

NOMMA 2015

Annual Membership Business Meeting

March 11, 2015

Valley Forge Casino Resort • King of Prussia, PA



Contents:

- 1) Minutes, 2014 General Meeting
- 2) Proposed Bylaws Change
- 3) 2015-16 Officers & Directors Slate
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National Ornamental & Miscellaneous Metals Association

Proudly serving the industry since 1958

National Ornamental & Miscellaneous Metals Association
NOMMA
Membership Business Meeting
March 12, 2014
St. Charles, Missouri

Minutes

The meeting was called to order at 9:20 a.m. by President JR Molina, followed by introductions, announcements, recognition of the board of directors, staff, NEF trustees, Auction Committee, chapter officers, past presidents, and committee and task force members.

Molina 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.

Molina then recognized the 2014 METALfab sponsors: Platinum Level — Industrial Coverage Corp., The Wagner Companies; Mittler Bros. Machine & Tool; Gold Level — Colorado Waterjet Co., Lawler Foundry Corp.; Silver Level — King Architectural Metals; Bronze Level — IMPACT.

Executive Director Todd Daniel reviewed antitrust rules and announced that the minutes had been posted on the website. He asked President Molina to make a motion to approve the minutes. A motion was made by Keith Majka and seconded by Scott Hess. MOTION CARRIES.

Daniel then presented a change to the bylaws, which was approved by the board. He said the change would allow the most senior supplier director to serve as a voting member on the executive committee. The most senior supplier director would serve on the committee for one year. If the director is unable to serve then the next most senior director would sit on the committee. He said the change would affect Article IX, Section 2. He asked the president to call a vote. A motion was made by Allyn Moseley and seconded by Patty Koppers. MOTION CARRIES.

Nominating Committee Chair Will Keeler introduced the new officers and director for 2014-2015:

President-Elect — **Allyn Moseley**, Heirloom Stair & Iron
Vice-President/Treasurer — **Keith Majka**, Majka Railing Co. Inc.
Fabricator Director (3-yr. term) — **Maciej Jankowski**, Artistic Iron Works
Fabricator Director (3-yr. term) — **Max Hains**, MOFAB Inc.
Supplier Director (3-yr. term) — **Bill Schenke**, Ameristar

Molina said Moseley would automatically assume the role of president. A motion was made by James Minter Jr. to accept the slate, and seconded by Dave White Jr. MOTION CARRIES. Molina then recognized the individuals who will continue on the board and asked them to step forward. He then introduced the 2014-2015 board to the membership.

Tom Zuzik Jr. gave a Technical Affairs report via video. He talked about upcoming issues with the glass codes.

Lynn Parquette, chair of the NOMMA Education Foundation (NEF), reviewed the foundation's activities for the year, as well as upcoming plans. She talked about continuing education programs, webinars, and asked for education ideas. Mark O'Malley was asked to come forward to present the Todd Kinnikin Grant, which was given to John Thompson.

Jim Masterson came forward to report on the Metal Museum. He said the museum had received a \$2 million endowment and will be hiring its first curator of fine metalwork. They received a \$50,000 grant for further education. In April they will be holding the Forging on the River event

Justin Pigott gave a Top Job update. He announced closed categories and reviewed voting procedures.

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

Brian Maddox took the stage to announce plans for a membership survey, which is to be conducted in April.

Molina 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



National Ornamental & Miscellaneous Metals Association

Official Membership Meeting Notice

The annual NOMMA Membership Business Meeting takes place Wednesday, March 11, 2015, 9:15 a.m. at Valley Forge Casino Resort, King of Prussia, PA, during METALfab 2015. All NOMMA members are urged to attend and vote.

Bylaws Change

At their meeting on January 28, the NOMMA board agreed to allow electronic notices for announcing the annual membership meeting. This change requires a vote of approval from the membership.

