

City of Biddeford
Social Service Committee
July 19, 2017 4:00 PM City Hall, 2nd Floor Conference Room

Committee Members: Mayor Casavant, Laura Seaver, Stephen St. Cyr, Robert Quattrone

- 1. Call to Order**
- 2. Adjustments to the Agenda**
- 3. Discussion/Approval**
 - 3.1. Review of Agency Requests
 - [CDBG Year 5 Action Plan.pdf](#)
 - [Americian Red Cross - Application.pdf](#)
 - [Biddeford Food Pantry - Application.pdf](#)
 - [Bon Appetit Community Meal Program - Application.pdf](#)
 - [Caring Unlimited - Application.pdf](#)
 - [Community Bicycle Center - Application.pdf](#)
 - [Day One - Application.pdf](#)
 - [In-A-Pinch Non-Food Pantry - Application.pdf](#)
 - [Kids Free to Grow - Application.pdf](#)
 - [MaineHealth Care at Home - Application.pdf](#)
 - [Seeds of Hope Neighborhood Center - Application.pdf](#)
 - [Southern Maine Agency on Aging \(SMAA\) - Application.pdf](#)
 - [Sweetser - Application.pdf](#)
 - 3.2. Allocation of Funds
 - [Social Services - Historical Allocations 2012 through 2016.pdf](#)
 - [Social Services - Allocation Worksheet 2017-2018.pdf](#)
 - 3.3. Allocation of Funds - Award Decision
- 4. Other Business**
- 5. Adjourn**

CDBG REVISED BUDGET

YEAR 5 ACTION PLAN

JULY 1st, 2017 to JUNE 30th, 2018

Infrastructure

Sidewalks \$156,551 (\$111,594 + 44,957)

Housing

Housing Program \$ 111,594

Economic Dev.

Micro Enterprise
Loan Program \$ 22,000

Social Services

MaineWay, Inc. \$ 15,900 Representative Payee Program

Seeds of Hope \$ 14,900 Seeds of Hope Career Center

SMAA \$ 14,900 Meals on Wheels Program

Learning Works \$ 11,900 Graffiti Busters Program (requested \$15,000)

ArtVan of ME \$ 5,996 ArtVan Program for Youths (requested \$6,522)

My Sister's Keeper \$ 3,360 Women Reentering Community from Correctional System
(at Center)

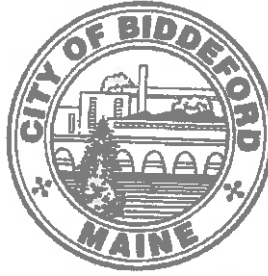
Total Social Services - \$66,956 (15% cap)

Administration

Administration \$ 89,275 (20% cap)

Total \$ 446,376

Please note: Seeds of Hope receives CDBG funding for the Career Center. They are applying for Social Service funding for their meal program NOT the Career Center.



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: American Red Cross

Principal Address: 2401 Congress Street
Portland ME 04102

Executive Director: Pat Murtagh

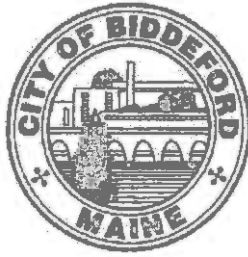
Contact Person/Phone Number: Caroline King 207 272 9561

Est. Total Agency Budget
for 2016/2017: \$ 2,956,695

Actual 2015/2016 Budget: \$ 2,956,695.

Amount requested from the
City of Biddeford: \$ 2500

What percent of your annual
budget does this request equal: less than 1%



**City of Biddeford
General Assistance**

205 Main Street, Biddeford ME 04005
Phone: (207) 284-9514 Fax: (207) 571-0675

May 22, 2017

Dear Provider,

The City of Biddeford is now accepting applications for Social Service Funding FY 2017/2018.

If you would like to request funding, please complete the enclosed application. To access the application online, visit www.biddefordmaine.org.

Completed applications and all supporting documents should be delivered or mailed to:

City of Biddeford
205 Main Street
Biddeford, ME 04005
Attn: Kristen Barth

Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. It is important that you provide a hard copy of the application and all supporting documents.

The Social Service Budget Review Committee will meet to review the applications and determine the amounts to be appropriated. Allocations will be determined using specific criteria included in the enclosed application. Agency representatives may be asked to meet with the Social Service Budget Review Committee to provide further information.

If you have any questions, please do not hesitate to contact me at (207) 284-9514 or kristen.barth@biddefordmaine.org.

Thank you for your continued assistance to our citizens in need.

Sincerely,

Kristen Barth
General Assistance Administrator

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses: _____

The American Red Cross provides the full cycle of disaster services including preparedness & prevention, and immediate disaster response.

How is that need determined or measured? _____

Disaster relief is provided to those with disaster-caused need for basic human needs. Examples include: temporary shelter, clothing, food and medications, along with disaster mental health support.

How is your program attempting to meet that need and what is the outcome that you expect to achieve?

(Please be as specific as possible) _____

The Red Cross responds to home fires & other disasters, as needed, in collaboration with local fire departments and emergency management.

What process does your agency undertake annually to evaluate the effectiveness of your program (s)?

We conduct client satisfaction surveys for those we assist.

Client eligibility criteria: All people are eligible for disaster relief services regardless of income.

Services are based on verified disaster-caused needs.

Describe fee structure: _____

All disaster prevention, preparedness and relief services are provided free of charge.

Describe services provided: Temporary housing, food, clothing, medications and access to disaster mental health support

What accommodations are made to those applicants with zero income? _____

All people are eligible and we meet with clients at their home or other location, as appropriate.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year? No

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City: No facility. We maintain

of cadre of volunteers who respond typically from their homes to a scene of a fire or other disaster.

Define a unit of service as it pertains to the program: _____

We look at # of fires/disasters, # of families impacted by an event / # of total people and total amount of \$ provided directly to clients via direct client assistance card.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. _____

The Red Cross works with organizations across the area to provide additional support & referrals to our clients

How often are your books and/or financial records audited by an accounting firm or a third party professional? Annually.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal				
State				
County				
Municipal				
JTPA				
3 RD Party				
Fees/Tuition				
Private Insurance				
Endowments				
United Way				
Grants				
Other Income/Surplus				
In-kind Contributions				
Totals		2,956,695	2,956,965	2,956,965

See attached for details.

Total number of individuals served (unduplicated): 1011 (FY17)

Total number of units provided: \$ 222,627 direct client assistance

Total number of individuals served from Biddeford: 11 people

Percent of total client count that are residents of the City of Biddeford: .0099

What other municipalities provide financial assistance and how much does each provide? _____

We receive municipal support from approximately 350 towns in Maine for a total of \$100,000 in annual support

Do you receive funding from Biddeford's CDBG program? If yes, for what services? No

Per capita cost of service(s); each individual counted only once: The average cost of client assistance is \$225 per client.

Unit of service cost: direct client assistance

How many members of your agency have authority to decide where/how your funds will be spent?

Red Cross maintains a standard policy of how disaster funds are used & at what amount based on client need.
Of that group, how many are responsible for ensuring funds are used for the intended purpose?
1

Agencies **REQUIRED** to file yearly audits—include a copy of last audited financial statement.

Agencies **NOT REQUIRED** to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain. _____

No

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

*see attached memo
for Revenue & Expense
details.*

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: _____	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford				
Contributions				
Fund Raising				
Legacies and Bequests				
Contributed by Associated Organizations				
Government: Federal				
Government: State				
Government: County				
Government: Municipalities				
Membership dues				
Program Fees				
Sales of Materials				
Investment Income				
Miscellaneous Revenue				
TOTAL SUPPORT REVENUE				
OPERATING EXPENSES				
Salaries				
Employee Benefits				
Payroll Taxes, etc.				
Professional Fees				
Supplies				
Telephone				
Postage and Shipping				
Occupancy				
Rental and Maintenance of Equipment				
Printing and Publication				
Travel				
Conferences and Meetings				
Specific Assistance to Individuals				
Membership Dues				
Awards and Grants				
Miscellaneous				
TOTAL OPERATING EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES				
Payments to Affiliates				
Board Designations for Specific Future Use				
Depreciation Expenses				
TOTAL OF ALL EXPENSES				

** full-time staff will be noted as 1.00; half-time staff as 0.50; quarter-time staff as 0.25; and so on.
 All financial information rounded to the nearest dollar

AGENCY INDEPENDENT FUND RAISING SURVEY

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin--End Dates
Portland area Heroes Breakfast				April 2018
individual requests		—	\$1,057,585	on-going
corporate requests		—		on-going
foundation requests		—		on-going
United Way		—		June-June

Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following:

Description/Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin--End Dates

SECTION IV. VALIDATION

I, Caroline King _____, of American Red Cross _____
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as
Executive Director _____
(Title)

Caroline King Executive Director _____ 10/22/17 _____
Signature/Title Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

THE AMERICAN NATIONAL RED CROSS – Maine Region

Schedule of Operating Revenues and Expenses

Year ended June 30, 2016

Operating revenues and gains:	
Contributions:	
Corporate, foundation and individual giving	\$ 1,057,585
United Way and other federated	204,000
Legacies and bequests	51,388
Services and materials	160,756
Products and services	554,173
Contracts, including federal government	117,663
Investment income	20,837
Other revenues	7,933
Support from American National Red Cross chapter network	782,360
	<u>2,956,695</u>
Total operating revenues and gains	
Operating expenses:	
Program services:	
Services to the Armed Forces	161,042
Biomedical services	39,938
Domestic disaster services	1,405,555
Health and safety services	671,894
	<u>2,278,429</u>
Total program services	
Supporting services:	
Fundraising	509,143
Management and general	169,123
	<u>678,266</u>
Total supporting services	
Total operating expenses	
	<u>2,956,695</u>
Excess of operating revenues and expenses	\$ <u> </u>

See accompanying notes to schedule and independent auditors' report.



P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248219411
Jan. 15, 2016 LTR 4205C 0
53-0196605 000000 00
00016028
BODC: TE

AMERICAN NATIONAL RED CROSS
SHARED SERVICES CENTER
% JENNIFER HAWKINS
2025 E ST NW
WASHINGTON DC 20006

020256

Employer Identification Number: 53-0196605
Person to Contact: Laura A. Botkin
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 06, 2016, request for information regarding your tax-exempt status. You have represented that you are a chapter, branch or auxiliary of the American National Red Cross.

Our records indicate that in December 1938, the American National Red Cross was held to be exempt from Federal income tax under section 101(6) of the Internal Revenue Act of 1938, which now corresponds to section 501(c)(3) of the Internal Revenue Code. In a subsequent determination, the American Red Cross was classified as a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(a)(vi) of the Code.

Even though the American National Red Cross was issued an individual ruling, this ruling covers its chapters, branches, and auxiliaries.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1



THE AMERICAN NATIONAL RED CROSS

**Consolidated Financial Statements
with Schedule of Operating Revenues and Expenses
for the Maine Region**

June 30, 2016

(With Independent Auditors' Report Thereon)

THE AMERICAN NATIONAL RED CROSS
Consolidated Financial Statements
with Schedule of Operating Revenues and Expenses
for the Maine Region
June 30, 2016

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KPMG LLP
1676 International Drive
McLean, VA 22102

Independent Auditors' Report

The Board of Governors
The American National Red Cross:

We have audited the accompanying consolidated financial statements of The American National Red Cross (the Organization), which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The American National Red Cross as of June 30, 2016, and the changes in their net assets, their functional expenses and cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.



Report on Summarized Comparative Information

We have previously audited The American National Red Cross 2015 consolidated financial statements, and expressed an unmodified audit opinion on those consolidated financial statements in our report dated October 28, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information included in the Schedule is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

KPMG LLP

McLean, Virginia

October 27, 2016, except for the supplemental information included in the Schedule, which is as of December 5, 2016.

THE AMERICAN NATIONAL RED CROSS
Consolidated Statement of Financial Position
June 30, 2016
(with comparative information as of June 30, 2015)
(In thousands)

	2016	2015
Assets:		
Current assets:		
Cash and cash equivalents	\$ 83,344	\$ 119,322
Investments (Note 4)	475,624	397,845
Trade receivables, including grants, net of allowance for doubtful accounts of \$2,398 in 2016 and \$3,066 in 2015 (Note 11)	197,120	191,582
Contributions receivable, net (Note 2)	66,430	76,010
Inventories, net of allowance for obsolescence of \$833 in 2016 and \$7,298 in 2015	38,179	71,555
Other current assets	32,228	16,854
Total current assets	892,923	873,168
Investments (Note 4)	1,157,730	1,385,927
Contributions receivable, net (Note 2)	8,672	8,751
Land, buildings, and other property, net (Note 3)	879,168	845,053
Assets held for sale, net (Note 3)	50,662	117,078
Other assets (Note 9)	246,651	256,165
Total assets	\$ 3,235,806	\$ 3,486,142
Liabilities and Net Assets:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 251,737	\$ 260,977
Current portion of debt (Note 5)	30,715	41,809
Postretirement benefits (Note 10)	3,665	3,800
Other current liabilities (Note 9 and 11)	141,644	154,933
Total current liabilities	427,761	461,519
Debt (Note 5)	572,234	603,172
Pension and postretirement benefits (Note 10)	1,103,157	682,514
Other liabilities (Notes 5 and 9)	146,981	145,127
Total liabilities	2,250,133	1,892,332
Net assets (Notes 7 and 8):		
Unrestricted cash available for operations, net investment in land, buildings and other property, and other net assets	1,300,424	1,351,700
Pension and postretirement benefits and other long term liabilities	(1,724,876)	(1,302,024)
Unrestricted net assets	(424,452)	49,676
Temporarily restricted net assets	602,314	751,529
Permanently restricted net assets	807,811	792,605
Total net assets	985,673	1,593,810
Commitments and contingencies (Notes 4, 5, 6, 10, 11)		
Total liabilities and net assets	\$ 3,235,806	\$ 3,486,142

See accompanying Notes to consolidated financial statements.

THE AMERICAN NATIONAL RED CROSS

Consolidated Statement of Activities

Year ended June 30, 2016

(with summarized information for the year ended June 30, 2015)

(In thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Totals	
				2016	2015
Operating revenues and gains:					
Contributions:					
Corporate, foundation and individual giving	\$ 170,300	\$ 208,065	\$ 71	\$ 378,436	\$ 397,193
United Way and other federated	11,790	54,070	—	65,860	76,918
Legacies and bequests	61,616	9,829	25,379	96,824	105,810
Services and materials	51,016	10,337	—	61,353	23,744
Products and services:					
Biomedical	1,746,336	—	—	1,746,336	1,798,176
Program materials	132,606	—	—	132,606	126,883
Contracts, including federal government	74,119	—	—	74,119	66,088
Investment income (Note 4)	47,596	37,745	—	85,341	107,559
Other revenues	19,095	168	—	19,263	35,142
Net assets released from restrictions	400,157	(400,157)	—	—	—
Total operating revenues and gains	<u>2,714,631</u>	<u>(79,943)</u>	<u>25,450</u>	<u>2,660,138</u>	<u>2,737,513</u>
Operating expenses:					
Program services:					
Services to the Armed Forces	65,231	—	—	65,231	48,744
Biomedical services	1,736,307	—	—	1,736,307	1,869,188
Community services	33,164	—	—	33,164	43,128
Domestic disaster services	332,740	—	—	332,740	356,496
Health and safety services	148,310	—	—	148,310	146,590
International relief and development services	119,709	—	—	119,709	129,807
Total program services	<u>2,435,461</u>	<u>—</u>	<u>—</u>	<u>2,435,461</u>	<u>2,593,953</u>
Supporting services:					
Fund raising	169,676	—	—	169,676	180,934
Management and general	116,402	—	—	116,402	121,952
Total supporting services	<u>286,078</u>	<u>—</u>	<u>—</u>	<u>286,078</u>	<u>302,886</u>
Total operating expenses	<u>2,721,539</u>	<u>—</u>	<u>—</u>	<u>2,721,539</u>	<u>2,896,839</u>
Change in net assets from operations	(6,908)	(79,943)	25,450	(61,401)	(159,326)
Nonoperating investments gains(losses) (Note 4)	(66,869)	(69,272)	(10,244)	(146,385)	(55,005)
Pension-related changes other than net periodic benefit cost (Note 10)	(400,351)	—	—	(400,351)	(152,617)
Change in net assets	<u>(474,128)</u>	<u>(149,215)</u>	<u>15,206</u>	<u>(608,137)</u>	<u>(366,948)</u>
Net assets, beginning of year	49,676	751,529	792,605	1,593,810	1,960,758
Net assets, end of year	<u>\$ (424,452)</u>	<u>\$ 602,314</u>	<u>\$ 807,811</u>	<u>\$ 985,673</u>	<u>\$ 1,593,810</u>

See accompanying Notes to consolidated financial statements.

THE AMERICAN NATIONAL RED CROSS

Statement of Functional Expenses

Year ended June 30, 2016

(with summarized information for the year ended June 30, 2015)

(In thousands)

	Program services					Total Program Services
	Services to the Armed Forces	Biomedical Services	Community Services	Domestic Disaster Services	Health and Safety Services	
Salaries and wages	\$ 25,542	\$ 777,956	\$ 13,815	\$ 94,164	\$ 57,517	\$ 990,657
Employee benefits	6,772	206,257	3,663	24,965	15,249	262,849
Subtotal	32,314	984,213	17,478	119,129	72,766	1,253,306
Travel and maintenance	2,152	24,114	302	21,243	5,449	57,877
Equipment maintenance and rental	973	53,810	1,221	8,744	1,795	69,552
Supplies and materials	1,051	389,408	1,387	7,785	13,358	413,663
Contractual services	8,264	246,446	4,873	47,706	48,442	378,015
Financial and material assistance	19,245	2,364	6,732	119,536	1,206	210,601
Depreciation and amortization	1,232	35,952	1,171	8,597	5,294	52,447
Total expenses	\$ 65,231	\$ 1,736,307	\$ 33,164	\$ 332,740	\$ 148,310	\$ 2,435,461

	Supporting services		Total supporting services	Total expenses	
	Fund raising	Management and general		2016	2015
Salaries and wages	\$ 77,116	\$ 50,024	\$ 127,140	\$ 1,117,797	\$ 1,180,954
Employee benefits	20,445	13,263	33,708	296,357	346,860
Subtotal	97,561	63,287	160,848	1,414,154	1,527,814
Travel and maintenance	4,623	2,962	7,585	65,462	57,719
Equipment maintenance and rental	2,417	3,255	5,672	75,224	72,998
Supplies and materials	2,007	115	2,122	415,785	489,897
Contractual services	57,809	41,423	99,232	477,247	490,879
Financial and material assistance	576	667	1,243	211,844	193,726
Depreciation and amortization	4,683	4,693	9,376	61,823	63,806
Total expenses	\$ 169,676	\$ 116,402	\$ 286,078	\$ 2,721,539	\$ 2,896,839

See accompanying notes to the consolidated financial statements.

THE AMERICAN NATIONAL RED CROSS
Consolidated Statement of Cash Flows
Year ended June 30, 2016
(with comparative information for the year ended June 30, 2015)

(In thousands)

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ (608,137)	\$ (366,948)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	61,823	63,806
Provision for doubtful accounts receivable	(897)	(4,167)
Recovery of provision for obsolete inventory	(6,465)	3,466
Net (gain)/loss on sales of property	3,191	(846)
Net investment and derivative (gain) loss	94,549	(14,870)
Pension and postretirement related changes other than net periodic benefit costs	400,351	152,617
Permanently restricted contributions	(25,450)	(32,460)
Changes in operating assets and liabilities:		
Receivables	5,018	14,163
Inventories	39,841	33,958
Other assets	(5,858)	5,394
Accounts payable and accrued expenses	(9,240)	(19,892)
Other liabilities	(11,556)	18,780
Pension and postretirement benefits	20,157	9,861
Net cash used in operating activities	<u>(42,673)</u>	<u>(137,138)</u>
Cash flows from investing activities:		
Purchases of property	(60,311)	(31,831)
Proceeds from sales of property	1,322	2,435
Proceeds from properties held for sale	26,276	—
Purchases of investments	(454,668)	(60,379)
Proceeds from sales of investments	510,658	367,571
Net cash provided by investing activities	<u>23,277</u>	<u>277,796</u>
Cash flows from financing activities:		
Permanently restricted contributions	25,450	32,460
Proceeds from borrowings	—	2,100
Repayments of debt	(42,032)	(102,872)
Net cash used in financing activities	<u>(16,582)</u>	<u>(68,312)</u>
Net (decrease) increase in cash and cash equivalents	<u>(35,978)</u>	<u>72,346</u>
Cash and cash equivalents, beginning of year	119,322	46,976
Cash and cash equivalents, end of year	<u>\$ 83,344</u>	<u>\$ 119,322</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	\$ 24,975	\$ 25,997

See accompanying notes to consolidated financial statements.

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(1) Summary of Significant Accounting Policies

Organization and Basis of Presentation: The American National Red Cross (the Organization) was established by an Act of the United States Congress on January 5, 1905 for the primary purposes of furnishing volunteer aid to the sick and wounded of the Armed Forces in time of war and to carry on a system of national and international relief in time of peace to mitigate the suffering caused by fire, famine, floods and other great natural calamities. The mission of the Organization has expanded since that time to help people prevent, prepare for, and respond to emergencies.

The accompanying consolidated financial statements present the consolidated financial position and changes in net assets, functional expenses and cash flows of the Organization. The Organization has national and international programs that are conducted by its headquarters, biomedical services, and chartered local chapters. Also included in the consolidated financial statements are the net assets and operations of Boardman Indemnity Ltd., a 100% owned captive insurance subsidiary, ARC Receivables Company, LLC, a wholly owned bankruptcy-remote special purpose entity, and Delta Blood Bank, LLC, a wholly owned blood bank. All significant intra-organizational accounts and transactions have been eliminated.

Program activities include services to the Armed Forces, biomedical services, community services, disaster services, health and safety services, and international relief and development services. Biomedical services include activities associated with the collection, processing, testing, and distribution of whole blood and components at 36 local blood services region operations, three national testing laboratories, a biomedical research facility, and related national support functions.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions on their use that may be met either by actions of the Organization or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed or other legal restrictions requiring that the principal be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of the income earned for either general or donor-specified purposes.

The consolidated financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2015 from which the summarized information was derived.

Use of Estimates: The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements. Estimates and

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assumptions may also affect disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses. Actual results could differ from management's estimates.

Cash Equivalents: The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents consist of money market mutual funds and overnight investments of approximately \$64 million and \$92 million as of June 30, 2016 and 2015, respectively.

Investments: Investments are reported at fair value except for certain alternative investment funds that, as a practical expedient, are reported at estimated fair value utilizing net asset values. Net asset value, in some instances may not equal the fair value. The Organization does not intend to sell any of the funds at an amount different from net asset value per share at June 30, 2016. The Organization reviews and evaluates the net asset values provided by the general partners and fund managers and agrees with the valuation methods and assumptions used in determining net asset values of these funds.

In fiscal year 2016, the Organization adopted ASU 2015-07, Fair Value Measurement: Disclosures for Investments in Certain Entities that Calculate Net Asset Value (NAV) per Share (or its Equivalent). ASU 2015-07 removes the requirement to classify within the fair value hierarchy investments in certain funds measured at NAV as a practical expedient to estimate fair value. The ASU also requires that any NAV-measured investments excluded from the fair value hierarchy table be summarized as an adjustment to the table so that total investments can be reconciled to the consolidated statements of financial position. See Note 4.

Investment income classified as operating revenue consists of interest and dividend income on investments and any gains approved for use in operations (Note 4). All other realized and unrealized gains or losses are classified as nonoperating activities and are available to support operations in future years and to offset potential market declines.

Investments classified as current are available for operations in the next fiscal year.

Derivative Financial Instruments: The Organization makes use of derivative financial instruments in order to create or mitigate certain risks. Derivative financial instruments are recorded at fair value (Note 4). Derivatives in an asset and liability position are offset against each other and reported net in investments in the statement of financial position.

Endowment Fund: The Organization has maintained a national endowment fund since 1905. Since 1910, any gift to the American Red Cross National Headquarters from a will, trust or similar instrument that did not direct the use of the funds was deposited into the Endowment Fund, recorded as permanently restricted to be kept and invested in perpetuity and, accordingly, reported as permanently restricted net assets. In fiscal year 2015, the Organization adopted a new policy that gifts to the American Red Cross National Headquarters from a will, trust or similar instrument dated on or after July 1, 2015 without a direction to the application or purpose of the funds shall be allocated at the discretion of senior management to where the need is greatest. Such amounts will be reported as increases to unrestricted net assets. All gifts to the American Red Cross National Headquarters that are designated to be permanently

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restricted shall continue to be deposited into the Endowment Fund regardless of the date of the gift instrument.

Inventories: Inventories of supplies purchased for use in program and supporting services are valued using the average cost method. Whole blood and its components are valued at the lower of average cost or market.

Land, Buildings, and Other Property: Purchases of land, buildings, and other property having a unit cost per established guidelines and a useful life of three or more years are capitalized at cost. Donated assets are capitalized at the estimated fair value at date of receipt. Interest expense incurred during a period of construction, less related interest income earned on proceeds of tax-exempt borrowings, is capitalized.

Property under capital leases is amortized over the lease term. Any gain or loss on the sale of land, buildings and other property is reported as other revenues on the consolidated statement of activities.

Application development costs incurred to develop internal-use software are capitalized and amortized over the expected useful life of the software application. Activities that are considered application development include design of software configuration and interfaces, coding, installation of hardware, and testing. All other expenses incurred to develop internal-use software are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

<u>Class of property</u>	<u>Useful life In years</u>
Buildings	45
Building improvements	10
Equipment and software	3-15

Long-Lived Assets: Long-lived assets, such as land, building and other property, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset be tested for possible impairment, the Organization first compares undiscounted cash flows expected to be generated by an asset to the carrying value of the asset. If the carrying value of the long-lived asset is not recoverable on an undiscounted cash flow basis, an impairment loss is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

Property and Casualty Insurance: The Organization maintains various insurance policies under which it assumes a portion of each insured loss. Assumed losses are retained by the Organization through its wholly owned insurance subsidiary, Boardman Indemnity, Ltd. (Boardman). The Organization also purchases insurance to supplement the coverage by Boardman. The liabilities for outstanding losses and incurred but not reported claims have been determined based on actuarial studies and are reported as

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other liabilities in the consolidated statement of financial position, and were approximately \$91 million and \$92 million as of June 30, 2016 and 2015, respectively.

Revenue Recognition: Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Contributions receivable due beyond one year are stated at net present value of the estimated cash flows using a risk-adjusted rate. Conditional contributions are recorded when the conditions have been substantially met. Contributions are considered to be unrestricted unless specifically restricted by the donor.

The Organization reports contributions in the temporarily or permanently restricted net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are released and reclassified to unrestricted net assets in the consolidated statement of activities.

Donor-restricted contributions are initially reported in the temporarily restricted net asset class, even if it is anticipated such restrictions will be met in the current reporting period.

Products and services revenue, which arises principally from sales of whole blood and components and health and safety course fees, is generally recognized upon shipment of the product or delivery of the services to the customer.

Revenues from grants and contracts, including those from federal agencies, are generally reported as unrestricted contract revenue and are recognized as qualifying expenses are incurred under the agreement.

Gains and losses on investments and other assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Contributed Services and Materials: Contributed services reflect the important impact volunteers have in delivering the Organization's mission. Contributed services are reported at fair value in the financial statements for voluntary donations of services when those services (1) create or enhance nonfinancial assets or (2) require specialized skills provided by individuals possessing those skills and are services which would be typically purchased if not provided by donation.

The Organization engages approximately 314,000 volunteers. A small percentage of these volunteers meet the above criteria and are reported in contributed services. Contributed services for the year ended June 30, 2016 includes the services of approximately 11,200 volunteers. The Organization recorded contributed services revenue and related expense for the year ended June 30, 2016 of approximately \$36 million. During year ended June 30, 2016, the Organization developed systems to track the contributed services of certain volunteers meeting the above criteria for the first time. Of the \$36 million recorded in 2016, \$31 million related to these volunteers, primarily reflecting volunteer efforts in support of disaster services and services to the Armed Forces.

Contributed materials are recorded at their fair value at the date of the gift. Gifts of long-lived assets are recorded as restricted support. This restriction is released ratably over the useful life of the asset.

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Income Taxes: The American National Red Cross is a not-for-profit organization incorporated by the U.S. Congress through the issuance of a federal charter. The Organization 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. At June 30, 2016 and 2015, the Organization has determined that no income taxes are due for its activities. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated financial statements.

Accounts Receivable Securitization: The Organization has an accounts receivable securitization program that is accounted under Accounting Standards Update (ASU) No. 2009-16, *Transfers and Servicing (Topic 860): Accounting for Transfers of Financial Assets* (Note 11).

(2) Contributions Receivable

The Organization anticipates collection of outstanding contributions receivable as follows at June 30, 2016 and 2015 (in thousands):

	<u>2016</u>	<u>2015</u>
Amounts receivable within one year	\$ 69,264	79,074
Amounts receivable in 1 to 5 years (net of discount of \$771 and \$341 for 2016 and 2015, respectively)	<u>8,672</u>	<u>8,751</u>
Total contributions receivable before allowance for uncollectible amounts	77,936	87,825
Less allowance for uncollectible amounts	<u>(2,834)</u>	<u>(3,064)</u>
Contributions receivable, net	75,102	84,761
Less current portion	<u>66,430</u>	<u>76,010</u>
Contributions receivable, net, noncurrent	<u>\$ 8,672</u>	<u>8,751</u>

Amounts presented above have been discounted to present value using various discount rates ranging between 0.1% and 2.64%.

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(3) Land, Buildings, and Other Property

The cost and accumulated depreciation of land, buildings, and other property were as follows at June 30, 2016 and 2015 (in thousands):

	<u>2016</u>	<u>2015</u>
Land	\$ 109,554	120,366
Buildings and improvements	1,070,812	1,014,982
Equipment and software	<u>562,645</u>	<u>693,911</u>
Total cost of assets placed in service	1,743,011	1,829,259
Less accumulated depreciation and amortization	(884,327)	(998,138)
Construction-in-progress	<u>20,484</u>	<u>13,932</u>
Land, buildings, and other property, net	<u>\$ 879,168</u>	<u>845,053</u>

Assets held for sale were as follows at June 30, 2016 and 2015 (in thousands):

	<u>2016</u>	<u>2015</u>
Land	\$ 12,601	2,902
Buildings and improvements	<u>68,702</u>	<u>163,634</u>
Total cost of assets held for sale	81,303	166,536
Less accumulated depreciation and amortization	<u>(30,641)</u>	<u>(49,458)</u>
Assets held for sale, net	<u>\$ 50,662</u>	<u>117,078</u>

These assets have been segregated from land, buildings, and other property and presented as assets held for sale within the accompanying consolidated financial statements. The Organization identified these assets as not critical to supporting its primary mission as part of ongoing assessment procedures. The Organization then evaluated the identified assets using the criteria for classification as held for sale included in ASU 2014-08, Topic 360, *Property, Plant, and Equipment*. Certain assets or portions of assets identified were determined to meet the criteria and have been classified as such. The carrying value of these assets has been compared to the current appraised values less cost to sell and determined not to be impaired.

At June 30, 2015, all held for sale criteria were met for assets valued at approximately \$74 million, net. As of June 30, 2016, these assets cease to meet all the necessary criteria to be classified as held for sale. As such, these assets are included in land, buildings, and other property no longer held for sale.

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(4) Investments and Fair Value Measurements

The Organization applies the provisions of ASC 820, *Fair Value Measurements and Disclosures*, for fair value measurements of investments that are recognized and disclosed at fair value in the financial statements on a recurring basis. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that requires the Organization to maximize the use of observable inputs when measuring fair value. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Organization's market assumptions. The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices for identical assets or liabilities in active markets.
- Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; or market – corroborated inputs.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

In certain cases, the inputs to measure fair value may result in an asset or liability falling into more than one level of the fair value hierarchy. In such cases, the determination of the classification of an asset or liability within the fair value hierarchy is based on the least determinate input that is significant to the fair value measurement.

For the years ended June 30, 2016 and 2015, there were no transfers between levels.

The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

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The following table represents investments that are measured at fair value on a recurring basis at June 30, 2016 and 2015 (in thousands):

	<u>June 30, 2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Measured at NAV (1)</u>
Fixed Income Commingled Funds	\$ 191,619	—	191,619	—	—
Equity Commingled Funds	219,285	—	219,285	—	—
Fund of Hedge Funds	1,689	—	—	—	1,689
Global Macro Hedge Funds	45,346	—	—	—	45,346
Equity Hedge Funds	171,746	—	—	—	171,746
Multistrategy and Other Hedge Funds	190,584	—	—	104	190,480
Buyout and Growth Equity Funds	114,294	—	—	4,918	109,376
Distressed Debt Funds	35,706	—	—	—	35,706
Other Private Market Funds	28,965	—	—	—	28,965
Private Real Estate Funds	38,884	—	—	11,493	27,391
Venture Capital Funds	12,538	—	—	—	12,538
Derivative Contracts	536	—	536	—	—
Money Market Funds and Other	582,162	3,917	578,245	—	—
Total investments	\$ 1,633,354	3,917	989,685	16,515	623,237

	<u>June 30, 2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Measured at NAV(1)</u>
U.S. Government Securities	\$ 23,159	9,720	13,439	—	—
Corporate and Sovereign Bonds and Notes	72,904	—	72,904	—	—
Mortgage-Backed Securities	5,420	—	5,420	—	—
Fixed Income Commingled Funds	161,878	110,886	50,992	—	—
Common and preferred stocks	164,277	164,277	—	—	—
Equity Commingled Funds	138,539	80,796	57,743	—	—
Fund of Hedge Funds	71,264	—	—	—	71,264
Global Macro Hedge Funds	63,272	—	—	—	63,272
Equity Hedged Funds	201,255	—	—	—	201,255
Multistrategy and Other Hedge Funds	134,318	—	—	91	134,227
Buyout and Growth Equity Funds	138,851	—	—	4,847	134,004
Distressed Debt Funds	37,548	—	—	—	37,548
Other Private Market Funds	31,485	—	—	—	31,485
Private Real Estate Funds	44,856	—	—	13,693	31,163
Venture Capital Funds	13,624	—	—	—	13,624
Derivative Contracts	1,402	—	1,402	—	—
Money Market and Other	479,720	7,425	472,295	—	—
Total investments	\$ 1,783,772	373,104	674,195	18,631	717,842

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(1) Certain investments are measured at fair value using NAV as a practical expedient and have not been classified in the fair value hierarchy. The NAV amounts have been presented to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The Organization used quoted prices in principal active markets for identical assets as of the valuation date (Level 1) to value certain money markets and other investments at June 30, 2016, and for the valuation of certain U.S. government securities, corporate and sovereign bonds and notes, common and preferred stocks, fixed income and equity commingled funds, and money market funds and other, at June 30, 2015.

For the valuation of certain U.S. fixed income and equity government securities, fixed income commingled funds, and money market funds and other, at June 30, 2016 and June 30, 2015, the Organization used significant other observable inputs, particularly dealer market prices for comparable investments as of the valuation date (Level 2). The Level 2 commingled funds have a readily determined fair value.

For the most part, the valuation of hedge funds, buyout and growth equity funds, distressed debt and turnaround funds, private real estate funds, venture capital funds, other private market funds, and commodity funds at June 30, 2016 and 2015, are reported at estimated fair value utilizing the net asset values provided by fund managers as a practical expedient. In a few instances, additional supplemental information provided by the fund manager has been utilized to evaluate fund values and level the investments. Reported fund values utilize significant unobservable inputs; management reviews and evaluates the values provided by fund managers and general partners and agrees with the valuation methods and assumptions used in determining the reported fair values of the alternative investments.

