

NOMMA 2013

Annual Membership Business Meeting

March 19, 2013

Hyatt Regency Albuquerque • Albuquerque, NM



Contents:

- 1) Minutes, 2012 General Meeting
- 2) Proposed Bylaws Change
- 3) 2013-14 Officers & Directors Slate
- 4) 2011-12 Financial Review

National Ornamental & Miscellaneous Metals Association

Proudly serving the industry since 1958

National Ornamental & Miscellaneous Metals Association
NOMMA
Membership Business Meeting
February 29, 2012
Orlando, Florida

Minutes

The meeting was called to order at 1:05 p.m. by President James Minter, followed by introductions, announcements, recognition of the board of directors, staff, NEF trustees, Auction Committee volunteers, chapter officers, past presidents, and committee and task force members.

Minter recognized the current NOMMA officers and directors, NOMMA Education Foundation trustees, first-time attendees, auction committee, committee and task force members, past presidents, members of the Technical Affairs team, and NOMMA staff.

Minter then recognized the 2012 METALfab sponsors: **Platinum:** Industrial Coverage Corp., The Wagner Companies; **Gold:** Julius Blum Co. Inc., Lawler Foundry Corp.; **Silver:** Colorado Waterjet Co., EPi, Electrochemical Products Inc.; **Bronze:** Carell Corp., King Architectural Metals.

Minter then called for a moment of silence to remember Bill Gasparini, NOMMA's 1980 president and co-founder of the Metal Museum.

Executive Director Todd Daniel reviewed antitrust rules and announced that the minutes had been posted on the website. He asked President Minter to make a motion to approve the minutes. A motion was made and seconded. MOTION CARRIED.

Nominating Committee Chair Member Bruce Boyler introduced the new officers and director for 2012-2013:

President-Elect — JR Molina, Big D Metalworks, Dallas, TX
Vice-President/Treasurer — Mark Koenke, Germantown Iron & Steel Corp, Jackson, WI
Fabricator Director — Tina Tennikait, Superior Fence & Orn. Iron, Cottage Hills, IL
Fabricator Director — Allyn Moseley, Heirloom Stair & Iron, Campobello, SC
Fabricator Director — Ray Michael, R & F Metals Inc., Clinton, MD
Supplier Director — Mark Sisson, Mac Metals Inc., Kearny, NJ

Boyer said Will Keeler would automatically assume the role of president. A motion was made to accept the slate, and seconded. MOTION CARRIED. Minter then recognized the individuals who will continue on the board and asked them to step forward. He then introduced the 2012-2013 board to the membership.

Tony Leto came forward to give a Technical Affairs report. He updated everyone on the upcoming ICC code hearings in Dallas, TX.

Roger Carlsen, chair of the NOMMA Education Foundation (NEF), reviewed the foundation's activities for the year.

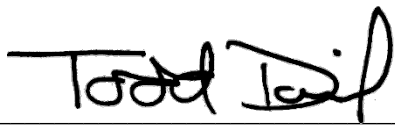
Martha Pennington and Lynn Parquette gave a preview of METALfab and the education sessions planned for the week.

Will Keeler came forward to report on the Metal Museum in Memphis, TN. He talked about past and upcoming exhibits.

Rob Rolves gave a Top Job update. He said that four categories had closed for 2013.

Joe Romeo briefed the membership on the insurance program and his efforts to develop the Zurich program.

Minter announced the date and location for the next business meeting. Being no further business to come before the membership, it was moved and seconded to adjourn the meeting. MOTION CARRIED



J. Todd Daniel, Executive Director/Secretary

Date approved by the membership



NOMMA

National Ornamental & Miscellaneous Metals Association

NOMMA 2013-14 Board of Directors Slate

The Nominating Committee, chaired by Immediate Past President James Minter Jr., is pleased to announce the following slate of officers and directors to be presented during the upcoming membership business meeting in Albuquerque, NM. Their office takes effect following the swearing in ceremony at the awards banquet on Saturday, March 23, 2013.

