

**HUDSON COMMUNITY FOUNDATION**

**FINANCIAL REPORT**

**DECEMBER 31, 2014 and 2013**

# HUDSON COMMUNITY FOUNDATION

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## Independent Auditors' Report

To the Board of Directors  
Hudson Community Foundation  
Hudson, Ohio

We have audited the accompanying financial statements of Hudson Community Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' 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 auditors' 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 entity'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 Hudson Community Foundation as of December 31, 2014 and 2013, 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.

## **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of functional expenses on pages 16-17 are presented for purposes of additional analysis and are 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.

*Meloney + Novotny LLC*

Canton, Ohio  
July 8, 2015

HUDSON COMMUNITY FOUNDATION  
STATEMENTS OF FINANCIAL POSITION

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b><u>ASSETS</u></b>		
Cash	\$ 699,675	\$ 664,784
Investments	13,426,489	8,711,340
Contributions receivable, net	356,175	493,406
Property and equipment:		
Leasehold improvements, net of accumulated amortization of \$64,539 and \$52,897	86,360	98,002
Computer equipment, net of accumulated depreciation of \$0 and \$2,074	-	959
Property and equipment, net	<u>86,360</u>	<u>98,961</u>
 TOTAL ASSETS	 <b><u>\$ 14,568,699</u></b>	 <b><u>\$ 9,968,491</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 2,325
Grant payable	-	2,500
Funds held as agency endowments	<u>53,242</u>	<u>53,251</u>
Total liabilities	53,242	58,076
 <b>NET ASSETS</b>		
Unrestricted:		
General purpose funds	244,079	514,724
Donor advised funds	8,664,601	3,877,166
Designated funds	4,676,066	4,423,560
Field of interest funds	<u>109,064</u>	<u>78,464</u>
Total unrestricted	13,693,810	8,893,914
Temporarily restricted	<u>821,647</u>	<u>1,016,501</u>
Total net assets	<u>14,515,457</u>	<u>9,910,415</u>
 TOTAL LIABILITIES AND NET ASSETS	 <b><u>\$ 14,568,699</u></b>	 <b><u>\$ 9,968,491</u></b>

The accompanying notes are an integral part of these financial statements.

HUDSON COMMUNITY FOUNDATION

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2014 and 2013

	<u>Year Ended December 31, 2014</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND INVESTMENT ACTIVITY</b>			
Total direct public support	\$ 5,471,473	\$ 109,330	\$ 5,580,803
Less: amounts for agency transactions	1,000	-	1,000
Direct public support	<u>5,470,473</u>	<u>109,330</u>	<u>5,579,803</u>
Total interest and dividend income, net	129,720	4,106	133,826
Less: amounts for agency transactions	990	-	990
Interest and dividend income, net	<u>128,730</u>	<u>4,106</u>	<u>132,836</u>
Total realized and unrealized gains on investments	419,445	6,447	425,892
Less: amounts for agency transactions	201	-	201
Realized and unrealized gains on investments	<u>419,244</u>	<u>6,447</u>	<u>425,691</u>
Special events (net of expense of \$11,902 and \$16,931, respectively)	16,761	4,672	21,433
(Loss) on disposal of property and equipment	(352)	-	(352)
Net assets released from restrictions	<u>319,409</u>	<u>(319,409)</u>	<u>-</u>
Total revenue and investment activity	<u>6,354,265</u>	<u>(194,854)</u>	<u>6,159,411</u>
<b>EXPENSES</b>			
Program services	1,388,550	-	1,388,550
Management and general	91,230	-	91,230
Fundraising	<u>74,589</u>	<u>-</u>	<u>74,589</u>
Total expenses	<u>1,554,369</u>	<u>-</u>	<u>1,554,369</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	4,799,896	(194,854)	4,605,042
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>8,893,914</u>	<u>1,016,501</u>	<u>9,910,415</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 13,693,810</u>	<u>\$ 821,647</u>	<u>\$ 14,515,457</u>

The accompanying notes are an integral part of these financial statements.