The following table presents the Organization's activity for investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as defined in ASC 820 for the year ended June 30, 2016 (in thousands):

	<u>Balance as of June 30, 2015</u>	<u>Purchases</u>	<u>Settlements</u>	<u>Change in unrealized gains (losses)</u>	<u>Balance as of June 30, 2016</u>
Multistrategy and other hedge funds	\$ 91	872	(872)	13	104
Buyout and growth equity funds	4,847	18	(237)	290	4,918
Private real estate funds	13,693	181	(1,530)	(851)	11,493
Total	\$ 18,631	1,071	(2,639)	(548)	16,515

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	<u>Balance as of June 30, 2014</u>	<u>Purchases</u>	<u>Settlements</u>	<u>Change in unrealized gains (losses)</u>	<u>Balance as of June 30, 2015</u>
Multistrategy and other hedge funds	\$ 208	—	(59)	(58)	91
Buyout and growth equity funds	4,978	20	(13)	(138)	4,847
Private real estate funds	12,751	486	(1,548)	2,004	13,693
Total	\$ 17,937	506	(1,620)	1,808	18,631

The following summarizes the nature and risk of those investments that are reported at estimated fair value utilizing net asset value as of June 30, 2016 (in thousands):

	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Fund of Hedge Funds (a)	\$ 1,689	—	N/A	fully redeemed
Global Macro Hedge Funds (b)	45,346	—	monthly	5-90 days
Equity Hedge Funds (c)	171,746	10,000	monthly to bi-annually*	45-90 days
Multistrategy and Other Hedge Funds (d)	190,480	3,200	daily to bi-annually*	7-90 days
Buyout and Growth Equity Funds (e)	109,376	43,879	None	—
Distressed Debt Funds (f)	35,706	8,248	None	—
Other Private Market Funds (g)	28,965	11,242	None	—
Private Real Estate Funds (h)	27,391	18,570	None	—
Venture Capital Funds (i)	12,538	14,926	None	—
Total	\$ 623,237	110,065		

* bi-annually defined as every two years

- (a) The assets in this category consist of an audit holdback, a provision allowing a fund to retain a portion of the redemption proceeds until the fund's annual audit is completed in order to guard against adjustments to the fund's NAV after the full redemption from the fund.
- (b) The funds in this category invest primarily in liquid instruments such as fixed income, currency, commodities, equities, and derivatives. The funds include long and short positions and may use leverage. Some funds may invest in illiquid investments, which are typically segregated into "side pockets" (a separate share class) and are not available for redemption until the investment is liquidated by the manager.

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- (c) This category is invested in hedge funds that invest primarily in US and international equities as well as derivatives. The funds include long and short positions and may use leverage. Some funds may invest in illiquid investments, which are typically segregated into "side pockets" (a separate share class) and are not available for redemption until the investment is liquidated by the manager.
 - (d) The strategies of the funds in this category include relative value, event driven, and arbitrage strategies. Underlying investments are typically the same as those held in public equity and fixed income commingled funds; this includes bank debt, convertible bonds and derivative instruments. The funds include long and short positions and may use leverage. Some funds may invest in illiquid investments which are typically segregated into "side pockets" (a separate share class) and are not available for redemption until the investment is liquidated by the manager.
 - (e) This category is invested in both US and international private equity funds and funds of funds whose mandates include leveraged buyouts and growth equity investments in companies.
 - (f) This category is invested in funds which primarily invest in distressed situations. Investments include marketable securities such as debt obligations and asset backed securities as well as nonmarketable investments such as nonperforming and sub-performing real estate loans, consumer loans, and distressed debt. Some funds include short positions.
 - (g) This category is invested in funds and a fund of funds which make investments primarily in private oil and gas partnerships, timber, mineral and mining companies, health care royalties, and infrastructure such as ports, toll roads, airports and utilities.
 - (h) This category includes funds and funds of funds, which invest in private real estate internationally and in the US. Property types are primarily office, industrial, residential and retail.
 - (i) This category is invested in venture capital funds and funds of venture capital funds. Underlying investments are primarily private investments in early and late-stage companies.
- (b), (c), (d) Investments in this category have provisions which allow for the suspension of redemptions in unusual circumstances. Certain investments in these categories have gate provisions, which allow a manager to limit redemptions despite the normal liquidity provisions if they receive redemptions in excess of the gate (a level stated in their governing documents). The fair values of the investments in this category have been estimated using the net asset value per share of the investments.
- (e), (f), (g), (h), (i) These nonmarketable funds do not permit redemptions. The timing of the return of capital is at the manager's discretion, subject to provisions documented in limited partnership agreements. In general, capital and realized gains are distributed to investors when an investment is liquidated. Interim distributions of interest, operating income and dividends are made by some funds. Some funds are able to recall distributions. It is estimated that the majority of underlying assets of the funds will be liquidated over the next ten years. The fair values of the investments in this category have been estimated using the net asset value of the Organization's ownership interest in the partners' capital.

The Organization transacts in a variety of derivative instruments and contracts including both swaps and options for investment and hedging purposes in order to create or mitigate certain exposures. Each

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instrument's primary underlying exposure is equities or commodities. Such contracts involve, to varying degrees, risks of loss from the possible inability of counterparties to meet the terms of their contracts. Use of swaps mitigates counterparty risk. The Organization's derivatives are all transacted over-the-counter.

Equity options are used by the Organization for both investment purposes and to hedge equity market exposure; all equity contracts are marked to fair value on a recurring basis. The notional/contractual amounts of these equity option contracts were \$180 million and \$240 million at June 30, 2016 and 2015, respectively. As of June 30, 2016, the derivative contract fair value totaled \$536 thousand (derivative asset value). As of June 30, 2015, the derivative contract fair value had a derivative asset value of \$1.4 million and a derivative liability value of \$24 thousand.

In conjunction with its derivative investments, the Organization realized losses of \$4.6 million and \$5.8 million, respectively, for the one-year periods ended June 30, 2016 and 2015; this represented equity, commodity, and foreign exchange investment activity. On an unrealized basis, for the one-year periods ended June 30, 2016 and 2015, the derivative investment activity resulted in unrealized losses of \$1.4 million and \$59 thousand, respectively.

For the valuation of the Organization's derivative contracts at June 30, 2016, the Organization used significant other observable inputs as of the valuation date (Level 2), including prices of instruments with similar maturities and characteristics, interest rate yield curves, measures of interest rate volatility and various market indices. The value was determined and adjusted to reflect nonperformance risk of both the counterparty and the Organization.

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the estimated fair value of investments reported in the consolidated statement of financial position as of June 30, 2016. However, the diversification of the Organization's invested assets among these various asset classes is management's strategy to mitigate the impact of any dramatic change on any one asset class

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The following schedule summarizes the composition of investment return for the years ended June 30, 2016 and 2015 (in thousands):

	2016			2015	
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Total
Dividends and interest	\$ 9,043	37,061	—	46,104	45,381
Net operating investment gains	38,553	684	—	39,237	62,178
Investment income available for operations	47,596	37,745	—	85,341	107,559
Net nonoperating investment gains (losses)	(66,869)	(69,272)	(10,244)	(146,385)	(55,005)
Total return on investments	\$ (19,273)	(31,527)	(10,244)	(61,044)	52,554

(5) Debt

Debt consists of the following at June 30, 2016 and 2015 (in thousands):

	2016	2015
Fixed rate debt:		
Bearing interest rates ranging from 0% to 5.85%, due calendar year 2016 through 2044	\$ 483,707	509,255
Variable rate debt:		
Bearing interest rates ranging from 0.01% to 1.16%, due calendar year 2016 through 2034:		
Variable rate debt with demand repayment rights	89,242	95,726
Variable rate debt without demand repayment rights	30,000	40,000
Total bonds and notes payable	602,949	644,981
Less current portion	30,715	41,809
Debt, noncurrent portion	\$ 572,234	603,172

The Organization's debt is generally backed only by the full faith and credit of The American National Red Cross. Certain bonds are subject to redemption prior to the maturity at the option of the Organization. The repayment terms of the variable rate debt generally require monthly payments of interest and annual principal reduction. The registered owners of the bonds and notes with demand repayment rights may

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demand repurchase of the bonds and notes for an amount equal to the principal plus accrued interest. Letters of credit or standby credit facilities have been established with multiple banks in the aggregate amount of \$61 million and \$114 million for fiscal years 2016 and 2015, respectively, to provide liquidity in the event other funding is not available for repurchasing. As of June 30, 2016, the maturity dates for these liquidity facilities are in calendar year 2017. Approximately \$10 million of the debt with demand repayment rights bears interest at flexible rates with flexible rate periods of any duration up to 270 days. The remaining debt with demand repayment rights is remarketed on a weekly basis bearing interest rates that are reset weekly.

Certain of the Organization's debt agreements include covenants that require the Organization to maintain certain levels of financial ratios. The Organization was in compliance with its covenant requirements as of and for the year ended June 30, 2016.

Scheduled maturities and sinking fund requirements of the debt and credit agreements as of June 30, 2016 are as follows (in thousands):

2017	\$	30,715
2018		41,256
2019		31,187
2020		30,822
2021		30,727
Thereafter		<u>438,242</u>
	\$	<u><u>602,949</u></u>

The carrying value and estimated fair value of the Organization's noncurrent debt as of June 30, 2016 and 2015 are summarized as follows (in thousands):

	2016		2015	
	Carrying value	Fair value Level 2	Carrying value	Fair value Level 2
Noncurrent debt	\$ 572,234	644,526	603,172	629,278

The fair value estimate is based on quoted prices for bond issues with similar maturities and credit quality (Level 2). See Note 4 for definitions of Level 1, 2 and 3. The market prices utilized reflect the rate the Organization would have to pay a credit worthy third party to assume its obligation and do not reflect an additional liability to the Organization.

Interest expense was approximately \$32 million and \$33 million for the years ended June 30, 2016 and 2015, respectively, which is included in contractual services on the statement of functional expenses.

Bank Lines of Credit: The Organization maintained several committed and uncommitted lines of credit with various banks for its working capital requirements. As of June 30, 2016 and 2015, there were no borrowings outstanding under lines of credit. The Organization had unused lines of credit outstanding of

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approximately \$275 million at June 30, 2016 and \$340 million at June 30, 2015. The amounts available to be borrowed on the lines of credit are subject to the limitations of the Organization's debt covenants.

Interest Rate Swap Agreements: The Organization held variable rate debt of approximately \$119 million and \$136 million at June 30, 2016 and 2015, respectively. Interest rate swap agreements are used by the Organization to mitigate the risk of changes in interest rates associated with variable interest rate indebtedness. Under such arrangements, a portion of variable rate indebtedness is converted to fixed rates based on a notional principal amount. The interest rate swap agreements are derivative instruments that are recognized at fair value and recorded on the statement of financial position. At June 30, 2016, the aggregate notional principal amount under the interest rate swap agreements, with maturity dates ranging from calendar year 2016 through 2021, totaled \$80 million. At June 30, 2015, the aggregate notional principal amount under the interest rate swap agreements, with maturity dates ranging from 2015 through 2021, totaled \$93 million. The estimated fair value of the interest rate swap agreements was a liability of approximately \$5.7 million and \$5.8 million, respectively, and is included in other liabilities in the accompanying consolidated statements of financial position as of June 30, 2016 and 2015.

The change in fair value on these interest rate swap agreements was a gain of approximately \$0.1 million and \$1 million for the years ended June 30, 2016 and 2015, respectively, and is included in nonoperating gains in the consolidated statements of activities.

For the valuation of the interest rate swaps at June 30, 2016 and 2015, the Organization used significant other observable inputs as of the valuation date (Level 2), including prices of instruments with similar maturities and characteristics, interest rate yield curves and measures of interest rate volatility. The value was determined and adjusted to reflect nonperformance risk of both the counterparty and the Organization. See Note 4 for definitions of Levels 1, 2 and 3.

Letters of Credit: The Organization had unused letters of credit outstanding of approximately \$55 million and \$53 million at June 30, 2016 and 2015, respectively.

(6) Leases

The Organization leases certain buildings and equipment for use in its operations. The following summarizes minimum future rental payments under operating leases for the fiscal years ending June 30 (in thousands):

2017	\$	25,599
2018		18,991
2019		12,232
2020		9,039
2021		8,184
Thereafter		58,460
Total minimum lease payments	\$	<u>132,505</u>

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Total rent expense was approximately \$45 million and \$47 million for the years ended June 30, 2016 and 2015, respectively, and is included in contractual services on the consolidated statement of functional expenses.

Future minimum rental payments to be received by the Organization for office space leased at the National Headquarters building as of June 30, 2016, are as follows (in thousands):

2017	\$	16,263
2018		16,428
2019		16,598
2020		<u>16,772</u>
Total minimum lease payments to be received		\$ <u>66,061</u>

Total rental income was approximately \$16 million and \$14 million for the years ended June 30, 2016, and 2015, respectively, and is included in other revenues on the consolidated statement of activities.

(7) Net Assets

Unrestricted net assets are comprised of the following at June 30, 2016 and 2015 (in thousands):

	<u>2016</u>	<u>2015</u>
Unrestricted net assets (deficit)	\$ (424,452)	49,676
Add back (deduct) nonoperating items:		
Pension and postretirement benefits	1,106,822	686,314
Other long-term liabilities	618,054	615,710
Net investment in land, buildings and other property	<u>(778,007)</u>	<u>(712,464)</u>
Unrestricted net assets available for current operations	\$ <u>522,417</u>	<u>639,236</u>

The organization monitors cash and investment reserve requirements across the entire enterprise to ensure service delivery can be performed. Management actively manages short- and long-term cash needs against all available liquidity from cash, investments and fair value of land, building, and equipment held for sale. As a result, it continues to have positive mission-related operating net assets, even though the Organization has pension-related and other long-term liabilities.

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Temporarily restricted net assets are available for the following purposes or periods at June 30, 2016 and 2015 (in thousands):

	2016	2015
Disaster services	\$ 11,237	25,484
International relief and development services	153,073	218,155
Buildings and equipment	5,665	6,183
Endowment inflation adjustment reserve	207,264	200,659
Endowment assets available for future appropriation	129,858	204,594
Other specific purposes	20,526	25,995
Time restricted	74,691	70,459
Total temporarily restricted net assets	\$ 602,314	751,529

Permanently restricted net assets at June 30, 2016 and 2015 consist primarily of endowed contributions, the income from which is available principally to fund general operations. Other permanently restricted net assets consist of beneficial interests in perpetual trusts and other split interest agreements (Note 9).

(8) Endowments

Effective January 23, 2008, the District of Columbia enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the provisions of which apply to endowment funds existing on or established after that date. Based on its interpretation of the provisions of UPMIFA, the Organization is required to act prudently when making decisions to spend or accumulate donor restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor restricted endowment funds. The Organization classifies as permanently restricted net assets the original value of gifts donated to be held in perpetuity. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Organization has adopted and the Governing Board has approved the Statement of Investment Policies and Objectives for the endowment fund. This policy has identified an appropriate risk posture for the fund, stated expectations and objectives for the fund, provides asset allocation guidelines and establishes criteria to monitor and evaluate the performance results of the fund's managers.

To satisfy its long term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The Organization makes distributions from income earned on the endowment fund for current operations using the total return method. In establishing this method, the Organization considered the long-term expected return on its funds. To the extent that distributions exceed net investment income, they are made from accumulated gains. The Board of Governors approves the spending rate, calculated as a percentage

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of the five-year calendar trailing average fair value of the endowment fund at the beginning of each fiscal year.

A spending rate of approximately 3.8% for both years 2016 and 2015 of the trailing five-year market value was applied to each unit of the endowment fund and resulted in total distributions of approximately \$36 million and \$34 million for the years ended June 30, 2016 and 2015, respectively. Approximately \$29 million and \$28 million of the amounts represent utilization of accumulated realized gains, for the years ended June 30, 2016 and 2015, respectively. A spending rate of approximately 3.8% of the trailing five-year market value has been approved for 2017.

Net asset classification by type of endowment as of June 30, 2016, is as follows (in thousands):

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ —	337,122	631,953	969,075

Changes in endowment net assets for the year ended June 30, 2016 (in thousands):

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ —	405,253	609,129	1,014,382
Investment return:				
Investment income	—	36,154	—	36,154
Net depreciation (net realized and unrealized gains/losses)	—	(68,130)	—	(68,130)
Total investment return	—	(31,976)	—	(31,976)
Contributions	—	—	22,824	22,824
Appropriation of endowment assets for expenditure	—	(36,155)	—	(36,155)
Endowment net assets, end of year	\$ —	337,122	631,953	969,075

(9) Split Interest Agreements

The Organization is a beneficiary of split interest agreements in the form of charitable gift annuities, perpetual trusts held by third parties, charitable remainder trusts and pooled income funds. The value of split interest agreements is measured as the Organization's share of fair value of the assets. Of the \$244 million and \$254 million in assets under these agreements as of June 30, 2016 and 2015,

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respectively, which are included in other assets on the consolidated statement of financial position, \$38 million and \$41 million, respectively, are charitable gift annuities and the remainder are assets for which the Organization is not the trustee. Liabilities associated with these agreements are \$27 million and \$25 million for the years ended June 30, 2016 and 2015, respectively, of which \$3 million is included in other current liabilities and \$24 million and \$22 million is included in other noncurrent liabilities on the consolidated statement of financial position, respectively.

(10) Benefit Plans

The Plan of the American National Red Cross: Before July 1, 2009, employees of the American Red Cross, including employees of participating local chapters, were covered by the Retirement System of the American National Red Cross (the Plan) after one year of employment and completion of 1,000 hours of service during any consecutive 12 month period. Effective July 1, 2009, the Plan was closed to employees hired after June 30, 2009.

Subject to provisions contained in collective bargaining agreements where applicable, the Plan was 'frozen' on December 31, 2012 (the freeze date). Employees who were participating in the Plan as of that date keep vested benefits earned, but stop earning additional pension benefits.

Prior to the freeze date, the benefit formula was based on years of service and the employees' final average compensation. Final average compensation was calculated using the highest consecutive 48 months of the last 120 months of service before the earlier of retirement or the freeze date.

For funding purposes under the Plan, normal pension costs are determined by the projected unit credit method and are funded currently. The Plan provides a defined benefit pension, funded entirely by the employer. Prior to July 1, 2005, voluntary after-tax contributions could be made by active members to fund an optional annuity benefit. The Organization's funding policy is set to comply with the funding requirements established under the Pension Protection Act of 2006 and to meet the requirements of ERISA. During fiscal year 2016, the Organization opted to use the established credit balance and did not contribute to the Plan.

The Organization also has a Defined Benefit Pension Plan for the Delta Blood Bank LLC with a \$5 million liability recorded in pension and postretirement benefits in the accompanying consolidated statement of financial position for both years ended as of June 30, 2016 and 2015, respectively, and pension-related changes other than net periodic benefit cost of approximately \$2.1 million and \$3.5 million for years ended June 30, 2016 and 2015, respectively. The Plan was terminated effective July 31, 2015 and the IRS favorable determination letter was received April 21, 2016.

The American Red Cross Life and Health Benefits Plan: The Organization also provides medical and dental benefits to eligible retirees and their eligible dependents. Generally, retirees and the Organization each pay a portion of the premium costs. The medical and dental plans pay a stated percentage of expenses reduced by deductibles and other coverages. The Organization has the right to modify cost-sharing provisions at any time. In addition, life insurance benefits of \$5,000 are provided with no contributions required from the retirees. The Organization's postretirement benefit plans are unfunded.

Effective January 1, 2009, the Organization eliminated plan coverage (retiree medical and life benefits) for all future retirees that did not meet certain eligibility conditions as of that date. In addition, the plan was

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amended to transition Medicare eligible retirees to a private fee-for-service plan and to change the premium supplement tables and indexing effective July 1, 2009. Beginning in calendar year 2011, most Medicare eligible retirees were offered a Healthcare Reimbursement Account (HRA) to utilize in purchasing individual coverage through an external exchange program through Aon Hewitt Retiree Exchange. Plans can vary from Medicare Advantage, Part D Prescription Drug and Medicare Supplement Plans.

The following table presents the changes in benefit obligations, changes in Plan assets, and the composition of accrued benefit costs in the consolidated statements of financial position for the years ended June 30, 2016 and 2015 (in thousands):

	Pension benefits		Postretirement benefits	
	2016	2015	2016	2015
Changes in benefit obligations:				
Benefit obligations at beginning of year	\$ 2,706,324	2,594,746	66,166	68,601
Service cost	1,031	1,589	153	213
Interest cost	132,400	122,263	2,810	2,859
Plan amendment	—	—	(2,838)	—
Actuarial loss (gain)	294,970	101,720	4,781	(1,985)
Benefits paid	(121,172)	(113,994)	(3,599)	(3,522)
Benefit obligations at end of year	3,013,553	2,706,324	67,473	66,166
Changes in plan assets:				
Fair value of plan assets at beginning of year	2,091,371	2,139,923	—	—
Actual return on plan assets	9,198	65,442	—	—
Benefits paid	(121,172)	(113,994)	—	—
Fair value of plan assets at end of year	1,979,397	2,091,371	—	—
Funded status-accrued benefit costs	\$ (1,034,156)	(614,953)	(67,473)	(66,166)

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Pension-related changes other than net periodic benefit cost for 2016:

	<u>Pension benefits</u>	<u>Postretirement benefits</u>	<u>Total</u>
Prior service cost	\$ —	(687)	(687)
Amortized net loss (gain)	18,261	(1,261)	17,000
Net actuarial (loss) gain	<u>(419,403)</u>	<u>640</u>	<u>(418,763)</u>
	\$ <u>(401,142)</u>	<u>(1,308)</u>	<u>(402,450)</u>

Pension-related changes other than net periodic benefit cost for 2015:

	<u>Pension benefits</u>	<u>Postretirement benefits</u>	<u>Total</u>
Prior service cost	\$ —	(263)	(263)
Amortized net loss (gain)	16,580	(1,433)	15,147
Net actuarial (loss) gain	<u>(165,922)</u>	<u>1,985</u>	<u>(163,937)</u>
	\$ <u>(149,342)</u>	<u>289</u>	<u>(149,053)</u>

Items not yet recognized as a component of net periodic benefit cost for 2016:

	<u>Pension benefits</u>	<u>Postretirement benefits</u>	<u>Total</u>
Unrecognized prior service credit	\$ —	(2,588)	(2,588)
Unrecognized net actuarial loss (gains)	<u>1,202,646</u>	<u>(7,146)</u>	<u>1,195,500</u>
	\$ <u>1,202,646</u>	<u>(9,734)</u>	<u>1,192,912</u>

Items not yet recognized as a component of net periodic benefit cost for 2015:

	<u>Pension benefits</u>	<u>Postretirement benefits</u>	<u>Total</u>
Unrecognized prior service credit	\$ —	(509)	(509)
Unrecognized net actuarial loss (gains)	<u>801,503</u>	<u>(13,188)</u>	<u>788,315</u>
	\$ <u>801,503</u>	<u>(13,697)</u>	<u>787,806</u>

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Estimated amounts to be amortized into net periodic benefit cost over the next fiscal year are as follows:

	<u>Pension benefits</u>	<u>Postretirement benefits</u>	<u>Total</u>
Prior service cost (credit)	\$ —	(1,180)	(1,180)
Net actuarial loss (gain)	29,701	(106)	29,595
	<u>\$ 29,701</u>	<u>(1,286)</u>	<u>28,415</u>

The accumulated benefit obligation for the pension plan was approximately \$3 billion and \$2.7 billion as of June 30, 2016 and 2015, respectively.

The weighted average assumptions used to determine benefit obligations for 2016 and 2015 were as follows:

	<u>Pension benefits</u>		<u>Postretirement benefits</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Discount rate	4.20%	5.01%	3.50%	4.45%
Rate of compensation increase	5.00	5.00	—	—

The weighted average assumptions used to determine net benefit cost for 2016 and 2015 were as follows:

	<u>Pension benefits</u>		<u>Postretirement benefits</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Discount rate	5.01%	4.83%	4.45%	4.28%
Expected return on plan assets	6.50	6.25	—	—
Rate of compensation increase	5.00	5.00	—	—

The expected rate of return assumption on Plan assets was determined by considering current economic and market conditions and by reviewing asset class allocations, historical return analysis and forward looking capital market expectations. Asset class allocations were established by considering each class' risk premium commensurate for the level of risk, duration that matches the Plan's liabilities, and incremental diversification benefits. Historical returns and forward looking capital market expectations were gathered from, and compared among the Plan's investment managers, and a sampling of the consultant community.

For measurement purposes, approximately a 7.6% annual rate of increase in the per capita cost of covered health care benefits was assumed for fiscal year 2016. The rate was assumed to decrease gradually to 5%

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through 2025 and remain at that level thereafter. An 8.1% annual rate of increase in the per capita cost of covered health care benefits was assumed for fiscal year 2015. The rate was assumed to decrease gradually to 5% through 2023 and remain at that level thereafter.

The components of net periodic benefit cost (credit) for the years ended June 30, 2016 and 2015 were as follows (in thousands):

	Pension benefits		Postretirement benefits	
	2016	2015	2016	2015
Service cost	\$ 1,031	1,589	153	213
Interest cost	132,400	122,263	2,810	2,859
Expected return on plan assets	(133,631)	(129,644)	—	—
Amortization of prior service credit	—	—	(687)	(263)
Curtailment gain	—	—	(71)	—
Net amortization loss (gain)	<u>18,261</u>	<u>16,580</u>	<u>(1,261)</u>	<u>(1,433)</u>
Net periodic benefit cost (credit)	\$ <u>18,061</u>	<u>10,788</u>	<u>944</u>	<u>1,376</u>

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects (in thousands):

	Point increase	Point decrease
Effect on total of service and interest cost components	\$ 6	(5)
Effect on postretirement benefit obligation	100	(87)

The minimum funding requirement for the pension plan during the year ending June 30, 2017 is \$70.2 million, which is expected to be partially offset by the available credit balance within the plan. The Organization expects to contribute \$3.7 million to its postretirement benefit plan during the year ending June 30, 2017.

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The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid, as of June 30, (in thousands):

	<u>Pension benefits</u>	<u>Postretirement benefits</u>
2017	\$ 136,168	3,729
2018	140,802	3,848
2019	146,082	3,955
2020	150,626	3,993
2021	154,810	4,055
2022–2026	<u>827,546</u>	<u>20,330</u>
	<u>\$ 1,556,034</u>	<u>39,910</u>

The Organization has investment guidelines for the Retirement System (the Plan) assets. The overall objective of the guidelines is to ensure the Plan assets provide capital growth over an extended period of time, while also considering market risks and ensuring that the portfolio income and liquidity are appropriate to meet the Plan benefit payments and other expenses. The Plan investments are required to be diversified by asset class and within each asset class in order that no single investment will have a disproportionate impact on the total portfolio. The Plan asset allocation is reviewed each year with current market assumptions to re-align the asset mix with the long-term goals of the Plan. (See Note 4 for descriptions of the methodologies used to value plan assets, except for the equity interest in the par annuity and guaranteed accumulation fund which are valued based on significant unobservable inputs including discounted cash flows analysis, comparable analysis, or third party appraisals. See Note 4 for the definitions of Levels 1, 2, and 3.)

The Plan assets were invested in the following categories at June 30, 2016 and 2015:

	<u>Pension assets</u>	
	<u>2016</u>	<u>2015</u>
Cash and short-term investments	3%	9%
Equity	17	15
Fixed income	38	29
Marketable and nonmarketable alternative funds	42	47
	<u>100%</u>	<u>100%</u>

The Plan assets were within authorized asset allocation ranges at June 30, 2016 and 2015.

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The following tables represent pension plan assets that are measured at fair value on a recurring basis at June 30, 2016 and 2015 (in thousands):

	<u>June 30, 2016</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Measured at NAV (1)</u>
U.S. government securities	\$ 195,904	149,049	46,855	—	—
Fixed income commingled funds	408,773	—	408,773	—	—
Equity commingled funds	146,340	—	146,340	—	—
Fund of hedge funds	639	—	—	—	639
Global macro hedge funds	64,386	—	—	—	64,386
Equity hedged funds	227,569	—	—	—	227,569
Multistrategy and other hedge funds	367,090	—	—	24	367,066
Buyout and growth equity funds	137,794	—	—	5,905	131,889
Distressed debt funds	47,056	—	—	—	47,056
Other private market funds	79,499	—	—	—	79,499
Private real estate funds	48,516	—	—	10,391	38,125
Venture capital funds	21,922	—	—	—	21,922
Equity interest in participating annuity surplus	60,376	—	—	60,376	—
Guaranteed accumulation fund	38,307	—	—	38,307	—
Derivative contracts	29,208	—	29,208	—	—
Money market and other	106,018	3,601	102,417	—	—
Total investments	\$ 1,979,397	152,650	733,593	115,003	978,151

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	June 30, 2015	Level 1	Level 2	Level 3	Measured at NAV (1)
U.S. government securities	\$ 180,961	133,596	47,365	—	—
Corporate and sovereign bonds and notes	202,663	—	202,663	—	—
Fixed income commingled funds	113,196	21,985	91,211	—	—
Common and preferred stocks	173,877	173,877	—	—	—
Equity commingled funds	130,958	78,101	52,857	—	—
Fund of hedge funds	53,945	—	—	—	53,945
Global macro hedge funds	90,988	—	—	—	90,988
Equity hedged funds	250,437	—	—	—	250,437
Multistrategy and other hedge funds	223,561	—	—	23	223,538
Buyout and growth equity funds	168,248	—	—	5,927	162,321
Distressed debt funds	47,409	—	—	—	47,409
Other private market funds	91,804	—	—	—	91,804
Private real estate funds	59,745	—	—	12,829	46,916
Venture capital funds	24,477	—	—	—	24,477
Equity interest in participating annuity surplus	75,280	—	—	75,280	—
Guaranteed accumulation fund	32,414	—	—	32,414	—
Derivative contracts	(8,658)	—	(8,658)	—	—
Money market and other	190,066	5,609	184,457	—	—
Total investments	\$ 2,101,371	413,168	569,895	126,473	991,835

(1) Certain investments are measured at fair value using NAV as a practical expedient and have not been classified in the fair value hierarchy. The NAV amounts have been presented to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

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The following tables presents the activity of the assets of the Organization's defined benefit plan for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2016 and 2015 (in thousands):

	<u>Balance as of June 30, 2015</u>	<u>Purchases</u>	<u>Settlements</u>	<u>Change in unrealized gains (losses)</u>	<u>Balance at June 30, 2016</u>
Multistrategy and other hedge funds	\$ 23	1	—	—	24
Buyout and growth equity funds	5,927	25	(332)	285	5,905
Private real estate funds	12,829	237	(1,657)	(1,018)	10,391
Equity interests in par annuity	75,280	—	(11,569)	(3,335)	60,376
Guaranteed accumulation fund	32,414	—	(1,528)	7,421	38,307
	<u>\$ 126,473</u>	<u>263</u>	<u>(15,086)</u>	<u>3,353</u>	<u>115,003</u>

	<u>Balance as of June 30, 2014</u>	<u>Purchases</u>	<u>Settlements</u>	<u>Change in unrealized gains (losses)</u>	<u>Balance at June 30, 2015</u>
Multistrategy and other hedge funds	\$ 106	—	(12)	(71)	23
Buyout and growth equity funds	6,111	28	(2)	(210)	5,927
Private real estate funds	12,543	607	(1,444)	1,123	12,829
Equity interests in par annuity	76,391	—	—	(1,111)	75,280
Guaranteed accumulation fund	38,630	—	(7,064)	848	32,414
	<u>\$ 133,781</u>	<u>635</u>	<u>(8,522)</u>	<u>579</u>	<u>126,473</u>

The Plan transacts in a variety of derivative instruments and contracts including both swaps and options for investment and hedging purposes in order to create or mitigate certain exposures. Each instrument's primary underlying exposure is interest rates, equities, commodities, or currencies. Such contracts involve, to varying degrees, risks of loss from the possible inability of counterparties to meet the terms of their contracts. Use of swaps mitigates counterparty risk. The Plan's derivatives are all transacted over-the-counter.

The Plan uses interest rate swaps and swaptions to hedge interest rate exposure for a portion of its liabilities. The liabilities are valued via a "discount rate" of investment grade corporate bonds. Uncertainty of future discount rates adds variability to Plan valuations and future cash flows. Interest rate swap and swaption agreements are derivative instruments used by the Plan to mitigate these uncertainties. The interest rate swap and swaption agreements are required to be marked to fair value on a recurring basis.

THE AMERICAN NATIONAL RED CROSS

Notes to Consolidated Financial Statements

June 30, 2016

(with summarized information for the year ended June 30, 2015)

Equity options are used by the Organization for both investment purposes and to hedge equity market exposure; all equity contracts are marked to fair value on a recurring basis. Commodity swap agreements are used by the Organization to gain exposure to various underlying commodity futures; the commodity swaps are required to be marked to fair value on a recurring basis. The organization recognized realized losses of \$1.5 million and \$404 thousand for the years ended June 30, 2016 and 2015, respectively, related to commodity swap agreements held during fiscal years 2016 and 2015.

The following table lists the notional/contractual amount of derivatives by contract type included in pension plan assets at June 30, 2016 and 2015 (in thousands):

Derivative type		2016	2015
Interest rate	\$	880,000	1,844,000
Equity		180,000	240,001

The following table lists fair value of derivatives by contract type included in pension plan assets as of June 30, 2016 and 2015 (in thousands):

Derivative type		Derivative asset		Derivative liability	
		2016	2015	2016	2015
Interest rate	\$	115,908	63,338	87,235	73,398
Equity		535	1,426	—	24
Fair value of derivatives included in pension net assets	\$	<u>116,443</u>	<u>64,764</u>	<u>87,235</u>	<u>73,422</u>

The following table lists gains and losses on derivatives by contract type included in actual return on plan assets available for plan benefits as of June 30, 2016 and 2015 (in thousands):

Derivative type		Realized gains/(losses)		Change in unrealized gains/(losses)	
		2016	2015	2016	2015
Interest rate	\$	13,205	33,175	46,231	(15,065)
Equity		(4,616)	(5,820)	(1,414)	521
Total	\$	<u>8,589</u>	<u>27,355</u>	<u>44,817</u>	<u>(14,544)</u>

For the valuation of the Plan's derivative contracts at June 30, 2016, the Plan used significant other observable inputs as of the valuation date (Level 2), including prices of instruments with similar maturities and characteristics, interest rate yield curves, measures of interest rate volatility and various market

THE AMERICAN NATIONAL RED CROSS

Notes to Consolidated Financial Statements

June 30, 2016

(with summarized information for the year ended June 30, 2015)

indices. The value was determined and adjusted to reflect nonperformance risk of both the counterparty and the Plan.

American National Red Cross Savings Plan – 401(k) Plan: The Organization sponsors the American Red Cross Savings Plan (the Savings Plan), a defined contribution plan. In general, employees are eligible to participate upon hire and vest in employer contributions on a 3 year cliff schedule. Employer contributions include Red Cross Match only. The Points-Based Employer Contribution and Annual Red Cross Contribution were discontinued following the final contributions allocated in September 2015. The Red Cross Match remained in effect. There were \$32.1 million and \$63.6 million in Red Cross employer contributions to the Savings Plan in 2016 and 2015, respectively.

For the 2016 calendar year, contribution limits were based on a maximum annual compensation of \$18,000. As of June 30, 2016, there were 20 investment options that an employee could choose from and a self-managed brokerage account option.

(11) Receivables Securitization Program

The Organization has an asset securitization program. The program is structured to sell the eligible biomedical hospital account receivables, without legal recourse, to a third party investor, through a wholly owned bankruptcy-remote special purpose entity that is consolidated for financial reporting purposes. The Organization continues servicing the sold receivables. Proceeds received under the securitization program are treated as secured borrowings. The maximum amount of the agreement is \$125 million for years ended June 30, 2016 and 2015 and the total cost of the program approximates the 30 day Libor plus 1%. At June 30, 2016 and 2015, the amount of outstanding borrowings under the securitization program was \$110 million and \$120 million, respectively, and is included in other current liabilities on the statement of financial position.

(12) Commitments and Contingencies

Litigation: The Organization is a defendant in a number of lawsuits incidental to its operations. In the opinion of management, the outcome of such lawsuits will not have a materially adverse effect on the Organization's financial position.

Consent Decree: In April 2003, The American National Red Cross signed an amended consent decree (the Decree) with the United States Food and Drug Administration (FDA) affecting Biomedical Services and its blood services regional operations. The Decree required compliance with specific standards on how the Organization will manage and monitor its Biomedical Services' operations and formalized management of compliance related issues and provides timelines for their resolution. The Decree subjected the Organization to potential monetary penalties if it failed to meet the compliance standards. As of June 30, 2015, Organization's consolidated financial statements reflected adequate accrual for potential penalties resulting from noncompliance with the requirements of the Decree. As of December 4, 2015, The American National Red Cross is no longer under the Consent Decree and the potential monetary penalties related to it. The Organization demonstrated a continuous period of sustained compliance with specific standards on how the Organization manages and monitors its Biomedical Services' operations/compliance.

THE AMERICAN NATIONAL RED CROSS
Notes to Consolidated Financial Statements
June 30, 2016
(with summarized information for the year ended June 30, 2015)

Government Grants: Costs charged to the federal government under cost-reimbursement grants and contracts are subject to government audit. Therefore, all such costs are subject to adjustment. Management believes that adjustments, if any, would not have a significant effect on the consolidated financial statements.