President — **JR Molina**, Big D Metalworks, Dallas, TX*

President-Elect — **Mark Koenke**, Germantown Iron & Steel Corp, Jackson, WI

Vice-President/Treasurer — **Allyn Moseley**, Heirloom Stair & Iron, Campobello, SC

Fabricator Director (3-yr. term) — **Greg Bailey**, Bailey Metal Fabricators, Mitchell, SD

Fabricator Director (3-yr. term) — **Cathy Vequist**, Pinpoint Solutions, Jupiter, FL

Fabricator Director (2-yr. term) — **Henry Wheeler**, Wheeler Ornamental Metals, Dothan, AL**

Supplier Director (3-yr. term) — **Dave White**, Locinox USA, La Grange Highlands, IL

All current Fabricator and Nationwide Supplier members are entitled to one vote per company on items presented to the membership. Voting takes place during the Opening Session of METALfab 2013, Wednesday, March 20, 2013, at 10:15 a.m. at the Hyatt Regency Albuquerque, Albuquerque, NM.

Current board members continuing for 2013-2014:

Fabricator Director — **Greg Terrill**, Division 5 Metalworks, Kalamazoo, MI

Fabricator Director — **Keith Majka**, Majka Railing Co. Inc., Paterson, NJ

Fabricator Director — **Tina Tennikait**, Superior Fence & Orn. Iron, Cottage Hills, IL

Supplier Director — **Rick Ralston**, Feeney Inc., Eugene OR

Supplier Director — **Mark Sisson**, Mac Metals, Kearney, NJ

Immediate Past President — **Will Keeler**, Keeler Iron Works, Memphis, TN

*The president-elect automatically advances to president.

** Henry is filling the unexpired term of Allyn Moseley, who is advancing to an officer.

A "thank you" goes to the following retiring board members for their years of outstanding service:

Ray Michael, R & F Metals Inc., Clinton, MD is rotating off the board after four years of service.

Todd Kinnikin, Eureka Forge, Pacific, MO, is rotating off after three years of service.

Gina Pietrocola, D.J.A. Imports Ltd., Bronx, NY, is rotating off after six years of service.

A thanks to the Nominating Committee: James Minter Jr., chair; Will Keeler; Gina Pietrocola; Bruce Boyler; Keith Majka; JR Molina; Mark Koenke; and Todd Daniel (nonvoting).



NOMMA

National Ornamental & Miscellaneous Metals Association

Bylaws Change Proposal

The Chapter Council, which is made up of the presidents of each NOMMA Chapter, has requested one change to the NOMMA bylaws. This change was approved by the Governance Team, headed by JR Molina, and approved by the NOMMA Board of Directors. It is now being brought to the full membership for a vote.

Article VII- Board of Directors

Section 6: Appointment of Chapter Representative & Term of Office

One Chapter President Officer shall be appointed for a period of one year to represent chapter members on the Board of Directors.

Commentary: The bylaws allow for one chapter representative to sit on the NOMMA board. The requirement that only a Chapter President can serve as a chapter representative limits of pool of candidates and is onerous. This bylaw change will widen the pool of potential representatives who can sit on the national board.

NATIONAL ORNAMENTAL &
MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE

COMBINED AND INDIVIDUAL
FINANCIAL STATEMENTS WITH
INDEPENDENT ACCOUNTANT'S REVIEW REPORT
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

October 5, 2012/mhm; after Todd and Martha's edits

DRAFT

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE

TABLE OF CONTENTS

	Page
Independent Accountant's Review Report	1
Financial Statements:	
Combined and Individual Statements of Financial Position as of June 30, 2012 (REVIEWED)	2
Combined and Individual Statements of Financial Position as of June 30, 2011 (AUDITED)	3
Combined and Individual Statements of Activities for the Year Ended June 30, 2012 (REVIEWED)	4
Combined and Individual Statements of Activities for the Year Ended June 30, 2011 (AUDITED)	5
Combined and Individual Statements of Functional Expenses for the Year Ended June 30, 2012 (REVIEWED)	6
Combined and Individual Statements of Functional Expenses for the Year Ended June 30, 2011 (AUDITED)	7
Combined and Individual Statements of Cash Flows for the Year Ended June 30, 2012 (REVIEWED)	8
Combined and Individual Statements of Cash Flows for the Year Ended June 30, 2011 (AUDITED)	9
Notes to Financial Statements	10

