

TREASURER

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These interim financial statements reflect the financial position and results of operation of the Medical Society of New Jersey through February 28, 2011.

Since they are interim statements (the Society's fiscal year is June 1 - May 31) the figures are unaudited. A complete audit of the financial records of the Society will be conducted as of May 31, 2011, and an audited report prepared as of that date. A complete audit was made for the fiscal year that ended May 31, 2010.

Medical Society of New Jersey
BALANCE SHEET
For the Nine Months Ending February 28, 2011

ASSETS

Cash		\$3,362
Investment in Money Market Fund		831,640
Marketable Securities	\$952,671	
Adjust to Market Value	<u>5,256</u>	
		957,927
Accounts Receivable - Member Dues		651,884
Medical Student Loans	18,000	
Less Allowance for Doubtful Loans	<u>(2,500)</u>	
		15,500
Property, Plant, and Equipment		
Furniture and Fixtures	\$778,829	
Less Allowance for Depreciation	<u>(680,705)</u>	
		98,123
Prepaid Expenses		14,984
Deferred Tax - Current		16,488
Other Assets		252,752
Deferred Tax - Non-Current		208,655
Investment in Lawrenceville Realty Associates, LLC		615,000
Investment in Subsidiaries		<u>7,340</u>
Total Assets		<u><u>\$3,673,656</u></u>

LIABILITIES AND FUND BALANCE

Accounts Payable		\$2,688
Payable to AMA		630
Accrued Annual Meeting Costs		6,320
Other Accrued Expenses		3,410,532
Deferred Rev. from Member Assessments		1,703,333
Deferred Revenue/Other		264,188
Deferred Gain on Sale of Building		1,220,510
Deferred Revenue-Legal Defense		15,667
Deferred Revenue-Advocacy Educational		16,509
Fund Balance - Prior Years	(\$3,430,707)	
Fund Balance - Current	143,184	
Owner's Equity - MSNJ/MSNJIA	150,000	
Restricted Balance -NJ Spine Society Section	129,835	
Restricted Balance- NJ Pain Management Society	<u>40,968</u>	
		<u>(2,966,720)</u>
Total Liabilities and Fund Balance		<u><u>\$3,673,656</u></u>

MEDICAL SOCIETY OF NEW JERSEY
STATEMENT OF REVENUE AND EXPENSES
For the Nine Months Ending February 28, 2011

	F/Y '07-08	F/Y '08-09	F/Y '09-10	F/Y '10-11
Revenue				
Membership Dues	\$1,726,371	\$1,575,246	\$1,506,362	\$1,389,456
Investment Income	194,544	70,635	34,836	36,719
Equity Ownership Income	39,900	33,825	149,200	139,200
Corporate Partner Program	185,299	154,133	134,649	165,735
Annual Meeting Contributions	20,800	22,400	10,330	48,550
Advocacy Income	289,118	295,749	204,164	125,826
CME Fees and Registration Income	86,540	120,130	114,590	123,345
Claims Review	10,460	18,100	16,000	14,300
Management Fee re: MSLF	1,472	4,500	4,500	4,500
Management Fee re: Health Ins. Trust Fund	4,451	4,500	4,500	4,500
Medical Practice Manager Dues and Fees	16,120	18,560	25,750	37,283
Gain on Investment	27,803	139,880	91,995	66,025
Gain on Sale of Building	69,474	69,474	69,474	69,474
Other Income	65,782	74,499	297,023	113,887
Total Revenue	\$2,738,135	\$2,601,631	\$2,663,371	\$2,338,801
Expenses				
Councils, Committees, and Communication	\$230,433	\$250,023	\$191,487	\$222,483
Advocacy Expenses Educational	64,118	70,749	29,164	826
Membership Recruitment & Retention	99,043	50,016	49,403	51,940
Claims Review	3,444	6,358	4,010	2,920
Membership Services	92,530	85,161	39,376	39,829
Program Expenses	\$489,568	\$462,308	\$313,439	\$317,999
General and Administrative	\$1,970,396	\$2,027,750	\$1,790,694	\$1,662,851
Rent Expense	205,887	186,378	217,041	190,481
MSLF Operating Expenses	1,472	8,946	6,643	7,504
Legal Defense Expenses				1,409
Loss on Sale of Investment	76,456	572,585	210,946	2,544
Depreciation	33,906	38,043	34,760	35,122
Total Operating Expenses	\$2,777,685	\$3,296,012	\$2,573,523	\$2,217,911
Total Gain (Loss) from Operations	(\$39,549)	(\$694,381)	\$89,848	\$120,890
Unrealized Loss (Gain) on Investments (Non-Cash Item)	271,058	716,812	(331,202)	(33,327)
Federal Income Tax	11,033	11,033	11,033	11,033
Extraordinary Items				
Defined Benefit Pension Contribution (Cash Item)	69,109			
Total Expenses	\$3,128,885	\$4,023,857	\$2,253,354	\$2,195,617
EXCESS OF REVENUE OVER EXPENSES	(\$390,750)	(\$1,422,226)	\$410,017	\$143,184