(13) Subsequent Events

The American National Red Cross is offering a lump sum special election window from September 1st through October 14, 2016 to terminated vested participants with the option to either cash out their retirement benefit or take an immediate annuity, which was actuarially reduced for early commencement. This option was made available to former employees who terminated their employment prior to July 1, 2016, were vested in the Retirement System of the American National Red Cross and were not receiving monthly payments. Special election window payments will be made upon submission of election forms starting in November 2016.

The Organization has evaluated subsequent events through the date the consolidated financial statements were issued, October 27, 2016.

THE AMERICAN NATIONAL RED CROSS – Maine Region

Schedule of Operating Revenues and Expenses

Year ended June 30, 2016

Operating revenues and gains:	
Contributions:	
Corporate, foundation and individual giving	\$ 1,057,585
United Way and other federated	204,000
Legacies and bequests	51,388
Services and materials	160,756
Products and services	554,173
Contracts, including federal government	117,663
Investment income	20,837
Other revenues	7,933
Support from American National Red Cross chapter network	<u>782,360</u>
Total operating revenues and gains	<u>2,956,695</u>
Operating expenses:	
Program services:	
Services to the Armed Forces	161,042
Biomedical services	39,938
Domestic disaster services	1,405,555
Health and safety services	<u>671,894</u>
Total program services	<u>2,278,429</u>
Supporting services:	
Fundraising	509,143
Management and general	<u>169,123</u>
Total supporting services	<u>678,266</u>
Total operating expenses	<u>2,956,695</u>
Excess of operating revenues and expenses	<u>\$ —</u>

See accompanying notes to schedule and independent auditors' report.

THE AMERICAN NATIONAL RED CROSS – Maine Region

Notes to Schedule

Year ended June 30, 2016

(1) Summary of Significant Accounting Policies

(a) Basis of Presentation

The American National Red Cross (the Organization) has a core of approximately 250 chartered local chapters organized in 61 regional groupings known as the chapter network (the Network). Each regional grouping services a specific geographical area. The accompanying Schedule of Operating Revenue and Expenses (Schedule) reflects program activities that have a day to day impact in the specific geographic area as well as support provided to national humanitarian services or other communities.

Program activities for regional operations include services to the Armed Forces, domestic disaster relief, activities in support of biomedical services, health and safety services, community services, and activities in support of international relief and development services. This schedule does not reflect the full operations of the biomedical services or the international relief and development operations, but rather the limited support activities associated with these two programs that are performed by chartered chapters. In addition, the Schedule does not present the consolidated changes in operating revenues and expenses of The American National Red Cross and may not be indicative of the operating revenues and expenses that would have been achieved if the regional grouping operated as an unaffiliated organization.

The chartered chapters and regional groupings are managed as one network; funds are raised for the Network and are used where needed. At different times, certain chapters may generate more funds than needed or need more funds than generated. Accordingly, the Network works as a support function to ensure that each community has the necessary funds to support The American National Red Cross' programs that are vital to each community. Funds are always used according to the wishes of the donor. Additional funds are used to serve the needs of the community where they were raised; any excess is used to support needs in other communities and national disaster relief operations as well as the greater humanitarian effort across the Organization. Support from the Network received by chapters or regional groupings are reported, when applicable, as support from American National Red Cross chapter network on the Schedule. Excess amounts provided by the chapter or regional grouping are reported, when applicable, as national disaster relief and humanitarian services on the Schedule.

The excess in operating revenues and expenses reported on the Schedule are reported in total and do not include classifications of net assets, revenues, gains, and losses based on the existence or absence of donor-imposed restriction.

(b) Contributed Services and Materials

Contributed services reflect the important impact volunteers have in delivering the Organization's mission. Contributed services are reported at fair value when those services (1) create or enhance nonfinancial assets or (2) require specialized skills provided by individuals possessing those skills and are services which would be typically purchased if not provided by donation.

THE AMERICAN NATIONAL RED CROSS – Maine Region

Notes to Schedule

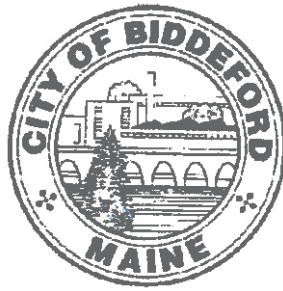
Year ended June 30, 2016

The Organization engages approximately 314,000 volunteers. A small percentage of these volunteers meet the above criteria and are reported in contributed services. Contributed services in the region includes the services of 46 volunteers. The region recorded contributed services revenue and related expense of \$0.2 million, primarily reflecting volunteer efforts in support of disaster services and services to the Armed Forces.

Contributed materials are recorded at their fair value at the date of the gift. Gifts of long-lived assets are recorded as restricted support.

(c) Allocation of Supporting Services Expenses

Over the past several years The American National Red Cross has worked to provide a greater level of standardization and oversight, and has centralized certain support functions to make more local resources available to serve the mission. During the year ended June 30, 2016, The American National Red Cross continued standardizing its methodology for allocating supporting services to each regional grouping in relation to the region's operating expenses net of national disaster relief and humanitarian services expenses. Accordingly, amounts presented in the accompanying Schedule may not be comparable to amounts presented in prior years.



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: **BIDDEFORD FOOD PANTRY**

Principal Address: **162 ELM STREET**
BIDDEFORD, ME 04005

Executive Director: **DONALD R BISSON**

Contact Person/Phone Number: **DON BISSON / 207.282.4771**

Est. Total Agency Budget for 2016/2017: **\$87,438**

Actual 2015/2016 Budget: **\$90,515**

Amount requested from the City of Biddeford: **\$20,000**

What percent of your annual budget does this request equal: **22%**

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses:

We provide food (at no cost) to Biddeford residents who cannot afford to purchase food for themselves and/or their families.

How is that need determined or measured?

We count the number of families and individuals each day and record this info into a daily/monthly/yearly database. That data is factored into our fundraising efforts, as donated funds are used to purchase food items. Over the past 3-4 years we've noticed an increase in the number of clients visiting us on a monthly basis, mostly attributed to decreased benefits in Maine.

How is your program attempting to meet that need and what is the outcome that you expect to achieve?

(Please be as specific as possible)

We regularly solicit and receive monetary donations from individuals and corporations, and cultivate partnerships with local community business partners (i.e., Hannaford, Market Basket, Target, Walmart, etc.) to obtain food and sundries for distribution to our clients.

What process does your agency undertake annually to evaluate the effectiveness of your program?

We are in the process of developing an evaluation form and will encourage our clients to offer their honest feedback for survey purposes, explaining that their participation will help us do a better job of servicing their current needs, and help us to better anticipate and react to their future needs.

Client eligibility criteria:

Biddeford residents who bring a form of verifiable ID (picture ID, state drivers' license, rent receipts, utility bills, etc.)

Describe fee structure:

We do not charge any fees for our services; all food is free of charge to our clients. The Pantry has no paid employees; our labor force is all-volunteer.

Describe services provided:

We provide, free of charge, approximately 3 weeks' worth of basic groceries to clients and their families who are in need.

What accommodations are made to those applicants with zero income?

All Biddeford residents who are in need can obtain free food from the Pantry, regardless of income.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

No.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City:

Yes, we rent a multi-story building located at 162 Elm Street in downtown Biddeford. The facility's size and layout (50ft x 24ft) allows us to store donated food and groceries in a large walk-in cooler and walk-in freezer in the rear of the building, while allowing pantry clients to shop near the front.

Define a unit of service as it pertains to the program:

A Biddeford resident who signs in at the Pantry's location and receives 3 weeks' worth of groceries for himself and/or his family. Clients are asked to limit visits to twice per month. We inquire about any special health issues (such as nut or gluten allergies) or illnesses (such as diabetes) which would require special assistance.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain.

We purchase food from the Good Shepherd Food bank using donated funds. We also take/offer surplus food donations to other local food banks.

How often are your books and/or financial records audited by an accounting firm or a 3rd party professional?

The Pantry's annual tax returns are prepared each year by Hammond & Dargis, CPAs in Biddeford, who also review our QuickBook accounts and fiscal year budgets.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal		\$ 0	\$ 0	\$ 0
State		\$ 0	\$ 0	\$ 0
County	City of Biddeford	\$ 5,000	\$10,000	\$10,000
Municipal		\$ 0	\$ 0	\$ 0
JTPA		\$ 0	\$ 0	\$ 0
3 RD Party		\$ 0	\$ 0	\$ 0
Fees/Tuition		\$ 0	\$ 0	\$ 0
Private Insurance		\$ 0	\$ 0	\$ 0
Endowments		\$ 0	\$ 0	\$ 0
United Way		\$ 0	\$ 0	\$10,000
Grants	Narraganset One Found.	\$ 5,000	\$10,611	\$10,000
Other Income/Surplus	Direct Public Support	\$67,350	\$66,559	\$69,830
In-kind Contributions		\$ 0	\$ 0	\$ 0
Totals		\$77,350	\$87,170	\$99,830

Total number of individuals served (unduplicated): **1,827**

Total number of units provided: **N/A**

Total number of individuals served from Biddeford: **1,790**

Percent of total client count that are residents of the City of Biddeford: **98%**

What other municipalities provide financial assistance and how much does each provide? **None**

Do you receive funding from Biddeford's CDBG program? If yes, for what services? **No**

Per capita cost of service(s); each individual counted only once: **\$11.49**

Unit of service cost: **N/A**

How many members of your agency have authority to decide where/how your funds will be spent?

5

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

1

Agencies **REQUIRED** to file yearly audits—include a copy of last audited financial statement.

Agencies **NOT REQUIRED** to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain. **No**

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **OCT 31 2011**

FRIENDS OF COMMUNITY ACTION
C/O SUSAN M RILEY
4 SUNSET AVE
SACO, ME 04072-2329

Employer Identification Number:
01-0378369
DLN:
17053180003041
Contact Person:
THOMAS C KOESTER ID# 31116
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
May 31
Public Charity Status:
170(b) (1) (A) (vi)
Form 990 Required:
Yes
Effective Date of Exemption:
July 6, 2011
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c) (3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c) (3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c) (3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Form **990-EZ**

Short Form Return of Organization Exempt From Income Tax

OMB No. 1545-1150

2015

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2015 calendar year, or tax year beginning	6/1/2015	, and ending	5/31/2016	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization FRIENDS OF COMMUNITY ACTION		D Employer identification number 01-0378369	
	Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 162 ELM STREET		E Telephone number 207-282-4771	
	City or town	State		ZIP code
	BIDDEFORD	ME	04005	F Group Exemption Number ▶
	Foreign country name	Foreign province/state/county	Foreign postal code	

G Accounting Method: Cash Accrual Other (specify) ▶ _____

I Website: ▶ N/A

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Tax-exempt status (check only one) -- 501(c)(3) 501(c)() (insert no.) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ 90,018

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I)
Check if the organization used Schedule O to respond to any question in this Part I

	Description	Line	Amount
Revenue	1 Contributions, gifts, grants, and similar amounts received	1	89,768
	2 Program service revenue including government fees and contracts	2	
	3 Membership dues and assessments	3	
	4 Investment income	4	250
	5a Gross amount from sale of assets other than inventory	5a	
	5b Less: cost or other basis and sales expenses	5b	
	5c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	0
	6 Gaming and fundraising events		
	6a Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	6b Gross income from fundraising events (not including of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
6c Less: direct expenses from gaming and fundraising events	6c		
6d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d	0	
7a Gross sales of inventory, less returns and allowances	7a		
7b Less: cost of goods sold	7b		
7c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	0	
8 Other revenue (describe in Schedule O)	8		
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	90,018	
Expenses	10 Grants and similar amounts paid (list in Schedule O)	10	
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	
	13 Professional fees and other payments to independent contractors	13	295
	14 Occupancy, rent, utilities, and maintenance	14	14,057
	15 Printing, publications, postage, and shipping	15	6,412
	16 Other expenses (describe in Schedule O)	16	34,968
	17 Total expenses. Add lines 10 through 16	17	55,732
Net Assets	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	34,286
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	73,150
	20 Other changes in net assets or fund balances (explain in Schedule O)	20	62
	21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	107,477

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: Biddeford Food Pantry	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford	\$ 5,000	\$10,000	\$10,000	\$10,000
Contributions	\$67,350	\$66,559	\$69,830	\$70,000
Fund Raising (included in Contributions)	Incl	Incl	Inclu	Incl
Legacies and Bequests	\$ 0	\$ 0	\$ 0	\$ 0
Contributed by Associated Organizations	\$ 0	\$ 0	\$ 0	\$ 0
Government: Federal	\$ 0	\$ 0	\$ 0	\$ 0
Government: State	\$ 0	\$ 0	\$ 0	\$ 0
Government: County	\$ 0	\$ 0	\$ 0	\$ 0
Government: Grants	\$ 5,000	\$10,610	\$20,000	\$20,000
Membership dues	\$0	\$0	\$0	\$0
Program Fees	\$ 0	\$ 0	\$ 0	\$ 0
Sales of Materials	\$ 0	\$ 0	\$ 0	\$ 0
Investment Income/Bank Interest	\$130	\$ 128	\$150	\$200
Miscellaneous Revenue	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL SUPPORT REVENUE	\$77,480	\$87,297	\$99,980	\$100,200
OPERATING EXPENSES				
Salaries	\$ 0	\$ 0	\$ 0	\$ 0
Employee Benefits	\$ 0	\$ 0	\$ 0	\$ 0
Payroll Taxes, etc.	\$ 0	\$ 0	\$ 0	\$ 0
Professional Fees	\$350	\$335	\$350	\$350
Supplies	\$4,220	\$2,986	\$4,400	\$4,400
Telephone	\$2,420	\$2,203	\$2,600	\$2,600
Postage and Shipping	\$2,200	\$196.00	\$500	\$500
Occupancy	\$7,940	\$9,480	\$8,200	\$8,200
Rental and Maintenance of Equipment	\$4,500	\$23,660	\$5,000	\$5,000
Printing and Publication	\$4,340	\$4,252	\$4,000	\$4,000
Travel	\$ 0	\$ 0	\$ 0	\$ 0
Conferences and Meetings	\$ 0	\$ 0	\$ 0	\$ 0
Specific Assistance to Individuals	\$ 0	\$ 0	\$ 0	\$ 0
Membership Dues	\$ 0	\$ 0	\$ 0	\$ 0
Awards and Grants	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	\$8,080	\$9,742	\$9,090	\$ 0
TOTAL OPERATING EXPENSES	\$34,090	\$52,854	\$34,140	\$34,140
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES	\$38,390	\$34,443	\$65,840	\$66,100
Payments to Affiliates (Good Shepherd)	\$25,840	\$23,843	\$23,000	\$23,000
Board Designations for Future Use	\$ 0	\$ 0	\$ 0	\$ 0
Depreciation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL OF ALL EXPENSES	\$59,930	\$76,697	\$57,140	\$57,140

AGENCY INDEPENDENT FUNDRAISING SURVEY

Please complete the following regarding all independent fundraising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates
Quarterly Food Drives at grocery stores	All shoppers	None	\$1,500 + donated food	We will try to hold food drives once per quarter.

Does your agency plan any Capital Fund Drives during the next 3-5 years? **No**

Description/Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates



BIDDEFORD FOOD PANTRY MISSION STATEMENT

The Biddeford Food Pantry is a non-profit 501 (c) (3) organization that provides food at no cost to the citizens of Biddeford who cannot afford to purchase food for themselves and their families.

SECTION IV. VALIDATION

I, Donald R Bisson, of the Biddeford Food Pantry, fka Friends of Community Action,

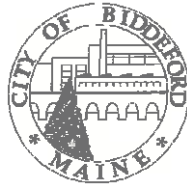
Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

President/Manager

Donald R Bisson
Signature/Title

6/20/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.



CITY OF BIDDEFORD

205 Main Street
PO Box 586
Biddeford, ME 04005

APPLICATION FOR CITY FINANCIAL ASSISTANCE FY 2017/2018

Please complete the following information and a hard copy to the City of Biddeford. Applications must be received no later than June 26 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

◆ Applicant Agency Name:	BonAppetit Community Meal Program
◆ Principal Address:	19 Crescent Street Second Congregational Church
◆ Executive Director:	Debra L Gagnon Meal Director
◆ Contact Person/Phone No.	Debra L Gagnon 205-0995 Laura Cortright 207-409-4375
◆ Est. Total Agency Budget for 2017/2018:	\$50,000
◆ Actual 2016/2017 Budget?	\$49,321.69
◆ Amount requested from City of Biddeford:	\$20,000
◆ What % of your annual budget does this request equal?	40%

SECTION II. PROGRAM DESCRIPTION

- ◆ **Describe the health or human service need that your program addresses.**

Hunger continues to be a pervasive problem for many citizens of Biddeford. While pantries provide food to prepare meals with at home, Bon Appetit provides a healthy meal five (5) days a week. Our goal is to feed anyone who is hungry while allowing them to maintain their dignity. Many of our patrons could receive food from the food pantry and not know how to prepare a healthy meal.

- ◆ **How is that need determined or measured?**

The numbers have grown from 35 a day when we first started the program 28 ½ years ago to over 85 many days of the week currently. The number of hungry individuals and families is constant. The number fluctuates from a low average of 50 a day in the winter months to around 100 in the warmer months.

- ◆ **How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)**

Bon Appetit's goal is to feed those who are unable, for any reason, to provide a meal per day for themselves and/or their families. We've been able to meet the needs of our clients through a network of donors of both money and food. Our director, Debra L Gagnon, travels many miles a week to secure donations. We have been fortunate to have Good Shepherd Food Bank which provides us with quality foods at very reasonable prices, as well as free staple items.

- ◆ **What process does your agency undertake annually to evaluate the effectiveness of your program(s)?**

Our program speaks for itself by successfully meeting need to feed the hungry. Our board meets quarterly to assess the program and make adjustments that might be necessary. We're adding a patron to our board of directors to give us feedback from that side of the equation.

- ◆ **Client Eligibility Criteria:**

The only eligibility requirement is hunger. While food stamps have decreased markedly, need has risen sharply. We've never judged nor asked clients for proof of need.

- ◆ **Describe Fee Structure:**

- ◆ **None**

- ◆ **Describe services provided:**

Healthy evening meals are provided 5 days a week. Service connections can be made per request of the clients who partake of our meals.

◆ **What accommodations are made to those applicants with zero income?**

There is no income requirement, nor do we charge anything for our meals. Clients are invited to drop change in the “bucket,” but no one is made to feel it’s a requirement.

◆ **Are fees charged for General Assistance Referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?**

No fees are charged

◆ **Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City.**

Yes, we rent space from the Second Congregational Church on 19 Crescent Street.

◆ **Define a unit of service as it pertains to the program:**

A unit of service is a meal.

◆ **Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain.**

Yes, we are part of the York County Peer Network with meetings on a quarterly basis. We also use the Good Shepherd Food Bank to supply us with necessary food items that would otherwise raise our budget substantially. We’ve been able to work with vendors to receive donations that have supported our programs with food items as well. Groups raise funds for us and have food drives to stock out pantry.

◆ **How often are your books and or financial records audited by an accounting firm or third party professional?**

annually

◆ **Funding Sources for program:**

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal				
State				
County				
Municipal		20,000	15,464	20,000
JTPA				
Private donations		30,000	22,553.70	30,000

Fees/Tuition				
Private Insurance				
Endowments				
United Way				
Grants				
Other Income/Surplus				
In-kind Contributions				
TOTALS		50,000	38,017.70	50,000

◆ **Total number of individuals served (unduplicated):**
This would be difficult to determine since we do not keep records of individuals served that are unduplicated. We do keep records of total number of meals provided.

◆ **Total number of units provided:**
14,900 in the last 12 months

◆ **Total number of individuals served from Biddeford:**
14,700 Biddeford resident meals in the past year

◆ **% of total client count that are residents of the City of Biddeford:**
98%

◆ **What other municipalities provide financial assistance and how much does each provide?**

No other city governments, but we receive support from churches, banks and civic groups from all surrounding towns and cities even if there are no residents from those towns who attend Bon Appetit

◆ **Do you receive funding from Biddeford’s CDBG program? If yes, for what services?**

No, we do not receive CDBG funding.

- ◆ **Per capita cost of service(s); each individual counted only once?**
- ◆ **Unit of service cost: \$3.35 per meal**

How many members of your agency have authority to decide where/how your funds will be spent?
Our board of directors votes on how to spend money that is above and beyond daily running of Bon Appetit.

◆ **Of that group, how many are responsible for ensuring funds are used for the intended purpose?**
Our board of directors is ultimately responsible for ensuring that funds are used for their intended purpose.

- ◆ Agencies **REQUIRED** to file yearly audits -- Include a copy of last audited financial statement.
- ◆ **Agencies NOT REQUIRED to file yearly audits – Complete the Budget Form and include your IRS Form 990.**
- ◆ **Has your 501 C-3 status been revoked within the past 5 years for any reason?**
No it has not.
- ◆ **If yes, explain.**

IMPORTANT: INCLUDE A COPY OF YOUR 501 C-3 FORM. ONLY DOCUMENTED NON-PROFIT AGENCIES WILL BE CONSIDERED TO RECEIVE FUNDING FROM THE CITY OF BIDDEFORD

BUDGET FORM – SUPPORT REVENUES AND EXPENSES

	1	2	3	4
AGENCY Bon Appetit Community Meal Program	LAST YEAR BUDGET	LAST YEAR ACTUAL	THIS YEAR BUDGET	NEXT YEAR PROPOSED
PUBLIC SUPPORT & REVENUE				
Allocation from City of Biddeford	20,000	15,464	20,000	20,000
Contributions	30,000	22,553.70	30,000	40,000
Fund Raising				
Legacies & Bequests	0	0	0	0
Contributed by Associated Organizations				
Government: Federal	0	0	0	0
Government: State	0	0	0	0
Government: County	0	0	0	0
Government: Municipalities	0	0	0	0
Membership dues	30	30	30	30
Program Fees	0	0	0	0
Sales of Materials	0	0	0	0
Investment Income	0	0	0	0
Misc. Revenue	0	0	0	0
TOTAL SUPPORT REVENUE				
OPERATING EXPENSES				
Salaries	20,000	19,703.90	22,100	22,750
Employee Benefits	0			
Payroll Taxes, etc.		5956	6,000	6200
Professional Fees				
Supplies and meals		5200	5200	5500
Telephone	480	480	480	480
Postage & Shipping	150	162	175	175
Occupancy	10800	10902	12000	12000
Rental & Maintenance of Equipment		4282.10	4000	4000
Printing & Publications				
Travel		2616	2700	2800
Conferences & Meetings	60	60	60	60
Specific Assistance to Individuals				
Membership Dues	135	135	135	135
Awards & Grants				
Miscellaneous				
TOTAL OPERATING EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES				
PAYMENTS TO AFFILIATES				
BOARD DESIGNATIONS FOR SPECIFIC FUTURE USE				
DEPRECIATION EXPENSE				
TOTAL ALL EXPENSES		49,321.69	52,850	54,100
EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES deficit was 5,641.18 for 2016-2017				

AGENCY INDEPENDENT FUND RAISING SURVEY

Agency: Bon Appetit Community Meal Program

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Bon Appetit is blessed to be recipients of funds from Maine Credit Unions Fight Against Hunger Campaigns each year, as well as funding from several churches, social service groups, banks, as well as individuals. We have procured several sources of "FREE" food to be picked up on a weekly basis.

Description/Purpose	Target Audience (Please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin – End Dates

Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following: **None at this time.**

Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin – End Dates

VALIDATION

I, Laura Cortright, of Bon Appetit Community Meal Program
(Name) (Name of Agency)

acknowledge the foregoing document to be true and accurate and signed the same in my
capacity as President.
(Title)

Laura Cortright president
Signed/Title

5/31/2017
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
G.P.O. BOX 1680
BROOKLYN, NY 11202

DEPARTMENT OF THE TREASURY

Date: **MAY 08 1997**

BON APETIT-COMMUNITY MEAL PROGRAM
MICHAEL O'TOOLE
PO BOX 1091
BIDDEFORD, ME 04005-1091

Employer Identification Number:
01-0462772
Case Number:
117079022
Contact Person:
J. MOSES
Contact Telephone Number:
(718) 488-2971
Our Letter Dated:
7/92
Addendum Applies:
NO

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

You are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. For guidance in determining whether your gross receipts are "normally" more than \$25,000, see the instructions for Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

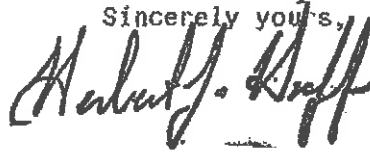
If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

BON APETIT-COMMUNITY MEAL PROGRAM

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

A handwritten signature in cursive script that reads "Herbert J. Huff". The signature is written in dark ink and is positioned above the typed name.

Herbert J. Huff
District Director

BON APPETIT
Profit & Loss
 January through December 2016

	<u>Jan - Dec 16</u>
Income	
Cash Management Interest	18.87
Donations	43,658.88
Savings Interest	2.76
Total Income	<u>43,680.51</u>
Expense	
Auto	
Fuel	2,050.00
Insurance	566.00
Total Auto	<u>2,616.00</u>
Bank Charge	70.00
Food Supplies	5,225.00
Insurance	500.00
Kitchen Equipment	2,503.20
Membership Fee's	30.00
Office Expense	31.04
Rent	10,902.00
Serving Supplies	875.00
Tax	
State	156.00
U.S. Treasury	4,930.70
Total Tax	<u>5,086.70</u>
Vehicle Repairs	1,778.90
Wages	19,703.85
Total Expense	<u>49,321.69</u>
Net Income	<u><u>-5,641.18</u></u>

Beginning Fund BALANCE 1/1/16	\$ 27,261.49
LESS: Deficit 12/31/16	\$ <5,641.18>
Fund BALANCE 1/1/17	<u>\$ 21,620.31</u>

BON APPETIT
Balance Sheet
As of December 31, 2016

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking	4,862.84
Money Market	16,182.07
Savings	575.40
Total Checking/Savings	<u>21,620.31</u>
Total Current Assets	<u>21,620.31</u>
TOTAL ASSETS	<u><u>21,620.31</u></u>
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	45,041.98
Retained Earnings	-17,780.49
Net Income	-5,641.18
Total Equity	<u>21,620.31</u>
TOTAL LIABILITIES & EQUITY	<u><u>21,620.31</u></u>

Mission Statement for Bon Appetit Community Meal Program

Bon Appetit strives to provide a healthy meal in a safe and friendly environment to anyone who is in need at no cost to the patron. We will honor their privacy and not ask them questions regarding financial situations.

Short Form

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2016

Open to Public Inspection

- Do not enter social security numbers on this form as it may be made public.
Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

A For the 2016 calendar year, or tax year beginning , 2016, and ending , 20

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending. C Name of organization: Bon Appetit Community Meal Program. D Employer identification number: 01-0462772. E Telephone number: 207 283 0380. F Group Exemption Number.

G Accounting Method: [X] Cash [] Accrual Other (specify) H Check [X] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website:

J Tax-exempt status (check only one) -- [X] 501(c)(3) [] 501(c) () (insert no.) [] 4947(a)(1) or [] 527

K Form of organization: [X] Corporation [] Trust [] Association [] Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ \$ 43681

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
Check if the organization used Schedule O to respond to any question in this Part I []

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received (43,659); 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Investment income (22); 5a Gross amount from sale of assets other than inventory; 5b Less: cost or other basis and sales expenses; 5c Gain or (loss) from sale of assets other than inventory; 6 Gaming and fundraising events; 6a Gross income from gaming; 6b Gross income from fundraising events; 6c Less: direct expenses from gaming and fundraising events; 6d Net income or (loss) from gaming and fundraising events; 7a Gross sales of inventory, less returns and allowances; 7b Less: cost of goods sold; 7c Gross profit or (loss) from sales of inventory; 8 Other revenue; 9 Total revenue (43,681); 10 Grants and similar amounts paid; 11 Benefits paid to or for members; 12 Salaries, other compensation, and employee benefits (20,800); 13 Professional fees and other payments to independent contractors; 14 Occupancy, rent, utilities, and maintenance (10,902); 15 Printing, publications, postage, and shipping; 16 Other expenses (17,620); 17 Total expenses (49,322); 18 Excess or (deficit) for the year (-5,641); 19 Net assets or fund balances at beginning of year (27,261); 20 Other changes in net assets or fund balances (-5,641); 21 Net assets or fund balances at end of year (21,620).

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments		
23 Land and buildings	27,261	21,620
24 Other assets (describe in Schedule O)		
25 Total assets		
26 Total liabilities (describe in Schedule O)	27,261	21,620
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	27,261	21,620

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? **Feed the disadvantaged**

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses
(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

28 Mostly volunteer organization that provides meals to the area's elderly, socially or economically disadvantaged individuals and families. An average of 100 meals are served nightly Mon-Fri.		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	49,322
29 _____		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	
30 _____		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	
31 Other program services (describe in Schedule O)		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	
32 Total program service expenses (add lines 28a through 31a)	32	

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
Debra Gagnon Executive Director	40	20,800	0	0
Linda Lambert President	15	0	0	0
David Dumont Treasurer	1	0	0	0
Mike O'Toole Secretary	5	0	0	0

Part V Other information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V.

		Yes	No
33	Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		<input checked="" type="checkbox"/>
34	Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		<input checked="" type="checkbox"/>
35a	Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		<input checked="" type="checkbox"/>
b	If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		
35b			
c	Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		
35c			
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		<input checked="" type="checkbox"/>
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶	37a	0
b	Did the organization file Form 1120-POL for this year?	37b	<input checked="" type="checkbox"/>
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a	<input checked="" type="checkbox"/>
b	If "Yes," complete Schedule L, Part II and enter the total amount involved	38b	
39	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on line 9	39a	
b	Gross receipts, included on line 9, for public use of club facilities	39b	
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
b	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	<input checked="" type="checkbox"/>
c	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	<input checked="" type="checkbox"/>
41	List the states with which a copy of this return is filed ▶		
42a	The organization's books are in care of ▶ David Dumont Telephone no. ▶ 207 494 8267 Located at ▶ 203 Seaside Avenue Saco, ME ZIP + 4 ▶ 04072		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b	<input checked="" type="checkbox"/>
c	At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country: ▶	42c	<input checked="" type="checkbox"/>
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶	43	<input type="checkbox"/>
44a	Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	<input checked="" type="checkbox"/>
b	Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	<input checked="" type="checkbox"/>
c	Did the organization receive any payments for indoor tanning services during the year?	44c	<input checked="" type="checkbox"/>
d	If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
45a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	<input checked="" type="checkbox"/>
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	45b	<input checked="" type="checkbox"/>

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I **46** Yes No

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II **47** Yes No

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E **48** Yes No

49a Did the organization make any transfers to an exempt non-charitable related organization? **49a** Yes No

b If "Yes," was the related organization a section 527 organization? **49b** Yes No

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000 ▶ _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000 ▶ _____

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A Yes No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here  Signature of officer Date
David W Dumont, Treasurer
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				

May the IRS discuss this return with the preparer shown above? See instructions Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

Bon Appetit Community Meal Program

01-0462772

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

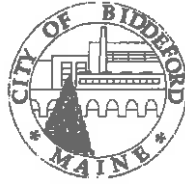
Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	44295	38469	44960	48384	43681	219789
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	44295	38469	44960	48384	43681	219789
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						219789

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4	44295	38469	44960	48384	43681	219789
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	36	22	18	18	21	115
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						219904
12 Gross receipts from related activities, etc. (see instructions)				12		
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	99.9 %
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	99.9 %
16a 33 1/3% support test—2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 33 1/3% support test—2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		



City of Biddeford

205 Main Street
PO Box 586
Biddeford, ME 04005

Application for City Financial Assistance FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Application received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name:	Caring Unlimited
Principal Address:	965 Main Street, POB 590
	Sanford, Me 04090
Executive Director:	Cynthia Peoples
Contact Person/Phone Number	Barbara Maling-Hicks
	207 490-3227 ext 130
Est. Total Agency Budget for 2016/2017:	\$1,648,980
Actual 2015/2016 Budget?	\$1,564,548
Amount requested from City of Biddeford:	\$6,383
What percent of your annual budget does this request equal?	.39%

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses.

It is that honors their essential worth, nurtures their inherent strengths and respects their right of self-determination the mission of Caring Unlimited to work with the community to end domestic violence in York County. This includes providing support and safe haven to women, their children and men whose lives are affected by domestic abuse in a manner.

Domestic violence is a pattern of behavior in an intimate relationship in which the abuser seeks to maintain power and control over the victim through any means necessary including physical, sexual or psychological abuse causing the victim to fear for her safety. The abusive behavior generally increases in frequency and severity over time and there is no known reliable intervention to permanently stop batterers from choosing to repeat their coercive control tactics.

How is that need determined or measured?

Domestic violence, sexual assault and stalking remains epidemic in Maine and pervasive throughout York County. Law enforcement surveys show that domestic violence is considered by police to be the number one problem they face on a regular basis statewide. Recent studies reveal that as many as 30,000 Maine adults may be experiencing domestic violence at any given time. The majority of murders committed in the state each year are domestic violence related and driven by an alarming increase in domestic violence related deaths in recent years, Maine's Public Health Director issued a Domestic Violence Public Health Advisory with recommendations for health care providers and the general public. In York County where less than 15% of the state's population resides, more than 20% of all reported domestic assaults continued to occur here in 2012. Caring Unlimited responds to requests for help from more than 2,000 unduplicated individuals annually. From October 1, 2015 through September 30, 2016 (our most recently completed fiscal year), CU provided safety planning and support services to 2,017 unduplicated individuals including 224 residents of the City of Biddeford.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)

Please see attached "What We Did Last Year" for our most recently completed fiscal year.

What process does your agency undertake annually to evaluate the effectiveness of your program(s)?

Program effectiveness is informally evaluated on an ongoing basis through feedback from both clients and staff members. Formal program evaluation occurs through quarterly outcome reports to DHHS and internally through our annual review by Caring Unlimited's Program Committee of the Board of Directors. Strategies and goals for improved program effectiveness are discussed and assessed as part of this process.

Client Eligibility Criteria:

All Caring Unlimited services are confidential and provided free of charge to anyone victimized in an intimate relationship.

Describe Fee Structure:

Caring Unlimited does not charge for its services. Domestic abuse, by its very nature, means that victims are often not allowed to have any control over the family (or their own) finances and are often unable to access joint assets. Because of this dynamic, charging for services would be another barrier to get safe that would keep many victims trapped in abusive and often dangerous situations.

Describe services provided:

- 24 Hour Hotline (1-800-239-7298) All Caring Unlimited services, including safety planning assistance, information about available resources, emotional support, advocacy and emergency safe haven are just a phone call away twenty-four hours a day.
- Support & Education Groups A variety of day and evening groups offering safety planning information, encouragement, hope and strength held weekly at CU Resource Centers in Sanford, Biddeford, Waterboro and Kittery.
- Legal Assistance & Court Advocacy Help with Protection From Abuse Orders, divorce and custody in York County courts.
- Emergency Shelter Temporary safe haven and support services for people who are unsafe in their own homes because of domestic violence. Help with food, clothing, transportation and other needs.
- Transitional Housing & Services A program of longer term, safe, affordable housing with supportive services designed to help battered women rebuild their lives after leaving an abusive relationship.
- Community Response Program Education, training and consultation with York County agencies, organizations, schools and the general public to promote effective responses that increase safety for victims, hold abusers accountable and move our communities toward zero tolerance for domestic violence.
- Volunteer Program Caring Unlimited depends heavily on our trained volunteers. You can make a difference! For more information call 490-3227 x111.

What accommodations are made to those applicants with zero income?

Caring Unlimited does not charge for its services. FMI please see above.

Are fees charged for General Assistance Referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

Caring Unlimited does not charge fees for referrals to General Assistance.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City.

Yes. Since 2007 Caring Unlimited has owned 200 Elm Street in Biddeford which houses our Biddeford Resource Center and a Transitional Housing unit. Individual and group support services are provided to victims/ survivors of abuse who live in Biddeford and the surrounding areas from this site. We are hoping to sell this property in the near future as building maintenance has outstripped our ability to keep up with it. Caring Unlimited's services to the Biddeford community will continue uninterrupted however because we have recently joined the Social Services Collaborative that operates out of the JR Martin Community Center.

Define a unit of service as it pertains to the program:

- Residential Services (Emergency Shelter or Transitional Housing): 1 Bednight
- Individual Advocacy Services (Hotline or In-person Support): 1 Client Hour
- Support /Education Group Services: 1 Client Hour

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain.

