



NASEMSO

Treasurer's Report

Fiscal Year 2012/13

We are pleased to present the Financial Statements for Fiscal Year ending June 30, 2013. As we are preparing for the Annual Audit for NASEMSO, we have performed a review and reconciliation of all activity as well as reconciled previous fiscal years to the 990 filed Tax Returns.

Investments

We have reviewed the historical method of investment reporting on the Financial Statements.

In order to provide a more meaningful evaluation of investment performance and concise reporting, we have modified our financial reporting based on GAAP (Generally Accepted Accounting Principles), adopting the Mark to Market Accounting method for investments as follows:

Under the Heading of Other Current Assets on the Balance Sheet

- UBS Money Market Account Balances are listed at period value.
- Investments held at UBS are recorded at Cost.
- We have audited, verified and recorded historical unrealized gain/loss (Mark to Market) from investment inception to current fiscal year end.

Going forward, we will record the monthly changes in unrealized gain/loss on the Statement of Activities with the corresponding entry to Mark To Market on the Balance Sheet. Any investment cost changes (purchase, reinvestment, sales) will be recorded in the period it occurs.

Balance Sheet & Statement of Activities (Un-Audited)

- Net Assets End of Year were \$845,220 vs. \$556,656 for the previous fiscal year end.
- Operating income is \$1,560,573 vs. \$817,910 for the previous fiscal year. Gains in Membership, Annual Meeting and CAP Projects Revenue are the primary drivers of income performance.
- Investment income for the **fiscal year** yielded \$15,466 in dividends, \$46,286 in realized gains on investment and \$(22,400) in unrealized loss.

Note that we report investment activity based on our fiscal year which differs from the calendar year. UBS Investment Statements are issued on a calendar year. We reconcile both the fiscal year and calendar year to the statements from UBS and can produce calendar year reconciliations for your review.

- Operating expenses were \$1,294,408 of which \$969,302 for CAPS Projects. All other expenses are within budget tolerances and present no major variances.
- Net operating income for the fiscal year was \$266,164 vs. \$(69,650) for the previous fiscal year.

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