Article VI - Meeting of Members and Voting

Section 1: Meetings

Membership business meetings of NOMMA may be held as determined by the board of directors. The members entitled to vote who are present shall constitute a quorum. Notice of any such meeting shall be mailed or electronically transmitted to the last recorded address of each member not less than 30 days nor more than 60 days prior to the meeting. The affirmative vote of a majority of the members voting shall be the act of the members, except in those matters where the vote of a greater number is required by the bylaws or by law.

Commentary: This bylaws change will allow email alerts of membership business meetings. Based on an opinion rendered by our attorney, fax notices are already allowed.

DATE: November 3, 2014
TO: NOMMA Members
FROM: Nominating Committee – JR Molina, Chair
RE: Announcement of NOMMA Board of Directors Slate for 2015-16

The Nominating Committee, chaired by Immediate Past President JR Molina, is pleased to announce the following slate of officers and directors to be presented during the upcoming membership business meeting in King of Prussia, PA. Their office takes effect following the swearing in ceremony at the awards banquet on Saturday, March 14, 2015.

President — **Allyn Moseley**, Heirloom Stair & Iron, Campobello, SC *
President-Elect — **Keith Majka**, Majka Railing Co. Inc., Paterson, NJ
Vice-President/Treasurer — **Cathy Vequist**, Pinpoint Solutions, Jupiter, FL
Fabricator Director (1-yr. term) — **Tina Tennikait**, Superior Fence & Orn. Iron, Cottage Hills, IL
Fabricator Director (3-yr. term) — **Tony Martinez**, Big D Metalworks, Dallas, TX
Supplier Director (3-yr. term) — **Stacey Lawler Taylor**, Lawler Foundry Corp., Birmingham, AL

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 2015, Wednesday, March 11, at 9:15 a.m. at the Valley Forge Casino Resort, King of Prussia, PA

Current board members continuing for 2015-2016:

Fabricator Director — **Maciej Jankowski**, Artistic Iron Works, Norwalk CT (2 yrs. remaining)
Fabricator Director — **Henry Wheeler**, Wheeler Ornamental Metals, Dothan, AL (1 yr. remaining)
Fabricator Director — **Max Hains**, MOFAB Inc., Anderson, IN (2 yrs. remaining)
Fabricator Director — **Greg Bailey**, Bailey Metal Fabricators, Mitchell, SD (1 yr. remaining)
Supplier Director — **Dave White Jr.**, Locinox USA, La Grange Highlands, IL (1 yr. remaining)
Supplier Director — **Bill Schenke**, Ameristar, Tulsa, OK (2 yrs. remaining)
Immediate Past President — **Mark Koenke**, Germantown Iron & Steel Corp, Jackson, WI

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

Mark Sisson, Mac Metals, Kearney, NJ, is rotating off the board after three years of

service.

JR Molina, Big D Metalworks, Dallas, TX, is rotating off the board after seven years of service.

**As president-elect the president automatically advances to president.*

A thanks to the 2015-16 Nominating Committee: JR Molina, chair; Max Hains, Mark Koenke, Maciej Jankowski, Terry Barrett, and Todd Daniel (nonvoting).

NATIONAL ORNAMENTAL &
MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE

COMBINED AND INDIVIDUAL
FINANCIAL STATEMENTS WITH
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

JUNE 30, 2014 AND 2013

July 21, 2014/dmk proforma
July 22, 2014/MW- compare review report to PPC
August 21, 2014/mhm
September 15, 2014/MW
September 21, 2014/MHM

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE

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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, 2014 and 2013, and the related statements of activities, functional expenses and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of NOMMA and NEF 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 reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Atlanta, Georgia
September 22, 2014

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
COMBINED AND INDIVIDUAL STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014

	NOMMA	NEF	Combined
ASSETS			
Cash and cash equivalents	\$ 207,214	\$ 160,441	\$ 367,655
Accounts receivable, net	22,357	-	22,357
Prepaid expenses	1,184	-	1,184
Certificates of deposit	459,777	145,094	604,871
Inventory for resale	-	10,302	10,302
Furniture and equipment, net	3,996	-	3,996
Total assets	\$ 694,528	\$ 315,837	\$ 1,010,365

