

**ALLIANCE ON AGING, INC.**

FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
JUNE 30, 2019 AND 2018

AND INDEPENDENT AUDITORS' REPORT

**ALLIANCE ON AGING, INC.**

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## HAYASHI | WAYLAND

### INDEPENDENT AUDITORS' REPORT

**Board of Directors  
Alliance on Aging, Inc.  
Salinas, California**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of *Alliance on Aging, Inc.* (a California nonprofit public benefit corporation), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Alliance on Aging, Inc.** as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Support, Revenues and Expenses by Function is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

December 19, 2019

*Hayashi Wayland, LLP*



**ALLIANCE ON AGING, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**

<u>ASSETS</u>	<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 342,843	\$ 1,212,808
Receivables:		
Contracts	163,517	111,561
Other	43,377	59,211
Inventory	20,018	16,387
Prepaid expenses	23,186	23,514
Certificates of deposit – short term	–	264,000
Other current assets	<u>53,403</u>	<u>49,560</u>
Total current assets	<u>646,344</u>	<u>1,737,041</u>
<b>NONCURRENT ASSETS:</b>		
Deposits	8,650	8,650
Certificates of deposit – long term	–	71,757
Investments	1,142,788	–
Endowment funds at the Community Foundation	29,034	29,457
Property and equipment – net	<u>62,478</u>	<u>75,690</u>
Total noncurrent assets	<u>1,242,950</u>	<u>185,554</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,889,294</u></u>	<u><u>\$ 1,922,595</u></u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 31,979	\$ 29,663
Accrued liabilities	<u>101,204</u>	<u>99,390</u>
Total liabilities	<u>133,183</u>	<u>129,053</u>
<b>NET ASSETS:</b>		
Without donor restrictions:		
Undesignated	584,289	1,016,327
Board designated	<u>1,171,822</u>	<u>727,215</u>
Total without donor restrictions	1,756,111	1,743,542
With donor restrictions – purpose/time restricted	<u>–</u>	<u>50,000</u>
Total net assets	<u>1,756,111</u>	<u>1,793,542</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 1,889,294</u></u>	<u><u>\$ 1,922,595</u></u>

See Notes to Financial Statements.

**ALLIANCE ON AGING, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>		
Support and Revenues:		
Contributions and grants	\$ 388,165	\$ 395,795
Legacies and bequests	53,300	71,632
Contract fees	915,084	795,342
In-kind revenue	516,295	476,332
Special events	52,645	39,240
Investment income – net	67,035	13,886
Miscellaneous income	4,161	2,386
Spirals Benefit Store sales	242,109	238,594
Rental income	2,765	13,380
Net assets released from restriction	<u>50,000</u>	<u>–</u>
Total support and revenues	<u>2,291,559</u>	<u>2,046,587</u>
Expenses:		
Program services:		
HICAP	315,117	338,839
Ombudsman	292,523	270,193
Senior peer counseling	386,244	411,845
Tax counseling	224,945	183,237
Outreach	109,953	92,071
Senior Luncheon	18,958	18,142
Transportation	57,264	14,646
Management and general	342,708	255,231
Fundraising:		
General	238,648	206,417
Spirals Benefit Store	<u>292,630</u>	<u>334,931</u>
Total expenses	<u>2,278,990</u>	<u>2,125,552</u>
<b>INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u>12,569</u>	<u>(78,965)</u>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:</b>		
Contributions and grants	–	50,000
Net assets released from restriction	<u>(50,000)</u>	<u>–</u>
<b>INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS</b>	<u>(50,000)</u>	<u>50,000</u>
<b>CHANGES IN NET ASSETS</b>	<b>(37,431)</b>	<b>(28,965)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>1,793,542</u>	<u>1,822,507</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,756,111</u>	<u>\$ 1,793,542</u>

See Notes to Financial Statements.