Caring Unlimited works closely with a wide variety of organizations to effectively address the broad needs of survivors as they struggle to establish safety from an abuser and heal from the traumatic effects of the abuse they experienced. A few examples include:

- Maine’s Domestic Violence Resource Centers through the Maine Coalition to End Domestic Violence (MCEDV): mutual agreements among 8 organizations statewide to coordinate services when victims must flee York County to establish safety.
- MaineHousing Authority and Sanford Housing Authorities provide rental assistance by agreement for safe, affordable housing after individuals and families become homeless after leaving their abuser.
- York County Community Action Corporation’s Nasson Health Center provides health care services by agreement with CU for victims/survivors in need.
- Opportunity Alliance Children’s Case Management Program and Maine Children’s Trauma Response Initiative (formal agreements) to provide reliable access to services for children suffering from the effects of having witnessed abuse.

How often are your books and/or financial records audited by an accounting firm or a third party professional?

Caring Unlimited’s records are audited by Runyon, Kersteen, Ouellette CPAs annually.

Funding Sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017 FYE 9/30/16	RECEIVED FOR FY 2016/2017 FYE 9/30/16	BUDGETED FOR FY 2017/2018 FYE 9/30/17
Federal	DHHS Contract	786,349	786,349	656,042
State SPSS	DHHS Contract	51,961	51,961	48,751
State	DHHS Contract			133,517
State	Maine Housing	215,000	152,419	135,000
County	York County	0	0	0
Municipal	See list attached	25,000	33,443	25,000
3 rd Party	Section 8 Rents & TCM Reimb	108,028	116,592	118,148
United Way	United Way of York County	44,500	41,558	51,625
Grants	OVW + Private	211,450	203,512	320,806
Fundraising/Donations	Atlantic Plunge/Nicoles Run	94,200	110,159	107,000
Other Income/Surplus	Miscellaneous Sources	2,500	5,166	8,591
In-kind Contributions	Direct Service Volunteer Time	25,560	36,760	44,500
Totals		1,564,548	1,537,921	1,648,980

Please note: Caring Unlimited’s fiscal year runs from October 1st through September 30th. The FY17 budget has not been developed at this time. Figures provided are for CU’s most recently completed fiscal year and the current fiscal year budget.

Total number of individuals served (unduplicated):

Last year 1,751 women, 187 children and youth and 79 men and provided domestic violence education and awareness presentations to another 8,012 individuals throughout York County.

Total number of units provided:

24 Hour Hotline Program provided 2057 hours of safety planning and support services to 1,508 individuals;

Emergency Shelter Program provided 6,072 Bednights to 128 individuals who received 2,960 hours of individual and group support services while there;

Transitional Housing & Services Program provided 1,455 hours of individual case management and group services to 40 individuals (15 families at any given time);

Outreach Services Program provided 2,471 hours of support/education group services to 328 women and children at CU Resource Centers in Sanford, Biddeford, Kittery and Waterboro;

Legal Services Program provided 3,857 hours of legal assistance and lay court advocacy services to 591 unduplicated individuals

Community Response Program provided 8,952 hours of community education, training, consultation and systems advocacy services to agencies and organizations throughout York County.

Total Direct Service Units of Service: 27,824 Units

Total number of individuals served from Biddeford: 224

Percent of total client count that are residents of the City of Biddeford: 11%

**What other municipalities provide financial assistance and how much does each provide?
Please see list attached**

Do you receive funding from Biddeford's CDBG program? If yes, for what services?

CU does not receive funding from Biddeford's CDBG program.

Per capita cost of service(s); each individual counted only once:

Average Cost of Direct Services / Person for most recently completed fiscal year = \$627.01

Unit of service cost:

Average unit cost across all direct service programs for most recently completed fiscal year = \$45.45

How many members of your agency have authority to decide where/how your funds will be spent?

The Board of Directors has the authority to decide where/how to spend the agency's funds. Within the board-approved annual budget the Executive Director has the day-to-day authority to expend funds.

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

The Executive Director approves all expenditures and the Board of Directors reviews financial reports including the current balance sheet and profit and loss statements showing actual to budget comparisons each month.

Agencies REQUIRED to file yearly audits – include a copy of last audited financial statement.

Agencies NOT REQUIRED to file yearly audits – Complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked within the past 5 years for any reason? If yes, explain.

Caring Unlimited's 501C-3 status has never been revoked since it was initially granted in October 1977.

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

AGENCY INDEPENDENT FUND RAISING SURVEY

AGENCY: Caring Unlimited

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (Please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin - End Dates
Alantic Plunge	General Community	\$2,600	\$21,000	January 6, 2018
Nicole's Run	General Community	\$3,500	\$21,000	July 2018

Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following: No

Description/Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin - End Dates

SECTION IV. VALIDATION

I, Cynthia Peoples, of Caring Unlimited
(Name) (Name of Agency)

acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

Executive Director
(Title)


Signature Title

6/8/17
Date

SECTION V: ATTACHMENTS

- What We Did Last Year
- List of Contributor Municipalities
- FY16 Audited Financial Statements
- 501C-3 Letter
- Mission statement

Mission Statement

It is the mission of Caring Unlimited to work with the community to end domestic violence in York County. This includes providing support and safe haven to women, their children and men whose lives are affected by domestic abuse in a manner that honors their essential worth, nurtures their inherent strengths and respects their right of self-determination.

Statement of Philosophy

We, the Caring Unlimited Board, Staff and Volunteers, believe that:

People often use power in a coercive way to control or dominate others. This abuse of power violates the rights of others. The distribution of power and authority in our society particularly encourages the abuse and oppression of women and children. We recognize that sexism, racism, age and class prejudice, homophobia, and able-bodyism are used to oppress others in the same way that acts of violence are used to oppress women and children.

Violence against women and children takes many forms--physical, verbal, sexual and emotional. Women and children are most frequently abused in their own homes, by members of their own families. Even women who are not direct targets of violence are affected, intimidated or limited by all violence against women and all members of society are harmed by the cultural acceptance of this violence.

Battered women have the ability and right to control their own lives, but may need support and information to make decisions not clouded by terror or coercion. Providing battered women with support and information empowers us/them to reclaim our/their inherent personal power.

Battered women are not responsible for the batterer's abusive behavior--the batterer is responsible. Because violence against women is sanctioned by society, by many of our institutions and by the media, the batterer's behavior is encouraged. To prevent and eradicate violence against women and children, it is essential that societal behaviors and values be changed. Our entire community must take responsibility for ending this violence. Social consequences, including strong legal penalties, are necessary to change the batterer's behavior. Society must make it clear that violence against women and children is unacceptable and will not be tolerated.

7/98

WHAT WE DID LAST YEAR

From October 1, 2015 through September 30, 2016 Caring Unlimited staff and volunteers assisted 2,017 unduplicated individuals including 1,751 women, 187 children and 79 men whose lives were affected by domestic abuse. They received 13,527 hours of direct safety planning and support services. During the same period our Community Response Program provided another 8,952 hours of domestic violence education services during 453 presentations at community-based organizations, agencies and schools throughout our York County communities.

"I had given up on happiness. I never thought I would have a reason to hope, to dream but with all of your help you gave me a reason to smile, a reason to make plans for me and my children's future. I am now able to get up in the morning without feeling the fear and dread I went through each day when I lived with my abusive husband. Thank you all for all you have done to help me and so many other women who have needed your help and kindness."

INDIVIDUAL ADVOCACY

We responded to 1,500 individuals on the Hotline, at Outreach Resource Centers throughout York County and through our Child Protective Liaison as they sought assistance with safety planning, crisis intervention, emotional support and links to needed services.

EMERGENCY SHELTER

128 individuals including 73 women, 1 man and 54 children who were not safe in their homes found safe haven and support through CU's Emergency Shelter Program. They spent a total of 6,072 days and nights in shelter and received 2,960 hours of individual and group services while there.

TRANSITIONAL HOUSING AND SERVICES

32 women and children received 1,996 hours of individual and group services while living in our Transitional Housing Program for up to 24 months as they worked to make a fresh start after leaving their abuser.

SUPPORT AND EDUCATION GROUPS

Safety planning and empowerment groups for victims of domestic abuse are offered weekly throughout York County. Last year a total of 328 individuals (278 women and 50 children) received 2,471 hours of group services through CU's Outreach Services Program.

LEGAL ASSISTANCE / COURT ADVOCACY

591 individuals received 3,857 hours of legal assistance with Protection From Abuse and other legal matters necessary for them to become safe from abusive partners.

COMMUNITY RESPONSE PROGRAMS

Last year CU's Community Response and School-Based Prevention Programs provided 7,899 hours during 584 community education, training and consultation activities to a total of 8,012 individuals within the local justice system, school systems, social service organizations, the health care community other local organizations.

VOLUNTEER PROGRAM

Our ability to provide around the clock services depends heavily on the ongoing dedication and commitment of our volunteers. Last year 95 individuals contributed 5,325 hours of service on the hotline, in shelter, helping out with support groups, working with children and by meeting a number of other needs within the organization!

Municipal Support 2016

Town of Acton	\$656
Town of Alfred	\$906
Town of Arundel	\$900
City of Biddeford	\$12,020
Town of Buxton	\$500
Town of Cornish	\$500
Town of Dayton	\$250
Town of Hollis	\$1,281
Town of Kennebunk	\$2,000
Town of Kennebunkport	\$1,500
Town of Kittery	\$965
Town of Lebanon	\$1,809
Town of Limington	\$600
Town of Newfield	\$500
Town of North Berwick	\$1,373
Town of South Berwick	\$500
Town of Waterboro	\$2,308
Town of Wells	\$1,200
Town of York	<u>\$3,750</u>
	\$33,518

CARING UNLIMITED, INC.

Financial Statements

September 30, 2016 and 2015

Independent Auditor's Report

To the Board of Trustees
Caring Unlimited, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Caring Unlimited, Inc. (a nonprofit corporation), which comprise the statements of financial position as of September 30, 2016 and 2015, 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 control 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 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 Caring Unlimited, Inc. as of September 30, 2016 and 2015, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2017 on our consideration of Caring Unlimited, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Caring Unlimited, Inc.'s internal control over financial reporting and compliance.



March 16, 2017
South Portland, Maine

CARING UNLIMITED, INC.
Statements of Financial Position
September 30, 2016 and 2015

	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 184,861	256,433
Grants and accounts receivable, net	152,292	74,380
Prepaid expenses	15,000	8,102
Total current assets	352,153	338,915
Land, building, and equipment:		
Land	153,283	153,283
Building and improvements	2,064,289	2,061,010
Furniture and equipment	39,888	39,888
Total land, building, and equipment	2,257,460	2,254,181
Less accumulated depreciation	(660,587)	(604,961)
Land, building, and equipment, net	1,596,873	1,649,220
Total assets	\$ 1,949,026	1,988,135
LIABILITIES AND NET ASSETS		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 22,688	16,839
Accrued payroll and related expenses	23,047	14,773
Accrued compensated absences	55,642	49,096
Escrows and amounts held for others	2,817	5,039
Line of credit	100,000	99,921
Current portion of long-term debt	25,221	23,730
Total current liabilities	229,415	209,398
Long-term liabilities:		
Long-term debt, net of current portion	1,057,767	1,086,735
Total long-term liabilities	1,057,767	1,086,735
Total liabilities	1,287,182	1,296,133
Net assets:		
Unrestricted:		
Undesignated	(62,881)	(36,069)
Board designated	181,928	154,210
Net investment in land, building, and equipment	343,885	348,755
Total unrestricted net assets	462,932	466,896
Temporarily restricted	198,912	225,106
Permanently restricted	-	-
Total net assets	661,844	692,002
Total liabilities and net assets	\$ 1,949,026	1,988,135

See accompanying notes to financial statements.

CARING UNLIMITED, INC.
Statements of Activities
For the Years Ended September 30, 2016 and 2015

	2016			2015			
	Unrestricted	Temporarily restricted	Permanently restricted	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenue, gains and other support:							
Federal and state grants	\$ 984,861	-	-	984,861	-	-	976,006
Municipal support	33,443	-	-	33,443	-	-	24,274
Maine State Housing Authority grants	152,419	-	-	152,419	-	-	96,799
Other grants	56,961	-	-	56,961	-	-	85,218
United Way	41,558	-	-	41,558	-	-	46,152
Contributions	69,362	22,272	-	91,634	20,009	-	54,822
In-kind support	36,760	-	-	36,760	-	-	63,057
Fundraising and sales	40,797	-	-	40,797	-	-	39,465
Program revenues	107,472	-	-	107,472	-	-	101,368
Interest income	219	-	-	219	-	-	207
Miscellaneous	14,070	-	-	14,070	-	-	9,866
Total revenue, gains and other support	1,537,922	22,272	-	1,560,194	20,009	-	1,497,234
Net assets released from restrictions:							
Restrictions satisfied by payments or incurrence of expense	48,466	(48,466)	-	-	(62,460)	-	-
Total revenue, gains, other support and reclassifications	1,586,388	(26,194)	-	1,560,194	(42,451)	-	1,497,234
Program expenses:							
Transitional housing	258,349	-	-	258,349	290,076	-	290,076
Emergency shelter program	244,730	-	-	244,730	165,432	-	165,432
Children's services	67,423	-	-	67,423	91,922	-	91,922
Non-resident services	125,462	-	-	125,462	120,349	-	120,349
Legal advocacy	233,954	-	-	233,954	231,696	-	231,696
Hotline	106,699	-	-	106,699	128,669	-	128,669
Community response	216,066	-	-	216,066	196,268	-	196,268
Volunteer services	31,827	-	-	31,827	32,075	-	32,075
Other programs	30,990	-	-	30,990	30,754	-	30,754
Total program expenses	1,315,500	-	-	1,315,500	1,287,241	-	1,287,241
Supporting services:							
Management and general	274,852	-	-	274,852	255,069	-	255,069
Total supporting services	274,852	-	-	274,852	255,069	-	255,069
Total expenses	1,590,352	-	-	1,590,352	1,542,310	-	1,542,310
Change in net assets	(3,964)	(26,194)	-	(30,158)	(2,625)	(42,451)	(45,076)
Net assets, beginning of year	466,896	225,106	-	692,002	469,521	-	737,078
Net assets, end of year	\$ 462,932	198,912	-	661,844	466,896	225,106	692,002

See accompanying notes to financial statements.

CARING UNLIMITED, INC.
Statement of Functional Expenses
Year Ended September 30, 2016

	Program expenses										Total	
	Transitional housing	Emergency shelter program	Children's services	Non-resident services	Legal advocacy	Hotline	Community response	Volunteer services	Other programs	Program expenses		Management and general
Salaries	\$ 102,084	147,488	45,754	83,771	171,726	50,124	152,757	23,132	-	776,836	188,984	965,820
Employee benefits	25,425	35,222	11,619	7,581	21,610	6,950	21,751	3,403	-	133,561	27,665	161,226
Payroll taxes	11,593	13,577	4,837	8,435	17,010	4,796	14,739	2,254	-	77,241	18,569	95,810
Consultants	1,287	843	-	2,750	-	-	50	-	-	4,930	-	4,930
In-kind salaries	-	-	-	-	-	36,760	-	-	-	36,760	-	36,760
Occupancy	-	-	-	2,500	-	-	-	-	-	2,500	-	2,500
Telephone	461	2,969	657	678	2,139	4,471	924	123	-	12,422	1,720	14,142
Postage	-	38	-	-	599	-	337	357	-	1,331	768	2,099
Office supplies	68	500	68	138	269	18	248	-	-	1,309	3,741	5,050
Program materials	955	4,141	329	696	856	230	983	239	-	8,429	1,380	9,809
Utilities	23,134	9,085	302	1,947	1,233	297	1,037	159	-	37,194	1,027	38,221
Food	-	1,934	-	-	-	-	-	-	-	1,934	-	1,934
Printing	-	-	-	-	-	-	-	-	-	-	549	549
Travel	988	3,258	178	2,215	2,681	25	3,089	44	-	12,478	52	12,530
Insurance	6,122	3,200	914	2,165	4,062	640	2,511	850	-	20,464	4,254	24,718
Staff training	50	554	50	325	285	50	824	-	-	2,138	-	2,138
Other	10	87	25	47	100	-	6,974	30	-	7,273	5,148	12,421
Restricted expense	-	-	-	-	-	-	-	-	28,466	28,466	1,560	30,026
Dues and subscriptions	-	118	-	-	653	-	300	30	-	1,101	3,895	4,996
Equipment and technology	2,641	4,142	1,221	2,925	4,060	828	3,705	458	-	19,980	3,603	23,583
Repairs and maintenance	33,648	5,316	252	1,333	1,551	346	1,363	192	-	44,001	1,365	45,366
Audit	1,233	2,025	830	1,517	2,461	551	2,163	305	-	11,085	2,164	13,249
Client resources	-	4,900	-	1,129	30	25	-	-	-	6,084	-	6,084
Interest	12,643	129	66	3,257	516	115	453	(11)	-	17,168	3,597	20,765
Total expenses before depreciation	222,342	239,526	67,102	123,409	231,841	106,226	214,208	31,565	28,466	1,264,685	270,041	1,534,726
Depreciation	36,007	5,204	321	2,053	2,113	473	1,858	262	2,524	50,815	4,811	55,626
Total expenses	\$ 258,349	244,730	67,423	125,462	233,954	106,699	216,066	31,827	30,990	1,315,500	274,852	1,590,352

See accompanying notes to financial statements.

CARING UNLIMITED, INC.
Statement of Functional Expenses
Year Ended September 30, 2015

	Program expenses										Total
	Transitional housing	Emergency shelter program	Children's services	Non-resident services	Legal advocacy	Hotline	Community response	Volunteer services	Other programs	Management and general	
Salaries	\$ 112,863	90,795	64,609	79,515	165,234	48,630	133,769	21,969	-	176,526	893,910
Employee benefits	22,315	19,074	10,936	7,163	19,935	6,690	21,054	3,785	-	26,025	136,977
Payroll taxes	12,229	9,560	7,671	10,009	18,927	5,361	15,136	2,473	-	19,417	100,783
Consultants	1,920	-	-	-	-	-	-	-	-	-	1,920
In-kind salaries	-	-	-	-	-	57,500	-	-	-	-	57,500
In-kind other	-	-	-	-	-	-	-	-	5,557	-	5,557
Occupancy	-	-	-	2,200	-	-	-	-	-	-	2,200
Telephone	349	1,559	1,079	1,036	2,382	4,484	1,357	197	-	1,867	14,310
Postage	-	114	7	-	408	196	68	392	-	915	2,100
Office supplies	450	1,023	393	624	1,188	462	1,777	124	-	788	6,829
Program materials	2,135	3,433	619	906	1,186	220	2,041	939	-	238	11,717
Utilities	40,737	10,705	409	2,723	710	164	464	111	-	588	56,611
Food	9	1,469	-	-	-	-	-	-	-	-	1,478
Printing	-	-	-	-	-	-	-	-	-	-	-
Travel	674	1,987	321	1,894	2,510	313	2,531	41	-	1,500	1,500
Insurance	6,123	2,661	1,261	2,049	4,228	1,251	2,490	396	-	390	10,661
Staff training	323	324	65	155	576	-	387	-	-	4,155	24,614
Other	259	413	229	403	851	137	5,062	72	-	900	2,730
Restricted expense	-	-	-	-	-	-	-	-	22,460	4,128	11,554
Dues and subscriptions	-	30	-	-	745	-	360	95	-	-	22,460
Equipment and technology	1,750	6,083	1,471	2,512	4,638	882	2,941	462	-	2,520	3,750
Repairs and maintenance	36,415	4,784	661	1,368	1,590	396	1,340	206	-	3,491	24,230
Audit	1,236	1,566	1,088	1,445	2,608	652	2,148	342	-	3,147	49,907
Client resources	282	4,568	-	1,184	142	365	-	-	-	2,165	13,250
Interest	13,893	367	465	3,641	1,114	279	918	146	-	-	6,541
Total expenses before depreciation	253,962	160,515	91,284	118,827	228,972	127,982	193,843	31,750	28,017	250,154	1,485,306
Depreciation	36,114	4,917	638	1,522	2,724	687	2,425	325	2,737	4,915	57,004
Total expenses	\$ 290,076	165,432	91,922	120,349	231,696	128,669	196,268	32,075	30,754	255,069	1,542,310

See accompanying notes to financial statements.

CARING UNLIMITED, INC.
Statements of Cash Flows
For the Years Ended September 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ (30,158)	(45,076)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation	55,626	57,004
(Increase) decrease in assets:		
Grants and accounts receivable	(77,912)	252
Pledges receivable	-	20,000
Prepaid expenses	(6,898)	2,139
Increase (decrease) in liabilities:		
Accounts payable	5,849	(477)
Accrued payroll and related expenses	8,274	(28,573)
Accrued compensated absences	6,546	1,446
Escrows and amounts held for others	(2,222)	2,334
Net cash and cash equivalents provided by (used in) operating activities	(40,895)	9,049
Cash flows from investing activities:		
Purchase of property and equipment	(3,279)	(13,427)
Net cash and cash equivalents used in investing activities	(3,279)	(13,427)
Cash flows from financing activities:		
Payments on long-term debt	(27,477)	(28,671)
Payments on capital lease	-	(297)
Proceeds from line of credit	560,000	380,000
Repayments on line of credit	(559,921)	(330,079)
Net cash and cash equivalents provided by (used in) financing activities	(27,398)	20,953
Net change in cash and cash equivalents	(71,572)	16,575
Cash and cash equivalents, beginning of year	256,433	239,858
Cash and cash equivalents, end of year	\$ 184,861	256,433
Supplemental disclosures:		
Cash paid during the year for interest	\$ 20,765	22,217

See accompanying notes to financial statements.

CARING UNLIMITED, INC.
Notes to Financial Statements

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - Caring Unlimited, Inc. (the Organization) is a nonprofit corporation organized under the laws of the State of Maine to provide emergency food, shelter, and supportive referrals to women in crisis situations which includes, but is not limited to, domestic violence. Such services are also provided to those minor children legally in the client's custody. Caring Unlimited, Inc.'s services include a 24-hour crisis intervention hotline, emergency safe home, transitional housing program, support groups for abused women, and community and school outreach programs promoting public awareness and training.

Basis of Accounting - Caring Unlimited, Inc.'s policy is to issue its financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and accordingly, reflect all significant receivables, payables, and other accruals.

Basis of Presentation - The financial statement presentation follows the recommendations of FASB ASC 958-605 *Revenue Recognition-Contributions* and FASB ASC 958-205 *Presentation of Financial Statements*. In accordance with these provisions, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- **Unrestricted net assets** - Net assets that are not subject to donor-imposed stipulations.
- **Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.
- **Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

For the years ended September 30, 2016 and 2015, the Organization had no permanently restricted net assets.

Income Taxes - Caring Unlimited, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has also been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Code.

The Organization follows the provisions of FASB ASC 740-10 *Income Taxes* which clarifies the criteria that an individual tax position must satisfy for some or all of the benefits of that position to be recognized in an entity's financial statements. It also prescribes a recognition threshold of more likely-than-not, and a measurement attribute for all tax positions taken or expected to be taken on a tax return, in order for those tax positions to be recognized in the financial statements. There was no cumulative effect on the Organization's financial statements related to following these provisions, and no interest or penalties related to uncertain tax positions were accrued. The Organization is currently open to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities for the years ended September 30, 2013 through 2016.

CARING UNLIMITED, INC.
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Donated Assets and Services - Assets received as donations are recorded and reflected in the accompanying financial statements at their estimated fair values on the date received. The values of contributed services are recorded as contributions in the financial statements if these services enhance or create non-financial assets, or the services require specialized skills which typically would have to be purchased if not provided by donation.

Cash and Cash Equivalents - Management considers all financial instruments with a maturity of three months or less to be cash equivalents.

Grants and Accounts Receivable - Caring Unlimited, Inc. operates primarily in York County and receives grants and awards to provide programs in this area. For each of the years ended September 30, 2016 and 2015, management established an allowance for uncollectible accounts in the amount of \$2,281, based on estimated collection rates.

Property and Equipment - Property and equipment with an individual purchase price of \$3,000 or more are capitalized and carried at cost, or fair value if donated. Depreciation of property and equipment is recorded using the straight-line method for financial reporting purposes over the various assets' estimated useful lives, which range from 5 to 40 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred.

Contributions - Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of the gift. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, and nature of activity.

Contributions of land, buildings, and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire land, buildings, and equipment with such donor stipulations are reported as revenues of the temporarily restricted net asset class, except as discussed elsewhere in these notes; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

Contributions with Restrictions Met in the Same Year - Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

Concentration of Risk/Economic Dependency - A significant portion of the Organization's annual funding is provided through a grant from the Maine Department of Health and Human Services. Any significant reduction in this funding could affect the Organization's ability to fulfill its mission.

CARING UNLIMITED, INC.
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from these estimates.

Functional Expenses - Expenses are assigned or allocated to both programs and supporting general and administrative services. Salaries and wages are assigned based on actual time spent by staff members. Other direct expenses are assigned to programs or supporting services based on the cost objective served. Occupancy expenses are allocated in relation to the number of full-time equivalent staff positions assigned to each program. Fundraising expenses of \$4,511 and \$2,684 for the years ended September 30, 2016 and 2015, respectively, are included within management and general expenses.

CONCENTRATION OF CREDIT RISK

Caring Unlimited, Inc. maintains cash balances at a local bank. As of September 30, 2016 and 2015, deposits were insured by the FDIC up to a maximum amount of \$250,000. The Organization had uninsured cash balances of \$0 and \$24,770 at September 30, 2016 and 2015, respectively.

LINE OF CREDIT

As of September 30, 2016 and 2015, Caring Unlimited, Inc. had an available line of credit in the amount of \$100,000 with a local bank. Outstanding balances on the line of credit are payable upon demand and secured by all corporate assets, and carry interest payable monthly at prime plus 1%, which equated to 4.50% and 4.25% at September 30, 2016 and 2015, respectively. As of September 30, 2016 and 2015, the total outstanding balances on this line were \$100,000 and \$99,921, respectively.

CARING UNLIMITED, INC.
Notes to Financial Statements, Continued

LONG-TERM DEBT

Long-term debt consisted of the following at September 30:

	<u>2016</u>	<u>2015</u>
Mortgage payable to Maine State Housing Authority, monthly installments of \$204, including principal and interest at 1% through February, 2016, secured by real estate.	\$ -	602
Mortgage payable to Maine State Housing Authority, monthly installments of \$86, including principal and interest at 1% through February, 2016, secured by real estate.	-	258
Mortgage payable to Kennebunk Savings Bank, monthly payments of principal and interest in amounts ranging from \$2,742 to \$3,445, interest is variable at prime plus 150 basis points, due in full on June 23, 2024, secured by real estate.	199,353	219,545
Note payable to Maine State Housing Authority, secured by real property of the Organization, carrying no interest, forgivable in full in June, 2019 provided certain requirements are satisfied, maximum borrowing limit of \$781,990.	781,990	781,990
Mortgage payable to Kennebunk Savings Bank, monthly payments of principal and interest in amounts ranging from \$1,127 to \$1,279, interest is variable at prime plus 1.5% maturing in November, 2027, secured by real estate.	101,645	108,070
Subtotal	1,082,988	1,110,465
Less current portion	(25,221)	(23,730)
Long-term debt	\$ 1,057,767	1,086,735

The following summarizes Caring Unlimited, Inc.'s debt maturities for the years ending September 30:

2017	\$ 25,221
2018	27,783
2019	812,593
2020	33,041
2021	37,072
Thereafter	147,278
Total	\$ 1,082,988

CARING UNLIMITED, INC.
Notes to Financial Statements, Continued

BOARD DESIGNATED NET ASSETS

Board designated net assets represent amounts restricted by the Board of Directors for cash reserves and amounted to \$181,928 and \$154,210 at September 30, 2016 and 2015, respectively.

TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at September 30:

	<u>2016</u>	<u>2015</u>
HUD Grant used to purchase real property	\$ 170,000	190,000
ARRA Grant	7,436	7,436
Appliance Grant	-	16
Client Emergency Fund	1,810	945
Tenants' Discretionary Fund	7,423	7,870
Maine Community Foundation Funds	832	832
Outreach Fund	281	1,248
Tenants' Matching Fund	2,231	2,861
Shelter Fund	8,103	8,103
All other	796	5,795
Totals	\$ 198,912	225,106

RESTRICTED GRANT FUNDS USED TO PURCHASE LONG-LIVED ASSETS

In 2003, the Organization used certain federal grant funds to purchase real property which has been subsequently converted into a transitional housing facility. The amount of such grant funding was \$400,000. As the underlying grant agreement requires the facility to be used for a certain stated purpose for a minimum of 20 years, the net assets arising from this grant have been classified as temporarily restricted, and will be reclassified as unrestricted over the required term of the specified use noted above, in accordance with accounting principles generally accepted in the United States of America. For each of the years ended September 30, 2016 and 2015, the amount of such reclassification was \$20,000, respectively, leaving a balance of \$170,000 and \$190,000 included in temporarily restricted net assets at September 30, 2016 and 2015, respectively.

CARING UNLIMITED, INC.
Notes to Financial Statements, Continued

OPERATING LEASES

Caring Unlimited, Inc. is obligated under several non-cancelable operating leases through which it has obtained the use of certain office equipment. For the years ended September 30, 2016 and 2015, total rent expense paid under these lease arrangements amounted to \$6,122 and \$7,236, respectively. Future minimum required lease payments under non-cancelable agreements, are as follows at September 30:

<u>Fiscal year ending September 30</u>	<u>Amount</u>
2017	\$ 7,092
2018	6,156
2019	5,844
2020	5,844
<u>2021</u>	<u>974</u>
<u>Total</u>	<u>\$ 25,910</u>

DONATED ASSETS AND SERVICES

For the years ended September 30, 2016 and 2015, the Organization recognized contributed service donations of \$36,760 and \$63,057, respectively, which are classified in the Organization's financial statements as in-kind support and an offsetting in-kind salaries expense. Additionally, the Organization received and expended \$5,557 in donated goods during the year ended September 30, 2015; this amount is also included in in-kind support and in-kind other expense in the financial statements. There were no such donated goods received and expended during the year ended September 30, 2016.

403(B) RETIREMENT PLAN

The Organization maintains a Section 403(b) Retirement Plan for its employees. For the years ended September 30, 2016 and 2015, elective employee deferrals were matched by the Organization in an amount equal to 10% of such deferrals, up to a maximum match of \$250 per employee. The Organization recognized \$1,943 and \$2,124 in expense arising from such matching contributions for the years ended September 30, 2016 and 2015, respectively.

CONTINGENCIES

Caring Unlimited, Inc. participates in various state governmental grant programs subject to future program compliance audits by the grantors or their representatives. Accordingly, Caring Unlimited, Inc.'s compliance with applicable grant requirements may be established at some future date. The amount, if any, of liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

SUBSEQUENT EVENTS

In accordance with FASB ASC 855-10 *Subsequent Event*, management has evaluated subsequent events for possible recognition or disclosure through March 16, 2017, which is the date these financial statements were available to be issued.

Internal Revenue Service
District Director

Department of the Treasury
P.O. Box 9107

Date: AUG 01 1979

Employer Identification Number:
01-0358141
Accounting Period Ending:
February 28
Form 990 Required: Yes No

▷ Caring Unlimited Corp
9 Alfred St
P.O. Box 955
Biddeford, Me 04005

Person to Contact: S. Jordan

Contact Telephone Number:
223-4241

Determination Letter 79-1360

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(2).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

Generally, you are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. If you have paid FICA taxes without filing the waiver, you should contact us. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

The box checked in the heading of this letter shows whether you must file Form 990, Return of Organization Exempt from Income tax. If Yes is checked, you are required to file Form 990 only if your gross receipts each year are normally more than \$10,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

(over)

JFK Federal Bldg., Boston, Mass. 02203

Letter 947(DO) (5-77)

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

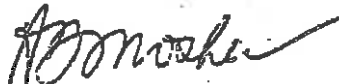
You need an employer identification number even if you have no employees.

If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

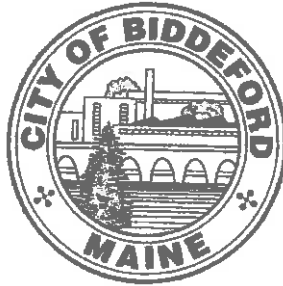
If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



HERBERT B. MOSHER
District Director

Attempts to influence legislation which are more than a substantial part of your organization's activities will jeopardize exemption



City of Biddeford
205 Main Street
Biddeford, Maine 04005

**Application for City Financial Assistance
FY 2017/2018**

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included. ✓

SECTION I. AGENCY INFORMATION

Applicant Agency Name:	<u>Community Bicycle Center</u>
Principal Address:	<u>P.O. Box 783, Biddeford ME 04005</u>
Executive Director:	<u>Bronwyn Barnett</u>
Contact Person/Phone Number:	<u>Bronwyn Barnett / 282-9700</u>
Est. Total Agency Budget for 2016/2017:	<u>185,265 before depreciation</u>
Actual 2015/2016 Budget:	<u>209,413 before depreciation</u>
Amount requested from the City of Biddeford:	<u>\$2,000</u>
What percent of your annual budget does this request equal:	<u>1.07% before depreciation</u>

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses: At its most basic level, the Community Bicycle Center (CBC) provides a safe, structured place for kids of all backgrounds to go during the critical non-school hours. Due to the fact that the only ticket to get through our door is a signed permission form, the CBC has become a valuable home-base in Biddeford for hundreds of kids who are not engaged or have limited parent/guardian support during the after/out-of-school time. The CBC promotes healthy behaviors, pro-social activities, and supportive relationships with mentors in the community.

Beyond the fulfilling the basic health and human service need for a safe place for youth to develop friendships and interact with caring adults, the CBC addresses the youth development, developmental assets, job-readiness skill building, and life skills development needs of Biddeford youth. While we welcome all youth, we do focus on young people living with the challenges of poverty and struggling in other areas of their life. In addition, we welcome youth needing to complete mandated community service and those in need of non-traditional out-of-school program activities. Many of the youth we serve need interaction with caring adults (especially adult, male role-models) to develop healthy perceptions of self and others. The CBC has become an essential public benefit service for Biddeford to help develop the minds, bodies, and spirits of some of our most vulnerable youth through out-of-school activities that develop resilience and in turn, reduce at-risk behaviors.

To be clear, the CBC is NOT a bike program. The CBC is a youth development program that provides a space, sense of belonging, and community for youth who have no other place to go during the non-school hours. The bicycle—due to its versatility in terms of program opportunities and appeal to young people for fitness, fun, freedom, and transportation—is our low-barrier mechanism for creating connection with kids.

How is that need determined or measured? The CBC evolved out of a recognition that youth in the area needed more than what was currently offered to help them nurture key internal and external developmental assets (Search Institute) for healthy growth and development. And while the CBC serves all youth in Biddeford and surrounding communities, our target population are kids who are struggling in other areas of their life for reasons including poverty, learning challenges, disengagement from the community, and gaps in social skills. The majority of our participants live in low-to moderate income neighborhoods within walking and biking distance from the CBC. Most of our participants are not engaged in after-school or summer sports, mentoring or enrichment activities. They seek CBC out on their own—and as communicated by one of our longtime volunteers “most kids who come here, know they need to be here.”

In 2016, seventy-five percent of the CBC’s program participants were from Biddeford, and most of the participants served resided in low-income neighborhoods. Over half of our 390 participants were middle school and high school aged students, and almost 1/3 of them female. As a former mill town trying to remake itself, many residents have still face limited job opportunities, and many families have experienced a generational poverty that severely impacts the opportunities and aspirations of their kids. In recent years, Biddeford has experienced a small economic resurgence but there are still large gaps in opportunities for middle school and high school youth, especially in the areas of youth development, high school graduation rates (3.3% dropout rate in York County – 229 students), and postsecondary planning. Moreover, Biddeford still has a large and growing homeless population, including students, with 31% of York County’s entire homeless population living in Biddeford. Related, 6.6% of York County youth (272 children) are in the care or custody of the Department of Health and Human Services (DHHS) making post-secondary success even more difficult. Anecdotally, CBC traditionally experiences several exchanges with DHHS annually due to the high rate of affected youth who participate in our programs, many of whom are searching for a sense of belonging. We know that continuity through a connection to the community and meaningful relationships is an essential part of keeping improving outcomes for all kids—and this is especially true for increasing this population’s potentially diminished social capital.