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Boards of Directors of
National Ornamental & Miscellaneous Metals Association, Inc.
and NOMMA Education Foundation, Inc.:

We have reviewed the accompanying combined and individual statements of financial position of National Ornamental & Miscellaneous Metals Association, Inc. (NOMMA) and its affiliate, NOMMA Education Foundation, Inc. (NEF), (non-profit organizations) as of June 30, 2012, and the related statements of activities, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2012 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The financial statements for the year ended December 31, 2011, were audited by us, and we expressed an unqualified opinion on them in our report dated September 28, 2011, but we have not performed any auditing procedures since that date.

Atlanta, Georgia
-----, 2012

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2012 (REVIEWED)

	<u>NOMMA</u>	<u>NEF</u>	<u>Eliminations</u>	<u>Combined</u>
ASSETS				
Cash and cash equivalents	\$ 289,018	\$ 212,555	\$ -	\$ 501,573
Accounts receivable, net	50,238	65	(6,723)	43,580
Unrelated business income tax receivable	5,000			5,000
Prepaid expenses	1,148	-		1,148
Certificates of deposit	459,635	143,580		603,215
Inventory for resale	-	12,779		12,779
Pledges receivable, net	-	1,400		1,400
Furniture and equipment, net	5,335	-		5,335
	<u>5,335</u>	<u>-</u>	<u>-</u>	<u>5,335</u>
Total assets	<u>\$ 810,374</u>	<u>\$ 370,379</u>	<u>\$ (6,723)</u>	<u>\$ 1,174,030</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 14,867	\$ 6,723	\$ (6,723)	\$ 14,867
Accrued expenses	8,797	-		8,797
Deferred revenue	130,772	-		130,772
Capital lease obligation	586	-		586
Total liabilities	<u>155,022</u>	<u>6,723</u>	<u>(6,723)</u>	<u>155,022</u>
Commitments and contingencies				
Net assets:				
Unrestricted	655,352	357,456		1,012,808
Temporarily restricted	-	6,200		6,200
Total net assets	<u>655,352</u>	<u>363,656</u>	<u>-</u>	<u>1,019,008</u>
Total liabilities and net assets	<u>\$ 810,374</u>	<u>\$ 370,379</u>	<u>\$ (6,723)</u>	<u>\$ 1,174,030</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 (AUDITED)

	<u>NOMMA</u>	<u>NEF</u>	<u>Combined</u>
ASSETS			
Cash and cash equivalents	\$ 324,831	241,478	\$ 566,309
Accounts receivable, net	31,675	65	31,740
Unrelated business income tax receivable	11,618	-	11,618
Prepaid expenses	9,717	-	9,717
Certificates of deposit	458,254	141,606	599,860
Inventory for resale	-	12,779	12,779
Pledges receivable, net	-	8,800	8,800
Furniture and equipment, net	<u>7,527</u>	<u>-</u>	<u>7,527</u>
 Total assets	 <u>\$ 843,622</u>	 <u>\$ 404,728</u>	 <u>\$ 1,248,350</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 9,306	-	\$ 9,306
Accrued expenses	13,522	-	13,522
Deferred revenue	149,462	-	149,462
Capital lease obligation	<u>3,967</u>	<u>-</u>	<u>3,967</u>
Total liabilities	<u>176,257</u>	<u>-</u>	<u>176,257</u>
Commitments and contingencies			
Net assets:			
Unrestricted	667,365	357,624	1,024,989
Temporarily restricted	<u>-</u>	<u>47,104</u>	<u>47,104</u>
Total net assets	<u>667,365</u>	<u>404,728</u>	<u>1,072,093</u>
 Total liabilities and net assets	 <u>\$ 843,622</u>	 <u>\$ 404,728</u>	 <u>\$ 1,248,350</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012 (REVIEWED)