**ALLIANCE ON AGING, INC.**  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019

	PROGRAM SERVICES						SUPPORT SERVICES				Total Expenses
	HICAP	Ombudsman	Senior Peer Counseling	Tax Counseling	Outreach	Senior Luncheon	Transportation	Management & General	Fundraising	Spirals Benefit Store	
Cost of materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,285	\$ 90,285
Salaries and wages	150,466	161,217	105,080	31,598	76,103	-	39,047	208,306	103,794	87,227	962,838
Payroll taxes and benefits	24,950	32,074	15,403	3,902	17,107	-	7,489	32,846	18,477	13,359	165,607
In-kind expenses	52,977	65,358	116,601	163,925	1,050	6,925	-	2,374	-	16,800	426,010
Accounting, legal and consulting fees	225	975	112,350	875	206	925	-	25,050	3,500	-	144,106
Printing and publications	2,644	1,337	2,430	966	1,651	4	1,212	2,097	56,365	914	69,620
Travel, conference and training	4,732	6,906	3,030	1,108	-	-	2,911	4,114	781	431	24,013
Volunteer costs	-	-	1,955	13,164	-	-	-	-	-	-	15,119
Advertising and promotion	26,463	270	382	524	159	-	18	176	391	1,208	29,591
Telephone	4,637	3,890	2,660	547	705	-	1,285	5,162	1,184	3,216	23,286
Office supplies	4,471	709	698	1,952	620	20	500	6,577	1,228	3,347	20,122
Food and supplies	54	556	1,881	66	-	10,575	-	1,298	107	460	14,997
Occupancy	17,304	11,659	14,085	3,445	2,976	-	1,767	19,643	7,851	47,436	126,166
Insurance	2,496	1,200	1,200	600	2,138	-	636	3,252	828	4,366	16,716
Postage and shipping	1,468	84	65	29	150	54	100	909	3,411	101	6,371
Depreciation	8,124	300	972	-	4,392	-	-	6,516	-	(67)	20,237
Repairs and maintenance	3,594	414	735	249	315	1	213	1,013	299	165	6,998
Equipment purchases and rentals	128	105	84	11	63	2	592	556	4,487	60	6,088
Special events - Trashion Show	-	-	-	-	-	-	-	-	20,814	-	20,814
Dues and subscriptions	1,566	375	226	-	-	-	-	4,048	-	1,292	7,507
Outside services	5,971	2,725	3,660	769	979	452	495	12,208	11,463	8,594	47,316
Utilities	2,361	1,590	1,921	467	406	-	241	2,653	1,071	5,159	15,869
Miscellaneous	486	779	826	748	933	-	758	3,774	2,597	8,277	19,178
Interest expense	-	-	-	-	-	-	-	136	-	-	136
<b>TOTALS</b>	<b>\$ 315,117</b>	<b>\$ 292,523</b>	<b>\$ 386,244</b>	<b>\$ 224,945</b>	<b>\$ 109,953</b>	<b>\$ 18,958</b>	<b>\$ 57,264</b>	<b>\$ 342,708</b>	<b>\$ 238,648</b>	<b>\$ 292,630</b>	<b>\$ 2,278,990</b>

See Notes to Financial Statements.

**ALLIANCE ON AGING, INC.**  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018

	PROGRAM SERVICES						SUPPORT SERVICES				Total Expenses
	HICAP	Ombudsman	Senior Peer Counseling	Tax Counseling	Outreach	Senior Luncheon	Transportation	Management & General	Fundraising	Spirals Benefit Store	
Cost of materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,439	\$ 89,439
Salaries and wages	178,437	154,726	139,454	20,891	59,841	-	10,061	109,872	99,839	124,673	897,794
Payroll taxes and benefits	29,900	27,316	19,957	1,552	15,507	21	868	38,422	17,891	17,219	168,653
In-kind expenses	53,541	57,315	110,805	135,119	-	7,225	-	2,417	-	20,065	386,487
Accounting, legal and consulting fees	113	1,388	115,050	913	188	-	-	23,963	3,500	-	145,115
Printing and publications	1,740	1,876	1,347	129	2,055	112	-	707	52,158	2,363	62,487
Travel, conference and training	4,842	5,304	2,829	1,247	-	-	46	1,496	1,052	80	16,896
Volunteer costs	-	-	1,875	12,022	-	-	-	-	-	-	13,897
Advertising and promotion	17,804	1,402	519	652	603	85	1,490	1,058	2,280	1,151	27,044
Telephone	5,986	4,390	1,723	576	1,222	-	380	3,246	831	3,083	21,437
Office supplies	1,903	1,330	1,336	2,742	391	-	79	6,019	1,211	3,090	18,101
Food and supplies	24	476	939	58	8	8,882	-	1,883	122	927	13,319
Occupancy	18,101	5,903	7,538	4,685	2,742	-	1,390	29,935	8,997	45,015	124,306
Insurance	2,736	1,200	1,200	600	2,616	-	-	2,995	828	3,984	16,159
Postage and shipping	581	38	189	9	130	19	-	890	3,135	147	5,138
Depreciation	6,760	291	951	-	4,288	-	-	3,526	-	2,027	17,843
Repairs and maintenance	684	273	342	68	68	-	-	1,889	6	385	3,715
Equipment purchases and rentals	5,535	1,840	588	-	57	-	-	-	-	-	8,020
Dues and subscriptions	1,559	375	217	-	-	-	100	3,391	-	711	6,353
Outside services	6,119	3,472	3,615	648	803	1,593	-	15,755	11,569	6,764	50,338
Utilities	2,109	726	887	491	334	-	110	3,310	1,064	4,883	13,914
Miscellaneous	365	552	484	835	1,218	205	122	4,176	1,934	8,925	18,816
Interest expense	-	-	-	-	-	-	-	281	-	-	281
<b>TOTALS</b>	<b>\$ 338,839</b>	<b>\$ 270,193</b>	<b>\$ 411,845</b>	<b>\$ 183,237</b>	<b>\$ 92,071</b>	<b>\$ 18,142</b>	<b>\$ 14,646</b>	<b>\$ 255,231</b>	<b>\$ 206,417</b>	<b>\$ 334,931</b>	<b>\$ 2,125,552</b>

See Notes to Financial Statements.



**ALLIANCE ON AGING, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (37,431)	\$ (28,965)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	20,237	17,843
Net realized/unrealized (gain) loss on investments	(49,047)	(1,363)
(Increase) decrease in:		
Receivables:		
Contracts	(51,956)	50,195
Other	15,834	(12,918)
Inventory	(3,631)	(406)
Prepaid expenses	328	(1,716)
Other current assets	(3,843)	(7,839)
Increase (decrease) in:		
Accounts payable	2,316	13,132
Accrued liabilities	<u>1,814</u>	<u>5,642</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(105,379)</u>	<u>33,605</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(7,025)	(37,705)
Maturity of certificates of deposit	264,000	308,243
Purchases of investments	(1,021,984)	-
Net Community Foundation activity	<u>423</u>	<u>649</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(764,586)</u>	<u>271,187</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(869,965)	304,792
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,212,808</u>	<u>908,016</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 342,843</u>	<u>\$ 1,212,808</u>
 SUPPLEMENTAL INFORMATION –		
Interest paid	<u>\$ 136</u>	<u>\$ 281</u>

See Notes to Financial Statements.