LIABILITIES AND NET ASSETS

Liabilities:			
Accounts payable	\$ 5,371	\$ 287	\$ 5,658
Accrued expenses	20,916	-	20,916
Deferred revenue	150,473	-	150,473
Total liabilities	176,760	287	177,047
Commitments and contingencies			
Net assets:			
Unrestricted net assets	517,768	315,550	833,318
Total liabilities and net assets	\$ 694,528	\$ 315,837	\$ 1,010,365

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, 2013

	NOMMA	NEF	Combined
ASSETS			
Cash and cash equivalents	\$ 316,858	\$ 183,566	\$ 500,424
Accounts receivable, net	17,341	-	17,341
Prepaid expenses	1,053	-	1,053
Certificates of deposit	459,412	144,752	604,164
Inventory for resale	-	11,040	11,040
Furniture and equipment, net	5,281	-	5,281
Total assets	\$ 799,945	\$ 339,358	\$ 1,139,303

LIABILITIES AND NET ASSETS

Liabilities:			
Accounts payable	\$ 4,809	\$ 1,745	\$ 6,554
Accrued expenses	16,580	-	16,580
Deferred revenue	155,266	-	155,266
Total liabilities	176,655	1,745	178,400
Commitments and contingencies			
Net assets:			
Unrestricted net assets	623,290	337,613	960,903
Total liabilities and net assets	\$ 799,945	\$ 339,358	\$ 1,139,303

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, 2014

	NOMMA	NEF	Eliminations	Combined
Changes in unrestricted net assets:				
Revenues, gains and support:				
Membership dues	\$ 204,648	\$ -	\$ -	\$ 204,648
In-kind contributions	-	15,679	(15,679)	-
Special event, net of expenses	-	16,585	-	16,585
Fabricator magazine advertising	214,592	-	-	214,592
Subscriptions revenue	4,180	-	-	4,180
Convention and trade show	121,921	-	-	121,921
Supplier directory advertising and sales	33,192	-	-	33,192
Program fees	-	27,317	-	27,317
Contributions	-	11,825	-	11,825
Interest and other income	894	541	-	1,435
Release of purpose restrictions	-	2,350	-	2,350
Total unrestricted revenues, gains and support	579,427	74,297	(15,679)	638,045
Expenses:				
Program services:				
MetalFAB convention and trade show	180,162	-	-	180,162
Fabricator magazine	306,248	-	-	306,248
Member services	98,411	-	-	98,411
Education programs	15,679	93,808	(15,679)	93,808
Total program expenses	600,500	93,808	(15,679)	678,629
General and administrative	84,449	-	-	84,449
Fundraising	-	2,552	-	2,552
Total expenses	684,949	96,360	(15,679)	765,630
Decrease in unrestricted net assets	(105,522)	(22,063)	-	(127,585)
Changes in temporarily restricted net assets				
Contributions	-	2,350	-	2,350
Release of purpose restrictions	-	(2,350)	-	(2,350)
Decrease in temporarily restricted net assets	-	-	-	-
Decrease in net assets	(105,522)	(22,063)	-	(127,585)
Net assets, beginning of year	623,290	337,613	-	960,903
Net assets, end of year	\$ 517,768	\$ 315,550	\$ -	\$ 833,318