MEDICAL SOCIETY OF NEW JERSEY
ANALYSIS OF EXPENSES
Period Ending February 28, 2011

	<u>2010</u>	<u>2011</u>	<u>Budget</u>	<u>Over (Under) Budget 2011</u>
Compensation				
Salaries	\$1,130,977	\$1,065,900	\$1,118,259	(\$52,359)
Personnel Insurance	153,027	149,845	201,750	(51,905)
Payroll Taxes	83,120	81,972	90,750	(8,778)
Employer Contribution 401(K)	31,058	38,612	42,750	(4,138)
	<u>\$1,398,182</u>	<u>\$1,336,329</u>	<u>\$1,453,509</u>	<u>(\$117,180)</u>
Professional Fees				
Audit	\$18,750	\$22,500	\$22,500	
Legal	53,016	30,725	71,250	(40,525)
Actuarial	4,050	20,417	11,250	9,167
Special Consultants	31,055	18,438	37,500	(19,062)
	<u>\$106,871</u>	<u>\$92,080</u>	<u>\$142,500</u>	<u>(\$50,420)</u>
Councils, Committees, and Communication				
Communications	\$37,257	\$37,826	\$37,500	\$326
Internet Site	4,553	4,360	7,500	(3,140)
Legislation	55,095	65,827	71,250	(5,423)
President and Presidential Officers	127	4,040	3,750	290
AMA Delegation	23,231	26,328	21,000	5,328
Young Physician Delegates			750	(750)
Medical Education	15,663	16,848	33,750	(16,902)
Board of Trustees	4,811	17,729	11,250	6,479
Other Councils and Committees	7,222	12,840	11,250	1,590
Medical Student Association	8,485	10,000	7,500	2,500
Medical Practice Managers Section	31,042	13,685	15,000	(1,315)
Recruitment and Retention	49,403	51,940	56,250	(4,310)
	<u>\$236,889</u>	<u>\$261,423</u>	<u>\$276,750</u>	<u>(\$15,327)</u>
Member Services				
Annual Meeting	\$15,000	\$24,375	\$24,000	\$375
Newsletter	5,461	15,454	30,000	(14,546)
	<u>\$20,461</u>	<u>\$39,829</u>	<u>\$54,000</u>	<u>(\$14,171)</u>
General Admin. & Operating Exp.				
Bldg. Operations w/Depreciation	\$79,187	\$68,455	\$85,500	(\$17,045)
Rent Expense	217,041	190,481	211,500	(21,019)
Corporate Insurance	66,249	37,359	67,500	(30,141)
Other General Office Costs	174,965	165,158	211,125	(45,967)
	<u>\$537,442</u>	<u>\$461,453</u>	<u>\$575,625</u>	<u>(\$114,172)</u>
Total	<u><u>\$2,299,845</u></u>	<u><u>\$2,191,114</u></u>	<u><u>\$2,502,384</u></u>	<u><u>(\$311,270)</u></u>