Additionally, the need to provide more low-barrier opportunities for youth and young adults in Biddeford is an area that has historically received community-wide attention, most notably through the town’s Community Heart & Soul project, which engaged residents in approximately 30 neighborhood meetings through the joint efforts of the Heart of Biddeford (a downtown association), the Orton Family Foundation, the City of Biddeford, and about 35 trained meeting facilitators including the CBC staff. The project was focused on downtown, but a peripheral outcome was the

recognition that we need to do more to ensure the long-term economic and developmental success of our youth and young adults—1/3 of whom do not plan to attend postsecondary school. These efforts are increasingly significant as Biddeford becomes more diverse with a growing immigrant and migrant population; since 2009 the number of Biddeford student for whom English is a second language has increased more than 300%. Moreover, nearly 1 in 5 Biddeford students are eligible for Special Education Services, and 2 in 3 students are eligible for free or reduced lunch, making the case that low cost or free youth programming is especially necessary.

*The bottom line is that the CBC's free, year-round youth programming supports kids in the neighborhoods where they play and live, which is critical for creating healthy, productive future citizens in this community. Quality afterschool programs like the CBC have the ability to help students make positive life decisions: youth learn to think critically about choices in their life, improve self-confidence, have a space where they feel safe and comfortable to be themselves, and know they have people - adults outside of school and outside of the home that they can turn to when something is wrong. The positive benefits are supported by scores of research showing that students in high-quality after school programs have better attendance, better grades and better test scores compared to non-participating peers. On the economic benefit side, return-on-investment data indicates that for every dollar invested in afterschool programs, \$2.50 is saved in crime-related costs to the city (Afterschool Alliance). This is supported by the fact that the hours between 3-6pm are peak hours for juvenile crime. Providing healthy, fun alternatives for youth is one simple way to decrease the likelihood that young people are going to be spending that time engaging in risky, destructive behavior. Lastly, through our partnership with the Biddeford School Department, the CBC is a 2017 free summer lunch site, ensuring that area youth have neighborhood access to healthy meals. ***

***Last year, the CBC spent an additional \$1,239 in program snacks for kids and has since allocated \$1,240 of our 2017 budget toward free, healthy afternoon snacks for kids.*

How is your program attempting to meet that need and what is the outcome that you expect to achieve?

(Please be as specific as possible) Our program meets the need providing youth with a healthy, safe place to grow and connect through its 4,777 square foot youth development facility (and 6.3 acres of backyard green space) located in the heart of our neighborhoods at 45 Granite Street. We are open year round with adult mentor support from 50+ community volunteers who care about the program and kids who use our services. While it's true that we give away helmets (142 dispersed in 2016), bikes (157 repaired by youth in 2016), and bring kids on cycling adventures – our primary outcome is not bike related, and can be encapsulated in our organization's vision statement:

As a result of engagement with Community Bicycle Center's programming and staff, youth will develop beliefs, attitudes, skills, and actions to be successful in relationships, educational pursuits, future employment, health, and civic engagement.

What process does your agency undertake annually to evaluate the effectiveness of your program (s)?

In 2017/2018, we are expanding our program evaluation efforts by implementing a data-driven tool designed by the PEAR Institute (Partners in Education and Resilience – a McLean Hospital and Harvard Medical School Affiliate) that measures socio-emotional development in school and afterschool settings. The Holistic Student Assessment (HSA) self-report tool provides program staff, teachers, and administrators with a social-emotional "portrait" of the unique strengths and challenges of each young person so that we can adapt our programs (and support youth in school) to fit the individual needs of each child.

Additionally, the Community Bicycle Center assesses its operation and service goals through a combination of a strategic decision making process, monitoring program indicators (outputs), and assessing participant outcomes. Our criteria for success are indicators: number of youth served, number of days each youth participates, number of years each youth participates, populations served, number of bicycle helmets donated, and number of bicycles earned.

Historically, we also have used the High/Scope Educational Research Foundation High Quality Program Assessment internal surveys as well as an outcomes measurement tool developed with the REACH program at the University of New England. This tool has helped us secure life skills and development asset outcomes data from the kids we serve that have attended more than 20 sessions in a year. Additionally, this tool exposes changes in attitudes, behaviors, beliefs, and skills of the youth we serve.

Lastly, in order to garner more intimate stories about program quality and participant satisfaction, we ask _____

participants, activity volunteers, and parents/guardians to periodically complete a feedback questionnaire. Additional program quality information and participant satisfaction information has been solicited in volunteer training sessions and organizational meetings. The Board of Directors and expertise-specific advisors monitor the administration of the program. The Board meets monthly and advisors are engaged on an as-needed basis. These groups bring together a diversity of expertise and life experience to explore ways the CBC can enhance its mission effectiveness.

Client eligibility criteria: The only ticket needed to access our services is a completed permission form with parental or guardian consent. All children and youth are welcome to participate in the Community Bicycle Center and its program activities. Some program activities have age eligibility criteria based on developmental levels. In the past, we have offered one gender specific program for girls/women only. The CBC also welcomes youth required to complete mandated community service.

Describe fee structure: All CBC programs are free.

Describe services provided: The CBC recognizes that each child walks through our door with a special set of life struggles, strengths, and sparks that need nourishment. We also believe that every child—and adult volunteer mentors—seeks connection to grow. Our current programs (briefly outlined below) provide the framework for personal growth, and the staff, volunteers, peer-to-peer mentors and community we create ensures that youth thrive.

Earn-a-Bike: The CBC's educational bike shop is open daily for youth to learn problem solving, goal persistence, and communication skills while connecting with adults and peers committed to their success.

STEM Bike Monkeys: This eight-week evening program matches kids with a one-on-one mentor to learn about different bicycle "systems" and transferrable life skills through a structured group process. In 2017, this program intentionally transitioned into a STEM (science, technology, engineering, and math) program through the support of volunteers with relevant professional backgrounds helping youth apply STEM curriculum to bicycle systems.

Bike Doctor: This "bike shop on wheels" enables older youth to build stronger connections within their community by becoming outreach ambassadors for CBC, providing free bike repair for kids in nearby neighborhoods, with a particular focus on the Bacon Street/Mission Hill area.

Kids Bike Factory: KBF is a job-readiness program that helps teens develop transferrable work skills by providing them an opportunity to manage a youth-led CBC bike repair business. Every participant receives a stipend for his or her work to promote the concept of earning while learning, and to help them develop basic financial literacy skills. Built into KBF is the opportunity for youth to develop public speaking skills in a safe space through weekly youth-led Toastmaster Meetings at the CBC.

Art/Tinkering Lab: Youth explore self-expression while creatively recycling bicycle parts into works of art and other functional creations.

Cycling Adventures: This program is built on the belief that recreation and bike rides are important tools for exploration and self-discovery. We believe that by pedaling out of their immediate neighborhood, kids are able to connect to areas of their community they may never have known existed, helping them develop a sense of pride and context for where they live. For example, every summer—without fail, one or two kids who have unknowingly lived less than 5 miles away from the ocean his or her whole life, tells us during a ride that this is the first time he or she has been to the beach. Additionally, a select group of CBC participants are matched one-on-one with a training, fundraising, and trip mentor to participate in the 180-mile Trek Across Maine every year.

7th Grade to Graduation Formal Mentoring Program [Under Construction]: In 2017, the CBC plans to expand our program delivery system to include a formal mentoring program that starts in 7th grade and supports youth cohorts through graduation. This program is being developed during the summer of 2017, with plans for implementation the following fall.

What accommodations are made to those applicants with zero income? All our program activities are free.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year? No.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City: Yes- 45 Granite Street.

Define a unit of service as it pertains to the program: An individual child attending one Community Bicycle Center program during one day.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. We collaborate with the Biddeford Middle School Alternative Program, Learning Works BLAST Program, the Kennebunk High School Alternative Program, and the Biddeford High School Special Education Program. We continue to engage with Engine and the Red Ribbon Committee of the Biddeford Saco Rotary Club through youth presentations and volunteer support. Moreover, we are thrilled to be able to provide free lunch this summer to area youth through our collaboration with the Biddeford School Department – a partnership we’re hoping to continue expanding in 2017/2018. Lastly, we are part of a network of eight high quality youth-serving organizations across Maine, working together to improve post-secondary outcomes for young people through the design and implementation of formal 7th grade to graduation mentoring programs. All these efforts are grounded in improving the quality of life and opportunities for youth and families in our community.

How often are your books and/or financial records audited by an accounting firm or a third party professional? Our books are reviewed annually by Hobson & Company.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR CY 2016	RECEIVED FOR CY 2016	BUDGETED FOR CY 2017
Federal		0	0	0
State		0	0	0
County		0	0	0
Municipal	Biddeford	4,000	2,000	2,000
JTPA		0	0	0
3RD Party		0	0	0
Fees/Tuition		1,500	1,234.82	1,410
Private Insurance		0	0	0
Endowments		0	0	0
United Way	United Way	12,000	12,000	12,000
Grants		121,479	130,964	52,900
Other Income/Surplus	Individuals/Corporate donations/ Special events/ Sales/Interest/Sponsorships	79,761	113,809.82	88,579
In-kind Contributions	Biddeford/Bookkeeper/Bikes/Parts/ Gear	0	0	0
Totals		218,740	260,008.08	156,889

Total number of individuals served (unduplicated): In 2016, 390 youth participated in the CBC's free After/Out-of-School programs. This count does not include adult volunteers and adults that accessed the Community Bicycle Center shop, presentations to community organizations, the adult mentors on our Charity Cycling Team, and community outreach presentations and event support.

Total number of units provided: In 2016 there were 3,826 youth participant days (unit of service) associated with the after/out of school drop-in bicycle repair, cycling adventures, and youth completing mandated community service programs. The unit of service number doesn't include community outreach presentations and programs

Total number of individuals served from Biddeford: In 2016 the CBC served 291 children and youth from Biddeford. This number doesn't include the few adults that used the CBC to fix their bike for transportation and adult volunteers, and other outreach program activity participants.

Percent of total client count that are residents of the City of Biddeford: 74.6% This percentage doesn't include the adults served and 52 direct service mentors who spent 1,211 hours mentoring CBC youth.

What other municipalities provide financial assistance and how much does each provide? None
Do you receive funding from Biddeford's CDBG program? If yes, for what services? No

Per capita cost of service(s); each individual counted only once: \$197,277/400 (2017 projected individuals counted only once) = \$493.19

Unit of service cost: \$197,277/3,900 participant days (2017 projected units of service) - \$50.58

How many members of your agency have authority to decide where/how your funds will be spent? The Executive Director distributes funds based on Board approval of our operating budget. Our Board currently consists of 11 members. In addition, all finances are monitored by our Finance Committee which is composed of the Board Treasurer, Board Vice President, and our Executive Director.

Of that group, how many are responsible for ensuring funds are used for the intended purpose? All

Support Revenues and Expenses

Agency: <u>CBC</u>	Last Year budget (2016)	Last year actual (2016)	This year budget (2017)	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford	4,000	2,000	2,000	TBD
Contributions - Individuals & Businesses	51,181	71,393.88	55,587	
Fund Raising- Grants & Special Events	150,879	142,964	84,150	
Legacies and Bequests - Endowment Support	0	22,142	100	
Contributed by Associated Organizations	0	0	0	
Government: Federal	0	0	0	
Government: State	0	0	0	
Government: County	0	0	0	
Government: Municipalities	0	0	0	
Membership dues	0	0	0	
Program Fees & Contract Income	1,500	2,522.85	3,810	
Sales of Materials	10,400	11,358.94	10,300	
Investment Income	480	7,942.47	642	
Miscellaneous Revenue - returnables, credit card & rentals	300	1082.93	300	
TOTAL SUPPORT REVENUE	218,740	261,407.07	156,889	
OPERATING EXPENSES				
Salaries	130,157	119,676.56	105,574	
Employee Benefits	23,995	19,224.84	12,777	
Payroll Taxes, etc.	10,379	10,714.75	8,352	
Professional Fees	10,180	13,011.83	12,020	
Supplies - Office & Computer	2,754	3,080.76	2,920	
Telephone	2,184	1,999.65	2,184	
Postage and Shipping	1,200	1,392.63	1,200	
Occupancy	12,572	9,125.80	9,925	
Rental and Maintenance of Equipment	0		0	
Printing and Publication	1,440	2,736.73	1,440	
Travel	650	130.36	600	
Conferences and Meetings	800	1376	1,376	
Specific Assistance to Individuals	0	0	0	
Membership Dues	595	633.95	435	
Awards and Grants	0	0	0	
Miscellaneous - Programs, Volunteer Training, Insurance, Fundraising, Admin	27,449	26,233.80	26,462	
TOTAL OPERATING EXPENSES	224,354	209,413.10	185,265	
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES	(5,614)	51,993.93	(28,376)	
Payments to Affiliates	0			
Board Designations for Specific Future Use	0			
Depreciation Expenses	12,010	12,809.64	12,012	
TOTAL OF ALL EXPENSES	236,364	222,222.74	197,277	

EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES	(17,624)	39,184.33	(40,388)	
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Salaries (per person—NOT totals)

Position Title*	Number of people in this position	Full-time equivalents for this position**	2016 FY Actuals	Budgeted FY 2017	FY 2018
Executive Director (outgoing)*	1	1	39,475		TBD
Executive Director (incoming)	1	1	14,325	47,757	
Program Director	1	1	34,736	35,422	
Development Director	1	1	25,777	0	
Youth Program Assistant	1	.25	4,424	6,795	
Shop Assistant	1	.50	596	15,600	

*The CBC's founding Executive Director retired in 2016. The salaries table reflects both the outgoing ED as well as the incoming ED replacing that staff person's position. Additionally, we let go of the Development Director position in July 2016, and did not bring it back for the 2017 budget. Instead, we are shifting our staffing model to include one full time ED that is support by multiple program positions.

TOTAL NUMBER OF EMPLOYEES/FTE'S	6	4.75***			
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**In 2017, as mentioned above, we have eliminated our Development Director position in an effort to reallocate funding toward much-needed program staff. The new model only includes a FT Executive Director, a FT Program Director, an anticipated FT Program Manager (TBD) and a part-time shop support position.

SECTION IV. VALIDATION

I, Bronwyn M. Barnett, of the Community Bicycle Center
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

Executive Director
(Title)

Bronwyn M. Barnett

06/21/17

Signature/Title

Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

HISTORY, BACKGROUND, AND MISSION

Community Bicycle Center

History/Background: Since its inception as an Earn-a-Bike program in January 2001 and its incorporation in December 2005, the Community Bicycle Center (CBC) has been helping youth develop life skills through bicycle-related activities. In April 2006, the CBC gained its 501c3 public benefit organization status through which it has continued to expand programs emphasizing mentoring relationships, civic engagement, safe cycling skills, and bicycle maintenance and repair skills. In 2014, the CBC moved into its new facility and celebrated its tenth anniversary serving the developmental assets needs of young people living in Biddeford and surrounding communities.

The CBC evolved out of a recognition that youth in the area needed more than what was currently offered to help them nurture key internal and external developmental assets (Search Institute) for healthy growth and development. And while the CBC serves all youth in Biddeford and surrounding communities, our target population are kids who are struggling in other areas of their life for reasons including poverty, learning challenges, disengagement from the community, and gaps in social skills. The majority of our participants live in low-to-moderate income neighborhoods within walking and biking distance from the CBC. Most of our participants are not engaged in after-school or summer sports, mentoring or enrichment activities. They seek CBC out on their own—and as communicated by one of our longtime volunteers “most kids who come here, know they need to be here.”

Mission: *The Community Bicycle Center exists to provide youth enrichment opportunities for personal growth through bicycling related activities. We use free bicycle maintenance, group bike rides, and civic engagement activities as tools to engage youth in life skills and work-readiness activities.*

Vision: As a result of engagement with the Community Bicycle Center’s programming and staff, youth will develop beliefs, attitudes, skills, and actions to be successful in relationships, educational pursuits, future employment, health, and civic engagement.

Guiding Principles

- We value the bicycle as a tool to develop social, vocational, academic, athletic, recreational, artistic, and civic skills.
- We believe in the value of the bicycle in primary, secondary, and tertiary prevention.
- We believe mechanically safe bikes are essential to cycling safely.
- We believe in experientially based (hands-on) program delivery.
- We believe in bicycling as a tool to foster self-actualization and youth developmental asset building.
- We believe in bicycling as a tool to develop caring intergenerational relationships and as a way to nurture mentoring best practices.
- We believe in bicycling as a tool for community building.
- We appreciate the ways bicycling contributes to the health of individuals.
- We believe in bicycling as a sustainable form of transportation.
- We believe in the bicycle as a form of self-expression.
- We recognize and promote diversity in bicycling.
- We cherish the fun and enjoyment of all activities associated with bicycling.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: APR 04 2006

COMMUNITY BICYCLE CENTER
C/O ANDY GREIF
21 KNIGHT FARM RD
KENNEBUNK, ME 04043-6156

Employer Identification Number:
20-3684834
DLN:
17053045052026
Contact Person:
CARLY D YOUNG ID# 31494
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
December 30, 2005
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
December 31, 2009

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

COMMUNITY BICYCLE CENTER

Sincerely,

A handwritten signature in dark ink, appearing to read "Lois G. Lerner". The signature is written in a cursive style with a large initial "L".

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)
Statute Extension

Letter 1045 (DO/CG)



R10611
 Department of the Treasury
 Internal Revenue Service
 EO RULINGS AND AGREEMENTS
 PO BOX 2508
 CINCINNATI OH 45201

TE3

203684834

Date of this notice: **March 16, 2009**
 Notice Number: **CP-158**
 Taxpayer Identification Number:
20-3684834

047449.588450.0168.003 1 MB 0.369 535


Advance Ruling Period Ending Date:
December 31, 2009



COMMUNITY BICYCLE CENTER
 % ANDY GREIF
 21 KNIGHT FARM RD
 KENNEBUNK ME 04043-6156218

For assistance, call:
1-877-829-5500

047449

Our records indicate that you were issued an advance ruling letter that treated you as a public charity, rather than a private foundation, during an advance ruling period that ends on the date indicated above. That letter required you to file IRS Form 8734 at the end of your advance ruling period to establish that you qualify as a public charity.

New IRS regulations changed the procedures governing your public charity status. You are no longer required to file Form 8734 at the end of the ruling period. The regulations also provide that donors can rely on your advance ruling letter with respect to your public charity status unless the IRS changes that status, based on the organization no longer meeting an applicable public support test, and publishes notice of the change.

If you have received Form 8734 from the IRS, please do not file it. Please keep your advance ruling letter along with this letter for your permanent records.

The regulations also changed the rules for computing public support, consistent with the redesigned Form 990, Return of Organization Exempt from Income Tax. For more information regarding those rules and the redesigned Form 990, please see the IRS website at www.irs.gov/eo.

COMMUNITY BICYCLE CENTER, INC.
(A Non-Profit Corporation)

FINANCIAL STATEMENTS

Years Ended December 31, 2016 (Reviewed)

and 2015 (Audited)

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HOBSON & COMPANY

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Community Bicycle Center, Inc.

We have reviewed the accompanying financial statements of Community Bicycle Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2015 Financial Statements

The 2015 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated January 25, 2016. We have not performed any auditing procedures since that date.

Hobson and Company, LLC

Saco, Maine
May 17, 2017

COMMUNITY BICYCLE CENTER, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2016 and 2015

ASSETS

	2016	2015
	(Reviewed)	(Audited)
CURRENT ASSETS		
Cash and Equivalents - Operating	\$ 190,450	\$ 184,045
Prepaid Expenses	1,313	2,216
Accounts Receivable	593	2,379
Grants and Pledges Receivable	<u>12,000</u>	<u>2,000</u>
TOTAL CURRENT ASSETS	204,356	190,640
PROPERTY AND EQUIPMENT		
Building and Improvements	376,641	375,614
Land	123,400	123,400
Furniture and Equipment	25,020	24,103
Less: Accumulated Depreciation	<u>(44,636)</u>	<u>(31,726)</u>
NET PROPERTY AND EQUIPMENT	480,425	491,391
Other Assets	97,590	73,079
Long-Term Pledges Receivable	<u>-</u>	<u>2,000</u>
TOTAL ASSETS	<u>\$ 782,371</u>	<u>\$ 757,110</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 209	\$ 3,596
Accrued Liabilities	3,467	8,654
Deferred Revenue	<u>12,000</u>	<u>25,404</u>
TOTAL CURRENT LIABILITIES	15,676	37,654
NET ASSETS		
Unrestricted	766,695	719,456
Temporarily Restricted	<u>-</u>	<u>-</u>
TOTAL NET ASSETS	<u>766,695</u>	<u>719,456</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 782,371</u>	<u>\$ 757,110</u>

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

COMMUNITY BICYCLE CENTER, INC.

STATEMENTS OF ACTIVITIES
 For the Year Ended December 31, 2016
 with Summarized Information for the Year Ended 2015

	2016		2015	
	(Reviewed)		(Audited)	
	Unrestricted	Temporarily Restricted	Total	Total
REVENUE AND OTHER SUPPORT				
Contributions	\$ 93,536	\$ -	\$ 93,536	\$ 65,026
Capital Campaign Contributions	-	-	-	500
Grants	144,964	-	144,964	100,900
Contract Income	1,288	-	1,288	12,879
Special Events	-	-	-	16,604
Program Fees	1,235	-	1,235	1,670
Interest Income	1,154	-	1,154	721
Miscellaneous	23,086	-	23,086	10,134
Net Assets Released from Restriction	-	-	-	-
TOTAL REVENUE AND OTHER SUPPORT	265,263	-	265,263	208,434
EXPENSES				
Program Expenses	164,233	-	164,233	156,510
Fundraising Expenses	37,562	-	37,562	51,109
Management and General Expenses	16,229	-	16,229	13,710
TOTAL EXPENSES	218,024	-	218,024	221,329
CHANGE IN NET ASSETS	47,239	-	47,239	(12,895)
NET ASSETS, beginning of year	719,456	-	719,456	732,351
NET ASSETS, end of year	\$ 766,695	\$ -	\$ 766,695	\$ 719,456

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

COMMUNITY BICYCLE CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2016 (Reviewed)

	<u>Program Expenses</u>	<u>Fundraising Expenses</u>	<u>Supporting Services - Management and General</u>	<u>Total Expenses</u>
Program Expenses				
Kids Bike Factory	\$ 6,099	\$ -	\$ -	\$ 6,099
Helmets	578	-	-	578
Shop	2,613	-	-	2,613
Snacks	1,322	-	-	1,322
Small Tools	522	-	-	522.00
Other Programs	2,513	-	-	2,513.00
Fundraising	-	73	-	73
Salaries and Wages	89,047	25,494	8,008	122,549
Employee Benefits	10,809	3,094	972	14,875
Insurance	5,632	1,612	506	7,750
Payroll Taxes	7,633	2,185	687	10,505
Office Expense	2,429	868	173	3,470
Postage and Printing	2,890	1,032	207	4,129
Telephone and Internet	1,538	549	110	2,197
Travel	1,107	-	475	1,582
Dues and Subscriptions	-	-	634	634
Advertising	165	59	12	236
Repairs and Maintenance	3,357	1,199	240	4,796
Outside Services	9,157	-	3,925	13,082
Utilities	2,520	900	180	3,600
Miscellaneous	1,392	497	100	1,989
	<hr/>	<hr/>	<hr/>	<hr/>
Total Before Depreciation	151,323	37,562	16,229	205,114
Depreciation	12,910	-	-	12,910
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ 164,233	\$ 37,562	\$ 16,229	\$ 218,024
	<hr/>	<hr/>	<hr/>	<hr/>

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

COMMUNITY BICYCLE CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended December 31, 2015 (Audited)

	<u>Program Expenses</u>	<u>Fundraising Expenses</u>	<u>Supporting Services - Management and General</u>	<u>Total Expenses</u>
Program Expenses				
Kids Bike Factory	\$ 6,637	\$ -	\$ -	\$ 6,637
Helmets	557	-	-	557
Shop	2,533	-	-	2,533
Snacks	1,344	-	-	1,344
Small Tools	276	-	-	276
Other Programs	1,891	-	-	1,891
Fundraising	-	2,837	-	2,837
Salaries and Wages	87,303	34,687	7,187	129,177
Employee Benefits	8,508	3,380	701	12,589
Insurance	4,223	1,678	347	6,248
Payroll Taxes	7,437	2,955	612	11,004
Office Expense	2,496	892	178	3,566
Postage and Printing	2,346	838	167	3,351
Telephone and Internet	1,880	672	134	2,686
Travel	844	-	362	1,206
Dues and Subscriptions	-	-	300	300
Advertising	2,783	994	198	3,975
Repairs and Maintenance	2,120	757	151	3,028
Outside Services	7,209	-	3,090	10,299
Utilities	2,631	940	188	3,759
Miscellaneous	1,340	479	95	1,914
	<u>144,358</u>	<u>51,109</u>	<u>13,710</u>	<u>209,177</u>
Total Before Depreciation				
Depreciation	12,152	-	-	12,152
TOTAL EXPENSES	<u><u>\$ 156,510</u></u>	<u><u>\$ 51,109</u></u>	<u><u>\$ 13,710</u></u>	<u><u>\$ 221,329</u></u>

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

COMMUNITY BICYCLE CENTER, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2016 and 2015

	2016	2015
	(Reviewed)	(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 47,239	\$ (12,895)
Adjustment to Reconcile Increase in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	12,910	12,152
(Increase) Decrease in Assets:		
Prepaid Expenses	903	2,670
Accounts Receivable	1,786	(2,379)
Grants and Pledges Receivable	(8,000)	2,000
Other Assets	(24,511)	2,530
Increase (Decrease) in Liabilities:		
Accounts Payable	(3,387)	189
Accrued Payroll and Related Liabilities	(5,187)	1,162
Deferred Revenue	(13,404)	25,404
	<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	8,349	30,833
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Property and Equipment	(1,944)	(4,247)
Sale of Short-Term Investments	-	-
Purchase of Short-Term Investments	-	-
	<hr/>	<hr/>
NET CASH USED BY INVESTING ACTIVITIES	(1,944)	(4,247)
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-
	<hr/>	<hr/>
NET INCREASE IN CASH	6,405	26,586
CASH AND CASH EQUIVALENTS, beginning of year	184,045	157,459
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS, end of year	\$ 190,450	\$ 184,045
	<hr/>	<hr/>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash Paid During the Year For:		
Interest Expense	\$ -	\$ -
Income Taxes	\$ -	\$ -

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

COMMUNITY BICYCLE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Community Bicycle Center, Inc., a nonprofit organization, empowers youth through bicycles and bicycling-related experiences, which provide opportunities for personal growth.

Income Taxes

The Organization has been granted an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under the Code. As such, no provision for income taxes is reflected in the financial statements.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

- Unrestricted net assets – Net assets that are not subject to donor imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor imposed stipulations that may or will be met either by actions of the Organization and/or passage of time.
- Permanently restricted net assets – Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of the assets permit the Organization to use all or part the income earned on related investments for general or specific purposes.

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates fair market value.

Contributions

Contributions received are recorded as unrestricted, temporarily or permanently restricted support, depending on the existence and/or nature of donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Functional Expense Reporting

Those costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

COMMUNITY BICYCLE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
(continued)

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Advertising

The Organization expenses advertising costs in the period in which they are incurred. Advertising expenses for 2016 and 2015 were \$236 and \$3,975, respectively.

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from these estimates.

Inventory

Inventory consists of miscellaneous supplies related to bicycle repair. They are valued at cost. The value of inventory as of December 31, 2016 and 2015 was immaterial.

Property and Equipment

Depreciation is calculated using straight-line and accelerated depreciation methods over the useful lives of the underlying assets. The estimated useful lives are:

Office equipment	5 or 7 years
Furniture and Fixtures	7 years
Leasehold Improvements	15 or 39 years

Contributed Materials and Services

The Organization records various types of in-kind contributions. Contributed services are recognized 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. Contributions of tangible assets with a value over \$500 are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

Volunteers have donated countless hours to the Organization's program and support services. These contributions in-kind are not reflected in the financial statements since these services do not meet the criteria for recognition.

Revenue Recognition

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increase the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. Investment income that is limited to specific uses by donor restrictions is reported as increases in unrestricted net assets if the restrictions are met in the same reporting period as the income is recognized.

COMMUNITY BICYCLE CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
(continued)**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Uncertain Tax Positions

The Organization 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. The Organization 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.

The Organization's information returns, IRS Form 990 Return of Organization Exempt From Income Tax, are subject to examination by the IRS, generally for three years after they were filed.

NOTE B – COMPENSATED ABSENCES

Employees of the Organization are entitled to paid time off, depending on job classification, length of service, and other factors. As of 2016, employees are allowed to carry up to five days to the following year. The liability for this amount has not been accrued for 2016 as it was immaterial.

NOTE C – PLEDGES RECEIVABLE

The pledges receivable consist of a capital project fund-raising campaign. As of December 31, 2016 and 2015, management has determined that all pledges receivable are fully collectible, therefore, no allowance for uncollectible accounts is considered necessary.

Pledges Receivable as of December 31, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Receivable in less than one year	\$ -	\$ 2,000
Receivable in one to five years	-	2,000
Receivable in more than five years	-	-
Total	<u>\$ -</u>	<u>\$ 4,000</u>

NOTE D – OTHER ASSETS

Other Assets consist of funds held by the Maine Community Foundation as well as other investments. These funds are board designated to produce income which is to be used for the upkeep and maintenance of the facilities of the Organization as well as to provide the Organization with an amount to be used for future operations.

NOTE E – EMPLOYEE RETIREMENT PLAN

The Organization implemented a retirement benefit as part of the compensation plan. As of 2016, the Organization makes matching contributions to a Simple IRA of up to 3%. The Organization's contributions to the plan for the years ending December 31, 2016 and 2015 totaled \$3,038 and \$2,569, respectively.

COMMUNITY BICYCLE CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
(concluded)**

NOTE F – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances in one financial institution. The balances at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At various times throughout the year ending December 31, 2015 the organization had deposits that exceeded the FDIC limits. The Organization maintains its cash with a high quality financial institution which the Organization believes limits these risks.

NOTE G – DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through May 17, 2017, the date which the financial statements were available to be issued.

Form **8879-EO**

IRS e-file Signature Authorization for an Exempt Organization

OMB No. 1545-1878

2016

Department of the Treasury
Internal Revenue Service

For calendar year 2016, or fiscal year beginning _____, 2016, and ending _____, 20_____

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo.

Name of exempt organization

COMMUNITY BICYCLE CENTER, INC.

Employer identification number

20-3684834

Name and title of officer

**BRONWYN BARNETT
EXECUTIVE DIRECTOR**

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>265,263</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5b	

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2016 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize Hobson & Company, LLC to enter my PIN 04005 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶

Date ▶ 05/15/17

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

01144304072

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ Adam C. Hobson CPA

Date ▶ 05/15/17

**ERO Must Retain This Form — See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see back of form.

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2016
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2016 calendar year, or tax year beginning _____, and ending _____

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
COMMUNITY BICYCLE CENTER, INC.

Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
PO BOX 783

City or town, state or province, country, and ZIP or foreign postal code
BIDDEFORD ME 04005

D Employer identification number
20-3684834

E Telephone number
207-282-9700

F Name and address of principal officer:
BRONWYN BARNETT

G Gross receipts\$ **265,263**

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: **www.communitybike.net**

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: **2005** **M** State of legal domicile: **ME**

H(c) Group exemption number ▶

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
A YOUTH ENRICHMENT PROGRAM THAT PROVIDES OPPORTUNITIES FOR PERSONAL GROWTH THROUGH BICYCLE-RELATED ACTIVITIES.

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	16
4	15
5	6
6	100
7a	0
7b	0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	166,426	238,500
9 Program service revenue (Part VIII, line 2g)	14,549	2,523
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	721	1,154
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	26,738	23,086
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	208,434	265,263
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	152,769	147,929
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (D), line 25) ▶	36,456	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	68,560	70,094
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	221,329	218,023
19 Revenue less expenses. Subtract line 18 from line 12	-12,895	47,240

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	757,110	782,371
21 Total liabilities (Part X, line 26)	37,655	15,676
22 Net assets or fund balances. Subtract line 21 from line 20	719,455	766,695

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: **BRONWYN BARNETT** Date: _____
 Type or print name and title: **EXECUTIVE DIRECTOR**

Paid Preparer Use Only

Print/Type preparer's name: **Adam C. Hobson CPA** Preparer's signature: **Adam C. Hobson CPA** Date: **05/18/17** Check if self-employed PTIN: **P01270081**

Firm's name ▶ **Hobson & Company, LLC** Firm's EIN ▶ **45-3595502**
PO Box 108 142
 Firm's address ▶ **Saco, ME 04072-0108** Phone no. **207-283-0023**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

A YOUTH ENRICHMENT PROGRAM THAT PROVIDES OPPORTUNITIES FOR PERSONAL GROW THROUGH BICYCLE-RELATED ACTIVITIES.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ **164,232** including grants of \$) (Revenue \$ **2,523**

RESEARCH-BASED PROGRAM THROUGH WHICH YOUTH BUILD RELATIONSHIPS, PRACTICE GOAL PERSISTENCE, AND DEVELOP PROBLEM-SOLVING SKILLS THROUGH BICYCLE-RELATED EXPERIENCES.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **164,232**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
	144	z

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		<input checked="" type="checkbox"/>
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		<input checked="" type="checkbox"/>
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		<input checked="" type="checkbox"/>
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		<input checked="" type="checkbox"/>
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		<input checked="" type="checkbox"/>
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		<input checked="" type="checkbox"/>
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		<input checked="" type="checkbox"/>
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		<input checked="" type="checkbox"/>
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		<input checked="" type="checkbox"/>
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1		<input checked="" type="checkbox"/>
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		<input checked="" type="checkbox"/>
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		<input checked="" type="checkbox"/>
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	<input checked="" type="checkbox"/>	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1a	8		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2a	6		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
2b			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3a			
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		
3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4a			
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
4a			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5a			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5b			
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
5c			
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6a			
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
6b			
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7a			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7c			
d	If "Yes," indicate the number of Forms 8282 filed during the year		
7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7f			
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		X
7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		X
7h			
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
8			
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
9b			
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	146
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instruction **X**
 Check if Schedule O contains a response or note to any line in this Part VI **X**

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed None
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20	State the name, address, and telephone number of the person who possesses the organization's books and records: Bronwyn Barnett 45 Granite Street Biddeford ME 04005

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's **five current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) LEANNE KAZILIONIS	4.00									
PRESIDENT	0.00	X		X			0	0	0	
(2) DOUG DOLAN	4.00									
VICE PRESIDENT	0.00	X		X			0	0	0	
(3) LAURIE JO READY	4.00									
TREASURER	0.00	X		X			0	0	0	
(4) FRANK WERTHEIM	4.00									
SECRETARY	0.00	X		X			0	0	0	
(5) M. ANDREW GREIF	2.00									
DIRECTOR EMERITUS	0.00	X					0	0	0	
(6) LEO MENARD	2.00									
DIRECTOR	0.00	X					0	0	0	
(7) DENISE REES	2.00									
DIRECTOR	0.00	X					0	0	0	
(8) AL ZULLO	2.00									
DIRECTOR	0.00	X					0	0	0	
(9) BEN TETTLBAUM	2.00									
DIRECTOR	0.00	X					0	0	0	
(10) MEG NADEAU	2.00									
DIRECTOR	0.00	X					0	0	148 0	
(11) BRIAN CHIN	2.00									
DIRECTOR	0.00	X					0	0	0	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12) TIM CORBEIL	2.00									
DIRECTOR	0.00	X					0	0	0	
(13) CRAIG CUNNINGHAM	2.00									
DIRECTOR	0.00	X					0	0	0	
(14) LOUISE MERRIMAN	2.00									
DIRECTOR	0.00	X					0	0	0	
(15) WOODIE WORTHLEY	2.00									
DIRECTOR	0.00	X					0	0	0	
(16) BRONWYN BARNETT	40.00									
EXECUTIVE DIRECTOR	0.00	X					15,611	0	6,263	
1b Sub-total							15,611		6,263	
c Total from continuation sheets to Part VII, Section A									6,263	
d Total (add lines 1b and 1c)							15,611		6,263	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
		149

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns					
	b Membership dues					
	c Fundraising events					
	d Related organizations					
	e Government grants (contributions)	2,000				
	f All other contributions, gifts, grants, and similar amounts not included above	236,500				
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f	238,500				
Program Service Revenue	2a Contract Income	1,288	1,288			
	b General Program Fees	1,235	1,235			
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f	2,523				
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	1,154			1,154
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6a Gross rents		(i) Real				
		(ii) Personal				
b Less: rental exps.						
c Rental inc. or (loss)						
d Net rental income or (loss)						
7a Gross amount from sales of assets other than inventory		(i) Securities				
		(ii) Other				
b Less: cost or other basis & sales exps.						
c Gain or (loss)						
d Net gain or (loss)						
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a				
b Less: direct expenses		b				
c Net income or (loss) from fundraising events						
9a Gross income from gaming activities. See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a					
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Busn. Code				
11a Miscellaneous		23,086	23,086			
b						
c						
d All other revenue					150	
e Total. Add lines 11a-11d		23,086				
12 Total revenue. See instructions.		265,263	25,609	0	1,154	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	122,549	89,047	8,008	25,494
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	14,875	10,809	972	3,094
10 Payroll taxes	10,505	7,633	687	2,185
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 7				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	13,082	9,157	3,925	
12 Advertising and promotion	236	165	12	59
13 Office expenses	7,599	5,319	380	1,900
14 Information technology	2,197	1,538	110	549
15 Royalties				
16 Occupancy	3,600	2,520	180	900
17 Travel	1,582	1,107	475	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,911	12,911		
23 Insurance	7,750	5,632	1,612	506
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Program Expenses	13,645	13,645		
b Repairs and Maintenance	4,796	3,357	240	1,199
c Miscellaneous	1,989	1,392	100	497
d Dues and Subscriptions	634		634	
e All other expenses	73			73
25 Total functional expenses. Add lines 1 through 24e	218,023	164,232	17,335	36,456
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				151

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest bearing	46,541	1	14,799
	2 Savings and temporary cash investments	137,503	2	175,651
	3 Pledges and grants receivable, net	4,000	3	12,000
	4 Accounts receivable, net	2,379	4	593
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	2,216	9	1,313
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 525,061		
	b Less: accumulated depreciation	10b 44,636	10c	480,425
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	73,079	15	97,590
16 Total assets. Add lines 1 through 15 (must equal line 34)	757,110	16	782,371	
Liabilities	17 Accounts payable and accrued expenses	12,251	17	3,676
	18 Grants payable		18	
	19 Deferred revenue	25,404	19	12,000
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	37,655	26	15,676
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	719,455	27	766,695
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	719,455	33	766,695	
34 Total liabilities and net assets/fund balances	757,110	34	782,371	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	265,263
2	Total expenses (must equal Part IX, column (A), line 25)	2	218,023
3	Revenue less expenses. Subtract line 2 from line 1	3	47,240
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	719,455
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	766,695

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization

COMMUNITY BICYCLE CENTER, INC.

