



FogHorn

March, 2006

Institute of Management Accountants
San Francisco Chapter

www.sfima.org

President's Message—By Mark Birnbaum

Spring is here. The days are getting longer. If you are involved in Tax Season, the end is in sight. Year end closings and audits are winding down. As always, your IMA board is on the job.

We held the second of the Excel users group meetings a few weeks ago. John Hallett did an amazing job in introducing, explaining, and giving us all hands on examples of Pivot Tables. When we were done, after an hour, even technophobes, like me, were able to construct and understand the basics behind this incredibly powerful tool. The class was followed by a very pleasant, informal dinner. Be on the lookout for future Excel sessions. These are a GREAT way to pick up knowledge of one of the most commonly used programs in the accountant's toolbox, in a fun, informal setting.

If there are other types of meetings you would like to see the Chapter hold, please contact any member of the Board. See SFIMA.ORG for all details relating to the chapter.

Elections for Board members for the new chapter year, which starts July 1, will be coming up soon. If you are interested in making a difference, working with some great people, and in personal growth, please consider joining the Board.

The Chapter is what we all choose to make it. We get out what we put in. Help make your chapter flourish and grow.

I hope to see you at the next Excel users group meeting.

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April Excel Users Group

Date:

Thursday, April 6, 2006

Time:

Program: 6:00-7:00 p.m.

Dinner: 7:00 p.m.

RSVP:

Contact:

Tim Chaney

(415) 243-3380

or via e-mail at

timothyc@remxfinancial.com

WEBSITE:

Our new website is now up and running! You can now go to it to access all pertinent information, such as upcoming meetings and events, past and present newsletters, links to the National site, and contact information for the board members. Please check it out at www.sfima.org. As with everything else, if there is something you feel should be on the website that isn't, please feel free to contact Mark or Joel with your feedback. Their e-mail addresses are as follows:

Mark Birnbaum mbirnbaum@snader.com

Joel Smith jsmith@lautze.com

Over the last year we have sent several communications to the membership via e-mail. It has come to our attention that many of you have not been receiving these, as we don't have a current e-mail address for you. Please take the time to go to our website to update your contact information.

NEWSLETTER:

Do you have a position available that you would like to advertise? Are you looking for a position? We offer free advertising to our members as well as to companies offering positions.

This is intended to be a service to our membership and not as free advertising for recruiters. The San Francisco IMA does offer advertising to others at reasonable rates, however.

Please Contact Joel Smith at (415) 543-6900, ext. 269, or by e-mail at Jsmith@Lautze.com for more information.

Is there anything that you would like to see in the newsletter that you think would be of benefit to the membership? Please feel free to contact Joel to give your input.

**San Francisco chapter members
receive significant discounts on all
CMA/CFM and CPE purchases!**



**Contact Matthew Cmar at:
(800) 874-5346 Ext. 135
Or by e-mail at matthew.cmar@gleim.com
www.gleim.com**

Is a tax refund always a good thing?

You've waited until the last minute to fill out your income tax return. Instead of owing more taxes to the IRS, as you feared, you discover that you're entitled to a big refund. You breathe a sigh of relief.

What's wrong with this picture?

You're parking **your** money with the IRS; in effect, you have made an interest-free loan to the U.S. government. Wouldn't you rather have the money yourself, sooner?

It's true that you can't anticipate every facet of your tax return. You may have last-minute medical expenses. You may decide to increase your end-of-the year charitable giving. You may decide to sell off that investment that's a money-loser. Last-minute actions like these will all reduce your tax liability.

Over-Withheld?

But if you're getting a sizeable refund, you may want to reduce your income tax withholding this year. You should consider reducing your withholding in the following circumstances:

- You got a big refund and your tax items will be about the same.
- Your income will remain the same but your adjustments, deductions and credits will increase significantly.
- You got a refund and you will qualify for one or more tax credits this year that you did not qualify for last year.

Any of the following common situations during a tax year also can lead to over-withholding:

- You and your spouse both withhold at the individual rate, when one of you could withhold at the lower married rate.
- You had child care expenses.
- You bought a home with a higher mortgage.
- You worked part-time but withheld at the higher annual rate as if you were working full-time.
- You bought a hybrid automobile and can claim a deduction or credit.

The unpredictable

Of course, a larger-than-expected refund also can be the result of uncovering "hidden treasures" at tax preparation time -- unexpected deductions and other tax benefits that will lower the amount of income taxes that you thought you would have to pay. That's terrific; tax return time often does result in "finding" deductions and opportunities for post-year end tax planning as you pour over receipts and other paperwork. However, to what degree could many of these "hidden treasures" be discovered earlier and your tax withholding and estimated tax payments lowered earlier as a result?

Personal and financial factors also might change your tax liability: lifestyle changes, wage income, decreased income not subject to withholding; increased adjustments to income, and increased itemized deductions or tax credits.

Taking action!

If your circumstances change, or you want to make any changes to your withholding allowances, give your employer a new Form W-4. If you're starting a new job and are having trouble determining your withholding amount, you should still submit Form W-4. Otherwise, the employer must withhold at the highest rate.