HUDSON COMMUNITY FOUNDATION

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2014 and 2013

	<u>Year Ended December 31, 2013</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND INVESTMENT ACTIVITY</b>			
Total direct public support	\$ 1,238,352	\$ 132,342	\$ 1,370,694
Less: amounts for agency transactions	51,000	-	51,000
Direct public support	1,187,352	132,342	1,319,694
Total interest and dividend income, net	48,590	5,114	53,704
Less: amounts for agency transactions	1,163	-	1,163
Interest and dividend income, net	47,427	5,114	52,541
Total realized and unrealized gains on investments	1,191,202	30,086	1,221,288
Less: amounts for agency transactions	1,088	-	1,088
Realized and unrealized gains on investments	1,190,114	30,086	1,220,200
Special events (net of expense of \$2,115 and \$383,352, respectively)	23,329	7,841	31,170
Other revenue	3,940	-	3,940
Net assets released from restrictions	674,796	(674,796)	-
Total revenue and investment activity	3,126,958	(499,413)	2,627,545
<b>EXPENSES</b>			
Program services	912,521	-	912,521
Management and general	78,092	-	78,092
Fundraising	54,471	-	54,471
Total expenses	1,045,084	-	1,045,084
<b>INCREASE (DECREASE) IN NET ASSETS</b>	2,081,874	(499,413)	1,582,461
<b>NET ASSETS, BEGINNING OF YEAR</b>	6,812,040	1,515,914	8,327,954
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 8,893,914</b>	<b>\$ 1,016,501</b>	<b>\$ 9,910,415</b>

The accompanying notes are an integral part of these financial statements.

HUDSON COMMUNITY FOUNDATION

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 4,605,042	\$ 1,582,461
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Realized and unrealized (gain) on investments, net	(425,892)	(1,221,288)
Non-cash contributions of investments	(1,238,347)	(499,744)
Loss on disposal of property and equipment	352	-
Depreciation and amortization expense	12,249	12,249
Decrease (increase) in:		
Contributions receivable	137,231	554,820
Increase (decrease) in:		
Accounts payable	(2,325)	2,325
Grant payable	(2,500)	(2,500)
Funds held as agency endowments	(9)	53,251
Net cash provided by operating activities	<u>3,085,801</u>	<u>481,574</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) in investments	<u>(3,050,910)</u>	<u>(737,904)</u>
Net cash (used) by investing activities	<u>(3,050,910)</u>	<u>(737,904)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	34,891	(256,330)
<b>CASH, beginning of year</b>	<u>664,784</u>	<u>921,114</u>
<b>CASH, end of year</b>	<u>\$ <u>699,675</u></u>	<u>\$ <u>664,784</u></u>

The accompanying notes are an integral part of these financial statements.



## HUDSON COMMUNITY FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### **Organization and Summary of Significant Accounting Policies**

- A. Nature of activities – Established in 2000, Hudson Community Foundation ("Foundation") is a not-for-profit organization that administers unrestricted funds, donor advised funds, designated funds, field of interest funds, and project funds that benefit charitable organizations in Hudson, Ohio and around the country. The mission of the Foundation is to preserve and enhance the quality of life for all citizens of Hudson, Ohio, now and for generations to come by empowering simple, smart and meaningful philanthropy.
- B. Basis of presentation – Accounting standards provide that not-for-profit organizations, including foundations, should classify net assets into categories based on the existence or absence of donor-imposed restrictions. These categories are defined as follows:

Unrestricted net assets – Unrestricted net assets result from public support and revenue not subject to donor-imposed restrictions. Unrestricted net assets are presented in the following categories:

*General purpose funds* – Funds from donors who want the Board of Directors to use their discretion to make charitable grants to nonprofits.

*Donor advised funds* – Funds which enable donors to recommend grants to the Board of Directors for organizations and causes that they wish to support.

*Designated funds* – Funds which are for specific charitable organizations as designated by the Board of Directors to receive annual grant income from a fund.

*Field of interest funds* – Funds which require the Board of Directors to make charitable grants to nonprofit agencies within a broad area defined by the donor.

Temporarily restricted net assets – Temporarily restricted net assets are resources, the use of which has been restricted by the donors or grantors for a specific time period or purpose. When a stipulated restriction ends, the temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Permanently restricted net assets – Permanently restricted net assets consist of amounts held in perpetuity. There were no permanently restricted net assets at December 31, 2014 and 2013.