	<u>NOMMA</u>	<u>NEF</u>	<u>Eliminations</u>	<u>Combined</u>
Changes in unrestricted net assets:				
Revenues, gains and support:				
Membership dues	\$ 232,323	\$ -	\$ -	\$ 232,323
In-kind contributions	-	12,106	(12,106)	-
Fabricator magazine advertising	214,279	-	-	214,279
Subscriptions revenue	6,456	-	-	6,456
Convention and trade show	81,423	-	-	81,423
Supplier directory advertising and sales	24,185	-	-	24,185
Publications and videos	-	26,668	-	26,668
Contributions	-	14,834	-	14,834
Interest	2,135	2,317	-	4,452
Release of purpose restrictions	-	36,704	-	36,704
Total unrestricted revenues, gains and support	<u>560,801</u>	<u>92,629</u>	<u>(12,106)</u>	<u>641,324</u>
Expenses:				
Program services:				
MetalFAB convention and trade show	144,803	-	-	144,803
Fabricator magazine	259,179	-	-	259,179
Member services	86,641	-	-	86,641
Education programs	12,106	87,120	(12,106)	87,120
Total program expenses	<u>502,729</u>	<u>87,120</u>	<u>(12,106)</u>	<u>577,743</u>
General and administrative	70,085	-	-	70,085
Fundraising	-	5,677	-	5,677
Total expenses	<u>572,814</u>	<u>92,797</u>	<u>(12,106)</u>	<u>653,505</u>
Decrease in unrestricted net assets	<u>(12,013)</u>	<u>(168)</u>	<u>-</u>	<u>(12,181)</u>
Changes in temporarily restricted net assets				
Write off of pledge receivable	-	(4,200)	-	(4,200)
Release of purpose restrictions	-	(36,704)	-	(36,704)
Decrease in temporarily restricted net assets	<u>-</u>	<u>(40,904)</u>	<u>-</u>	<u>(40,904)</u>
Decrease in net assets	(12,013)	(41,072)	-	(53,085)
Net assets, beginning of year	<u>667,365</u>	<u>404,728</u>	<u>-</u>	<u>1,072,093</u>
Net assets, end of year	<u>\$ 655,352</u>	<u>\$ 363,656</u>	<u>\$ -</u>	<u>\$ 1,019,008</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011 (AUDITED)

	<u>NOMMA</u>	<u>NEF</u>	<u>Eliminations</u>	<u>Combined</u>
Changes in unrestricted net assets:				
Revenues, gains and support:				
Membership dues	\$ 226,281	\$ -	\$ -	\$ 226,281
In-kind contributions	-	14,876	(14,876)	-
Fabricator magazine advertising	211,883	-	-	211,883
Subscriptions revenue	11,481	-	-	11,481
Convention and trade show	125,760	-	-	125,760
Supplier directory advertising and sales	24,947	-	-	24,947
Publications and videos	-	6,319	-	6,319
Contributions	-	31,146	-	31,146
Interest	2,829	2,787	-	5,616
Loss on disposal of fixed assets	(81)	-	-	(81)
Release of purpose restrictions	-	17,581	-	17,581
Total unrestricted revenues, gains and support	<u>603,100</u>	<u>72,709</u>	<u>(14,876)</u>	<u>660,933</u>
Expenses:				
Program services:				
MetalFAB convention and trade show	199,233	-	-	199,233
Fabricator magazine	232,888	-	-	232,888
Member services	80,757	-	-	80,757
Education programs	14,876	82,394	(14,876)	82,394
Total program expenses	<u>527,754</u>	<u>82,394</u>	<u>(14,876)</u>	<u>595,272</u>
General and administrative	79,402	-	-	79,402
Fundraising	-	4,590	-	4,590
Total expenses	<u>607,156</u>	<u>86,984</u>	<u>(14,876)</u>	<u>679,264</u>
Decrease in unrestricted net assets	<u>(4,056)</u>	<u>(14,275)</u>	<u>-</u>	<u>(18,331)</u>
Changes in temporarily restricted net assets				
Write off of pledge receivable	-	(15,000)	-	(15,000)
Release of purpose restrictions	-	(17,581)	-	(17,581)
Decrease in temporarily restricted net assets	<u>-</u>	<u>(32,581)</u>	<u>-</u>	<u>(32,581)</u>
Decrease in net assets	<u>(4,056)</u>	<u>(46,856)</u>	<u>-</u>	<u>(50,912)</u>
Net assets, beginning of year	<u>671,421</u>	<u>451,584</u>	<u>-</u>	<u>1,123,005</u>
Net assets, end of year	<u>\$ 667,365</u>	<u>\$ 404,728</u>	<u>\$ -</u>	<u>\$ 1,072,093</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012 (REVIEWED)