**ALLIANCE ON AGING, INC.**  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization** – The Alliance on Aging, Inc. (“the Alliance”) was established on August 1, 1970 as a non-profit organization to initiate, coordinate, promote, and administer programs, services, and activities designed to meet the social, medical, economic, recreational, spiritual, and physical needs of older persons living in Monterey County. To further these objectives the Alliance administers a wide variety of programs including: Information & Assistance, Health Insurance Counseling and Advocacy (HICAP), Tax Counseling, Senior Peer Counseling, Outreach, Luncheons, Ombudsman, and Transportation Coordinator.

**Basis of Presentation** – The accompanying financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The net assets, revenues, gains and losses, and other support and expenses and other changes in the accompanying financial statements are classified based on the existence or absence of donor-imposed restrictions. Accordingly, for reporting purposes, net assets of the Alliance and changes therein are classified as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. This includes certain amounts designated by the Board for various purposes.
- **Net Assets With Donor Restrictions** – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Alliance and/or the passage of time, or net assets that are perpetual in nature and subject to donor-imposed restrictions that they be maintained in perpetuity by the Alliance. Generally, the donors of assets to be held in perpetuity permit the Alliance to use all or a part of the income earned on related investments for general or specified purposes.

There were no permanently restricted net assets as of June 30, 2019 or 2018.

**Recognition of Donor Restrictions** – Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as “net assets released from restrictions.”

**Cash and Cash Equivalents** – For purposes of the statement of cash flows, the Alliance considers all highly liquid investment instruments purchased with a maturity of three months or less at the date of purchase to be cash equivalents, except for cash held in investments.

**Contracts Receivable** – Contracts receivable consists of claims submitted for actual expenses incurred under each grant and are presented net of allowance for uncollectibility, which is based on an assessment of the current status of individual accounts. At June 30, 2019 and 2018 the allowance was \$ –0– .

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Inventory** – Inventory consists of donated goods to be sold in the Alliance’s benefit shop, Spirals. Spirals inventory value is based on the estimated fair value of the donated goods.

**Certificates of Deposit** – Certificates of deposit consist of current amounts with maturity dates of greater than 3 months, but less than 12 months.

**Other Current Assets** – Other current assets consist of the Alliance’s cash balance in their Unemployment Services Trust account. The balance at June 30, 2019 and 2018 amounted to \$53,403 and \$49,560, respectively.

**Investments** – The Alliance carries investments in marketable securities with readily determined fair values and investments in debt securities at their fair values in the Statement of Financial Position. Increases or decreases in market value are recognized in the period in which they occur in the Statement of Activities.

**Property and Equipment** – Property and equipment purchased or constructed is recorded at cost. Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions. Property and equipment acquired with funds received from Monterey County Area Agency on Aging grants are subject to ownership claims by Monterey County Area Agency on Aging should the Alliance cease to administer the program.

The Alliance capitalizes property with a value of \$1,000 and a useful life of greater than one year. Depreciation is computed using the straight-line method based on the estimated useful life of the assets as follows:

Office equipment	5 – 7	Years
Furniture and fixtures	5 – 7	Years
Leasehold improvements	15	Years
Vehicles	5	Years
Software	3	Years

**Accrued Compensated Absences** – The Alliance records an accrued liability for employee vacation earned but not taken as of the end of the year. These amounts are reflected in accrued liabilities in the statement of financial position.

**Grant Income** – The Alliance records income from grants in the period designated by the grant contract and when the Alliance has earned the revenue in compliance with the restrictions of the grantor.

**Contributions** – Contributions received and unconditional promises to give are recorded as without donor restrictions or with donor restrictions support, depending on the existence and or absence of any donor restrictions.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Donated Goods, Services and Facilities** – The Alliance receives the use of facilities and donated goods for their general operations and their consignment store. The fair value of contributed facilities is determined based on the amount of current rental fees. Donated goods are recorded at their estimated fair value at the date of gift, if determinable. Donated services are not recorded unless such services create or enhance nonfinancial assets or require specialized skills and are so essential that they would be purchased if not provided by donation. The Alliance values volunteer labor at \$29 per hour for fiscal year 2019 and \$28.46 per hour for fiscal year 2018 for HICAP, tax preparers, senior peer counseling and Ombusman, and at \$100 for tax evaluation in fiscal year 2019 and 2018 per donated service hour. Donated service fees of \$301,818 and \$267,560 are recorded in program services for the years ended June 30, 2019 and 2018, respectively.

**Functional Allocation of Expenses** – The statement of functional expenses reports certain categories of expenses that are attributable to one or more programs or supporting functions of the Alliance. Those expenses include depreciation, the Executive Director’s office, the communications department and information technology department. Depreciation is allocated based on specific staff or department usage of equipment, the Executive Director office is based on time and effort spent on each activity, certain costs of the communication department are based on the benefit received, and the information technology is based on specific staff or department usage.

