

Finance Committee Meeting
Saturday March 11, 2017
Rogla, Slovenia

Report

The finance committee met on Saturday March 11, 2017 in Rogla, Slovenia.

The attendance list is circulated and attached to the report.

The agenda has been put on the web, and the treasurer proposed to switch the line between investment committee and budget 2017

The minutes of the previous meeting have been posted on the web and were accepted.

The treasurer presented the final accounts for 2016. They have been audited and validated by the accountant and they will be proposed for acceptance at the legal general meeting of March 12.

The treasurer points out the main items on these accounts :

- a) Income from interest was slightly less than budgeted for the year but the total amount of interest for the full triennium was higher than budgeted.
- b) Bank charges were higher than budgeted. This is due to the payment of the small tax on all our assets. The amount is due to the sum on many years. The tax is 0,17% of the immobilized amounts of a non-profit organization. Starting in 2017 it will be paid on an annual base
- c) The amount of the IUVSTA prize was much higher than budgeted. This is due to the refund of travel for a IUVSTA winner and to a one time change of provider for the IUVSTA medal (accepted in ECM Korea). The treasurer wants to thank Frank Richter and Martin Wuest for their immense help in that issue
- d) Total income was 60 k€ and expenses were 53 k€. For a triennium budget around 120 k€ of budget and same for expenses. This means that 2016 was, financially speaking, a very intense year for the treasurer, and for all the people involved more or less in any of the financial issues.
- e) The value of the general fund at the end of 2016 was above 700 k€, for a total amount of 666 k€ in 2015. This increase is due to the following facts : slightly positive balance on income and expenses (thanks to interests, and the donation from IVC Busan) ; the strength of the USD ; the strength of the US economy and the US stock market, with a boom at the end of the year after the US election. The bond in USD Telecom Italia was sold and transformed in Euro, making a 30% benefit from the purchase.

Status of member societies subscriptions:

Most societies have paid all their fees for the previous triennium and the invoices for the current year have been sent to 2/3 of the societies already. A few technical difficulties with changes of treasurers, addresses and names are in the process to be solved. Some paiements have been received. The treasurer points out the problem of Russia, that was discussed yesterday in the officers meeting. It is the 4th year now without payment, and the treasurer reminds that according to our rules, after 2 years without payment, we can ask for suspension. Total amount that Russia has to pay to IUVSTA is now 6000 €. It is proposed that an official action is started by the president of IUVSTA, to inform the president of the Russian society that, if Russia does not pay by next ECM, they will be suspended.

Status of financial accounts.

This year, 6 k€ have been received from subscription already, the insurance for officers have been paid, ICSU dues were paid, and 8400 € for scientific and educational activities were paid. The value of the fund is still around 700 k€. Until now, everything is under control.

Budget for 2017:

A proposed budget for 2017 has been posted on the web. For the main business of IUVSTA (education, scientific activities), as well as for the main “running costs”, it is proposed to take one third of the voted triennium budget. After discussion with the officers, the treasurer has no indication that this will not be sufficient for this calendar year. As they are new items planned during this triennium, it is propose to write fully the budget for the website and the communication plan, and to budget partly the awards line. In parallel, a 5000 € income line for companies commitment is put on the budget. After discussion, the finance committee proposes to increase the expenses for scientific activities from 24000 to 30000 € and to put only 4000 for the website and 2000 for the communication. Despite that, to balance the 2017 budget IUVSTA will have to take more than 24 k€ from our investments.

Investment committee.

The investments have been performed decently well these last years, and the fund value is quite high. However, IUVSTA will face huge challenges this year and during the triennium

- a) A planned 51 k€ decrease of the fund value, due to investments
- b) A big bond will mature these days (Renault, 40 k€), and will have to be reinvested
- c) The US stock exchange has been performing extremely well these last years, and “trees do not go to the sky”. Therefore it is anticipated a decrease of the value of the fund this year and within the next year, and the treasurer ask for positive proaction from the members of IUSVTA : we will have around 100 k€ cash to reinvest this year, and maybe it is time also to sell some of our investments (what was done last year and the year before already to take advantage of the strength of the USD and the low interest rates. The Federal bank is increasing its rates since a few months, which means that the value of some of our bonds decrease (although they provide decent interest), the US economy is strong these days, and there are a lot of political uncertainties in Europe.

There is no other business

Meeting is adjourned at 8.55 am.

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List of participants

<i>Name</i>	<i>Status</i>
F. Reniers	Treasurer
M. Anderle	Past-President
L. Montelius	President
A. Galtayries	President-Elect
A. Vincze	Scientific Secretary
D. Ruzic	Scientific Director
C. Eisenmenger-Sittner	Secretary general
A. Stampfz	Member (Australia)
D. Vernière	Member (FR)
M. Wüest	observer (CH)
M. Leisch	observer (Austria)
D. O'Connell	observer (UK)
U. Bergner	observer (DE)
J. Hendricks	observer (USA)
K. Fukutami	observer (J)
G.Y Yeom	observer (Korea)
M. Mozetic	observer (Slovenia)
J. Kovac	observer (Slovenia)
S. Milosevic	observer (Croatia)
D. Zahn	observer (Germany)
S. Bourgeois	observer (France)
A. Berko	observer (Hungary)