## HUDSON COMMUNITY FOUNDATION

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

#### **Organization and Summary of Significant Accounting Policies (continued)**

- C. Concentrations – Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and investments. The Foundation maintains its cash in banks at levels, that at times, may exceed federally insured limits. The Foundation's investments are subject to market fluctuations.
- D. Contributions receivable – Contributions receivable are recorded at the net realizable value, which approximates the present value of their estimated future cash flows.
- E. Investments – Investments are reported at fair value. Fair value is 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. Investment income and realized and unrealized gains and losses on investments are reported as unrestricted revenues in the statements of activities unless there is a donor restriction relating to such amounts. See Note 3 for discussion of fair value measurements.
- F. Property and equipment – Property and equipment are recorded at cost at the date of acquisition or fair value at the date of donation. Depreciation and amortization are provided using straight-line method over the estimated useful lives of the assets, ranging from 5 to 16 years. Routine expenditures for repairs and maintenance are expensed as incurred.
- Depreciation and amortization expense for property and equipment was \$12,249 for each of the years ended December 31, 2014 and 2013.
- G. Funds Held as Agency Endowments – Accounting standards provide guidance for transactions in which a donor transfers assets to a not-for-profit organization that accepts the assets from the donor and agrees to transfer those assets, the return on investment, or both, to a donor or another entity specified by the donor. Pursuant to these standards, certain agency endowment funds received by Hudson Community Foundation are considered liabilities, rather than net assets of Hudson Community Foundation.
- H. Direct Public Support – Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions of investments are reported at fair value on the date received. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.
- I. Noncash contributions – The Foundation recognizes contributed services at fair value if the services received a) create or enhance long-lived assets or b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in

## HUDSON COMMUNITY FOUNDATION

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

#### **Organization and Summary of Significant Accounting Policies (continued)**

I. Noncash contributions – continued

expenses. Contributed services are included in the accompanying Statements of Activities for \$28,500 and \$22,800 during the years ended December 31, 2014 and 2013, respectively.

In addition, the Foundation received in-kind rent in conjunction with the building lease (see Note 1).

J. Functional allocation of expenses – The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

K. Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

L. Income taxes – The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. No provision for federal income tax was recorded for the years ended December 31, 2014 and 2013. The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

As of December 31, 2014, the Foundation's tax years from 2011 and thereafter remain subject to examination by the Internal Revenue Service, as well as applicable state taxing authorities.

M. Reclassification – Certain information previously presented has been reclassified to conform to the current presentation.

N. Subsequent events – The Foundation has evaluated subsequent events through July 8, 2015, the date on which the financial statements were available to be issued.

HUDSON COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 1. Contributions Receivable**

A donor has agreed to contribute the use of the building under certain conditions specified in the lease agreement. The Foundation will pay \$100 per year for the use of the building. Accordingly, the Foundation has recognized a contribution receivable and related contribution income at the net present value of the remaining rent free payments to be received over the remaining lease term. As of December 31, 2014 and 2013, the receivable amounted to \$259,754 and \$285,341, respectively. A discount rate estimated at 3.38% was utilized.

The Foundation also has pledges and contributions receivable which are discounted at 3.38%.

Amounts receivable at December 31, 2014 are summarized as follows:

	<u>Rent Receivable</u>	<u>Pledges and Contributions</u>	<u>Total</u>
Less than one year	\$ 27,177	\$ 134,161	\$ 161,338
One to five years	186,532	2,336	188,868
Greater than five years	<u>79,258</u>	<u>-</u>	<u>79,258</u>
	292,967	136,497	429,464
Allowance for doubtful pledges	-	(40,000)	(40,000)
Discount to present value	<u>(33,213)</u>	<u>(76)</u>	<u>(33,289)</u>
Net present value of contributions receivable	\$ <u>259,754</u>	\$ <u>96,421</u>	\$ <u>356,175</u>

Amounts receivable at December 31, 2013 are summarized as follows:

	<u>Rent Receivable</u>	<u>Pledges and Contributions</u>	<u>Total</u>
Less than one year	\$ 27,381	\$ 122,634	\$ 150,015
One to five years	181,084	89,840	270,924
Greater than five years	<u>118,808</u>	<u>-</u>	<u>118,808</u>
	327,273	212,474	539,747
Allowance for doubtful pledges	-	-	-
Discount to present value	<u>(41,932)</u>	<u>(4,409)</u>	<u>(46,341)</u>
Net present value of contributions receivable	\$ <u>285,341</u>	\$ <u>208,065</u>	\$ <u>493,406</u>