**Advertising** – Advertising costs of \$29,591 and \$27,044 were expensed when incurred for the years ended June 30, 2019 and 2018, respectively.

**Income Taxes** – As a tax-exempt not-for-profit organization, the Alliance is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state franchise tax under California Revenue and Taxation Code Section 23701(d), but is subject to taxes on unrelated business income when earned.

Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization’s returns are subject to examination by federal and state taxing authorities generally for three and four years, respectively, after they are filed.

**Fair Value Measurements** – The Alliance applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets and liabilities. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use, including a consideration of non-performance risk.

Management assesses the inputs used to measure fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. Level 1 inputs are quoted market prices for identical instruments in an active market that the entity has the ability to access and are the most observable. Level 2 inputs include quoted market prices for similar assets and observable inputs such as interest rates, currency exchange rates, commodity rates, and yield curves. Level 3 inputs are not observable in the market and include management’s judgment about the assumptions market participants would use in pricing the assets or liability.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The estimated fair value of the Alliance’s short-term financial instruments, including cash, receivables and payables, approximate their individual carrying amounts due to the relatively short period of time between their origination and expected realization.

The following table presents assets that are measured at fair value on a recurring basis at June 30:

<u>ASSETS</u>	<u>2019</u>			<u>2018</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments	\$ 1,142,788	\$ -	\$ -	\$ -	\$ -	\$ -
Endowment Funds at the Community Foundation	\$ -	\$ 29,034	\$ -	\$ -	\$ 29,457	\$ -

Fair value for investments are determined by reference to quoted market prices for similar investments, yield curves, and other relevant information.

Fair value for Endowment Funds at the Community Foundation are determined by the Community Foundation based upon the Foundation’s allocable share in the market value of the underlying investments made by the Community Foundation as reported to the Community Foundation by a third-party trustee from published market quotes.

**Use of Estimates** – The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

**Reclassifications** – Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation.

**Effects of New Accounting Pronouncements** – On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Alliance has adjusted the presentation of these statements accordingly.

In November 2016, the FASB issued Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230) Restricted Cash*. The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The Alliance has adjusted the presentation of these statements accordingly.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Recent Accounting Pronouncements** – In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). ASU 2014-09 provides a robust framework for addressing revenue recognition issues and, upon its effective date, will replace almost all pre-existing revenue recognition guidance, including industry-specific guidance, in current U.S. generally accepted accounting principles (GAAP). Implementation must occur no later than the quarter and year beginning January 1, 2018, for public entities (i.e., public business entities and certain not-for-profit entities and employee benefit plans) with a calendar year end. For all other entities with a calendar year end, implementation must occur no later than the year ending December 31, 2019. Early application of the amendments in this Update is permitted. The Alliance has no plan for early implementation of this Statement. At this time the Alliance is not certain of the effect the adoption of ASU 2014-09 will have on the accompanying financial statements.

On February 25, 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). Not-for-Profit entities are required to adopt the standard for reporting periods beginning after December 15, 2020. Early adoption is permitted. The core principle of the new leases standard is that lessees should recognize assets and liabilities arising from all leases, except for leases with a lease term of 12 months or less. The Alliance has no plan for early implementation of this Statement. At this time the Alliance is not certain of the effect the adoption of ASU 2016-02 will have on the accompanying financial statements.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update clarify and improve current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction. This standard is effective for nonpublic companies for years beginning after December 15, 2018. The Alliance has no plan for early implementation of this Statement. At this time the Alliance is not certain of the effect the adoption of ASU 2018-08 will have on the accompanying financial statements.

**Subsequent Events** – Subsequent events have been evaluated through December 19, 2019, which is the date the financial statements were available to be issued.

**NOTE 2. CONCENTRATION OF CREDIT RISK**

The Alliance maintains its cash in bank deposit accounts with various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The total amount by which the Alliance's cash and cash equivalents exceeded FDIC limits was \$ –0– and \$82,795 at June 30, 2019 and 2018, respectively.

**NOTE 3. CONTRACTS RECEIVABLE**

Contracts receivable at June 30 consists of the following:

	<u>2019</u>	<u>2018</u>
County of Monterey (Behavioral Health)	\$ 41,958	\$ 12,562
Salinas Gateway Apartments	1,142	2,283
City of Salinas	2,950	4,533
County of Monterey (AAA):		
HICAP	61,683	56,089
MIPPA	9,988	14,489
Outreach	8,378	2,725
Ombudsman	17,917	220
TAMC	15,088	13,946
Tax Consulting	1,414	1,758
Mid Pen Residential Services (Van Buren)	1,327	-
City of Monterey	<u>1,672</u>	<u>2,956</u>
Total	<u>\$ 163,517</u>	<u>\$ 111,561</u>

**NOTE 4. INVESTMENTS**

Investments are stated at fair value and consist of the following at June 30, 2019:

Cash	\$ 87,149
Equities	438,189
Fixed income	<u>617,450</u>
Total	<u>\$ 1,142,788</u>

**NOTE 5. ENDOWMENT FUNDS AT THE COMMUNITY FOUNDATION**

The Community Foundation for Monterey County (CFMC) holds funds for the Alliance in the amount of \$29,034 and \$29,457 at June 30, 2019 and 2018, respectively. The Alliance has granted variance power to CFMC. In the event of the dissolution of the Alliance or in the event it shall no longer be an organization described in Section 170(c) of the Internal Revenue Code of 1954, as amended, CFMC shall continue to hold the funds and shall distribute the income therefrom to such organizations as in their opinion most nearly serve the purposes and objectives of the Alliance. All funds held are subject to the power of CFMC to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose or to specified organizations, if in their sole judgment such restriction becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the area served by them.