Employer identification number

20-3684834

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations:
 - g Provide the following information about the supported organization(s):

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						154

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	128,634	370,337	420,904	166,426	238,500	1,324,801
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge	14,100	16,200	10,800			41,100
4 Total. Add lines 1 through 3	142,734	386,537	431,704	166,426	238,500	1,365,901
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						1,365,901

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4	142,734	386,537	431,704	166,426	238,500	1,365,901
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	702	638	1,060	721	1,154	4,275
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						1,370,176
12 Gross receipts from related activities, etc. (see instructions)					12	195,568
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	99.69%
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	99.73%
16a 33 1/3% support test—2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 33 1/3% support test—2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test—2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10%-facts-and-circumstances test—2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2015 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2016. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>	
b 33 1/3% support tests—2015. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>	156
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>	

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		157
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b	A family member of a person described in (a) above?		
c	A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).
- a** The organization satisfied the Activities Test. Complete line 2 below.
 - b** The organization is the parent of each of its supported organizations. Complete line 3 below.
 - c** The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

		Yes	No
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3	Parent of Supported Organizations. Answer (a) and (b) below.		158
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4).	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year		
1	Amounts paid to supported organizations to accomplish exempt purposes			
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity			
3	Administrative expenses paid to accomplish exempt purposes of supported organizations			
4	Amounts paid to acquire exempt-use assets			
5	Qualified set-aside amounts (prior IRS approval required)			
6	Other distributions (describe in Part VI). See instructions.			
7	Total annual distributions. Add lines 1 through 6.			
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.			
9	Distributable amount for 2016 from Section C, line 6			
10	Line 8 amount divided by Line 9 amount			
Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1	Distributable amount for 2016 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2016 (reasonable cause required-explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2016:			
a				
b				
c	From 2013			
d	From 2014			
e	From 2015			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2016 distributable amount			
i	Carryover from 2011 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2016 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2016 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6	Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7	Excess distributions carryover to 2017. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b	Excess from 2013			
c	Excess from 2014			
d	Excess from 2015			
e	Excess from 2016			

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements
Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization

Employer identification number

COMMUNITY BICYCLE CENTER, INC.

20-3684834

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year (sub-rows 2a-2d), 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included on Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ▶ %
- b** Permanent endowment ▶ %
- c** Temporarily restricted endowment ▶ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)
(ii) related organizations	3a(ii)
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		123,400		123,400
b Buildings		376,641	25,558	351,083
c Leasehold improvements				
d Equipment		25,020	19,078	5,942
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				480,163

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public
Inspection

Name of the organization

COMMUNITY BICYCLE CENTER, INC.

Employer identification number

20-3684834

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

EXECUTIVE DIRECTOR, BOARD PRESIDENT, AND BOARD TREASURER REVIEW 990 BEFORE FILING.

Form 990, Part VI, Line 12c - Enforcement of Conflicts Policy

REVIEW PERFORMED BY BOARD OF DIRECTORS

Form 990, Part VI, Line 15a - Compensation Process for Top Official

BOARD REVIEWS AND APPROVES COMPENSATION FOR EXECUTIVE DIRECTOR

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

AVAILABLE UPON REQUEST

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

OMB No. 1545-0172

2016

Attachment Sequence No. **179**

Name(s) shown on return

COMMUNITY BICYCLE CENTER, INC.

Identifying number

20-3684834

Business or activity to which this form relates

Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,010,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2017. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	12,912

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2016 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C—Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	1,167.2
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2016)

There are no amounts for Page 2

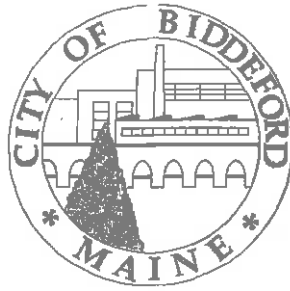
Year Ended: December 31, 2016

20-3684834

COMMUNITY BICYCLE CENTER, INC.
PO BOX 783
BIDDEFORD, ME 04005

**Electing out of Bonus Depreciation Allowance for
All Eligible Depreciable Property**

The above named taxpayer elects out of the first-year bonus depreciation allowance under IRC Section 168(k)(7) for all eligible depreciable property placed in service during the tax year.



CITY OF BIDDEFORD

205 Main Street
Biddeford, ME 04005

APPLICATION FOR CITY FINANCIAL ASSISTANCE FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name:	<u>Day One</u>
Principal Address:	<u>525 Main Street</u> <u>South Portland, ME 04106</u>
Executive Director:	<u>Caroline Raymond, LCSW, LADC, CCS – (CEO)</u>
Contact Person/Phone No.	<u>Teri Welch / 207-767-0991 ext. 121</u>
Est. Total Agency Budget for 2015/2016:	<u>\$4,140,254</u>
Actual 2014/2015 Budget	<u>\$4,140,914</u>
Amount requested from City of Biddeford:	<u>\$1,400</u>
What percent of your annual budget does this request equal:	<u>.03%</u>

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses.

Day One provides substance use services to Maine youth. Day One provides training and education, assessment, screening, referrals and treatment for individuals, families, schools and communities. The mission of Day One is to dramatically reduce substance use and address mental health needs among Maine youth to help them live productive, healthy and rewarding lives.

How is that need determined or measured?

The need for substance use services for Maine's youth is substantial and measured through the assessments for substance use and abuse conducted at schools, correctional facilities, police stations, healthcare facilities and other locations. The Maine Office of Substance Abuse also collects detailed state data regarding the need for substance use treatment in specific counties.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)

Day One's mission is to dramatically reduce substance use and address mental health needs among Maine youth to help them live productive, healthy, and rewarding lives. We meet the needs of youth and families through four primary arenas: Community-Based Treatment Services; Prevention Services; Residential Treatment; and Juvenile Justice Services. We strive to prevent adolescent substance use by working with parents, schools and communities on education and awareness, but are prepared with a wide range of treatment programs for those who need services, so that they can reclaim their lives for long-term recovery. Our expected outcomes are: 90% of those in residential treatment who complete treatment will maintain a sober lifestyle for at least 18 months, 80% of youth who complete 5 or more outpatient counseling sessions will substantially reduce their use of substances for at least 12 months, and 50% of youth being treated at the Youth Development Center will not be arrested again for a drug or alcohol offense for at least 12 months.

What process does your agency undertake annually to evaluate the effectiveness of your program(s)?

Day One monitors the effectiveness of each program by comparing actual outcomes to expected outcomes. Data is collected about each client and that data is compiled and analyzed regularly.

Client eligibility criteria:

Treatment Programs: Identified clients usually range in age from 5 to 24, but those outside of this age range are also admitted. The use of drugs or alcohol, either by the child or their parents, must have impaired their level of functioning. Some programs provided by Day One are designed specifically for clients that have been involved in the criminal justice system. We also work with families. Our programs are designed to treat clients with single disorders or with co-occurring mental health and substance use disorders.

Describe Fee Structure:

Day One has a sliding fee scale in all programs, as required by federal and state funding sources. The scale is based on unsubsidized program costs, family size, and family income. The fee, therefore, varies by program.

Describe services provided:

See attached Day One Summary of Services.

What accommodations are made to those applicants with zero income:

As noted above, a sliding fee scale is in place for all of Day One's programs. The scale varies by program and is based on the program's cost, client income, and family size. Many clients with zero income are eligible for MaineCare.

Are fees charged for General Assistance Referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

N/A. All fees are determined on a sliding scale.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City.

Our organization does not maintain a facility in the City of Biddeford; however, our services are available to Biddeford residents. We have also provided Outpatient services in Biddeford as demand warranted that. The following describes specifically how Biddeford residents were served in the past year:

- 1 youth from Biddeford residing at Mountain View Youth Development Center received intensive substance use treatment counseling. Estimated cost of service provided: \$3,478.
- 15 youth from Biddeford residing at Long Creek Youth Development Center received intensive substance use treatment counseling. Estimated cost of service: \$51,169.
- 46 youth from Biddeford received outpatient substance use counseling. A typical client has 8 counseling sessions. Estimated cost of service provided: \$89,181.
- 6 youth from Biddeford were clients of our residential treatment program for a total of 700 days. Estimated cost of service: \$206,045.
- 8 youth from Biddeford received aftercare counseling after completing the residential treatment center program. Estimated cost of service provided: \$12,184. (These are not included in the unduplicated total number of individuals served.)

Define a unit of service as it pertains to the program:

- Youth Development Center evaluation and treatment: substance use treatment session
- Residential Treatment: per bed day (24 hours)
- Outpatient Counseling Services: one hour counseling session
- Aftercare: one hour counseling session

Does your agency collaborate with any other non-profit organizations to maximize the use of funds you receive? If yes, please explain.

Collaboration is a key component to all of our programs. Schools are partners in the Natural Helpers program. We collaborate with many referral sources including the Department of Health & Human Services, the Department of Corrections, Probation Officers, hospitals, private therapists, parents, attorneys, group homes, shelters, case managers and schools. The Department of Corrections view Day One as a full partner in providing services to committed youth. We also work hand in hand with other non-profit agencies. For example, Day One is a part of a collaborative effort instituting an electronic health record system. We often partner with other agencies on grants and programming.

How often are your books and/or financial records audited by an accounting firm or a third party professional?

We have an annual audit by an independent auditor.

Funding Sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal	Health & Human Services	\$986,910	\$957,510	\$1,026,114
State	Office of Substance Abuse, DHHS	\$1,036,317	\$987,304	\$1,067,073
County	Cumberland	\$10,612	\$10,238	\$10,238
Municipal		\$12,000	\$11,576	\$12,000
JTPA			\$0	\$0
3 rd Party	MaineCare	\$1,566,545	\$1,716,120	\$1,747,536
Fees/Tuition	Program Fees	\$134,000	\$146,071	\$140,597
Private Insurance		\$87,735	\$112,585	\$130,218
Endowments			\$0	\$0
United Way	Greater Portland & York County	\$175,336	\$175,336	\$173,929
Grants	Grants, Fundraising & Donations	\$128,334	\$153,227	\$96,677
Other Income/Surplus		\$2,465	\$6,066	\$5,300
In-kind Contributions			\$0	\$0
TOTALS		\$4,140,254	\$4,276,033	\$4,409,682

Total number of individuals served (unduplicated): 1044

Total number of units provided:

As units vary depending on the service provided, it would not be meaningful to report this as one figure. Please see attached Summary of Services by program.

Total number of individuals served from Biddeford: 76

Percent of total client count that are residents of the City of Biddeford: 7.28%

What other municipalities provide financial assistance and how much does each provide?

Municipality	Amount
Arundel	200
Biddeford	1200
Buxton	350
Cape Elizabeth	1300
Falmouth	1000
Gray	400
Harpswell	250
Hollis	500
Kennebunk	750
Kennebunkport	750
Lyman	750
Scarborough	670
Shapleigh	1000
Standish	400
Westbrook	2000
Windham	1000

Do you receive funding from Biddeford's CDBG program? If yes, for what services?

No

Per capita cost of service(s); each individual counted only once:

- \$ 1,522.97 Outpatient Counseling
- \$ 101.31 Natural Helpers
- \$ 3,477.94 Long Creek/Mountain View evaluation and treatment
- \$ 294.35 Res. per night (based on 7,599 bed days) or \$24,852.65 avg/client

Unit of service cost:

- Long Creek /Mountain View: \$ 31.73/hour
- Outpatient: \$ 138.68/hour
- Natural Helpers: \$ 101.31/student/retreat
- Res: \$ 294.35/bed day

How many members of your agency have authority to decide where/how funds will be spent?

The Chief of Operations prepares an annual operating budget with input from the Program Directors. The Finance Committee of the Board of Directors reviews the budget and sends it to the full Board for approval.

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

The Finance Committee reviews detailed quarterly financial statements and the full Board approves a summary statement. An independent audit is performed quarterly.

Agencies **REQUIRED** to file yearly audits - include a copy of last audited financial statement.

Agencies **NOT REQUIRED** to file yearly audits - complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked within the past 5 years for any reason? If yes, explain.

No

Include a copy of your 501 c-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

BUDGET FORM – SUPPORT REVENUES AND EXPENSES

N/A
(Audit)

	1	2	3	4
AGENCY _____	LAST YEAR BUDGET	LAST YEAR ACTUAL	THIS YEAR BUDGET	NEXT YEAR PROPOSED
PUBLIC SUPPORT & REVENUE				
Allocation from City of Biddeford				
Contributions				
Fund Raising				
Legacies & Bequests				
Contributed by Associated Organizations				
Government: Federal				
Government: State				
Government: County				
Government: Municipalities				
Membership dues				
Program Fees				
Sales of Materials				
Investment Income				
Misc. Revenue				
TOTAL SUPPORT REVENUE				
OPERATING EXPENSES				
Salaries				
Employee Benefits				
Payroll Taxes, etc.				
Professional Fees				
Supplies				
Telephone				
Postage & Shipping				
Occupancy				
Rental & Maintenance of Equipment				
Printing & Publications				
Travel				
Conferences & Meetings				
Specific Assistance to Individuals				
Membership Dues				
Awards & Grants				
Miscellaneous				
TOTAL OPERATING EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES				
PAYMENTS TO AFFILIATES				
BOARD DESIGNATIONS FOR SPECIFIC FUTURE USE				
DEPRECIATION EXPENSE				
TOTAL ALL EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES				

N/A
(Audits)

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (Please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin – End Dates

Does your agency plan any Capital Fund Drives during the next 3-5 years?

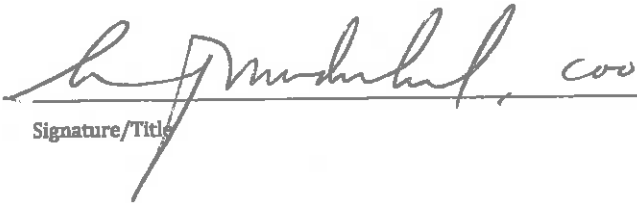
If yes, please complete the following:

Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin – End Dates

SECTION IV. VALIDATION

I, Lisa J. Munderback, of Say One
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as
Chief of Operations
(Title)

 coo
Signature/Title

6/22/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.



June 22, 2017

City of Biddeford
General Assistance
ATT: Kristen Barth, GA Administrator
205 Main St.
Biddeford, ME 04005

Dear Ms. Barth,

Enclosed please find a copy of our application and supporting documentation, as requested, in order to be considered for funding during FY 2017 / 2018. To learn more about our organization, please visit our website at www.day-one.org.

If you have any questions or require additional information, please contact me at (207) 767-0991 extension 121 or teriw@day-one.org. We greatly appreciate the generous support of the City of Biddeford in our work to dramatically reduce substance use and address mental health needs among Maine youth.

Sincerely,

Theresa L Welch
Development & Public Relations Assistant

Enclosures:
Mission Statement
Application FY 2017 / 2018
Day One Summary of Services
Audited Financial Statement
Day One's 501 C-3 Form





Mission Statement

Day One's mission is to dramatically reduce substance use and address mental health needs among Maine youth to help them live productive, healthy and rewarding lives.





SUMMARY OF SERVICES FY2016

July 1, 2015 – June 30, 2016

Community-based Outpatient Services for Adolescents and Families

- 632 clients were served through: Substance Abuse Evaluation, Individual, Group, & Family Therapy, the Intensive Outpatient Program, the Homeless Youth Project, and School-based Services.

Residential Treatment Services

- Day One provides residential treatment in Buxton, Hinckley and Hollis, Maine to youth from all over the state. Our Residential Treatment Centers house girls and boys separately. The six month program is open to youth ages 13-18 and provides a long-term intensive therapeutic community for residents.

Residence at Buxton

This program provides treatment for up to 6 girls at a time.

24 clients received residential treatment services and 12 clients received Aftercare Services.

Residence at Hinckley

This program provides treatment for up to 12 boys at a time.

44 clients received residential treatment services and 8 clients received Aftercare Services.

Residence at Hollis

This program provides treatment for up to 8 boys at a time.

22 clients received residential treatment services and 11 clients received Aftercare Services.

In total, 90 clients were served at our three residential treatment centers and 31 clients received Aftercare Services, ongoing counseling and support after completing the residential program.



Prevention Services

- **Natural Helpers of Maine** - is a peer-listening program that gives students a place to turn in times of stress, trouble or substance abuse. 158 students and 14 adult facilitators from 7 high schools in Cumberland and York Counties were trained.
- **Testimonials** - Clients from Day One treatment programs regularly share their experience and their recovering lifestyle at middle and high schools, businesses, United Way rallies and civic organizations across Maine. This year clients from Buxton, Hinckley and Hollis provided a total of 28 testimonials to 3,145 community members.

Criminal Justice Services

- **Long Creek Youth Development Center** - Day One staff provide comprehensive substance use assessments on every youth committed to the Center. Day One clinicians provide a continuum of treatment interventions including individual, group and family counseling. They are an integral part of the clients' unit treatment teams and also engage in case management to assist the clients in community reintegration. 45 youth were screened and assessed for substance use, and 91 youth were treated for their substance use issues through this program. In total, 94 youth were served.
- **Mountain View Development Center** - Provides the same services as the Long Creek program. 84 young adults and 81 adults (ages 25+) were screened and assessed. 73 young adults and 67 adults were treated for substance use issues. In total, 133 young adults and adults were served.

Internal Revenue Service

Date: September 1, 2005

DAY ONE
1000 SHORE RD
CAPE ELIZ ME 04107-1916

**Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201**

Person to Contact:

Ms. Fox 31-07209

Customer Service Representative

Toll Free Telephone Number:

8:30 a.m. to 5:30 p.m. ET

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

01-0322532

Dear Sir or Madam:

This is in response to the amendment to your organization's Articles of Incorporation filed with the state on March 3, 2003. We have updated our records to reflect the name change as indicated above.

In February 1974 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services



**Financial Report
June 30, 2016**

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Independent Auditors' Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9
Schedules of Support and Revenue by Program	16

Independent Auditors' Report

To the Board of Directors
Day One
South Portland, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of Day One (a nonprofit Organization), which comprise the statements of financial position as of June 30, 2016 and 2015, 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 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 audits 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.



Board of Directors
Day One

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Day One as of June 30, 2016 and 2015, 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of support and revenue by program on page 16 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.



South Portland, Maine
November 7, 2016

Statements of Financial Position

June 30,

	2016	2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 411,499	\$ 243,557
Accounts receivable, net	114,199	89,210
Grants receivable	133,713	72,169
Pledges receivable	151,336	151,336
Prepaid expenses	45,645	32,783
Total Current Assets	<u>856,392</u>	<u>589,055</u>
Land, Property and Equipment		
Land	66,500	66,500
Building and improvements	507,232	498,266
Furniture, equipment, and vehicles	270,640	260,997
	<u>844,372</u>	<u>825,763</u>
Accumulated depreciation	(366,200)	(302,420)
Land, Property and Equipment, net	<u>478,172</u>	<u>523,343</u>
Total Assets	<u>\$ 1,334,564</u>	<u>\$ 1,112,398</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 53,261	\$ 75,753
Accrued payroll and related expenses	114,119	80,981
Accrued compensated absences	85,451	85,079
Due to state agencies		
Deferred revenue	61,333	49,280
Current portion of long-term debt	21,482	20,724
Total Current Liabilities	<u>335,646</u>	<u>311,817</u>
Long-Term Liabilities		
Long-term debt, net of current portion	<u>267,799</u>	<u>289,158</u>
Total Liabilities	<u>603,445</u>	<u>600,975</u>
Net Assets		
Unrestricted	579,783	360,087
Temporarily restricted	151,336	151,336
Total Net Assets	<u>731,119</u>	<u>511,423</u>
Total Liabilities and Net Assets	<u>\$ 1,334,564</u>	<u>\$ 1,112,398</u>

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

Statement of Activities

Year Ended June 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Support and Revenue			
Residential programs	\$ 2,236,339		\$ 2,236,339
Juvenile justice program	799,925		799,925
Community based	955,274	141,625	1,096,899
Prevention/intervention	4,800	9,711	14,511
Fundraising and donations	175,189		175,189
Interest	119		119
Other income	37,628		37,628
Assets released from restriction	151,336	(151,336)	
Total support and revenue	<u>4,360,610</u>		<u>4,360,610</u>
Expenses			
Program expenses			
Residential programs	1,891,748		1,891,748
Juvenile justice program	676,587		676,587
Community based	852,826		852,826
Prevention/intervention	16,259		16,259
Total program expenses	<u>3,437,420</u>		<u>3,437,420</u>
Supporting services			
Management and general	638,756		638,756
Fundraising	64,738		64,738
Total supporting services	<u>703,494</u>		<u>703,494</u>
Total expenses	<u>4,140,914</u>		<u>4,140,914</u>
Change in Net Assets	219,696		219,696
Net Assets, Beginning of Year	<u>360,087</u>	<u>151,336</u>	<u>511,423</u>
Net Assets, End of Year	<u>\$ 579,783</u>	<u>\$ 151,336</u>	<u>\$ 731,119</u>

Statement of Activities - Continued

Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Totals
Support and Revenue			
Residential programs	\$ 1,998,302		\$ 1,998,302
Juvenile justice program	780,904	\$ 9,711	790,615
Community based	945,791	141,625	1,087,416
Prevention/intervention	7,443		7,443
Fundraising and donations	124,251		124,251
Interest	3		3
Other income	9,373		9,373
Assets released from restriction	155,626	(155,626)	
Total support and revenue	<u>4,021,693</u>	<u>(4,290)</u>	<u>4,017,403</u>
Expenses			
Program expenses			
Residential programs	1,763,509		1,763,509
Juvenile justice program	619,372		619,372
Community based	871,243		871,243
Prevention/intervention	9,514		9,514
Total program expenses	<u>3,263,638</u>		<u>3,263,638</u>
Supporting services			
Management and general	596,211		596,211
Fundraising	60,088		60,088
Total supporting services	<u>656,299</u>		<u>656,299</u>
Total expenses	<u>3,919,937</u>		<u>3,919,937</u>
Change in Net Assets	101,756	(4,290)	97,466
Net Assets, Beginning of Year	<u>258,331</u>	<u>155,626</u>	<u>413,957</u>
Net Assets, End of Year	<u>\$ 360,087</u>	<u>\$ 151,336</u>	<u>\$ 511,423</u>

Statement of Functional Expenses

Year Ended June 30,

2016

	Program Expenses					Total	Management and General	Fundraising	Total Expenses
	Residential	Juvenile Justice	Community Based	Prevention/ Intervention	Total				
Salaries	\$ 1,178,328	\$ 491,619	\$ 521,655	\$ 5,317	\$ 2,196,919	\$ 381,832	\$ 20,479	\$ 2,599,230	
Payroll taxes and fringe benefits	222,980	103,268	114,664	956	441,868	74,538	4,552	520,958	
Consultants	48,598	84	20,700		69,382	33,644	11,349	114,375	
Supplies	93,882	17,259	21,607	3,855	136,603	13,310	20,430	170,343	
Staff and client travel	19,483	10,912	9,146	2,312	41,853	6,257	273	48,383	
Telephone	18,237	4,864	12,336	86	35,523	10,667	217	46,407	
Repairs and maintenance	25,659	136	7,824	59	33,678	4,773	104	38,555	
Occupancy and utilities	58,680		97,741	840	157,261	55,889	4,581	217,731	
Insurance	10,815	4,339	6,320	23	21,497	12,237	123	33,857	
Service provider tax	72,764				72,764			72,764	
Technology	50,147	22,169	20,009		92,325	7,222	623	100,170	
Depreciation	49,719	6,594	7,469		63,782			63,782	
Advertising	186		185		371	3,461	354	4,186	
Interest	12,645				12,645	1,020		13,665	
Bank and payroll service charges						12,397	8	12,405	
Staff education and training	12,725	7,729	4,771	490	25,715	10,776		36,491	
Licenses and membership dues	5,317	6,356	3,149	1,000	15,822	9,320	530	25,672	
Consumer rewards and recreation	11,583	741	3,597		15,921			15,921	
Equipment lease and facility rental		517	1,653	1,321	3,491	1,413	1,115	6,019	
Total Expenses	\$ 1,891,748	\$ 676,587	\$ 852,826	\$ 16,259	\$ 3,437,420	\$ 638,756	\$ 64,738	\$ 4,140,914	

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

Statement of Functional Expenses - Continued

Year Ended June 30,

2015

	Program Expenses					Total	Management and General	Fundraising	Total Expenses
	Residential	Juvenile Justice	Community Based	Prevention/ Intervention/	Total				
Salaries	\$ 1,086,394	\$ 423,824	\$ 505,971	\$ 1,736	\$ 2,017,925	\$ 347,499	\$ 27,796	\$ 2,393,220	
Payroll taxes and fringe benefits	207,366	94,721	116,165	1,477	419,729	71,311	5,738	496,778	
Consultants	44,161	770	78,968	999	124,898	29,833	5,500	160,231	
Supplies	101,237	36,961	11,268	1,975	151,441	14,685	14,698	180,824	
Staff and client travel	23,243	9,918	10,934	26	44,121	8,672	433	53,226	
Telephone	16,292	4,782	12,293	52	33,419	12,969	260	46,648	
Repairs and maintenance	31,228	31	7,611	29	38,899	4,214	250	43,363	
Occupancy and utilities	65,363	31	92,415	487	158,265	63,240	4,031	225,536	
Insurance	19,484	3,403	4,721	8	27,616	2,690	76	30,382	
Service provider tax	60,621				60,621			60,621	
Technology	39,326	19,726	16,364		75,416	9,991	460	85,867	
Depreciation	31,520	7,059	5,805		44,384			44,384	
Advertising	700	4,246			4,946	3,034		7,980	
Interest	14,658				14,658	359		15,017	
Bank and payroll service charges	35				35	14,571		14,606	
Staff education and training	7,194	7,014	2,689	100	16,997	2,947	625	20,569	
Licenses and membership dues	4,375	5,745	2,167	1,410	13,697	8,923	139	22,759	
Consumer rewards and recreation	10,312	1,122	2,283		13,717			13,717	
Equipment lease and facility rental		50	1,489	1,215	2,754	1,273	82	4,109	
Total Expenses	\$ 1,763,509	\$ 619,372	\$ 871,143	\$ 9,514	\$ 3,263,538	\$ 596,211	\$ 60,088	\$ 3,919,837	

Statements of Cash Flows

Years Ended June 30,

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 219,696	\$ 97,466
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	63,782	44,384
(Increase) decrease in operating assets:		
Accounts receivable	(24,989)	(27,186)
Grants receivable	(61,544)	172,646
Pledges receivable		6,557
Cost settlement receivable		11,393
Prepaid expenses	(12,862)	11,626
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(22,492)	(57,371)
Accrued payroll and related expenses	33,138	17,142
Accrued compensated absences	372	(1,893)
Due to state agencies		(190,431)
Deferred revenue	12,053	(4,370)
Net cash flows from operating activities	<u>207,154</u>	<u>79,963</u>
Cash flows from investing activities:		
Purchase of property and equipment	(18,611)	(107,576)
Net cash flows from investing activities	<u>(18,611)</u>	<u>(107,576)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(20,601)	(17,668)
Net cash flows from financing activities	<u>(20,601)</u>	<u>(17,668)</u>
Net change in cash and cash equivalents	167,942	(45,281)
Cash and cash equivalents at beginning of year	<u>243,557</u>	<u>288,838</u>
Cash and cash equivalents at end of year	<u>\$ 411,499</u>	<u>\$ 243,557</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	<u>\$ 13,665</u>	<u>\$ 15,017</u>
Supplemental Disclosure of Cash Flow Information:		
Noncash Investing and Financing Activities:		
Acquisition of property and equipment		
Cost of property and equipment		\$ 182,127
Property and equipment acquired by debt		(74,551)
Cash purchases of property and equipment		<u>\$ 107,576</u>

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Day One was organized in 1973 as a nonprofit corporation under the laws of the State of Maine. Day One's mission is to dramatically reduce substance abuse among Maine youth to help them live productive, healthy, and rewarding lives. The Organization strives to accomplish this mission through the following major programs:

Residential Services – Day One's 6-month substance use disorder treatment program offers an intensive therapeutic community for clients ages 13-18. We have 3 Maine locations – Buxton, Hinckley, and Hollis. In total we can serve 6 female clients and up to 21 male clients at any given time

Juvenile Justice Programs – Substance abuse evaluations and a comprehensive array of treatment services are provided at both the *Long Creek Youth Development Center* in South Portland and *Mountain View Youth Development Center* in Charleston. These services are designed to treat adolescents and young adults who are in custody and to help reintegrate them back into their communities.

Community-Based Programs – A variety of services are available to assist adolescents and their families in establishing ways to make healthy choices around alcohol and drug use. These services include *individual, group, and family counseling; intensive outpatient counseling; aftercare services* for graduates of the residential programs; *outreach* to homeless youth; and *case management* for youth with serious emotional and behavioral needs. Screening, assessment, and treatment services, when appropriate, are provided on-site in several schools.

Prevention/Intervention Services – Includes the *Natural Helpers of Maine* program that trains and supports a network of peer listeners in Maine high schools.

Basis of Presentation

The financial statements of Day One have been prepared using the accrual method of accounting in accordance with professional standards. Under these standards, Day One is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted assets, and permanently restricted net assets. Unrestricted net assets are those that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Temporarily restricted net assets are those whose use by Day One has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled or otherwise removed by actions of Day One. Permanently restricted net assets are those that are subject to donor-imposed stipulations that they be maintained permanently by Day One. Day One had no permanently restricted net assets at June 30, 2016 and 2015.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Accounts and Grants Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Allowance for doubtful accounts for each of the years ended June 30, 2016 and 2015 was \$0.

Grants receivable represent payments due on State and various municipal grants and are considered fully collectible by management.

Land, Property and Equipment

Day One's capitalization policy is based on items purchased with a value greater than \$5,000 and useful life of more than one year. Property and equipment are carried at cost if purchased or estimated fair value at the date of receipt if donated. Maintenance and repairs, which do not significantly extend the value or life of the property and equipment, are expensed as incurred.

Day One depreciates property and equipment using the straight-line method over the following estimated useful lives of the assets:

Building and improvements	15 – 31.5 years
Leasehold improvements	10 – 31.5 years
Furniture and equipment	3 – 10 years
Vehicles	5 years

Deferred Revenue

Deferred revenue consists of program income received under State grants that are deferred until the related services are rendered.

State Grants

Day One derives approximately 50% of its revenues from the State of Maine Office of Substance Abuse and Department of Health and Human Services pass-through grant awards.

MaineCare Revenue and Client Fees

Day One derives approximately 39% of its revenues from the State of Maine MaineCare program and client fees. MaineCare revenue and client fees are recorded at established billing rates.

Contributions

Contributions, including pledges, are recognized as revenues in the period received or pledged. Day One reports contributions of cash and other assets received with donor-imposed time or purpose restrictions as temporarily restricted support. When a donor restriction expires, i.e., when a stipulated time restriction or purpose restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Contributions – Continued

Based on management's evaluation of outstanding pledges, it has concluded that realization of losses will be immaterial and no allowance for uncollectible unconditional promises to give is necessary.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as unrestricted revenues.

Statement of Cash Flows

For purposes of the statements of cash flows, Day One considers all cash and other highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Functional Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the statements of functional expense. Accordingly, certain costs have been allocated among the programs and supporting services.

Advertising

Day One expenses its advertising costs as incurred.

Income Taxes

Day One is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Management has evaluated Day One's tax positions and concluded that as of June 30, 2016 and 2015, Day One does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next 12 months. Day One is subject to U.S. federal and state examinations by taxing authorities for the years ended June 30, 2013 through 2016.

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and International Financial Reporting Standard (IFRS). The core principle of the guidance requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for all nonpublic entities' annual periods beginning after December 15, 2018, but management presently does not expect a significant change in revenue recognition.

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Recent Accounting Pronouncements – Continued

Leasing

In February 2016, FASB issued ASU 2016 – 02, Leases. This new standard will provide users of the financial statements a more accurate picture of the assets and the long-term financial obligations of entities that lease. The proposal is for a dual-model approach; a lessee would account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both would be reported on the balance sheet of the entity. Lessors will see some changes too, largely made to align with the revised lease model. For nonpublic companies, the new leasing standard would apply for fiscal years beginning after December 15, 2019. The standard requires retroactive application to previously issued financial statements for 2019 and 2018, if presented. Management is currently evaluating the impact of adoption on its financial statements.

Not-for-Profit Entities

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities, to amend current reporting requirements to make several improvements, including reducing complexities of information presented within Not-for-Profit financial statements. A main provision of this update is that a Not-for-Profit entity will report two classes of net assets (amounts for net assets with donor restrictions and net assets without donor restrictions), rather than the currently required three classes. The guidance is effective for annual periods beginning after December 15, 2017, with early application permitted. This standard requires retroactive application to previously issued financial statements for 2018 and 2017, if presented. Management is currently evaluating the impact of adoption on its financial statements.

NOTE 2 – CASH

Day One maintains cash balances in several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Typically, cash balances do not exceed FDIC limits. The Organization has not experienced any losses and management has determined there is a low risk of loss.

NOTE 3 – PLEDGE RECEIVABLE

Pledge receivable consisted of an unconditional promise to give from the United Way in the amount of \$151,336 for each of the years ended on June 30, 2016 and 2015, respectively. Management expects payment in full during the next fiscal year.

NOTE 4 – DUE TO \ DUE FROM STATE AGENCIES

Amounts due to \ due from the State of Maine Department of Health and Human Services result from various contract audit settlements and financial report close-outs. Included in accounts receivable are due from State agency amounts of \$98,841 and \$43,210 as of June 30, 2016 and 2015, respectively.

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 5 – LINE OF CREDIT

Day One has an open line of credit totaling \$250,000 with Key Bank. The line of credit is payable on demand, including interest at the Wall Street Journal Prime Rate plus 0.5%. The line of credit is secured by real estate. There is no maturity date and the line is subject to bank review annually. At June 30, 2016 and 2015, the balance on the line of credit was \$0.