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, 2013

	NOMMA	NEF	Eliminations	Combined
Changes in unrestricted net assets:				
Revenues, gains and support:				
Membership dues	\$ 197,954	\$ -	\$ -	\$ 197,954
In-kind contributions	-	12,425	(12,425)	-
Special event, net of expenses	-	8,900	-	8,900
Fabricator magazine advertising	231,082	-	-	231,082
Subscriptions revenue	8,724	-	-	8,724
Convention and trade show	95,695	-	-	95,695
Supplier directory advertising and sales	25,355	-	-	25,355
Program fees	-	12,427	-	12,427
Contributions	-	14,912	-	14,912
Interest and other income	2,388	1,451	-	3,839
Release of purpose restrictions	-	6,800	-	6,800
Total unrestricted revenues, gains and support	561,198	56,915	(12,425)	605,688
Expenses:				
Program services:				
MetalFAB convention and trade show	138,329	-	-	138,329
Fabricator magazine	282,783	-	-	282,783
Member services	85,999	-	-	85,999
Education programs	12,425	72,469	(12,425)	72,469
Total program expenses	519,536	72,469	(12,425)	579,580
General and administrative	73,724	-	-	73,724
Fundraising	-	4,289	-	4,289
Total expenses	593,260	76,758	(12,425)	657,593
Decrease in unrestricted net assets	(32,062)	(19,843)	-	(51,905)
Changes in temporarily restricted net assets				
Contributions	-	600	-	600
Release of purpose restrictions	-	(6,800)	-	(6,800)
Decrease in temporarily restricted net assets	-	(6,200)	-	(6,200)
Decrease in net assets	(32,062)	(26,043)	-	(58,105)
Net assets, beginning of year	655,352	363,656	-	1,019,008
Net assets, end of year	\$ 623,290	\$ 337,613	\$ -	\$ 960,903

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, 2014

	NOMMA					NEF			Eliminations	Combined	
	MetalFAB Convention	Fabricator Magazine	Member Services	Education Programs	General and Administrative	Total	Education Programs	Fundraising			Total
Salaries	\$ 60,560	\$ 75,179	\$ 31,325	\$ -	\$ 31,325	\$ 198,389	\$ 35,062	\$ -	\$ 35,062	\$ -	\$ 233,451
Payroll taxes and benefits	21,386	26,548	11,062	-	11,062	70,058	19,741	-	19,741	-	89,799
Total personnel costs	81,946	101,727	42,387	-	42,387	268,447	54,803	-	54,803	-	323,250
Contract labor	-	40,690	-	-	-	40,690	-	-	-	-	40,690
In-kind contributions	-	-	-	15,679	-	15,679	-	-	-	(15,679)	-
Exhibit expenses	23,925	-	-	-	-	23,925	-	-	-	-	23,925
Food and beverage	24,143	-	-	-	-	24,143	-	-	-	-	24,143
Event expenses	33,991	-	-	-	-	33,991	28,918	2,552	31,470	-	65,461
Supplies	1,645	2,042	851	-	851	5,389	445	-	445	-	5,834
Marketing	-	33,260	43,591	-	-	76,851	-	-	-	-	76,851
Travel	3,263	1,980	4,710	-	-	9,953	-	-	-	-	9,953
Media printing and production	3,676	86,758	3,072	-	-	93,506	2,038	-	2,038	-	95,544
Equipment and maintenance	758	942	392	-	392	2,484	131	-	131	-	2,615
Occupancy expenses	3,554	4,412	1,838	-	1,838	11,642	613	-	613	-	12,255
Depreciation	914	1,135	473	-	472	2,994	158	-	158	-	3,152
Administrative fees	2,121	2,633	1,097	-	1,936	7,787	1,585	-	1,585	-	9,372
Professional fees	-	-	-	-	15,130	15,130	-	-	-	-	15,130
Postage	226	26,038	-	-	-	26,264	160	-	160	-	26,424
Unrelated business income tax	-	2,581	-	-	-	2,581	-	-	-	-	2,581
Other	-	2,050	-	-	21,443	23,493	4,957	-	4,957	-	28,450
Total expenses	\$ 180,162	\$ 306,248	\$ 98,411	\$ 15,679	\$ 84,449	\$ 684,949	\$ 93,808	\$ 2,552	\$ 96,360	\$ (15,679)	\$ 765,630