**NOTE 5. ENDOWMENT FUNDS AT THE COMMUNITY FOUNDATION (Continued)**

The Alliance's board-designated endowment net asset activity consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Beginning balance	\$ 29,457	\$ 28,743
Investment income (dividends and interest)	1,006	966
Unrealized gain (loss)	247	1,291
Realized gain (loss)	(51)	73
Distributions	<u>(1,625)</u>	<u>(1,616)</u>
Ending balance	<u>\$ 29,034</u>	<u>\$ 29,457</u>

In addition, the Community Foundation maintains an agency endowment for the benefit of Alliance on Aging, Inc. that was established with funds donated by third parties directly to the Community Foundation. At June 30, 2019 and 2018, the balance of the Community Foundation agency endowment fund amounted to \$59,542 and \$60,408, respectively. The net income of the fund is distributed quarterly to the Alliance. However, since Alliance on Aging, Inc. has no ownership rights to the fund, this fund is not included in these financial statements. Alliance on Aging, Inc. received \$2,641 and \$2,608 from the fund for the years ended June 30, 2019 and 2018, respectively.

**NOTE 6. PROPERTY AND EQUIPMENT— NET**

Property and equipment at June 30 consists of the following:

	<u>2019</u>	<u>2018</u>
Equipment, office furniture and software	\$ 213,417	\$ 206,263
Vehicles	18,225	18,225
Leasehold improvements	<u>44,094</u>	<u>44,094</u>
Total	275,736	268,582
Less accumulated depreciation	<u>213,258</u>	<u>192,892</u>
Property and equipment – net	<u>\$ 62,478</u>	<u>\$ 75,690</u>

Depreciation charged to operations for the fiscal years ended June 30, 2019 and 2018 amounted to \$20,237 and \$17,844, respectively.



**NOTE 7. NET ASSETS**

Board designated net assets at June 30 consist of the following:

	<u>2019</u>	<u>2018</u>
Reserve for short/long-term needs	\$ 1,142,788	\$ 697,758
Endowment funds at the Community Foundation – Alliance on Aging	16,475	16,715
Endowment funds at the Community Foundation – Ombudsman	<u>12,559</u>	<u>12,742</u>
Total	<u>\$ 1,171,822</u>	<u>\$ 727,215</u>

Net assets with donor restrictions as to purpose or time consist of the following:

	<u>2019</u>	<u>2018</u>
Monterey Peninsula Foundation – time restriction	<u>\$ –</u>	<u>\$ 50,000</u>

During the course of the year, net assets whose use by the Alliance was subject to donor-imposed restrictions as to purpose or time, were fulfilled by actions of the Alliance pursuant to those restrictions. These assets are shown in the statement of activities as “net assets released from restrictions” as follows:

	<u>2019</u>	<u>2018</u>
Monterey Peninsula Foundation – time restriction	<u>\$ 50,000</u>	<u>\$ –</u>

**NOTE 8. IN-KIND REVENUE**

In-kind revenue at June 30 consists of the following:

	<u>2019</u>	<u>2018</u>
Personnel in-kind	\$ 293,918	\$ 260,850
Rent in-kind	107,798	103,098
Donated Spirals inventory	90,285	89,845
Donated supplies	5,090	5,302
Volunteer travel in-kind	11,304	10,527
Professional fees in-kind	<u>7,900</u>	<u>6,710</u>
Total in-kind revenue	<u>\$ 516,295</u>	<u>\$ 476,332</u>

**NOTE 9. OPERATING LEASES**

The Alliance has a lease agreement for its corporate office that expires July 31, 2021 and a lease for the Spirals Benefit store that expires December 31, 2019. Lease expenses under the operating leases totaled \$126,166 and \$116,854 for the years ended June 30, 2019 and 2018, respectively.

The following is a schedule of future minimum lease payments under the operating leases as of June 30, 2019:

2020	\$ 91,038
2021	70,828
2022	<u>5,912</u>
Total	<u>\$ 167,778</u>

**NOTE 10. RETIREMENT PLAN**

The Alliance maintains a 403(b) retirement plan, which is available to substantially all employees. The Organization matches employee contributions of up to four percent of employee wages. The Organization's contribution was \$11,296 and \$14,887 for the years ended June 30, 2019 and 2018, respectively.

**NOTE 11. FEDERAL AND STATE AAA FUNDING**

The following tables present federal and state AAA funding in detail by program and CFDA number as of June 30, 2019 and 2018.