	NOMMA					NEF			Eliminations	Combined	
	MetalFAB Convention	Fabricator Magazine	Member Services	Education Programs	General and Administrative	Total	Education Programs	Fundraising			Total
Salaries	\$ 46,368	\$ 57,560	\$ 23,983	\$	\$ 23,983	\$ 151,894	\$ 32,375	\$	\$ 32,375	\$	\$ 184,269
Payroll taxes and benefits	14,938	18,544	7,727		7,727	48,936	18,451		18,451		67,387
Total personnel costs	<u>61,306</u>	<u>76,104</u>	<u>31,710</u>	<u>-</u>	<u>31,710</u>	<u>200,830</u>	<u>50,826</u>	<u>-</u>	<u>50,826</u>	<u>-</u>	<u>251,656</u>
Contract labor		28,659				28,659			-		28,659
Gifts, awards and contributions						-	500		500		-
In-kind contributions				12,106		12,106			-	(12,106)	-
Exhibit expenses	8,113					8,113			-		8,113
Food and beverage	38,739					38,739			-		38,739
Event expenses	26,020					26,020	28,454	5,677	34,131		60,151
Supplies	1,229	1,525	636		637	4,027	3,087		3,087		7,114
Marketing		26,876	41,054			67,930			-		67,930
Travel		1,358	2,791			4,149			-		4,149
Media printing and production	1,716	81,241	6,477			89,434	85		85		89,519
Telephone	529	657	274		274	1,734	91		91		1,825
Equipment and maintenance	1,491	1,851	772		771	4,885	257		257		5,142
Occupancy expenses	1,814	2,253	938		938	5,943	313		313		6,256
Depreciation	635	789	329		329	2,082	110		110		2,192
Administrative fees	2,883	3,579	1,491		2,296	10,249	1,318		1,318		11,567
Professional fees					23,166	23,166			-		23,166
Postage		24,391				24,391	149		149		24,540
Unrelated business income tax		6,618				6,618			-		6,618
Insurance						-			-		-
Other	328	3,278	169		9,964	13,739	1,930		1,930		15,669
Total expenses	<u>\$ 144,803</u>	<u>\$ 259,179</u>	<u>\$ 86,641</u>	<u>\$ 12,106</u>	<u>\$ 70,085</u>	<u>\$ 572,814</u>	<u>\$ 87,120</u>	<u>\$ 5,677</u>	<u>\$ 92,797</u>	<u>\$ (12,106)</u>	<u>\$ 653,505</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011 (AUDITED)

	NOMMA					NEF			Eliminations	Combined	
	MetalFAB Convention	Fabricator Magazine	Member Services	Education Programs	General and Administrative	Total	Education Programs	Fundraising			Total
Salaries	\$ 56,960	\$ 37,431	\$ 27,666	\$ -	\$ 30,921	\$ 152,978	\$ 34,145	\$ -	\$ 34,145	\$ -	\$ 187,123
Payroll taxes and benefits	15,794	10,379	7,672	-	8,574	42,419	18,055	-	18,055	-	60,474
Total personnel costs	<u>72,754</u>	<u>47,810</u>	<u>35,338</u>	<u>-</u>	<u>39,495</u>	<u>195,397</u>	<u>52,200</u>	<u>-</u>	<u>52,200</u>	<u>-</u>	<u>247,597</u>
Contract labor		40,080				40,080			-		40,080
Gifts, awards and contributions						-	3,180		3,180		-
In-kind contributions				14,876		14,876			-	(14,876)	-
Exhibit expenses	15,243					15,243			-		15,243
Food and beverage	38,019					38,019			-		38,019
Event expenses	54,158					54,158	14,942	4,590	19,532		73,690
Supplies	2,402	1,578	1,167		1,304	6,451	3,042		3,042		9,493
Marketing		14,183	30,614			44,797			-		44,797
Travel		1,925	4,140			6,065			-		6,065
Media printing and production	5,035	90,206	3,852			99,093	1,917		1,917		101,010
Telephone	589	387	286		320	1,582	101		101		1,683
Equipment and maintenance	1,794	1,179	871		974	4,818	308		308		5,126
Occupancy expenses	2,836	1,863	1,377		1,539	7,615	486		486		8,101
Depreciation	732	481	356		397	1,966	126		126		2,092
Administrative fees	3,907	2,567	1,898		2,967	11,339	1,635		1,635		12,974
Professional fees					20,035	20,035			-		20,035
Postage		26,253				26,253	420		420		26,673
Unrelated business income tax		501				501					501
Insurance	1,461	960	710		793	3,924	250		250		4,174
Other	303	2,915	148		11,578	14,944	3,787		3,787		18,731
Total expenses	<u>\$ 199,233</u>	<u>\$ 232,888</u>	<u>\$ 80,757</u>	<u>\$ 14,876</u>	<u>\$ 79,402</u>	<u>\$ 607,156</u>	<u>\$ 82,394</u>	<u>\$ 4,590</u>	<u>\$ 86,984</u>	<u>\$ (14,876)</u>	<u>\$ 679,264</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012 (REVIEWED)