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, 2013

	NOMMA					NEF			Eliminations	Combined	
	MetalFAB Convention	Fabricator Magazine	Member Services	Education Programs	General and Administrative	Total	Education Programs	Fundraising			Total
Salaries	\$ 46,329	\$ 57,512	\$ 23,963	\$ -	\$ 23,963	\$ 151,767	\$ 36,431	\$ -	\$ 36,431	\$ -	\$ 188,198
Payroll taxes and benefits	17,825	22,128	9,220	-	9,220	58,393	12,802	-	12,802	-	71,195
Total personnel costs	64,154	79,640	33,183	-	33,183	210,160	49,233	-	49,233	-	259,393
Contract labor	-	38,183	-	-	-	38,183	-	-	-	-	38,183
In-kind contributions	-	-	-	12,425	-	12,425	-	-	-	(12,425)	-
Exhibit expenses	9,864	-	-	-	-	9,864	-	-	-	-	9,864
Food and beverage	32,269	-	-	-	-	32,269	-	-	-	-	32,269
Event expenses	16,830	-	-	-	-	16,830	7,332	4,289	11,621	-	28,451
Supplies	1,968	2,443	1,018	-	1,018	6,447	461	-	461	-	6,908
Marketing	-	33,431	42,095	-	-	75,526	-	-	-	-	75,526
Travel	2,893	1,656	2,212	-	-	6,761	-	-	-	-	6,761
Media printing and production	3,463	87,388	4,417	-	-	95,268	9,295	-	9,295	-	104,563
Equipment and maintenance	166	206	86	-	86	544	29	-	29	-	573
Occupancy expenses	2,782	3,453	1,439	-	1,439	9,113	480	-	480	-	9,593
Depreciation	823	1,022	426	-	426	2,697	142	-	142	-	2,839
Administrative fees	2,172	2,696	1,123	-	1,869	7,860	1,422	-	1,422	-	9,282
Professional fees	-	-	-	-	16,451	16,451	-	-	-	-	16,451
Postage	945	26,919	-	-	-	27,864	20	-	20	-	27,884
Unrelated business income tax	-	5,000	-	-	-	5,000	-	-	-	-	5,000
Other	-	746	-	-	19,252	19,998	4,055	-	4,055	-	24,053
Total expenses	\$ 138,329	\$ 282,783	\$ 85,999	\$ 12,425	\$ 73,724	\$ 593,260	\$ 72,469	\$ 4,289	\$ 76,758	\$ (12,425)	\$ 657,593

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, 2014

	NOMMA	NEF	Combined
Cash flows from operating activities:			
Decrease in net assets	\$ (105,522)	\$ (22,063)	\$ (127,585)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:			
Depreciation	3,152	-	3,152
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(5,016)	-	(5,016)
Prepaid expenses	(131)	-	(131)
Inventory	-	738	738
Increase (decrease) in:			
Accounts payable	562	(1,458)	(896)
Accrued expenses	4,336	-	4,336
Deferred revenue	(4,793)	-	(4,793)
Total adjustments	(1,890)	(720)	(2,610)
Net cash used in operating activities	(107,412)	(22,783)	(130,195)
Cash flows from investing activities:			
Purchase of equipment	(1,867)	-	(1,867)
Reinvested interest on certificates of deposit	(365)	(342)	(707)
Net cash used in investing activities	(2,232)	(342)	(2,574)
Net decrease in cash and cash equivalents	(109,644)	(23,125)	(132,769)
Cash and cash equivalents, beginning of year	316,858	183,566	500,424
Cash and cash equivalents, end of year	\$ 207,214	\$ 160,441	\$ 367,655

