

Finance

I am pleased to report that, due to a series of fortunate events in 2018, our society managed to reduce a budgeted deficit of more than \$128,000 to a surplus of just over \$19,000. The two main factors contributing to this reduction were:

1. A very successful GeoConvention that netted our society over \$51k more than our budgeted income.
2. A very successful DoodleTrain that netted almost \$30k more than our budgeted income, while still offering reduced tuition for underemployed and student members.

Member services also delivered more than expected revenues from our social events, while a lack of advertising revenues for the RECORDER resulted in poorer than expected financial results for that publication.

So, after two bleak years of deficits well over \$200k for each of 2015 and 2016, (see Figure 1 below) the minimal \$3,000 net deficit in 2017 and this year's surplus of just over \$19,000 have thankfully left the society in a better financial position than most of our sister societies. However, our projected budget for 2019 has the CSEG expecting another large deficit – on the order of \$119k. This deficit includes budgeting 2019 revenue from the GeoConvention at close to the actual from 2018, which could prove to be a problematic prediction due to continued doldrums in the Canadian oil and gas industry. Other than a stellar year of RECORDER and website advertising revenue, we have no major form of income that could significantly reduce this predicted shortfall. And having already trimmed expenses to a minimum, we can't expect a "hail Mary" pass from that source to balance the books.

Past CSEG boards have wisely put aside funds from previous years' surpluses, as well as contributing to the CSEG Foundation. Our operating reserves are still well over \$1MM, providing us some protection from the industry storm that has now been raging for more than 4 years. We can comfortably predict that the society WILL be around for its 75th anniversary in 2025, however lean the years in between might be.

We do encourage any readers of this report to renew their membership, if they haven't already done so, and to encourage their colleagues to do the same. Membership fees are progressive, depending on your employment and income status, and max out at \$70. The savings in registering for the convention alone are \$120 if you are a member. Also, please consider encouraging your company to take out a corporate membership to aid our society and retain a seat at the "Chief Geophysicist's Forum". Our society exists for the benefit of our membership – help us ensure the continued presence of the CSEG by supporting us through your membership and participation.

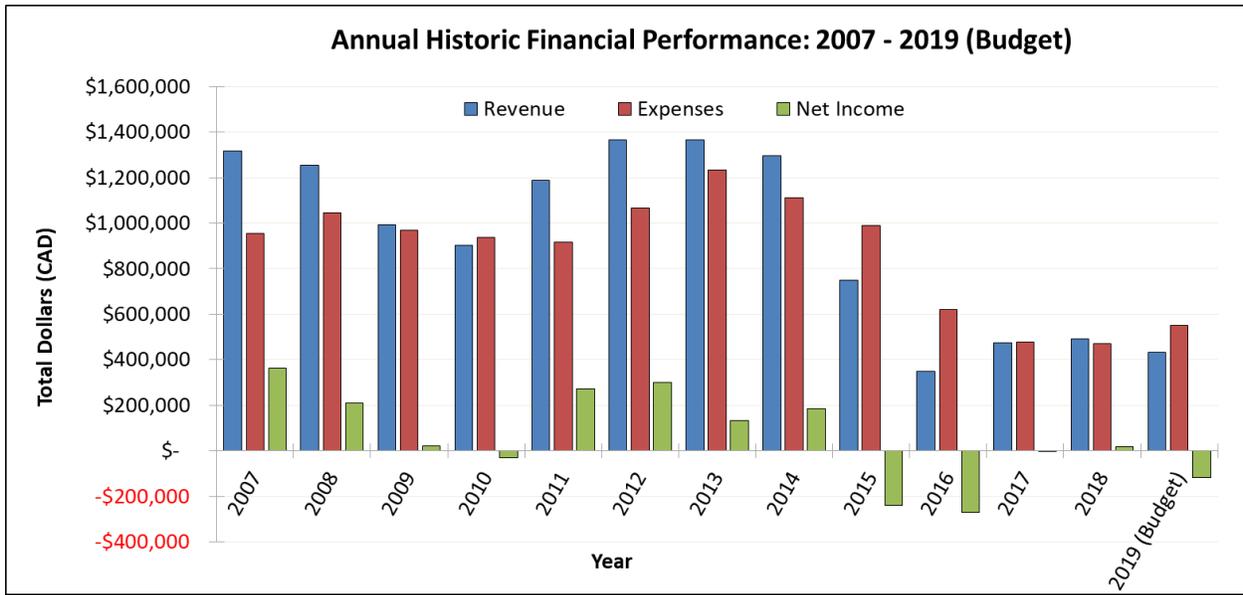


Figure 1: CSEG's yearly historic financial performance showing revenue, expenses and net income for the years from 2007 to budget 2019.

My gratitude to Neda Boroumand for her excellent guidance, and I look forward to again serving as Director of Finance for 2019 with her as President of the CSEG.

CATHY MARTIN
DIRECTOR, FINANCE