COST PLUS
WORLD MARKET
JOB DESCRIPTION

Job Title:	Occupancy Accountant
Reports To:	Assistant Controller
Department:	Accounting
Supervises:	0
FLSA Status:	Exempt

General Overview:

Responsible for reconciling and analyzing occupancy related accounts including, but not limited to, CAM, Real Estate Taxes, Personal Property Taxes, Straight-line rent, Other Lessee Expense, Percentage Rent, Lease Rights, Minimum Rent, Land Rent and Rental Income. Develop strong relationship with Real Estate department and third party property management.

Principal Duties and Responsibilities:

- Complete an operating vs. capital lease analysis for new store sites
- Responsible for the accounting and reconciliation of all capital and operating leases
- Analyze actual to budget variance for all areas of occupancy accounting and journalizing correcting entries, as needed
- Budget occupancy expense for all Company locations
- Journalize any transactions surrounding occupancy accounting
- Complete calculation of straight line rent on all applicable properties
- Must be detail oriented with a dedication to completing deadlines
- Must be a self-starter
- Strong interpersonal and organizational skills
- Intermediate skill level required for Excel
- Working knowledge of Microsoft Outlook and Word

Job Requirements:

- BS/BA in Accounting is required
- Sitieseer experience a plus
- Lawson experience a plus
- Prior occupancy accounting highly preferred
- Lease interpretation skills needed
- Utilize PC - 20-35 hours/week
- Phone contact - 3-10 hours/wk

Please contact: Heather Ferguson
Corporate HR Assistant
P: 510-808-9225 F: 510-465-6825

Why We Do The Things We Do: A Look at the Reasoning Behind Common Investor Mistakes

Provided by RBC Dain Rauscher and Jon Warner

Whether it's a conscious decision to avoid realizing a paper loss, or not paying enough attention to your mix of assets, most of us at one time or another have committed a costly investor mistake. Sometimes understanding why we do the things we do can help us avoid the recurring investing pitfalls. The following provides a brief look at why we make some of the most common and expensive investor mistakes.

By far, one of the most common and costly mistakes involves hanging on to a losing stock or investment. In all aspects of life there is a natural affinity for us to have the big comeback story, one where we're down and out but come back to make it big... or at least not lose so badly. That sentiment is similar to how many investors look at a losing stock. Psychologically, it hurts to realize that paper loss – so much so that many investors hang on and hope. But the cost of hope sometimes comes with a stiff opportunity cost attached. Not only in the form of a realized paper loss, but also in the opportunity cost of not investing those funds in an alternative investment with the likelihood of a better return.

While a lot of investors don't want to realize a paper loss, some do the exact opposite – they avoid a realized gain in order to avoid its tax consequences. That disdain for paying taxes can lead to holding on to investments too long, turning a tax penalty into a investment loss that more than offsets any tax consequences. Also, as a paper gain mounts, not taking some funds off the table can lead to a portfolio that is heavily weighted in one stock or investment.

Other times, investors simply maintain a false sense of diversification. For example, investors who hold several different mutual funds may consider themselves fully diversified. However, if those mutual funds have the same investment objective an investor could be living with a false sense of diversification. Holding three mutual funds that focus on small cap growth companies does not mean your portfolio is balanced. Investors need to make sure they understand the objectives of the funds they are holding. One fund may consist of small cap growth stock, while another fund could focus on large cap value stocks.

Everybody wants a piece of a shining star, and many investors catch a news bite or see a company's stock highlighted in the media and figure it's the next hot stock. After a while, and the more they hear about it from other sources, investors may feel confident enough to buy. But chances are by then, it's probably too late. A stock that's a media darling most likely has already had a lot of expectations built into its price.

Another big mistake investors make is buying a company after a sudden price drop. To many investors, a cheap price equals a good deal. They don't look past the market price of a stock to determine its relative value. And chances are a recent, precipitous plunge is likely the result of a significant change of circumstances in the company.

Conversely, just because a company provides good products and is run well, doesn't necessarily mean that buying its stock at any price is a good deal. Often investors buy at any price if the company is good enough. But if a company is well understood to be a solid, profitable company, chances are its share price may already reflect the expectations of the market for some time out.

In life, some people spend time always looking for the next best thing or the greener pasture. For investors, the tendency to look for and trade into the next best investment can lead to excessive trading. The churn effect on investing can represent another costly investment mistake and can significantly impact any gains on the investments.

While the preceding doesn't cover all the common and costly mistakes that investors make, it does highlight some of the reasons behind those mistakes. And as the saying goes, "Those who do not learn from their mistakes, are doomed to repeat them." Sometimes knowing why you made them in the first place provides the greatest aid to avoiding that repetition.

This article is provided by Jon Warner, a financial consultant at RBC Dain Rauscher in San Francisco (phone # 415-445-8316) and was prepared by or in cooperation with RBC Dain Rauscher. The information included in this article is not intended to be used as the primary basis for making investment decisions nor should it be construed as a recommendation to buy or sell any specific security. RBC Dain Rauscher does not endorse this organization or publication. Consult your investment professional for additional information and guidance.

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