<u>Program</u>	<u>CFDA#</u>	<u>2019</u>			<u>Total</u>
		<u>Federal AAA Grant</u>	<u>State AAA Grant</u>	<u>In-Kind Match</u>	
Title III B – Outreach	93.044	\$ 97,266	\$ –	\$ 12,874	\$ 110,140
Title III B – Ombudsman	93.044	<u>24,355</u>	<u>67,665</u>	<u>23,227</u>	<u>115,247</u>
Subtotal for T3B		<u>121,621</u>	<u>67,665</u>	<u>36,101</u>	<u>225,387</u>
AAA MIPPA	93.071	3,761	–	–	3,761
HICAP MIPPA	93.071	<u>21,705</u>	<u>–</u>	<u>–</u>	<u>21,705</u>
Subtotal for MIPPA		<u>25,466</u>	<u>–</u>	<u>–</u>	<u>25,466</u>
HICAP Ship	93.324	82,636	–	–	82,636
HICAP Fund		–	52,896	–	52,896
HICAP Reimbursement		<u>–</u>	<u>112,556</u>	<u>–</u>	<u>112,556</u>
Subtotal for HICAP		<u>82,636</u>	<u>165,452</u>	<u>–</u>	<u>248,088</u>
Ombudsman Initiative–SHF		–	9,433	–	9,433
Ombudsman Initiative–SNF		–	18,869	–	18,869
Ombudsman Initiative–PHF		<u>–</u>	<u>3,973</u>	<u>–</u>	<u>3,973</u>
Subtotal for OMB INT		<u>–</u>	<u>32,275</u>	<u>–</u>	<u>32,275</u>
Title VII A – Ombudsman	93.042	<u>35,242</u>	<u>–</u>	<u>–</u>	<u>35,242</u>
Total AAA Funding		<u>\$ 264,965</u>	<u>\$ 265,392</u>	<u>\$ 36,101</u>	<u>\$ 566,458</u>

**NOTE 11. FEDERAL AND STATE AAA FUNDING (Continued)**

<u>Program</u>	<u>CFDA#</u>	<u>2018</u>			<u>Total</u>
		<u>Federal AAA Grant</u>	<u>State AAA Grant</u>	<u>In-Kind Match</u>	
Title III B – Outreach	93.044	\$ 74,871	\$ –	\$ 12,336	\$ 87,207
Title III B –					
Ombudsman	93.044	<u>22,358</u>	<u>9,938</u>	<u>10,000</u>	<u>42,296</u>
Subtotal for T3B		<u>97,229</u>	<u>9,938</u>	<u>22,336</u>	<u>129,503</u>
AAA MIPPA	93.071	5,135	–	–	5,135
HICAP MIPPA	93.071	<u>19,662</u>	<u>–</u>	<u>–</u>	<u>19,662</u>
Subtotal for MIPPA		<u>24,797</u>	<u>–</u>	<u>–</u>	<u>24,797</u>
HICAP Ship	93.324	78,352	–	–	78,352
HICAP Fund		–	56,300	–	56,300
HICAP Reimbursement		<u>–</u>	<u>112,588</u>	<u>–</u>	<u>112,588</u>
Subtotal for HICAP		<u>78,352</u>	<u>168,888</u>	<u>–</u>	<u>247,240</u>
Ombudsman Initiative–SHF		–	18,171	–	18,171
Ombudsman Initiative–SNF		–	18,882	–	18,882
Ombudsman Initiative–PHF		<u>–</u>	<u>3,975</u>	<u>–</u>	<u>3,975</u>
Subtotal for OMB INT		<u>–</u>	<u>41,028</u>	<u>–</u>	<u>41,028</u>
Title VII A –					
Ombudsman	93.042	<u>28,133</u>	<u>–</u>	<u>–</u>	<u>28,133</u>
Total AAA Funding		<u>\$ 228,511</u>	<u>\$ 21,854</u>	<u>\$ 22,336</u>	<u>\$ 470,701</u>

**NOTE 12. LIQUIDITY**

As part of the Alliance’s liquidity management, the Alliance maintains cash reserve accounts in excess of daily operating expense requirements. There are two cash reserve accounts, which are held as money market accounts. One of those accounts averages \$100,000 and the other has consistently remained at \$200,000. These accounts have no board, donor or contractual restrictions on them. In addition, the Alliance has financial assets of \$1,142,788, which are held in certificates of deposit and an investment pool of stocks and bonds. These assets are designated as board reserve but do not have any other donor or contractual restrictions. The goal of the Alliance is to maintain financial assets which can generate proceeds to fund agency priorities as identified by the board and equal to 6 months of operating expenses. Any and all of these investments can be made available if necessary. Cash that is received in excess of daily operating requirements, which includes 10% or \$10,000 of legacies received, is used to replenish the cash reserve accounts if necessary or placed in other short or long term investments.

## **SUPPLEMENTAL SCHEDULES**

**ALLIANCE ON AGING, INC.**  
SCHEDULE OF SUPPORT, REVENUES AND EXPENSES BY FUNCTION - WITHOUT DONOR RESTRICTIONS  
FOR THE YEAR ENDED JUNE 30, 2019