NOTE 6 – LONG-TERM DEBT

Long-term debt consisted of the following at June 30:

	2016	2015
A note payable to TD Bank secured by the Buxton Property, due in monthly principal and interest payments of \$782, interest fixed at 4.24% that can be reset at each five-year anniversary of the closing the loan. The note matures in August 2038.	\$ 134,269	\$ 137,883
A note payable to TD Bank, due in monthly principal and interest payments of \$839, interest fixed at 4.75%, through July 2030. Secured by real estate.	102,372	107,432
A note payable to Key Bank secured by a vehicle, due in monthly principal and interest payments of \$362, interest fixed at 2.87%, through July 2020.	16,757	20,529
A note payable to Key Bank secured by a vehicle, due in monthly principal and interest payments of \$378, interest fixed at 2.87%, through July 2020.	17,467	21,399
A note payable to Key bank secured by a vehicle, due in monthly principal and interest payments of \$407, interest fixed at 3.00%, through July 2020.	18,416	22,639
Total long-term debt	<u>289,281</u>	<u>309,882</u>
Less current portion	21,482	20,724
Total long-term debt, net of current portion	<u>\$ 267,799</u>	<u>\$ 289,158</u>

Principal payments on long-term debt as of June 30, 2015 are due as follows for years ending June 30 and thereafter:

2017	\$ 21,482
2018	22,269
2019	23,087
2020	23,902
2021	11,544
Thereafter	186,997
Totals	<u>\$ 289,281</u>

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at June 30:

	2016	2015
Prevention	\$ 9,711	\$ 9,711
Family support	2,705	2,705
After care services	11,702	11,702
Intensive outpatient	25,589	25,589
Homeless youth	64,301	64,301
Street program	37,328	37,328
Total	<u>\$ 151,336</u>	<u>\$ 151,336</u>

NOTE 8 – ASSETS RELEASED FROM RESTRICTIONS

The sources of net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors were as follows for the years ended June 30:

	2016	2015
Prevention	\$ 9,711	\$ 10,053
Family support	2,705	2,800
After care services	11,702	12,114
Intensive outpatient	25,589	26,490
Homeless youth	64,301	65,527
Street program	37,328	38,642
Total	<u>\$ 151,336</u>	<u>\$ 155,626</u>

NOTE 9 – OPERATING LEASES

Day One leases space for its administration office, prevention, and outpatient service programs with monthly payments of \$10,900 until March 2017 and space for the residential treatment program with monthly payments of \$3,200 until June 2019.

Day One also has entered into a copier lease with monthly payments of \$167 until April 2019.

As of June 30, 2016, future minimum payments under these lease agreements are as follows for the years ending June 30:

2017	\$ 138,506
2018	40,404
2019	40,070
Total	<u>\$ 218,980</u>

Rent expense was \$175,723 and \$170,669 for the years ended June 30, 2016 and 2015, respectively.

NOTE 10 – RETIREMENT PLAN

Day One has established a 401(k) plan covering all eligible employees. Day One matches 50% of employee deferrals up to 5%. Additional employer contributions to the Plan are discretionary. Day One's matching contributions to the Plan were \$72,359 and \$67,125 for the years ended June 30, 2016 and 2015, respectively.

Notes to Financial Statements

June 30, 2016 and 2015

NOTE 11 – CONTINGENCIES

Day One participates in various governmental grant programs, which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, Day One's compliance with applicable grant requirements may be established at some future date. In the opinion of management, the amount, if any, of liabilities arising from the disallowance of expenditures or ineligibility of grant revenues is not significant; therefore, no provision has been recorded in the financial statements. All contract adjustments resulting from program compliance audits are recorded in the year in which the audit is finalized.

NOTE 12 – SUBSEQUENT EVENTS

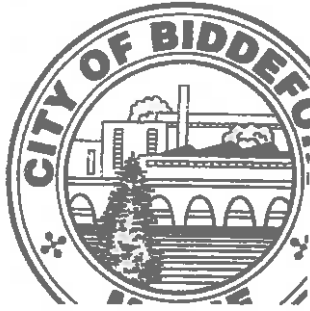
Management has made an evaluation of subsequent events to November 7, 2016, which represents the date on which the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these financial statements.

Schedules of Support and Revenue by Program

Years Ended June 30, 2016 and 2015

June 30, 2016	Residential	Juvenile Justice	Community Based	Prevention/ Intervention	Total
Office of Substance Abuse & Mental Health Services	\$ 774,666	\$ 798,448	\$ 348,569		\$ 1,921,683
Department of Health and Human Services			134,500		134,500
MaineCare	1,388,965		206,483		1,595,448
Other governmental grants			10,612		10,612
Donations and private grants	16,593	1,477	36,391		54,461
Program fees			218,719	\$ 3,300	222,019
United Way	22,500		141,625	11,211	175,336
Child welfare and food stamps	33,615				33,615
Total Support and Revenue	\$ 2,236,339	\$ 799,925	\$ 1,096,899	\$ 14,511	\$ 4,147,674

June 30, 2015	Residential	Juvenile Justice	Community Based	Prevention/ Intervention	Total
Office of Substance Abuse	\$ 648,759	\$ 790,615	\$ 372,149		\$ 1,811,523
Department of Health and Human Services			134,500		134,500
MaineCare	1,270,639		167,557		1,438,196
Other governmental grants			14,508		14,508
Donations and private grants	32,525		46,715		79,240
Program fees	(114)		201,166	\$ (4,110)	196,942
United Way	22,500		146,610	11,553	180,663
Child welfare and food stamps	28,104				28,104
Total Support and Revenue	\$ 2,002,413	\$ 790,615	\$ 1,083,205	\$ 7,443	\$ 3,883,676



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: In-A-Pinch Non-Food Pantry
Principal Address: 35 South Street, Biddeford, Maine 04005
Executive Director: Marie V Clark-Colman (Co-Founder & Chair)
Contact Person/Phone Number: Pauline Loranger (Treasurer), 9 Therrien Ave. Saco, Maine 04072
Est. Total Agency Budget
for 2016/2017: \$27,106.00
Actual 2015/2016 Budget: \$26,005.00
Amount requested from the
City of Biddeford: \$ 8,000.00
What percent of your annual
budget does this request equal: 34%

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses:

In-A-Pinch Non-Food Pantry provides personal care and cleaning supplies to Southern Maine Families in need. By providing this much-needed service we promote better health, sanitation and self-esteem.

In-A-Pinch Non-Food Pantry, in conjunction with Home Health Services (located in Saco, Maine) offers FREE flu shot clinics twice yearly. The Pantry additionally has provided collaborative support to Biddeford Junior High School (Lockers of Love Program; providing hygiene items to teens and pre-teens), Maine Veterans Alliance (Located in Saco, Maine) for Veterans who are unable to access to In-A-Pinch during distribution times, Biddeford Teen Center (providing hygiene and school supplies items to teens) and Seeds of Hope Neighborhood Center (providing 12 of each pantry item four times a year).

How is that need determined or measured?

Items provided by In-A-Pinch are not available to be purchased with SNAP benefits for those on a fixed income, who are low income and the homeless and elderly.

During the 2016 year, In-A-Pinch Non-Food Pantry has continued to service over 175+ families monthly and 2090 families in the Southern Maine area. For the City of Biddeford, In-A-Pinch has served 1881 families

What process does your agency undertake annually to evaluate the effectiveness of your program (s)?

It is the goal of In-A-Pinch Non-Food Pantry that our assistance to individuals and families will boost self-esteem and promote better health.

Individuals can look beyond in the community by the In-A-Pinch Non-Food Pantry helping them to meet their basic needs. While accessing the Pantry, Clients are offered a home-cooked meal in a social environment; this is provided in conjunction with area businesses and churches.

In-A-Pinch has seen dramatic influx of homeless individuals and families. The Pantry continues to refer to outreach services within the community. It is the continues mission of In-A-Pinch Non-Food Pantry to provide this valuable service to individuals and families; thus insuring self-esteem and promoting better health and therefore becoming self-sufficient.

Client eligibility criteria:

In-A-Pinch Non-Food Pantry is a non-discriminative environment where all individuals are accepted. Clients must be eighteen years old, need to come 'in-person' and only one member per household may access the Pantry. Clients may come up to eight times per year and only one tie a month. In-A-Pinch Non-Food Pantry continues to accept referrals from other agencies.

Describe fee structure:

In-A-Pinch Non-Food Pantry has no fee; 100% FREE to our Clients.

Describe services provided:

In-A-Pinch Non-Food Pantry has existed for twenty-two years (as of Aug 2017). In-A-Pinch provides personal care and household cleaning supplies to individuals and families without the means to purchase them their selves.

In-A-Pinch is open on the second and fourth Tuesday of each month from 4:00 to 6:45pm. A list of available products is given to each household; they can choose up to 10 items that their household may need. Families with children under the age of two are allowed to choose up to 12 items. Families of five or larger receive double products (toilet paper and laundry detergent).

Due to the donations such as City of Biddeford, In-A-Pinch has increased our 'items per household' limit from eight to ten (from ten to twelve for families with children under two).

What accommodations are made to those applicants with zero income?

There are no income guideline to access In-A-Pinch Non-Food Pantry; thus no accommodations needed for those with zero income.

In-A-Pinch does has three requirements; clients need to complete a yearly registration form, provide proof of residency and access the Pantry themselves. Volunteers are always available to assist Clients through the registration process and selection of needed items from the "Client Checklist".

** ("Client Checklist" enclosed)

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

In-A-Pinch Non-Food Pantry has no fees to our clients.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City:

Yes, In-A-Pinch Non-Food Pantry is located at Seeds of Hope Neighborhood Center, 35 South Street, Biddeford, Maine.

Define a unit of service as it pertains to the program:

Eight times a year – ten items per household (twelve item with children under two years of age) – increased products for families of five or larger.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain.

Yes, In-A-Pinch Non-Food Pantry does collaborate with other agencies . . . Amvets of Biddeford, Biddeford Teen Center, Dunlap Masonic Lodge of Biddeford, Lockers of Love, Narragansett Foundation, Saco Grange, St David's Church, St Georges Episcopal Church, Seeds of Hope Neighborhood Center and Union Church.

How often are your books and/or financial records audited by an accounting firm or a third party professional?

Seeds of Hope Treasurer (David Moravick) is required to file the necessary paperwork needed for In-A-Pinch Non-Food Pantry.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal	--	--	--	--
State	--	--	--	--
County	--	--	--	--
Municipal	City of Biddeford	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
JTPA	--	--	--	--
3 RD Party	--	--	--	--
Fees/Tuition	--	--	--	--
Private Insurance	--	--	--	--
Endowments	--	--	--	--
United Way	--	--	--	--
Grants	Narragansett and Molina	\$11,000.00	\$ 9,500.00	\$ 8,000.00
Other Income/Surplus	--	\$ 3005.00	\$14,779.68	\$ 7,106.00
In-kind Contributions	The Community	\$ 4,000.00	\$ 3,221.00	\$ 4,000.00
Totals	--	\$26,005 .00	\$35,500.68	\$27,106.00

Total number of individuals served (unduplicated): 5109

Total number of units provided: 2090 Families and 5109 Individuals

Total number of individuals served from Biddeford: 3832

Percent of total client count that are residents of the City of Biddeford: 90%

What other municipalities provide financial assistance and how much does each provide?

NONE

Do you receive funding from Biddeford's CDBG program? If yes, for what services?

In-A-Pinch Non-Food Pantry does not receive funding from this program.

Per capita cost of service(s); each individual counted only once: 5109

Unit of service cost: \$9.20 per family.

How many members of your agency have authority to decide where/how your funds will be spent?

Board Members and two people with cred cards access.

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

Marie Clark-Colman (Co-Founder & Chair) and Pauline Loranger (Treasurer).

Agencies REQUIRED to file yearly audits—include a copy of last audited financial statement. Agencies NOT REQUIRED to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain.

In-A-Pinch Non-Food Pantry is under the Seeds of Hope Neighborhood Center umbrella. Seeds of Hope did have their 501C-3 put on temporary hold due to lack of filing appropriate paperwork 2 years ago. Shortly thereafter it was reinstated and is still active.

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: <u>In-A-Pinch Non-Food Pantry</u>	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Contributions	\$12,800.00	\$19,155.50	\$11,900.00	\$12,500.00
Fund Raising	--	\$ 3,854.39	\$ 2,000.00	\$ 2,000.00
Legacies and Bequests	--	--	--	--
Contributed by Associated Organizations	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00
Government: Federal	--	--	--	--
Government: State	--	--	--	--
Government: County	--	--	--	--
Government: Municipalities	--	--	--	--
Membership dues	--	--	--	--
Program Fees	--	--	--	--
Sales of Materials	--	--	--	--
Investment Income	--	--	--	--
Miscellaneous Revenue	\$ 4,005.00	\$ 3,290.79	\$ 4,006.00	\$ 4,510.00
TOTAL SUPPORT REVENUE	\$26,005.00	\$35,500.68	\$27,106.00	\$28,210.00
OPERATING EXPENSES				
Salaries	--	--	--	--
Employee Benefits	--	--	--	--
Payroll Taxes, etc.	--	--	--	--
Professional Fees	\$ 4,500.00	--	\$ 4,500.00	\$ 5,500.00
Supplies ** (Products for Pantry)	\$18,000.00	\$19,181.82	\$18,000.00	\$19,500.00
Telephone	--	--	--	--
Postage and Shipping	\$ 100.00	\$ 81.75	\$ 200.00	\$ 200.00
Occupancy	--	--	--	--
Rental and Maintenance of Equipment	--	--	--	--
Printing and Publication	\$ 1,200.00	\$ 698.13	\$ 2,300.00	\$ 2,000.00
Travel	\$ 400.00	--	\$ 400.00	\$ 400.00
Conferences and Meetings	\$ 300.00	\$ 160.70	\$ 200.00	\$ 200.00
Specific Assistance to Individuals	--	\$ 311.00	--	--
Membership Dues	--	--	--	--
Awards and Grants	--	--	--	--
Miscellaneous	\$ 1,100.00	\$ 3,654.75	\$ 1,100.00	\$ 1,100.00

TOTAL OPERATING EXPENSES	\$25,600.00	\$24,088.15	\$26,700.00	\$28,900.00
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES	\$ 605.00	\$11,411.53	\$ 406.00	\$ - 690.00
Payments to Affiliates	--	--	--	--
Board Designations for Specific Future Use	--	--	--	--
Depreciation Expenses	--	--	--	--
TOTAL OF ALL EXPENSES	\$24,995.00	\$12,676.62	\$26,294.00	\$29,590.00
EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES	--	--	--	--

Salaries (per person—NOT totals)

Position Title*	Number of people in this position	Full-time equivalents for this position**	Actual CY 2015 or FY 16/17	Budgeted CY 2015 or FY 16/17	Proposed CY 2016 or FY 17/18
Board Members					
Advisory Board					
Pantry Volunteers					
Work Opportunity Volunteers		Total Number of Volunteer Hours in 2016 was 1676 hours			
Local Church Volunteers					
High School Students					
Court Ordered					
TOTAL NUMBER OF EMPLOYEES/FTE'S					

*denotes position vacant

**** full-time staff will be noted as 1.00; half-time staff as 0.50; quarter-time staff as 0.25; and so on.
All financial information rounded to the nearest dollar**

AGENCY INDEPENDENT FUND RAISING SURVEY

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates
River Jam Festival	City of Biddeford Children & local Community	\$ 1,000.00	\$ 2,000.00	Sept 2017
Spaghetti Dinner	Public	\$ 500.00	\$ 1,000.00	Oct 2017

Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following:

Description/Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates
Not applicable				

SECTION IV. VALIDATION

I, Pauline M. Loranger of In. A. Lynch Non-Food Pantry
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

Treasurer
(Title)

Pauline M. Loranger, Treasurer
Signature/Title

6/23/17
Date

***Applicants who provide incomplete or inaccurate information will not be eligible for funding**

Accounting/Legal & Professional Fees	\$4,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Travel/Tolls Expenses (volunteers)	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fund Raiser Expenses	\$1,000.00	\$0.00	\$0.00	\$0.00	\$639.45	\$209.45	\$848.90
Materials to support the Pantry	\$0.00	\$408.85	\$20.83	\$32.92	\$489.91	\$27.31	\$489.91
Banquet Expenses for Volunteers	\$0.00	\$62.79	\$0.00	\$158.96	\$0.00	\$0.00	\$221.75
Misc. (website) Fees and Services	\$0.00	\$107.98	\$11.97	\$0.00	\$0.00	\$234.30	\$354.25
Misc. Transfer to Saving/Donat. To SOHNC	\$0.00	\$1,500.00	\$0.00	\$50.00	\$0.00	\$0.00	\$1,550.00
TOTAL	\$25,600.00	\$6,270.47	\$3,724.89	\$7,101.77	\$6,985.02	\$24,088.15	

TOTAL REVENUES	\$35,500.68
MINUS IN-KIND DONATION	3,221.00
TOTAL REVENUES FOR 2016	32,279.68

The History of In-A-Pinch Supporters

In-A-Pinch opened in August, 1996. IAP has always been entirely supported by monetary and in-kind donations from individuals, companies and organizations in the Southern Maine area.

In-A-Pinch has zero overhead. Space and utilities are provided by the Seeds of Hope, paper, ink, copies of brochures, etc, have been provided by Paquin & Carroll Insurance, Amvets Post 1, The Biddeford Eagles, Brown Fox Printing in Scarborough, and grants from Bangor Savings Bank and The Narragansett Fund.

Volunteers shop, stock, organize, and assist participants on the second and fourth Tuesday of each month from 4-6:45pm. Every dollar received goes toward the purchase of personal care and cleaning supplies for area families.

Seeds of Hope, Union Church and other area churches have joined in on our community service resource; their members are making homemade meals. Each time we open the participants are offered soup, bread, beverages, desserts. Volunteers encourage neighbors to get acquainted and make friends.

This has been more and more fun and exciting as people interact.

There is absolutely no religious association with this activity.

In-A-Pinch Non-Food Pantry



Let the Non-Food
Pantry Help You
Through These Times!

These items are in
limited supply and are
here to help you only
when you are
‘IN-A-PINCH’



Items Available at

In-A-Pinch

You may choose up to 8 of the following items:

Household:

- Toilet Paper
- Trash Bags
- Dish Detergent
- Pine Cleaner
- Soap Pads

Personal Care:

- Shampoo
- Sanitary Pads
- Tampons
- Toothbrush
- Efferdent
- Shaving Cream
- Razors
- Soap
- Band-Aids

Infants:

- Baby Shampoo
- Baby Lotion
- Wipes
- Baby Powder
- Diapers (*when available*)
- Q-tips

If you have a child in your home age 2 or under,
You may choose 2 extra items from the list of
infant items above.

**LIMIT OF ONE APPLICANT
PER HOUSEHOLD.**

NO DOUBLING OF ITEMS IS ALLOWED.

Hours of

Operation

In-A-Pinch is open the **2nd**
and **4th Tuesday** of every
month from 4-6:45pm

You may use In-A-Pinch
one time a month and
up to **8 times in a year.**

We are located at
35 South Street
in Biddeford

Contact

Information

Questions/Information
or to make a Donation
call:

Marie Clark-Colman:
Co-Founder/Chair
207-283-1258

“THE IN-A-PINCH NON-FOOD
PANTRY OFFERS LIMITED
SUPPLIES OF PERSONAL
CARE/CLEANING SUPPLIES
TO FAMILIES WITHOUT
MEANS TO PURCHASE THEM.
IN DOING SO, IT IS OUR GOAL
TO ADDRESS AND IMPROVE
INDIVIDUALS’ SELF-RESPECT
AND CREATE HEALTHIER
LIVING CONDITIONS FOR
OUR PARTICIPANTS”

**Proof of address is
required at sign up
and once a year.**

IAP has a Facebook page:
<http://www.facebook.com/>

BiddefordIAP

IN-A-PINCH NON-FOOD PANTRY

Registration/Release Form

Name _____

Address _____

City/Town _____

Telephone _____

Number of Adults in Household _____

Number of Children in Household _____

Ages of Children _____

Child/ren 2 years or Younger **DATE OF BIRTH**

Does anyone in household have allergies to soap? _____

IN-A-PINCH does not guarantee the quality and/or content of any item. All items are distributed on an "as is" basis and selection of brand names is not permitted.

Kindly read and sign below:

I, as a representative of my household, absolve and release **IN-A-Pinch Non-Food Pantry** from any liability or responsibility caused by (or as the result of) my acceptance and/or use of the products received by my household or me.

By signing, I understand this statement.

Date _____

Name (Please print) _____

Signature _____



Maine Revenue Services
Augusta, Maine

PERMANENT EXEMPTION CERTIFICATE

This Exemption Certificate
is issued under the provisions of Title 36, Part 3 MRSA

SEEDS OF HOPE NEIGHBORHOOD CENTER
35 SOUTH ST
BIDDEFORD, ME 04005-2473

Registration Number : E82568
Date Effective: January 1, 2013
Date Issued: February 13, 2013

Form ST-2
3115606130212

This certifies that the organization named above is an incorporated nonprofit organization that provides free temporary emergency shelter or food for underprivileged individuals in the State of Maine. It is therefore entitled to purchase tangible personal property or taxable services that will be used exclusively by the organization for the purposes for which it is organized without payment of the Maine sales or use tax.

Note to the Organization: This certificate is not to be used in activities that are mainly commercial enterprises including, but not limited to, purchases of items which will be resold by the organization. A copy of this certificate with the certification completed below, must be provided to your vendors in order to purchase goods exempt from tax. It is only necessary to provide one copy to the vendor. Subsequent purchases should indicate that the purchase is exempt from tax. In order to be exempt, the sale must be billed directly to and paid for directly by the organization named on the exemption certificate. This certificate cannot be used for purchases when payments are made with cash, personal checks, or personal credit cards.

Note to the Vendor: This certificate must be taken in good faith from the taxpayer named above. Your good faith may be questioned if you have knowledge of facts which give rise to a reasonable inference that the purchaser is not the holder of the exemption certificate or that the merchandise is not to be used exclusively by the organization. This certificate is valid only if the following certification is completed.

PERMANENT EXEMPTION CERTIFICATE

I HEREBY CERTIFY: That the above exemption certificate is valid, that the tangible personal property described herein which I shall purchase from _____ will be used exclusively by the organization named above for purposes for which it is organized.

Description of property to be purchased:

Rev. Shirley Bowen
Authorized Signatory

Date



In-A-Pinch Non-Food Pantry

35 South Street, Biddeford, Maine 04005

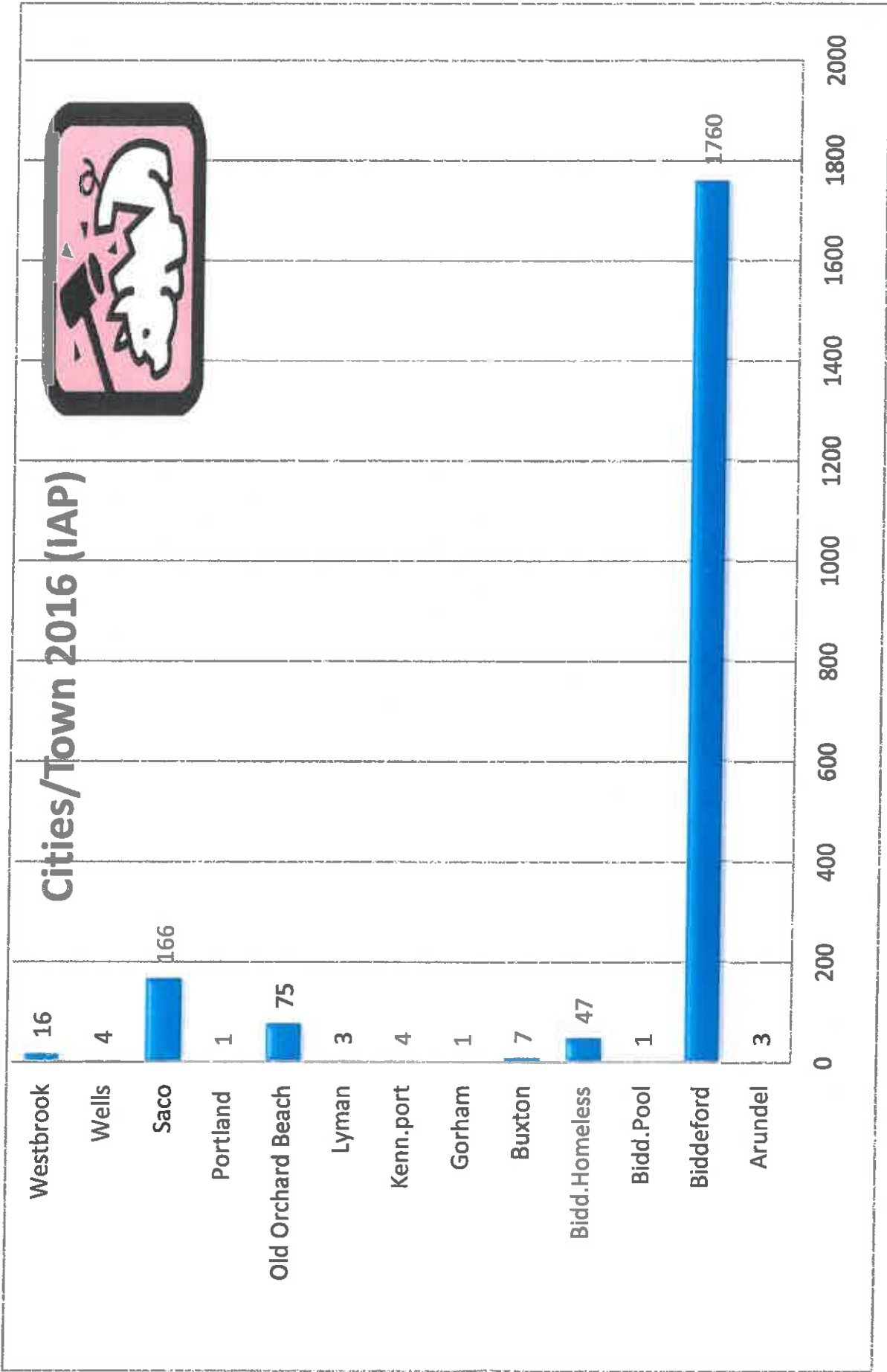
MISSION STATEMENT

“In-A-Pinch Non-Food Pantry’s” mission is to address and improve individuals’ self-respect and create healthier living conditions for our participants.

Approved by IAP Board on April 4, 2011
UPDATED: September 16, 2014

Families 2016 (IAP)





IN-A-PINCH NON-FOOD PANTRY

Name _____ # Adults _____ # Children _____

NO DOUBLING ITEMS • ONE VISIT PER MONTH/EIGHT VISITS PER YEAR

Check up to **10** items that your family needs:

- _____ Pine Cleaner
- _____ Scouring Powder
- _____ Dish Detergent
- _____ Soap Pads
- _____ Sanitary Pads ___ Reg. ___ Super
- _____ Tampons ___ Reg. ___ Super
- _____ Toilet Paper
- _____ Laundry Detergent
- _____ Trash Bags
- _____ Shampoo
- _____ Band-Aids

- _____ Soap
- _____ Deodorant ___ Women ___ Men
- _____ Shaving Cream
- _____ Combs
- _____ Razors
- _____ Toothbrushes ___ Child ___ Adult
- _____ Toothpaste ___ Child ___ Adult
- _____ Efferdent (for dentures)
- _____ Awesome Cleaner
- _____ OTHER (see list of items available)

HOUSEHOLDS with a Child two years or under may also pick TWO of the following:

- _____ Diaper Rash Cream
- _____ Baby Wipes
- _____ Baby Shampoo
- _____ Q-Tips
- _____ Baby Lotion
- _____ Baby Powder
- _____ Diapers Size 1 ___ 2 ___ 3 ___ 4 ___ 5 ___
- _____ Pull Up Diapers (when available)

Office Use:

City _____ Check ID _____ New ___ Return ___ Re-Register ___ Address Change _____

IN-A-PINCH NON-FOOD PANTRY

Name _____ # Adults _____ # Children _____

NO DOUBLING ITEMS • ONE VISIT PER MONTH/EIGHT VISITS PER YEAR

Check up to **10** items that your family needs:

- _____ Pine Cleaner
- _____ Scouring Powder
- _____ Dish Detergent
- _____ Soap Pads
- _____ Sanitary Pads ___ Reg. ___ Super
- _____ Tampons ___ Reg. ___ Super
- _____ Toilet Paper
- _____ Laundry Detergent
- _____ Trash Bags
- _____ Shampoo
- _____ Band-Aids

- _____ Soap
- _____ Deodorant ___ Women ___ Men
- _____ Shaving Cream
- _____ Combs
- _____ Razors
- _____ Toothbrushes ___ Child ___ Adult
- _____ Toothpaste ___ Child ___ Adult
- _____ Efferdent (for dentures)
- _____ Awesome Cleaner
- _____ OTHER (see list of items available)

HOUSEHOLDS with a Child two years or under may also pick TWO of the following:

- _____ Diaper Rash Cream
- _____ Baby Wipes
- _____ Baby Shampoo
- _____ Q-Tips
- _____ Baby Lotion
- _____ Baby Powder
- _____ Diapers Size 1 ___ 2 ___ 3 ___ 4 ___ 5 ___
- _____ Pull Up Diapers (when available)

Office Use:

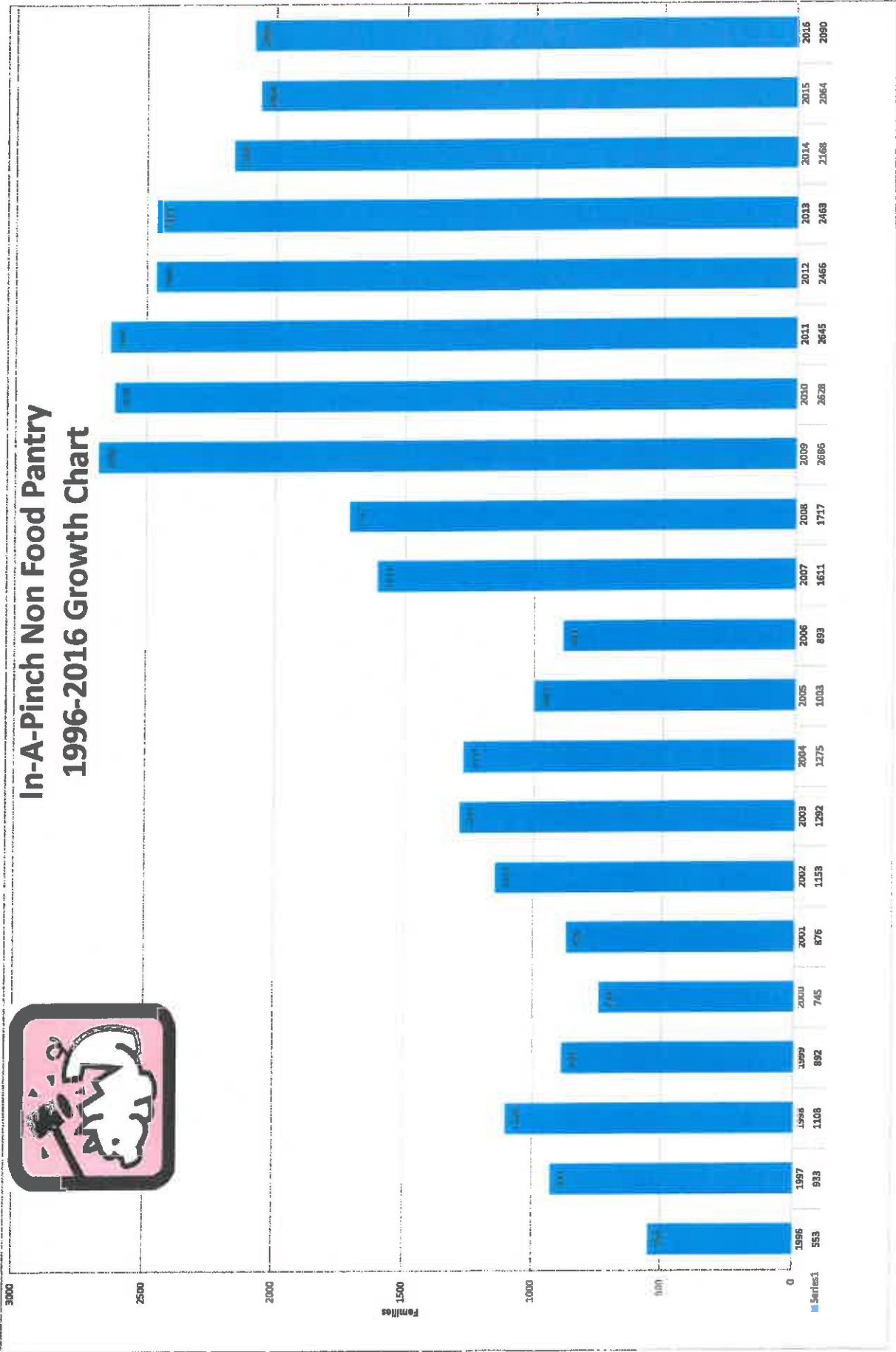
City _____ Check ID _____ New ___ Return ___ Re-Register ___ Address Change _____

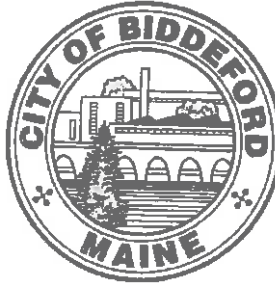
Volunteer Hours 2016 (IAP)





In-A-Pinch Non Food Pantry 1996-2016 Growth Chart





City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: KIDS FREE TO GROW

Principal Address: 57 PORTLAND ROAD Unit #4
Kennebunk, ME 04043

Executive Director: Genevieve Gardner

Contact Person/Phone Number: PATRICE LEARY-FORREY 207 985 7248

Est. Total Agency Budget
for 2016/2017: \$253,374.00

Actual 2015/2016 Budget: \$127,047.00

Amount requested from the
City of Biddeford: \$500.00

What percent of your annual
budget does this request equal: 71%

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses: _____

KIDS FREE TO GROW provides prevention education to parents and children of York County on the topic of child abuse and neglect.

How is that need determined or measured? The Department of Health and Human Services (DHHS) in the annual reports state the number of child abuse and neglect cases reported in York County. The number of substantiated cases helps determine the focus areas and plan for community prevention education.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)

Kids Free to Grow offers child abuse and neglect prevention education in schools, community centers, free libraries and continuing adult education programs throughout the county. Outcome measures are seen annually by the decrease number of reported cases of child abuse & neglect to DHHS.

What process does your agency undertake annually to evaluate the effectiveness of your program (s)?

Students in school elementary through high school use a variety of student survey & feedback forms to measure content delivery and understanding. Preschool age children, newsw with teachers and parents knowledge + maternal understanding. Parenting programs are evidence based and have pre + post evaluations & scored measures.

Client eligibility criteria: _____

All York County residence can receive any and all of our programs. Professionals in the community can access our professional trainings throughout the year.

Describe fee structure: _____

Kids Free to Grow offers ~~most~~ all programs at no cost to participants. Services are paid for through grants and in kind donations as well as annual fundraising event. Professional trainings are provided at no cost to attendees.

Describe services provided: _____

Child abuse and neglect prevention education services to ~~many~~ residence of York County

What accommodations are made to those applicants with zero income? _____

There is no fee for programs delivered

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year? No fee

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City: _____

Kids Free to Grow rents office space in Kennebunk. In the Biddeford Community we have collaborated with the library, town hall, YMCA, Biddeford Primary School, Rec Department to offer programs in the community space.

Define a unit of service as it pertains to the program: _____

A unit of service would be individual child attending pre-school, school, Rec camp or child care facility. A unit at the community events/professional training would be adult attendance.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. Kids Free to Grow shares a board and

executive director for the non profit Connections for Kids. We collaborate with many agencies in York County to share community space and space materials chairs tables etc.