	<u>NOMMA</u>	<u>NEF</u>	<u>Eliminations</u>	<u>Combined</u>
Cash flows from operating activities:				
Decrease in net assets	\$ (12,012)	\$ (41,071)	\$	\$ (53,083)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:				
Depreciation	2,191			2,191
Write off of pledge receivable		4,200		4,200
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(18,563)		6,723	(11,840)
Unrelated business income tax receivable	6,618			6,618
Prepaid expenses	8,569			8,569
Pledges receivable		3,200		3,200
Increase (decrease) in:				
Accounts payable	5,561	6,722	(6,723)	5,560
Accrued expenses	(4,725)			(4,725)
Deferred revenue	(18,690)			(18,690)
Total adjustments	<u>(19,039)</u>	<u>14,122</u>	<u>-</u>	<u>(4,917)</u>
Net cash used in operating activities	<u>(31,051)</u>	<u>(26,949)</u>	<u>-</u>	<u>(58,000)</u>
Cash flows from investing activities:				
Reinvested interest on certificates of deposit	<u>(1,381)</u>	<u>(1,974)</u>		<u>(3,355)</u>
Net cash used in investing activities	<u>(1,381)</u>	<u>(1,974)</u>	<u>-</u>	<u>(3,355)</u>
Cash flows from financing activities:				
Principal payments on capital lease obligation	<u>(3,381)</u>			<u>(3,381)</u>
Net cash used in financing activities	<u>(3,381)</u>	<u>-</u>	<u>-</u>	<u>(3,381)</u>
Net decrease in cash and cash equivalents	(35,813)	(28,923)	-	(64,736)
Cash and cash equivalents, beginning of year	<u>324,831</u>	<u>241,478</u>	<u>-</u>	<u>566,309</u>
Cash and cash equivalents, end of year	<u>\$ 289,018</u>	<u>\$ 212,555</u>	<u>\$ -</u>	<u>\$ 501,573</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011 (AUDITED)

	NOMMA	NEF	Combined
Cash flows from operating activities:			
Decrease in net assets	\$ (4,056)	\$ (46,856)	\$ (50,912)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:			
Depreciation	2,092		2,092
Write off of pledge receivable		15,000	15,000
Loss on disposal of fixed assets	81		81
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(5,364)		(5,364)
Unrelated business income tax receivable	(11,618)		(11,618)
Prepaid expenses	18,848		18,848
Inventory for resale		1,466	1,466
Pledges receivable		3,950	3,950
Increase (decrease) in:			
Accounts payable	(786)		(786)
Accrued expenses	552		552
Deferred revenue	(15,759)		(15,759)
Total adjustments	(11,954)	20,416	8,462
Net cash used in operating activities	(16,010)	(26,440)	(42,450)
Cash flows from investing activities:			
Reinvested interest on certificates of deposit	(1,290)	(136)	(1,426)
Purchase of certificates of deposit	(229,662)	(70,710)	(300,372)
Purchase of equipment	(1,339)		(1,339)
Net cash used in investing activities	(232,291)	(70,846)	(303,137)
Cash flows from financing activities:			
Principal payments on capital lease obligation	(2,727)		(2,727)
Net cash used in financing activities	(2,727)	-	(2,727)
Net decrease in cash and cash equivalents	(251,028)	(97,286)	(348,314)
Cash and cash equivalents, beginning of year	575,859	338,764	914,623
Cash and cash equivalents, end of year	\$ 324,831	\$ 241,478	\$ 566,309