HUDSON COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 2. Investment Income**

The components of net investment income are as follows for the years ended December 31:

	<u>2014</u>	<u>2013</u>
Interest and dividend income	\$ 250,526	\$ 141,786
Realized/unrealized gains	<u>425,691</u>	<u>1,220,200</u>
	676,217	1,361,986
Less investment management fees	<u>(117,690)</u>	<u>(89,245)</u>
Investment income, net	<u>\$ 558,527</u>	<u>\$ 1,272,741</u>

**Note 3. Fair Value of Financial Instruments**

The Foundation estimates the fair value of financial instruments using available market information and other generally accepted valuation methodologies. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are classified into three levels:

- Level 1 – Quoted market prices in active markets for identical assets and liabilities
- Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3 – Unobservable inputs in which little or no market data exists

The asset's or liability's fair value measurement level is based on the lowest level of any input that is significant to the fair value measurement.

The following methods and assumptions were used to determine the fair value of each class of financial instruments:

- *Money market funds:* Valued at \$1 per unit including applicable interest and fees.

HUDSON COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 3. Fair Value of Financial Instruments (continued)**

- *Mutual funds, common stocks, corporate and government bonds, and other investments:* Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. There have been no changes in the methodologies used from 2013 to 2014. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets and liabilities measured on a recurring basis at December 31, 2014 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ 1,724,542	\$ -	\$ -	\$ 1,724,542
Mutual funds	4,012,987	-	-	4,012,987
Common stocks	5,342,810	-	-	5,342,810
Corporate bonds	348,161	-	-	348,161
Government bonds	325,361	-	-	325,361
Exchange traded funds	<u>1,672,628</u>	<u>-</u>	<u>-</u>	<u>1,672,628</u>
<b>Total</b>	<b>\$ <u>13,426,489</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>13,426,489</u></b>

Fair values of assets and liabilities measured on a recurring basis at December 31, 2013 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ 859,304	\$ -	\$ -	\$ 859,304
Mutual funds	1,118,629	-	-	1,118,629
Common stocks	4,466,960	-	-	4,466,960
Corporate bonds	310,397	-	-	310,397
Government bonds	395,516	-	-	395,516
Exchange traded funds	1,528,627	-	-	1,528,627
Real estate investment trusts	<u>31,907</u>	<u>-</u>	<u>-</u>	<u>31,907</u>
<b>Total</b>	<b>\$ <u>8,711,340</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>8,711,340</u></b>

HUDSON COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 4. Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for time and/or purpose and are as follows at December 31:

	<u>2014</u>	<u>2013</u>
Community projects	\$ 465,472	\$ 523,095
Contributions receivable – restricted by time	<u>356,175</u>	<u>493,406</u>
	<u>\$ 821,647</u>	<u>\$ 1,016,501</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by the donors as follows during the years ended December 31:

	<u>2014</u>	<u>2013</u>
Community projects	\$ 182,178	\$ 119,976
Time restrictions	<u>137,231</u>	<u>554,820</u>
	<u>\$ 319,409</u>	<u>\$ 674,796</u>

**Note 5. Endowment Funds**

The Foundation's endowment consists of approximately 60 individual funds established for a variety of purposes. The Foundation classifies these funds as unrestricted net assets; however, the Foundation manages funds established by donors as endowed funds in accordance with terms set forth in the individual fund agreements. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

The Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk, which includes a mix of cash, fixed income and equity securities.

Endowment funds are appropriated based on an approval process through the Board of Directors. Specific committees and donors recommend amounts to be disbursed from the accumulated earnings of the endowment funds, which are then approved for appropriation by the Board of Directors.