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, 2013

	<u>NOMMA</u>	<u>NEF</u>	<u>Eliminations</u>	<u>Combined</u>
Cash flows from operating activities:				
Decrease in net assets	\$ (32,062)	\$ (26,043)	\$ -	\$ (58,105)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:				
Depreciation	2,838	-	-	2,838
Write off of remaining unrelated business income tax receivable	5,000	-	-	5,000
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	32,897	65	(6,723)	32,962
Prepaid expenses	95	-	-	95
Pledges receivable	-	1,400	-	1,400
Inventory	-	1,739	-	1,739
Increase (decrease) in:				
Accounts payable	(10,058)	(4,978)	6,723	(15,036)
Accrued expenses	7,783	-	-	7,783
Deferred revenue	24,494	-	-	24,494
Total adjustments	<u>63,049</u>	<u>(1,774)</u>	<u>-</u>	<u>61,275</u>
Net cash provided by (used in) operating activities	<u>30,987</u>	<u>(27,817)</u>	<u>-</u>	<u>3,170</u>
Cash flows from investing activities:				
Purchase of equipment	(2,784)	-	-	(2,784)
Receipt of interest on certificates of deposit	592	-	-	592
Reinvested interest on certificates of deposit	<u>(369)</u>	<u>(1,172)</u>	<u>-</u>	<u>(1,541)</u>
Net cash used in investing activities	<u>(2,561)</u>	<u>(1,172)</u>	<u>-</u>	<u>(3,733)</u>
Cash flows from financing activities:				
Principal payments on capital lease obligation	<u>(586)</u>	<u>-</u>	<u>-</u>	<u>(586)</u>
Net cash used in financing activities	<u>(586)</u>	<u>-</u>	<u>-</u>	<u>(586)</u>
Net increase (decrease) in cash and cash equivalents	27,840	(28,989)	-	(1,149)
Cash and cash equivalents, beginning of year	<u>289,018</u>	<u>212,555</u>	<u>-</u>	<u>501,573</u>
Cash and cash equivalents, end of year	<u>\$ 316,858</u>	<u>\$ 183,566</u>	<u>-</u>	<u>\$ 500,424</u>

See Independent Accountant's Review Report and Accompanying Notes.

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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, 2014 AND 2013

1. Nature of Organization and Significant Accounting Policies – Continued

Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2014 and 2013 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, 2014 and 2013, 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, 2014 and 2013, the NOMMA and NEF uninsured cash balances totaled \$198,395 and \$108,598, respectively. 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, 2014 and 2013, accounts receivable are reported net of an allowance for doubtful accounts of \$4,000.

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, 2014 AND 2013

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 are recognized based on the anniversary date of the dues received. Dues received in advance are recorded as unearned (deferred) and recognized as revenue on a monthly basis, as the revenues are earned. 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, 2014 AND 2013

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. No provision for federal and state income taxes was recorded in the accompanying financial statements for the year ended June 30, 2013. A provision for federal and state income taxes was recorded in the accompanying financial statements for the year ended June 30, 2014 in the amount of \$2,552. 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. The Organizations’ IRS filings for the previous three years remain subject to examination.

Subsequent Events

Management has reviewed, through September 22, 2014, (the date which these financial statements were available to issued), events occurring subsequent to June 30, 2014 in order to evaluate their impact on these financial statements

2. Furniture and Equipment, Net

Furniture and equipment consist of the following at June 30:

	2014	2013
Office furniture and equipment	\$ 10,454	\$ 10,454
Computers and software	8,093	6,226
	18,547	16,680
Less accumulated depreciation	(14,551)	(11,399)
Total furniture and equipment, net	\$ 3,996	\$ 5,281

NATIONAL ORNAMENTAL & MISCELLANEOUS METALS ASSOCIATION, INC.
AND AFFILIATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

3. Temporarily Restricted Net Assets

As of June 30, 2014 and 2013, there were no temporarily restricted net assets. \$2,350 and \$6,800 were released for the years ending June 30, 2014 and 2013, respectively, by incurring expenditures satisfying the restricted purpose.

4. In-Kind Contributions and Support to NEF

For the year ended June 30, 2014 and 2013, 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.

5. 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 each of the years ended June 30, 2014 and 2013, this pension expense amounted to approximately \$15,000.