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

1. Nature of Organization and Significant Accounting Policies

Nature of Organization

The National Ornamental & Miscellaneous Metals Association, Inc. (NOMMA) is an association of businesses in the ornamental and miscellaneous metals industry. NOMMA's affiliate is the NOMMA Education Foundation, Inc. (NEF). NOMMA and NEF are separately incorporated not-for-profit organizations. NOMMA is exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code except as noted below. NOMMA's primary purpose is to promote and advance the interests of the ornamental and miscellaneous metals industry in the United States. NOMMA established a separate not-for-profit educational foundation during the year ended June 30, 2002. The purpose of the NOMMA Education Foundation is to provide education and training opportunities to the metal working industry. NEF is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. Since NEF was funded initially with the transfer of funds from NOMMA, and since there is certain common control and management of these entities, it is the policy of NOMMA and NEF to present combined financial statements.

NOMMA receives membership dues, magazine advertising and subscription revenue, provides members with technical information, meetings, an annual convention and tradeshow, and opportunities to network with other members. NEF receives contributions for its purpose as well as revenue from educational seminars and the sale of publications and videos related to the industry.

Method of Reporting

The combined and individual financial statements of National Ornamental & Miscellaneous Metals Association, Inc. and Affiliate are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

Unconditional promises to give and contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of donor restrictions.

Information regarding financial position and activities are reported according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

1. Nature of Organization and Significant Accounting Policies - Continued

Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2012 and 2011 consist of cash held primarily in demand deposit accounts. For purposes of the statements of cash flows, it is the policy of both NOMMA and NEF to consider all highly liquid debt instruments and securities with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

At June 30, 2012 and 2011, the NOMMA and NEF bank balances and certificates of deposit exceeded insured limits of \$250,000, set by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2012 and 2011, the NOMMA and NEF uninsured cash balances totaled \$118,411 and \$124,160, respectively. The financial institutions both NOMMA and NEF have their demand deposits with, have elected to participate in the FDIC Transaction Account Guarantee Program. Under this program, there is 100% coverage on non-interest bearing accounts. Coverage under the Transaction Account Guarantee Program is in addition to and separate from the coverage available under the FDIC's general deposit rules. This program goes through the end of 2012. Management believes that cash and certificates of deposit are maintained at financial institutions with high credit ratings that would, accordingly, carry a low risk of potential loss.

Accounts Receivable

Accounts receivable consist of amounts owed for advertising. At June 30, 2012 and 2011, accounts receivable are reported net of an allowance for doubtful accounts of \$5,500 and \$4,000, respectively.

Inventory for Resale

Inventory for resale is recorded at cost using the first-in first-out method of valuation. Inventory for resale consists of videos, books and brochures.

Furniture and Equipment

It is the policy of NOMMA and NEF to capitalize all acquisitions of furniture and equipment in excess of \$500. Furniture and equipment is recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets (3 to 5 years). When assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in that period. The cost of maintenance and repairs is charged to expense as incurred.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

1. Nature of Organization and Significant Accounting Policies - Continued

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Membership dues received in the same year they are due are recognized as revenue in that year. Dues received in advance are recorded as unearned (deferred) and recognized as revenue in the applicable membership year. Program related revenue (primarily convention and trade show) is recognized as earned when the program is held. Interest income is recognized when earned. Advertising income and publication sales are recognized upon distribution of the related publication. Subscription revenue is recognized over the life of the related subscription (1 to 2 years).

Contributions

NOMMA and NEF report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. All contributions and unconditional promises to give that do not have donor restrictions as to purpose or time are classified as unrestricted contributions and pledges receivable.

