



5.24.07 AI 3

To: CSWEA Executive Committee
From: Daniel L. Lynch, P.E., DEE, Treasurer
RE: 2006 Audit and Tax Reports
Date: May 16, 2007

The Association 2006 audit and tax returns were prepared by the accounting firm of SMT & Associates of Crystal Lake, Illinois. The audit and return were previously submitted to the Executive Director with the intention of having them posted to the Association web site in advance of this meeting. As with last year, these documents include the financial activities of the three sections as well as the Association

The audit consisted of preparing a statement of the Association's financial position based upon our cash transactions for the calendar year 2006. It includes revenues collected, expenses paid and changes in net assets. The audit shows that the Association is good financial condition and is keeping appropriate track of its financial records. It does not make any recommendations to change any or our accounting or financial practices.

The Association is tax exempt, but is required to submit tax forms to both the federal government and the State of Illinois. Federal form 990 must be completed to meet the federal requirement and is normally due on May 15th, but this year a time extension has been requested and it will be submitted prior to that deadline. The Association Treasurer will sign it on behalf of the Association. Additionally, the State of Illinois requires the completion of Illinois form AG-990. This form requires both the signatures of both the Association President and the Treasurer, but is not due until May 30th.

CC: Eric Lecuyer, Executive Director