	PROGRAM SERVICES						SUPPORT SERVICES				Total
	HICAP	Ombudsman	Senior Peer Counseling	Tax Counseling	Outreach	Senior Luncheon	Transportation	Management & General	Fundraising	Spirals Benefit Store	
<b>SUPPORT AND REVENUES:</b>											
Contributions and grants	\$ -	\$ 3,698	\$ 2,950	\$ 1,000	\$ 18,565	\$ 7,510	\$ -	\$ 4,388	\$ 349,804	\$ 250	\$ 388,165
Legacies and bequests	-	-	-	-	-	-	-	-	53,300	-	53,300
Contract fees	273,553	182,979	279,204	34,958	97,266	-	47,124	-	-	-	915,084
In-kind revenue	52,977	65,358	116,601	163,925	1,050	6,925	-	2,374	-	107,085	516,295
Special events	-	-	-	-	-	-	-	-	52,645	-	52,645
Investment income - net	-	157	-	-	-	-	-	66,878	-	-	67,035
Miscellaneous income	-	-	-	-	-	-	-	4,161	-	-	4,161
Benefit shop sales	-	-	-	-	-	-	-	-	-	242,109	242,109
Rental Income	-	-	-	-	-	-	-	2,765	-	-	2,765
Net assets released from restrictions	-	-	-	-	-	-	-	50,000	-	-	50,000
<b>Total Support and Revenues</b>	<b>326,530</b>	<b>252,192</b>	<b>398,755</b>	<b>199,883</b>	<b>116,881</b>	<b>14,435</b>	<b>47,124</b>	<b>130,566</b>	<b>455,749</b>	<b>349,444</b>	<b>2,291,559</b>
<b>EXPENSES:</b>											
Cost of materials	-	-	-	-	-	-	-	-	-	90,285	90,285
Salaries and wages	150,466	161,217	105,080	31,598	76,103	-	39,047	208,306	103,794	87,227	962,838
Payroll taxes and benefits	24,950	32,074	15,403	3,902	17,107	-	7,489	32,846	18,477	13,359	165,607
In-kind expenses	52,977	65,358	116,601	163,925	1,050	6,925	-	2,374	-	16,800	426,010
Accounting, legal and consulting fees	225	975	112,350	875	206	925	-	25,050	3,500	-	144,106
Printing and publications	2,644	1,337	2,430	966	1,651	4	1,212	2,097	56,365	914	69,620
Travel, conference and training	4,732	6,906	3,030	1,108	-	-	2,911	4,114	781	431	24,013
Volunteer costs	-	-	1,955	13,164	-	-	-	-	-	-	15,119
Advertising and promotion	26,463	270	382	524	159	-	18	176	391	1,208	29,591
Telephone	4,637	3,890	2,660	547	705	-	1,285	5,162	1,184	3,216	23,286
Office supplies	4,471	709	698	1,952	620	20	500	6,577	1,228	3,347	20,122
Food and supplies	54	556	1,881	66	-	10,575	-	1,298	107	460	14,997
Occupancy	17,304	11,659	14,085	3,445	2,976	-	1,767	19,643	7,851	47,436	126,166
Insurance	2,496	1,200	1,200	600	2,138	-	636	3,252	828	4,366	16,716
Postage and shipping	1,468	84	65	29	150	54	100	909	3,411	101	6,371
Depreciation	8,124	300	972	-	4,392	-	-	6,516	-	(67)	20,237
Repairs and maintenance	3,594	414	735	249	315	1	213	1,013	299	165	6,998
Equipment purchases and rentals	128	105	84	11	63	2	592	556	4,487	60	6,088
Special events - Trashion Show	-	-	-	-	-	-	-	-	20,814	-	20,814
Dues and subscriptions	1,566	375	226	-	-	-	-	4,048	-	1,292	7,507
Outside services	5,971	2,725	3,660	769	979	452	495	12,208	11,463	8,594	47,316
Utilities	2,361	1,590	1,921	467	406	-	241	2,653	1,071	5,159	15,869
Miscellaneous	486	779	826	748	933	-	758	3,774	2,597	8,277	19,178
Interest expense	-	-	-	-	-	-	-	136	-	-	136
<b>Total expenses before administrative costs</b>	<b>315,117</b>	<b>292,523</b>	<b>386,244</b>	<b>224,945</b>	<b>109,953</b>	<b>18,958</b>	<b>57,264</b>	<b>342,708</b>	<b>238,648</b>	<b>292,630</b>	<b>2,278,990</b>
<b>ALLOCATED ADMINISTRATIVE COSTS</b>	<b>24,848</b>	<b>13,933</b>	<b>14,568</b>	<b>4,000</b>	<b>8,844</b>	<b>1,000</b>	<b>1,000</b>	<b>(73,193)</b>	<b>-</b>	<b>5,000</b>	<b>-</b>
<b>TOTAL EXPENSES</b>	<b>339,965</b>	<b>306,456</b>	<b>400,812</b>	<b>228,945</b>	<b>118,797</b>	<b>19,958</b>	<b>58,264</b>	<b>269,515</b>	<b>238,648</b>	<b>297,630</b>	<b>2,278,990</b>
<b>EXCESS (DEFICIENCY) OF SUPPORT AND REVENUES OVER EXPENSES</b>	<b>\$ (13,435)</b>	<b>\$ (54,264)</b>	<b>\$ (2,057)</b>	<b>\$ (29,062)</b>	<b>\$ (1,916)</b>	<b>\$ (5,523)</b>	<b>\$ (11,140)</b>	<b>\$ (138,949)</b>	<b>\$ 217,101</b>	<b>\$ 51,814</b>	<b>\$ 12,569</b>

See Notes to Financial Statements.