No amounts have been reflected in the financial statements for donated services; however, a substantial number of volunteers have donated significant amounts of time to assist in the operation and activities of NOMMA and NEF. If donated services either created or enhanced non-financial assets or required specialized skill that would need to be purchased if not donated, the value of those donated services would be recorded.

Functional Allocation of Expenses

The costs of providing the various programs and other activities are summarized on a functional basis in the statements of activities and the statements of functional expenses. Certain costs have been allocated among the various programs and supporting services.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

1. Nature of Organization and Significant Accounting Policies - Continued

Promotion and Advertising Costs

Promotion and advertising costs are expensed as incurred.

Income Taxes

NOMMA qualifies as a tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code. However, NOMMA generates taxable income from advertising and subscription revenue, net of directly related expenses, derived primarily in connection with the publication of the *Fabricator* magazine. A provision for federal and state income taxes was recorded in the accompanying financial statements for the year ended June 30, 2012 and 2011 in the amount of \$6,618 and \$501, respectively. NOMMA believes that it has appropriate support for any tax positions taken, and as such does not have any uncertain tax positions (based upon a “more-likely-than-not” standard for substantiation) that are material to the financial statements.

Subsequent Events

Management has reviewed, through -----, 2012, (the date which these financial statements were available to issued), events occurring subsequent to June 30, 2012 in order to evaluate their impact on these financial statements. In accordance with GAAP, these are two types of subsequent events:

Recognized subsequent events – These are events or transactions that provide evidence about conditions that existed at the date of the statements of financial position, including estimates inherent in the process of preparing financial statements. All such evidence known to management through the date that these financial statements were available to be issued has been factored into the preparation of these financial statements.

Non-recognized subsequent events – These are events or transactions that did not exist at the date of the balance sheet but arose subsequent to that date, and thus are not recognized in the balances presented in these financial statements. These events may be disclosed, however, in order to inform the users of the financial statements.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

2. Pledges Receivable, Net

Pledges receivable consist of the following at June 30:

	Reviewed 2012	Audited 2011
Pledges due within one year	\$ 1,400	\$ 5,100
Pledges due within one to three years	-	3,700
Pledges receivable, net	<u>\$ 1,400</u>	<u>\$ 8,800</u>

Management believes all pledges are fully collectible. The present value discount on these pledges over three years, calculated using a 4% as the incremental borrowing rate is insignificant to the financial statements and is not recorded.

3. Furniture and Equipment, Net

Furniture and equipment consist of the following at June 30:

	Reviewed 2012	Audited 2011
Office furniture and equipment	\$ 10,454	\$ 10,454
Computers and software	3,442	3,442
	<u>13,896</u>	<u>13,896</u>
Less accumulated depreciation	<u>(8,561)</u>	<u>(6,369)</u>
Total furniture and equipment, net	<u>\$ 5,335</u>	<u>\$ 7,527</u>

4. Temporarily Restricted Net Assets

As of June 30, 2012 and 2011, temporarily restricted net assets totaling \$6,200 and \$47,104, respectively, consisted of cash and pledges receivable restricted for NEF's education program. \$36,704 and \$17,581 were released for the years ending June 30, 2012 and 2011, respectively, by incurring expenditures satisfying the restricted purpose.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012 (REVIEWED) AND 2011 (AUDITED)

5. In-Kind Contributions and Support to NEF

For the year ended June 30, 2012 and 2011, NEF reimbursed NOMMA for the majority of its staff time, as well as other out of pocket expenses that NOMMA paid on behalf of NEF. NEF is not charged for use of NOMMA's computers and office equipment. Management has estimated the value of these in-kind contributions to NEF. In the statements of activities for NOMMA, these estimates are recorded as in-kind contributions expense while in the statements of activities for NEF, this estimate is recorded as in-kind contributions revenue. These amounts eliminate in the combined statements of activities.

6. Pension Plan

NOMMA has a defined contribution pension plan covering all NOMMA employees who have been employed for two years or more. NOMMA's contributions under the plan are based on a percentage of eligible employees' salaries. For the years ended June 30, 2012 and 2011, this pension expense amounted to \$15,189 and \$15,396, respectively.