Board meeting, which was a record 54 minutes long, hardly worth my four-hour round trip. I am not implying that the Board isn't doing its job. We have simply become a lean, mean, efficient, technological machine (not to be confused with the George Foreman grill). June was a rough month. Mother Nature put many of us to the test to see how well we could handle excessive amounts of rainfall. Apparently some of us failed that test last August and had to take it again this year. Let's all hope that the rest of the season is better, so we can complete those projects that are piling up on us.*

The purpose of this particular message is to inform you of the progress of the Financial Task Force Committee. To be quite honest, not a whole lot has been accomplished. As the President of your Association and the Chair of this committee I am taking full responsibility for the lack of evolution. This is about the time I expect Ed Braunsky to call and ask me to remove the latex glove from a gift pack I received at the Past Presidents Council meeting back in February and insert it . . . you know where I'm going with this. What I will do is let you know what is completed and summarize the MAGCS Portfolio.

The Financial Task Force was created to analyze the investments of the Association and to work closely with the financial advisor to make recommendations on the allocation of funds based on market activity and return. Included in this is the development of the Investment and Reserve Fund Policy, which is a guideline to assist in making the aforementioned decisions. The guideline includes, but is not limited to:

- Long and short term financial goals and needs of the Association
- Investment strategy
- Investment objectives
- Allocation of assets
- Performance evaluation

The blueprint for the development of the Financial Task Force was drawn in 1999 when the MAGCS Portfolio was set up, with the intent of having some excess dollars put in an investment account. The goal at that time was to keep a safety net of at least \$25,000 in cash, should the operating budget need additional funds. Any extra cash, once that goal was

achieved, would be invested in the market. The current breakdown of the portfolio is that approximately 42% of the investment is in cash and the remaining 58% in stocks (mutual funds) and bonds. Since its inception the portfolio has been growing at a rate of 5% annually. What does the future hold? There is much uncertainty in the short term market (next three years) with no real safe havens. The market continues to be volatile due to the current issues of high oil prices, home foreclosures, flat real estate market, new President, etc. The MAGCS portfolio will remain on the conservative side until the market begins to show signs of rebounding. If you have a knack for finances or investing and wish to be on the Financial Task Force Committee, please contact Luke Cella or me. We would be happy to have you on board. **-OC**



**Kerry G. Anderson**  
Territory Manager

Valent U.S.A. Corporation  
4819 Strong Road  
Crystal Lake, IL 60014

Office: (847) 910-3130  
Fax: (925) 817-5153  
Cell: (847) 946-9138  
E-Mail: [kerry.anderson@valent.com](mailto:kerry.anderson@valent.com)