**ALLIANCE ON AGING, INC.**  
**SCHEDULE OF SUPPORT, REVENUES AND EXPENSES BY FUNCTION-WITHOUT DONOR RESTRICTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	PROGRAM SERVICES						SUPPORT SERVICES				Total
	HICAP	Ombudsman	Senior Peer Counseling	Tax Counseling	Outreach	Senior Luncheon	Transportation	Management & General	Fundraising	Spirals Benefit Store	
<b>SUPPORT AND REVENUES:</b>											
Contributions and grants	\$ -	\$ 3,158	\$ 5,000	\$ 700	\$ 13,700	\$ 6,227	\$ -	\$ -	\$ 366,510	\$ 500	\$ 395,795
Legacies and bequests	-	-	-	-	-	-	-	-	71,632	-	71,632
Contract fees	272,037	121,457	278,969	34,062	74,871	-	13,946	-	-	-	795,342
In-kind revenue	53,542	57,315	110,805	135,119	-	7,224	-	2,417	-	109,910	476,332
Special events	-	-	-	-	-	-	-	-	39,240	-	39,240
Investment income - net	-	760	-	-	-	-	-	13,126	-	-	13,886
Miscellaneous income	-	-	-	-	-	-	-	409	-	1,977	2,386
Benefit shop sales	-	-	-	-	-	-	-	-	-	238,594	238,594
Rental Income	-	-	-	-	-	-	-	13,380	-	-	13,380
<b>Total Support and Revenues</b>	<b>325,579</b>	<b>182,690</b>	<b>394,774</b>	<b>169,881</b>	<b>88,571</b>	<b>13,451</b>	<b>13,946</b>	<b>29,332</b>	<b>477,382</b>	<b>350,981</b>	<b>2,046,587</b>
<b>EXPENSES:</b>											
Cost of materials	-	-	-	-	-	-	-	-	-	89,439	89,439
Salaries and wages	178,437	154,726	139,454	20,891	59,841	-	10,061	109,872	99,839	124,673	897,794
Payroll taxes and benefits	29,900	27,316	19,957	1,552	15,507	21	868	38,422	17,891	17,219	168,653
In-kind expenses	53,541	57,315	110,805	135,119	-	7,225	-	2,417	-	20,065	386,487
Accounting, legal and consulting fees	113	1,388	115,050	913	188	-	-	23,963	3,500	-	145,115
Printing and publications	1,740	1,876	1,347	129	2,055	112	-	707	52,158	2,363	62,487
Travel, conference and training	4,842	5,304	2,829	1,247	-	-	46	1,496	1,052	80	16,896
Volunteer costs	-	-	1,875	12,022	-	-	-	-	-	-	13,897
Advertising and promotion	17,804	1,402	519	652	603	85	1,490	1,058	2,280	1,151	27,044
Telephone	5,986	4,390	1,723	576	1,222	-	380	3,246	831	3,083	21,437
Office supplies	1,903	1,330	1,336	2,742	391	-	79	6,019	1,211	3,090	18,101
Food and supplies	24	476	939	58	8	8,882	-	1,883	122	927	13,319
Occupancy	18,101	5,903	7,538	4,685	2,742	-	1,390	29,935	8,997	45,015	124,306
Insurance	2,736	1,200	1,200	600	2,616	-	-	2,995	828	3,984	16,159
Postage and shipping	581	38	189	9	130	19	-	890	3,135	147	5,138
Depreciation	6,760	291	951	-	4,288	-	-	3,526	-	2,027	17,843
Repairs and maintenance	684	273	342	68	68	-	-	1,889	6	385	3,715
Equipment purchases and rentals	5,535	1,840	588	-	57	-	-	-	-	-	8,020
Dues and subscriptions	1,559	375	217	-	-	-	100	3,391	-	711	6,353
Outside services	6,119	3,472	3,615	648	803	1,593	-	15,755	11,569	6,764	50,338
Utilities	2,109	726	887	491	334	-	110	3,310	1,064	4,883	13,914
Miscellaneous	365	552	484	835	1,218	205	122	4,176	1,934	8,925	18,816
Interest expense	-	-	-	-	-	-	-	281	-	-	281
<b>Total expenses before administrative costs</b>	<b>338,839</b>	<b>270,193</b>	<b>411,845</b>	<b>183,237</b>	<b>92,071</b>	<b>18,142</b>	<b>14,646</b>	<b>255,231</b>	<b>206,417</b>	<b>334,931</b>	<b>2,125,552</b>
<b>ALLOCATED ADMINISTRATIVE COSTS</b>	<b>20,603</b>	<b>7,454</b>	<b>14,800</b>	<b>4,000</b>	<b>6,144</b>	<b>1,000</b>	<b>1,000</b>	<b>(60,001)</b>	<b>-</b>	<b>5,000</b>	<b>-</b>
<b>TOTAL EXPENSES</b>	<b>359,442</b>	<b>277,647</b>	<b>426,645</b>	<b>187,237</b>	<b>98,215</b>	<b>19,142</b>	<b>15,646</b>	<b>195,230</b>	<b>206,417</b>	<b>339,931</b>	<b>2,125,552</b>
<b>EXCESS (DEFICIENCY) OF SUPPORT AND REVENUES OVER EXPENSES</b>	<b>\$ (33,863)</b>	<b>\$ (94,957)</b>	<b>\$ (31,871)</b>	<b>\$ (17,356)</b>	<b>\$ (9,644)</b>	<b>\$ (5,691)</b>	<b>\$ (1,700)</b>	<b>\$ (165,898)</b>	<b>\$ 270,965</b>	<b>\$ 11,050</b>	<b>\$ (78,965)</b>

See Notes to Financial Statements.