HUDSON COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 5. Endowment Funds (continued)**

Changes in endowment net assets:

	<u>Unrestricted</u>
Endowment net assets, January 1, 2013	\$ 6,812,040
Investment return:	
Investment income, net	47,427
Realized/unrealized gains	<u>1,190,114</u>
Total investment return	1,237,541
Contributions and other revenue	1,214,621
Net assets released from restrictions	674,796
Appropriations of endow- ment assets for expenditure	<u>(1,045,084)</u>
Endowment net assets, December 31, 2013	8,893,914
Investment return:	
Investment income, net	128,730
Realized/unrealized gains	<u>419,244</u>
Total investment return	547,974
Contributions and other revenue	5,486,882
Net assets released from restrictions	319,409
Appropriations of endow- ment assets for expenditure	<u>(1,554,369)</u>
Endowment net assets, December 31, 2014	\$ <u>13,693,810</u>



HUDSON COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 6. Operating Leases**

The Foundation has a building lease agreement whereby the Foundation is required to pay \$100 annually over a sixteen year lease term through November 2022 (see Note 1).

The following is a schedule of future minimum payments required under this lease:

<u>Years ending December 31,</u>	
2015	\$ 100
2016	100
2017	100
2018	100
2019	100
Thereafter	<u>242</u>
	\$ <u>742</u>

Rent expense for the years ended December 31, 2014 and 2013 amounted to \$33,206 and \$31,360, respectively, which includes the fair value of the space occupied that is being contributed by the lessor.

The Foundation subleases space in the leased building to three tenants for \$75 annual rent.

In addition, the Foundation had a copier operating lease agreement that ended in 2013. Total lease expense was \$672 for the year ended December 31, 2013.

HUDSON COMMUNITY FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2014 and 2013

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- raising</u>	<u>Total</u>
<b>FUNCTIONAL EXPENSES</b>				
Total grant expenditures	\$ 1,272,067	\$ -	\$ -	\$ 1,272,067
Less: amounts for agency transactions	2,200	-	-	2,200
Grant expenditures	<u>1,269,867</u>	<u>-</u>	<u>-</u>	<u>1,269,867</u>
Community events	38,239	-	-	38,239
Salaries	21,769	21,768	22,428	65,965
Occupancy	8,889	17,780	8,890	35,559
Professional fees	16,422	24,633	-	41,055
Miscellaneous	-	1,744	886	2,630
Depreciation and amortization	3,062	6,125	3,062	12,249
Computer systems	9,157	9,433	9,157	27,747
Outside services	3,893	3,893	4,011	11,797
Supplies and postage	395	395	1,845	2,635
Fundraising	-	-	464	464
Newsletter	-	-	9,142	9,142
Payroll taxes	1,843	1,843	1,899	5,585
Advertising	-	-	9,839	9,839
Insurance	13,616	1,431	1,474	16,521
Office supplies	525	1,312	788	2,625
Printing	301	301	602	1,204
Telephone	100	100	102	302
Service charges	<u>472</u>	<u>472</u>	<u>-</u>	<u>944</u>
<b>Total expenses</b>	<b>\$ <u>1,388,550</u></b>	<b>\$ <u>91,230</u></b>	<b>\$ <u>74,589</u></b>	<b>\$ <u>1,554,369</u></b>

HUDSON COMMUNITY FOUNDATION

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2014 and 2013

FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- raising</u>	<u>Total</u>
<b>FUNCTIONAL EXPENSES</b>				
Total grant expenditures	\$ 808,322	\$ -	\$ -	\$ 808,322
Less: amounts for agency transactions	-	-	-	-
Grant expenditures	808,322	-	-	808,322
Community events	45,083	-	-	45,083
Salaries	19,058	19,058	19,636	57,752
Occupancy	8,030	16,061	8,030	32,121
Professional fees	13,400	20,100	-	33,500
Miscellaneous	-	358	298	656
Depreciation and amortization	3,062	6,125	3,062	12,249
Computer systems	4,451	4,586	4,451	13,488
Outside services	559	559	575	1,693
Supplies and postage	490	490	2,285	3,265
Fundraising	-	-	2,883	2,883
Newsletter	-	-	4,865	4,865
Payroll taxes	1,615	1,615	1,663	4,893
Advertising	-	-	3,594	3,594
Insurance	1,134	1,134	1,168	3,436
Office supplies	458	1,146	688	2,292
Printing	671	671	1,340	2,682
Telephone	(65)	(65)	(67)	(197)
Service charges	6,253	6,254	-	12,507
<b>Total expenses</b>	<b>\$ 912,521</b>	<b>\$ 78,092</b>	<b>\$ 54,471</b>	<b>\$ 1,045,084</b>