

Hi, I'm Rob and I'm the current treasurer for our association. This is the second posting of our profit/loss statement and balance sheets on a quarterly basis.

Our board members receive these on a monthly basis and it is my job to review them and look for ways to improve our financial position. The balance sheet is one measure of our financial condition and shows our cumulative assets and liabilities. The profit/loss statement, or P&L, shows revenue and expenses for the quarter. This is our primary tool to monitor our financial health by watching key areas. It is worth noting that we are on an accrual system, as required by the IRS.

There are a few things I'd like to comment on this quarter. First off is on the balance sheet. This helps tell the story of how we have worked to change our organization. Mr. Boyer has worked hard to increase the number of courses and certifications offered, as well as increased membership and those show in the significant difference on cash assets from a year ago. The marked reduction in investments is due to having to liquidate our investments and savings a year ago in order to pay off significant losses on the 2014 conference. As I mentioned last quarter, we are at a point where we are saving again, so we should see our savings continue to grow.

In the Profit and Loss (P&L), The areas where we are over-performing include:

Education is about 63% ahead of budget. The sheer number of courses already offered this year puts us on course to have a record year in terms of courses delivered!

Membership is also ahead of a year ago, a trend we certainly want to continue.

I mentioned last quarter that we would start incurring conference expenses in this second quarter. As you can see, we have some travel and on site expenses outside of ordinary board travel expenses.

The areas in which we are under-performing and looking to remedy those shortfalls include:

It is interesting to note that SARTECH certifications are lagging behind slightly. We suspect that the weather we experienced, specifically record high temperatures, means that folks are putting off getting their certifications until later in the year. In fact, looking at July numbers, we think that the fires in the West are causing more of the same. We anticipate that our fall season certification numbers will be ahead of what we expect as folks try to get certified when the weather is a bit cooler.

Thanks for your patience and support as we try to find more ways to bring you relevant information about how we're doing. If you have any questions about the

information here, please send them to Chris Boyer to ensure you get a prompt response.

Thanks,

Rob