How often are your books and/or financial records audited by an accounting firm or a third party professional? Annual audits

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal				
State				
County				
Municipal				
JTPA		9,000.00	9,150.00	9000
3 RD Party				
Fees/Tuition				
Private Insurance		800.00	- 0 -	- 0 -
Endowments				
United Way				
Grants		15,500.00	12,810.00	16,000
Other Income/Surplus		173,324.00	175,244.00	189,647
In-kind Contributions	fundraising donation J			
Totals		54,750.00	42,751.00	26,800

Total number of individuals served (unduplicated): 5,896

Total number of units provided: 5,896

Total number of individuals served from Biddeford: 1,164

Percent of total client count that are residents of the City of Biddeford: 19.74%

What other municipalities provide financial assistance and how much does each provide? _____

See attached Report

Do you receive funding from Biddeford's CDBG program? If yes, for what services? N/A

Per capita cost of service(s); each individual counted only once: Estimated cost per child/Adult served in 2016/2017 budget 253,374.00 divided by number served 5,896 is \$42.97 on average

Unit of service cost: See attached document

How many members of your agency have authority to decide where/how your funds will be spent? The executive director decides with board members

Of that group, how many are responsible for ensuring funds are used for the intended purpose? Director, Community Coordinators and community educator

Agencies REQUIRED to file yearly audits—include a copy of last audited financial statement.
Agencies NOT REQUIRED to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain. N/A

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: <u>KIDS FREE TO GROW</u>	Last Year budget ²⁰¹⁶ / ₁₆	Last year actual ²⁰¹⁵ / ₁₅	This year budget ²⁰¹⁶ / ₁₆	Next year proposed ²⁰¹⁷ / ₁₇
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford				
Contributions				
Fund Raising	70,350 ⁻	57,329 ⁻	54,750 ⁻	26,800 ⁻
Legacies and Bequests				
Contributed by Associated Organizations ^{United Way}	25,127 ⁻	25,935 ⁻	15,500 ⁻	16,000 ⁻
Government: Federal				
Government: State				
Government: County				
Government: Municipalities	10,000	8,550 ⁻	9,000 ⁻	9,000 ⁻
Membership dues				
Program Fees	2,500 ⁻	390 ⁻	800 ⁻	-0 ⁻
Sales of Materials				
Investment Income				
Miscellaneous Revenue ^{Grants}	19,070 ⁻	58,822 ⁻	173,324 ⁻	189,647 ⁻
TOTAL SUPPORT REVENUE	127,047⁻	157,031⁻	253,374⁻	241,447⁻
OPERATING EXPENSES				
Salaries ^(including benefits)	42,127 ⁻	41,838	138,332 ⁻	152,697
Employee Benefits ^{+ taxes}				
Payroll Taxes, etc.				
Professional Fees	30,000 ⁻	28,038 ⁻	25,687 ⁻	22,300 ⁻
Supplies	7,990 ⁻	5,058 ⁻	29,485 ⁻	24,480 ⁻
Telephone	3,000 ⁻	2,682 ⁻	3,840 ⁻	
Postage and Shipping	1,050 ⁻	990 ⁻	1,350 ⁻	
Occupancy	4,900 ⁻	5,758 ⁻	20,200 ⁻	18,300 ⁻
Rental and Maintenance of Equipment	1,300 ⁻	2,037 ⁻	1,750 ⁻	
Printing and Publication	4,580 ⁻	2,296 ⁻	4,840 ⁻	4,675 ⁻
Travel	2,850 ⁻	3,053 ⁻	10,750 ⁻	9,125 ⁻
Conferences and Meetings	1,700 ⁻	1,263 ⁻	3,550 ⁻	2,050 ⁻
Specific Assistance to Individuals				
Membership Dues ^{insurance}	1,500 ⁻	6,884 ⁻	7,500 ⁻	7,500 ⁻
Awards and Grants				
Miscellaneous ^{fundraising expense}	25,635 ⁻	118,313 ⁻	132,335 ⁻	350 ⁻
TOTAL OPERATING EXPENSES	126,132	118,210	252,489⁻	241,447
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES	915⁻	32,816	915⁻	-0⁻
Payments to Affiliates				
Board Designations for Specific Future Use				
Depreciation Expenses	915,100	732	915 ⁻	-
TOTAL OF ALL EXPENSES	127,047	118,942	253,374⁻	241,447

** full-time staff will be noted as 1.00; half-time staff as 0.50; quarter-time staff as 0.25; and so on.
 All financial information rounded to the nearest dollar

AGENCY INDEPENDENT FUND RAISING SURVEY

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates
Golf Tournament	YOVING COUNTY RESIDENCE	\$10,000	\$10,000	May Event

Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following: N/A

Description/Purpose	Primary Sources	Anticipated Costs	Anticipated Net Revenues	Begin—End Dates

SECTION IV. VALIDATION

I, PATRICE LEARY FORREY, of KIDS FREE TO GROW
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

Director
(Title)

Patrice Leary-Journey
Signature/Title

June 12, 2017
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.


**Kids Free to Grow
Budget
July 1, 2016 to June 30, 2017**

	<u>TOTAL</u>
Income	
Donations & Fundraising	54,750.00
Municipalities	9,000.00
Training Course Fees	800.00
United Way	15,500.00
Grants	<u>173,324.00</u>
Total Income	253,374.00
Direct Expense	
Personnel Expense	138,332.00
Consultants	25,687.00
Occupancy	20,200.00
Depreciation	915.00
Printing & Publications	4,840.00
Supplies & Office Expenses	28,365.00
Insurance	7,500.00
Conferences & Meetings	3,550.00
Fundraising Expenses	13,235.00
Travel	<u>10,750.00</u>
Total Expenses	<u>253,374.00</u>
Net Income	<u>0.00</u>



2016

ANNUAL REPORT



“Real generosity
toward the future
lies in giving all to
the present.”

- Albert Camus

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2016

July 2015 – June 2016

BOARD OF DIRECTORS

Officers

Marc Lamontagne
President

Tim Nelson, RN
Past President

Sally Williams, Esq.
Vice-President

Open
Treasurer

Megan McMahon
Secretary

Adam Aucoin, CPA
Diane Frenchette
Pamela Smith, Esq.

Staff

Genevieve Gardner, LCSW
Executive Director

Patrice Leary-Fortrey
Prevention Educator

Nancy Harrison
Prevention Educator

Sheri Morrison
Accountant

Kathy Angel Lee
Grant Writer

WELCOME

Kids Free to Grow is a small non-profit with a big mission: to prevent Child Abuse and neglect by empowering children and families in York County.

When looking back on the 2015-2016 school year, Kids Free to Grow confirmed themselves yet again. They educated over 3,000 students in local public schools in 22 towns across York County. Over 864 fifth and sixth graders were educated in “Break the Silence”. 913 students completed “Personal Body Safety and Empathy” training and parents learned about better parenting skills through evidenced-based parenting classes and they were able to share their experiences with other parents in their communities. Kids Free to Grow participated in United Way Rallies, Hall of Flags at the State Capital, Period of Purple Crying Campaign and held a Summer Institute for professionals.

As we know, true commitment to generosity is delightful. For this reason alone, your financial investment is inspiring and worthwhile. Kids Free to Grow had another successful year of fundraising with the 21st Bid Against Child Abuse Auction, Golf Event at the Webhannet Golf Club in Kennebunk and received donations through the annual giving campaign. They work hard with grant funders and our efforts continue to pay off. I would like to personally thank those local businesses who have gone above and beyond to support us this past year:

Biz Compass
Connections For Kids
The Children’s Trust
Kennebunk Savings Bank

P & C Insurance Company
Saco Biddeford Savings Institute
Saco Valley Credit Union
United Way

We know how to make a difference in a child’s life - through our committed supports, quality programming and a mission that is worth supporting. For this year – 2017, I encourage you to take a step back, reflect on what it means to be truly generous and think about supporting our mission. On behalf of our Board of Directors, we thank everyone who has provided Kids Free to Grow with the necessary funds to succeed with their important mission.

Regards,
Marc Lamontagne
President, Board of Directors

OUR HISTORY

Kids Free to Grow (The York County Child Abuse Prevention Council) was established in 1978 by Marilyn Anderson, a child protective supervisor for York County at the Department of Health and Human Services. She began by going to speak at the Congregational Church in Saco, Maine. After a heartfelt speech, a group of professionals emerged that shared a similar commitment to children's safety in York County. It was then that the Child Abuse Prevention Council was established.

From 1980- 2001 the Council became incorporated and Marilyn Staples was hired as the Director. From 2001-2006 Kate Stern became Executive Director and moved the agency from the basement of a dentist office in Biddeford to its well established Kennebunk, Maine location. The Board of Directors changed from 24 members and over 80 volunteers who served on a several standing committees to a more sophisticated model of board government positions. From 2006-2008 Susan Lamb was hired and became the Executive Director where she developed Friends of Children, and other important funding resources.

Over the years, many people have worked hard to spread the mission of the council and in 2000 the name changed from York County Child Abuse Council to Kids Free to Grow. Then in 2008, Laurie DuPaul became the Executive Director until the summer 2012. Without an Executive Director for most of 2012, the committed Board of Directors stepped in to run the agency.

In 2013 Kids Free to Grow Board of Director created an innovative affiliation with Connections for Kids, a fully licensed mental health agency in South Portland, Maine and Genevieve Gardner, LCSW was named the Executive Director of both agencies. She had been Connections for Kids Executive Director for many years and was well diverse in running non-profits. This unique affiliation presented with opportunity to combine resources and create a network of strong non-profits. In June 2016 Kids Free to Grow moved to 57 Portland Road, Suite 4, Kennebunk, Maine and continues to serve the children and families of York County with child abuse prevention education and resources.

Mission: To prevent child abuse and neglect by empowering children and families of York County.

2016

July 2015 – June 2016

“Think of giving, not as a duty, but as a privilege.”

- John D. Rockefeller

OUR PROGRAMS

Kids Free to Grow conducts educational programs in schools throughout York County. In the 2015-2016 school year our programs reached over 3,000 children, families and professionals working with children.

PARENTING PROGRAMS

Parenting Café

This parenting group helps parents to build protective factors, promote deep individual self-reflection and provide peer-to-peer learning.

Active Parenting & Parenting 1-2-3-4

These Active Parenting Programs emphasize cooperation, self esteem, and responsibility and promote non-violent discipline.

Nurturing Parenting Program

This parenting program is held in a group setting in which parent(s) or caregiver(s) learn and develop skills such as empathy, self worth, empowerment, roles & expectations plus discipline with dignity.

Supporting School Success

This parent education program offers proven strategies and practices for supporting children through their school experience.

1,2,3 Magic

1,2,3 Magic offers parents and caregivers alike a simple and gentle-but-firm approach to managing the behavior of 2 to 12-year olds.

SCHOOL BASED PROGRAMS

Empathy & Healthy Relationships

Kids Free to Grow utilizes books, video, songs, and activities to help children develop empathic skills and practices. (PRE K - GRADE 2)

Personal Body Safety

Kids Free to Grow offers age appropriate educational opportunities to help young children understand personal safety. (PRE K - GRADE 4)

Healthy Relationships Project

This program offers a healthy sexuality education and child abuse prevention curriculum for children. (PRE K – GRADE 8)

Break The Silence

A DVD presentation in which kids speak out about abuse by telling their own stories in a video that is designed to empower students to get help for themselves or a friend in need. (GRADES 5 – 6)

Baby Think It Over

Baby Think It Over uses computer simulator “babies” to assist in teaching parenting and child abuse prevention skills. (GRADES 7 – 12)

PROFESSIONAL PROGRAMS

Strengthening Maine Families

Child care providers learn to approach parents as the expert on their own children, to listen openly to their concerns and ideas, and to work together with parents to find answers to questions and concerns about child development.

Infant Sleep Safe

Infant Sleep Safe is an educational presentation for parents and caregivers on creating a safe sleep environment for infants.

Mandated Reporter Training

We educate those who work with children about the laws regarding reporting, how to report, and why it is important to do so.

Summer Institute

The Summer Institute is an intensive training that covers the topic of child abuse from a professional's perspective.

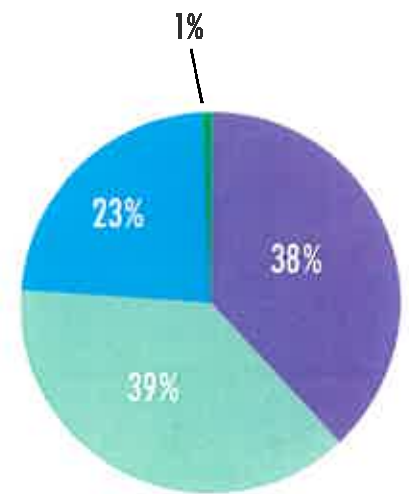
FINANCIAL HIGHLIGHTS

Grants to support our programs are becoming even more difficult to secure and United Way dollars are spread more thinly throughout the community. Ten years ago, private donations made up only 10% of the council's revenue; this year, private donations accounted for 38% of revenue.

We are working hard to continue to maximize the impact of each dollar by decreasing overhead costs and increasing the percentage of each dollar that goes to program. Operating expenses were \$118,941 for 2015-2016.

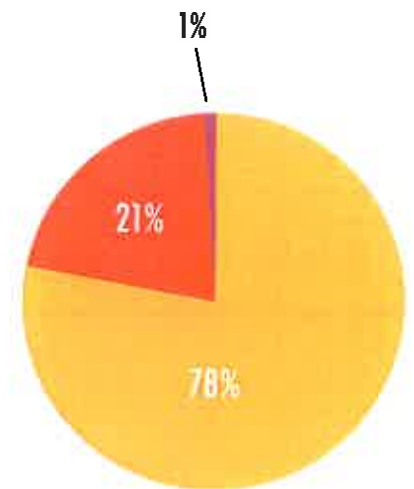
REVENUE

● Donations Fund Raising	\$57,329
● Direct and Indirect Public Support	\$34,485
● Grants	\$58,822
● Other Income	\$791
Total	\$151,427



EXPENSES

● Program Services	\$93,306
● Fund Raising	\$24,525
● Management and General	\$1,110
Total	\$118,941



2016

July 2015 - June 2016

FRIENDS OF CHILDREN CIRCLE

Individuals who have
committed \$1,000 or more
for child abuse prevention.

Ralph & Suzanne Austin
Andrew & Elizabeth Mantis

GRANTS

Elmina B. Sewall Foundation
Maine Children's Trust
Margaret E. Burnham Charitable Trust
Narragansett Number One Foundation
Sam L. Cohen Foundation
The Virginia Hodgkin Somers
Foundation
United Way of York County

OUR DONORS

\$500 +

Ralph & Suzanne Austin
BizCompass
Guy Campbell
Connections for Kids
Customers of Cummings Market
Fraternal Order of Eagles #4030
Frank & Dorothy Green
Linda Hodgdon
Yvonne & Brian Jumper
Kennebunk Savings Bank
Marc Lamontagne
Andrew & Elizabeth Mantis
P&C Insurance
Peoples Choice Credit Union
Saco & Biddeford Savings
Williams & Greco, P.A.

\$100 - \$499

Adam Aucoin
Joan & Rodney Boynton
Amy Brooks
Colby Jack Cain
Jim & Betsy Fitzgerald
Gerard & Pauline Gardner
Tom & Genevieve Gardner
David & Claire Genest
Haley's Metal Shop
Carol & William Hennig
CJ & Michael Jenkins
Jones & Warren, PA
John & Cornelia Kittredge
Maine Health Integrated IS Dept
MARC Motors
Elizabeth & Gregory McCarthy
Megan McMahan
Conner & Wendy Moore
Employee of The Nonantum
Kariahn Quint
David Rankin
Richard & Shirley Reese
David B. Reid
J Douglas Saurman
South Congregational Church, K'port
Betsy Stevens
Natalie Thomas
Sandra Welzel

\$50 - \$99

Anonymous
L. Dianne Barbour
Jamie Carver
Richard & Joan Fowler
John & Faye Gmeiner
Bill & Monica Grabin
WD & Mary Johnson
Michael Petit
Cheryl Sargent
David & Jane Smith
Bill Soucy

\$1 - \$49

Diana Abbott
Michelle Cloutier
Anne Daly
Christopher Gable
Kathleen Lee
Kayla McCormick
Earl & Jane Murray
Tim & Susan Nelson
United Way of Central &
Northeastern CT

HONOR ROLL OF GIVING

The prevention of child abuse requires everyone's involvement. Our efforts would be impossible without the generosity of so many individuals, businesses, services organizations, schools, churches, and municipal groups. We take this opportunity to gratefully acknowledge those people who have joined with us as a Partner in Prevention through their contributions both financial and in-kind.

Acapello Salons
Agren Appliance
Angel Designs
Applebee's Restaurant
Aquaholics Surf Shop
Auntie's House
Biddeford City Theater
Big Daddy's Ice Cream
Bintliff's Restaurant
Brenda's Bloomers
Bruce Haskell Photography
Bunganut Lake Camping Area
Carla's
Casco Bay Lines
Cathy's Lobster Bake Company
Clip and Snip in Wells
Compliments Gallery
Connections for Kids
Cranmore Mountain Resort
Create 2 Resonate
Cummings Market
Custom Built Certified Personal
Training
Daytrip Society
Dock Square Emporium
Diane Dutremble
Federal Jack's Brew Pub
Ruth Fernandez
Fern Leaf Bakery and Coffee House

Fleurant
Diane Frechette
Funtown Splashtown
Genevieve Gardner
Gerry & Pauline Gardner
Golf & Ski Warehouse
Gorham Bike and Ski
Great Lost Bear
Hackmatack Playhouse
Harbor Flag Shop, Wells
HB Provisions
Nancy Harrison
Hearth and Soul
Hurricane Restaurant
Huston and Company
It's a Dog's World
Jones & Warren PA
Kennebunk ACE Hardware Store
King's Wharfe
KRC - Kennebunk Resort Company
Callie Lavoie
Lowery Lawn and Patio
Mail-It Unlimited
Maine Squeeze
Marc Motors, Inc
Mark Jones
Marlow's
Sheri Morrison
Nonesuch Books

Ogunquit Lobster Pound Restaurant
Ogunquit Playhouse
On The Marsh
P&C Insurance
People's Choice Credit Union
Pie in the Sky Bakery, Inc.
Portland Stage Company
Portland Symphony Orchestra
Run of the Mill
Saco Valley Credit Union
Sandbaggers
Santa's Village
Santora Fine Art
Annie Schlesinger
Stonewall Kitchen
Story Land
The Candy Man
The Yachtsman Lodge & Marina
Three Dories
Tibbetts Family Farm
Linda Treadway
Vacationland Bowling Center
Village by the Sea
Vintage Maine Vacations
Warren's Lobster House
Water Country
York's Wild Kingdom

2016

July 2015 – June 2016

SUPPORT FROM MUNICIPALITIES

Acton
Alfred
Arundel
Biddford
Buxton
Hollis
Kennebunk
Kennebunkport
Limerick
Lorington
Lyman
Newfield
Shapleigh
South Berwick
Waterboro
York

OUR VOLUNTEERS

Adam Aucoin
Alli Brunetti
Jamie Carver
Dan Cote
Kaley Daley
Diane Dutremble
Michaela Flanagan
Diane Frechette
John Fulp
Jeff Furbish
Kerry Jamieson
Ken Labrecque
Marc Lamontagne
Kathy Lee
Meghan Mahoney
Megan McMahon
Tim Nelson
Janelle Sherman
Pam Smith
Lee Spanger
Allison Spies
Kelli Wedgewood
Kristien Whiting
Sally Williams



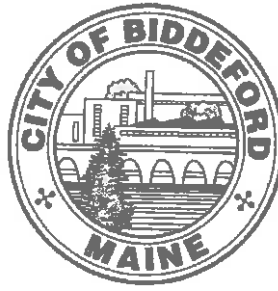
“He who gives
when asked has
waited to long.”

- Seneca



57 Portland Road | Kennebunk, ME 04043 | Suite 4 | Telephone 207-985-5975

KIDSFREETOGROW.ORG



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name:	<u>MaineHealth Care at Home</u>
Principal Address:	<u>15 Industrial Park Rd</u> <u>Saco, ME 04072</u>
Executive Director:	<u>Donna DeBlois</u>
Contact Person/Phone Number:	<u>Mia Millefogie / 207-284-4566 x4341</u>
Est. Total Agency Budget for 2016/2017:	<u>\$28,811,563.00</u>
Actual 2015/2016 Budget:	<u>\$23,504,826.00</u>
Amount requested from the City of Biddeford:	<u>\$5,000.00</u>
What percent of your annual budget does this request equal:	<u><1%</u>

SECTION II. PROGRAM DESCRIPTION

Note: On May 1, 2016, three leading home health and hospice agencies HomeHealth Visiting Nurses (Southern Maine) and Kno-Wal-Lin Home care and Hospice, and Waldo County Home Health and Hospice (MidCoast Maine) joined together to form MaineHealth Care at Home. We remain a 501 3 c not-for-profit organization and a member of MaineHealth.

Describe the health or human service need that your program addresses:

Home-based health care includes nursing services, rehabilitative therapies, social work services, diabetic counseling, telehealth, and personal care to promote health, health and independence. Our services are targeted to those who have difficulty, due to illness or medical condition, securing community based services. Hospice services are offered throughout the MidCoast region with short-term hospice care at the Sussman House, a hospice facility located in Rockport Maine. These services are absolutely essential to maintaining families and elders in the comfort of home and community. Without home health care services, many residents would be forced to receive alternative, high-cost care delivered in nursing facilities, hospitals or rehabilitation centers or they may forego needed care completely. In addition, our presence in the home allows clinicians to identify and address needs such as fuel assistance or inadequate food and nutrition and potential abuse or neglect. The goal for this program is essentially our mission;

“Helping people to be as healthy and independent as possible at home and in the community”

Within this mission/goal, we strive for the following objectives: To insure that individuals have access to quality home health care, without regard to financial resources or payer source. We rely on important funding sources to help offset the costs of charity care. These funding sources include financial support from towns and cities throughout our service area, annual fund appeals and United Way Organizations.

ACCESS TO CARE

MHCAH is meeting the urgent need to accept all patients requiring skilled levels of home health care and not deny services to those who lack insurance or resources. We are significantly challenged to meet needs of an increasing elderly population and a growing number of low-income individuals, between the ages of 19 – 64, who lack insurance or resources to access care. We also care for young families who are challenged in caring for medically fragile children with significant health care costs.

In FY16, MHCAH provided approximately \$145,000 of charity care and an additional \$1,005,000 of care not reimbursed by government programs. Along with securing access to care, MHCAH is an important resource for reducing expensive hospitalizations and delivering cost effective care to Maine's at-risk populations that include new mothers, frail infants and medically fragile children. Municipal support is an important resource to helping MHCAH maintain this access.

Our recent merger is testament to our commitment to expand access to essential home health and hospice services.

MEETING NEEDS OF AT-RISK POPULATIONS

Elders with at-risk Chronic Disease

National studies have documented that persons age 65+ are most likely to suffer from one or more chronic illnesses. Five chronic diseases— heart disease, cancer, stroke, chronic lung disease and diabetes account for more than two-thirds of all deaths in the U.S. Maine ranks fourth nationwide for deaths caused by these chronic illnesses, costing about \$1.5 billion per year. A significant portion of these costs result from frequent hospitalizations. Seventy-five percent of Maine residents die from one of these diseases. Chronic disease patients represent the largest segment of MHCAH's patient population.

Medically Fragile Children

In this past fiscal year, MHCAH cared for approximately 500 medically fragile children to include children diagnosed with cancer or other potentially life-limiting illness, children with neurological or development delays, children diagnosed with chronic care conditions and a growing number of newborn infants with Neonatal Abstinence Syndrome (NAS) who were exposed addictive illegal or prescription drugs and experiencing withdrawal symptoms. We recognize that living with a diagnosis of cancer or other life limiting illness has a profound impact on the child's and family's life from all perspectives--physical, social, financial, spiritual and psychological. Maintaining comprehensive and coordinated home health services is an important component of caring for these families especially for those families with limited incomes. The majority of our pediatric children are on MaineCare, Maine's insurance program for families at or below federal poverty levels.

ACCESS TO HEALTH PROMOTION

MHCAH also maintained its commitment to meet the health promotion needs of our Biddeford community. Our services include Community Health Clinics for adult patients, a comprehensive Diabetes Education and Support Program, foot clinics at in Biddeford, and public on-site health clinics in Saco and Kennebunk and immunization programs throughout our service area. . There are nominal fees for health services and tests; however, no one is denied service for inability to pay for fees. MHCAH is the lead provider of a Maternal and Children Health Promotion Grant that offers home-based nursing care, at no charge, to new mothers, infants and children with special needs. In this past year, we provided home based nursing visits to 1,800 newborn infants and mothers. Biddeford continues to be an important service area with this program.

How is that need determined or measured?

Home health services are provided to elders at or over the age of 65 and those under 65 who require skilled services following an acute illness, surgery, diagnosis of a new medical condition or an exacerbation of a chronic disease. Home health care services are provided under physician orders and monitored through a coordinated plan of care. At the initial home visit, an admission nurse/therapist conducts a comprehensive assessment to determine the level of need for skilled care services. During this assessment, clinicians complete OASIS - a federally mandated assessment tool for all adult patients admitted to home health services under Medicare/MaineCare. This tool serves as a mechanism for establishing eligibility, patient acuity and reimbursement. In addition, OASIS collects and reports quality outcomes that are publicly reported in HomeHealth Compare.

Our Pediatric Programs encompasses two programs and determines care as follows:

- 1) A skilled pediatric program that focuses on seriously ill infants and children requiring a full range of skilled home health services, medical intervention, palliative care and end-of-life care. At-risk children include low birth weight babies, children with genetic diseases, physical or mental disabilities or life-threatening diseases such as cancer. Eligibility for this program is based on medical need and reimbursed by private insurance, MaineCare or charity care funds.
- 2) The Maternal and Children's Preventive Health Services Program, a state and federally funded Grant program, targets at-risk prenatal women, newborns, new mothers and children with special needs. This program is not restricted to medical or financial need. There is no charge for nursing services.

Financial Need: MHCAH utilizes a Fee Assessment Tool based on 175% of the Federal Poverty Level to determine financial need for charity care funds. This process is consistent for all members within MaineHealth.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)

Meeting Urgent Chronic Care Needs of Elders

MHCAH continues to offer new employees with training using the Integrated Chronic Care Model, (ICCM) training program throughout the Agency. Program includes on-line modes, exam and certification process. In addition, we strengthen our palliative care program by hiring expert clinicians, incorporating clinical protocols in alignment with MaineHealth clinical practice, and training a team of clinicians to deliver palliative care to patients with advanced chronic illness.

As noted in our last report, we prioritized efforts to expand our telehealth program in both southern and MidCoast regions.

From April 1, 2016 - March 31, 2017, augmented home health services with Telehealth for 738 patients and realized a 2.3% rate of re-admission when compared to state averages of 16%!

With clinical enhancement and telehealth development, we are seeing:

- Improvement in patient self-management of chronic condition
- Improvement with managing medication
- Decrease in pain due to improved management
- Reduction in hospitalization/urgent care rates
- Improvement in quality of life
- High levels of patient satisfaction

In FY16, MHCAH had hospitalization rates lower than the nation and above national averages for key quality measures. The following cites several key measures:

	MHCAH	Nation
How patients rate overall care	89%	84%
Patients who recommend MHCAH	88%	78%
Hospital Readmission Rates (lower is best)	14.9%	16%

Pediatric Home Health Care:

The following reports specific outcome measures as obtained through audits of patient records

- 95% of children achieved appropriate growth and development and optimal health. (2% of our children showed need for more services.
- 90% of parents were able to verbalize understanding of disease and demonstration ability to take action for medical interventions. This reflects the increasing complexity of what parents are asked to understand in order to care in the home setting.
- 90% of parents demonstrated understanding of medication, proper usage and compliance.
- 90% of parents understood prescribed diet and were able to maintain adequate feeding and hydration. (includes IV and pumps) (audit showed one child removed from home/one mother non-compliant)

What process does your agency undertake annually to evaluate the effectiveness of your program(s)?

Our adult-based home health program has a robust, continuous quality improvement program that incorporates focused medical audits, internal monitoring, process improvement plans with oversight from a Quality Council and an established Professional Advisory Committee comprised of community leaders. In addition, MHCAH is mandated to submit data to the Centers for Medicare and Medicaid service for public reporting. The Centers for Medicare and Medicaid Services (CMS) reports quality measures for all Medicare certified home health agencies across the country. These reports compare multiple local agencies on quality and survey results with comparisons to State and National averages.

Success is measured in the results of Home Health Compare that includes 9 outcome and process measures that are risk-adjusted and compared to a constant national reference rate. Reports are quarterly and include 12 months of data. MHCAH has a detailed improvement plan with targeted goals to meet or exceed state and national benchmarks for quality and patient experience. Patient focused measures are critical to success as clinical team consistently review patient progress with individualized care plan goals in monthly inter-disciplinary teams. The Centers for Medicare and Medicaid Services (CMS) mandate that Medicare-certified home health agencies collect and transmit data using OASIS-a comprehensive and mandated standard assessment tool for patients covered by Medicare and Medicaid. OASIS data is used to guide quality and performance improvement efforts. Public reports are found at www.medicare.gov

MHCAH also surveys patient experience through NRC Picker-a national survey and benchmarking vendor. Survey questions are standardized through CMS and publicly reported across the nation. MHCAH submits surveys to both its adult and pediatric populations.

The pediatric program consistently incorporates assessment, inquiry, screening, nursing interventions, referral and documentation as methods to measure the degree of effectiveness in meeting the project's defined performance indicators and outcomes. Source of data for all objectives is the client record. Program nurses document assessment results, observations, self-reported client behavior scores, and all interventions in a unique clinical record. The program utilizes comprehensive assessment tools including the review of vital signs, respiratory status, cardiac function, immunization history, nutrition, development progress, mental status, safety and neurological status. In addition, we incorporate the anticipatory guidelines and principles set forward in Bright Futures: Guidelines for Health Supervision of Infants, Children and Adolescents.

Client eligibility criteria:

Admission to services is centralized through the intake department's toll free number that operates Monday - Saturday, with evening and Sunday referrals handled through clinical supervisors. Home health services are predominantly delivered in the home with scope of services, frequency of visits and length of service determined by the health care needs of the patient and eligibility criteria established by Medicare, MaineCare, grants, private insurance and other third party payers. Financial eligibility for charity care funds is determined through a sliding fee formula based on 175% of the federal poverty level. MHCAH does not discriminate against any person based on race, color, religion, sexual orientation, national origin, age, gender, disability, veteran status or lifestyle.

Describe fee structure:

Although our agency has a published Charge Schedule, services are either reimbursed by third party payers, subject to the sliding fee program or charges allocated to our Charity Care Program.

Describe services provided:

Home health services are provided to elders at or over the age of 65 and those under 65 who require skilled services following an acute illness, surgery or an exacerbation of a chronic disease. Access to home health services is insured through a centralized intake service operating 7 days a week. MHCAH has 24/7 on-call nurses who triage patient calls, coordinate with physicians and initiate clinical interventions as needed.

Home Health Services include:

- Nursing Care – nurses provide medical assessment, monitoring, wound care, pain management, education, infusion, palliative care, cardiac care and Telehealth.
- Rehabilitative Therapy – physical, speech and occupational therapists help patients who have experienced major trauma or illness gain strength and skills to promote independent living.
- Home Health Aides Services – aides help patients with bathing, grooming, dressing, eating, walking or simply getting out of bed.
- Counseling & Emotional Support – social workers help patients address the emotional aspects of illness, injury or major life change.
- Telehealth Services – web-based technology offering vital sign monitoring, assessment and health education
- Nutritional Counseling – diabetic educators and nutritionists help patients with complex nutritional needs and education to prevent or control diabetes.
- Telehealth Services – advanced technology with monitoring tools to provide daily assessment, education and intervention
- Hospice Care – interdisciplinary team of clinician that provides relief from the pain and symptoms association with serious illness.

We also offer a wide array of specialty services including cardiac, pulmonary and stroke care, post-operative care, home safety evaluations, pediatric care, palliative care, infusion therapy, lifeline, and wound care.

Through our Maternal and Child Health Promotion Program, our pediatric team of nurses, therapists, social workers and health aides cares for women who face high-risk pregnancies, newborns with critical health care needs and children who face serious illnesses. We also provide education, guidance and support to new parents, helping them to give their baby a healthy start. This program is paid for with state grant funds, allowing us to offer these services at no charge.

Our Community Health and Wellness services, provided by a team of registered nurses, offer essential health education, health promotion, medical screenings and tests, vaccinations, disease detection, monitoring and referral services. Clinics are open to anyone age 18 or older, with the majority of clients being elderly, over age 60. Flu shot clinics are open to adults and children over age 8, with specially designated clinics available to younger children. The clinics allow us to provide health care services in non-traditional settings where elderly residents in particular are comfortable gathering. Risk factors are often identified that, if undetected, could lead to more serious health conditions or exacerbate an existing condition. If a risk factor is identified at a clinic, the nurse offers educational materials on the topic and refers the patient to a physician or appropriate community resource.

What accommodations are made to those applicants with zero income?

For patients in need of services who lack insurance or other resources to pay for care, MaineHealth Care at Home offers a sliding fee structure based on 175% of the Federal Poverty Level. Patients receive care at no charge or at a reduced rate, and no patient in need of home health care is denied services due to an inability to pay.

Are fees charged for General Assistance referrals? No

If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City:

Our main office is located in Saco; however, as a home health care organization, the majority of our work is carried out in the homes of our patients. Please see the attached Services to the Community report for the specific services provided in Biddeford.

Define a unit of service as it pertains to the program:

A skilled nursing visit, rehabilitative session or social work counseling session offered in the home setting.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. Collaboration and coordination with other healthcare providers and community based programs are central components of our work. Examples include several hospital initiatives; collaboration with MaineHealth Hospice and Palliative Care Workgroups, Heart

Failure Workgroup, and Telehealth Groups. We also collaborate with Agencies on Aging, Department of Health & Human Services, Centers for Disease Control, Office of Family Services, etc. We insure that patients and major healthcare referrers are informed about our services in several ways; shared medical record, on-site liaison nurses at Maine Medical Center, scheduled liaison nurses at New England Rehabilitation, Southern Maine Medical Center and Goodall Hospital. Additionally, we participate in several transitions of patient care workgroups, networking groups with social service providers.

How often are your books and/or financial records audited by an accounting firm or a third party professional? Annual Basis

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal		14,445,357	17,615,779	17,700,000
State		1,316,173	1,719,465	1,720,000
County		0	0	0
Municipal		120,000	115,026	120,000
JTPA		0	0	0
3 RD Party		0	0	0
Fees/Tuition		389,835	386,872	386,000
Private Insurance		2,571,394	3,058,376	3,000,000
Endowments		0	0	0
United Way		0	0	0
Grants		583,000	580,890	580,000
Other Income/Surplus		217,508	480,914	480,000
In-kind Contributions		0		0
Totals		19,643,267	23,957,322	23,986,000

Total number of individuals served (unduplicated): 13,127

Total number of units provided: 128,190

Total number of individuals served from Biddeford: 1,111

Percent of total client count that are residents of the City of Biddeford: 8%

What other municipalities provide financial assistance and how much does each provide? (see attached list)

Do you receive funding from Biddeford's CDBG program? If yes, for what services? No

Per capita cost of service(s); each individual counted only once: \$1,086.83

Unit of service cost: \$162.17

How many members of your agency have authority to decide where/how your funds will be spent?
Our Senior Team totaling 9

Of that group, how many are responsible for ensuring funds are used for the intended purpose?
All 9 of them

Agencies **REQUIRED** to file yearly audits—include a copy of last audited financial statement.
Agencies **NOT REQUIRED** to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain. No

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: _____	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford				
Contributions				
Fund Raising				
Legacies and Bequests				
Contributed by Associated Organizations				
Government: Federal				
Government: State				
Government: County				
Government: Municipalities				
Membership dues				
Program Fees				
Sales of Materials				
Investment Income				
Miscellaneous Revenue				
TOTAL SUPPORT REVENUE				
OPERATING EXPENSES				
Salaries				
Employee Benefits				
Payroll Taxes, etc.				
Professional Fees				
Supplies				
Telephone				
Postage and Shipping				
Occupancy				
Rental and Maintenance of Equipment				
Printing and Publication				
Travel				
Conferences and Meetings				
Specific Assistance to Individuals				
Membership Dues				
Awards and Grants				
Miscellaneous				
TOTAL OPERATING EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES				
Payments to Affiliates				
Board Designations for Specific Future Use				
Depreciation Expenses				
TOTAL OF ALL EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES				

SECTION IV. VALIDATION

I, Mia Millefogie, of MaineHealth Care at Home
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as
VP Development & Marketing.
(Title)

Mia Millefogie VP Development & Marketing
Signature/Title

6/20/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

**HomeHealth - Visiting Nurses of Southern Maine
Town Request 2017**

Biddeford

Prior Year Appropriation \$ 2,000

**Proposed Appropriation --
Uncompensated Cost of
Care \$ 91,772**

SERVICES TO THE COMMUNITY

	Residents Served	Number of Visits/Days/ Tests	Total Program Cost	Community Charity Care	Uncompensated Mainecare Cost
Home Health Care (Visits)	649	8,388	\$ 1,478,391	\$ 9,998	\$ 65,166
Maternal & Child Health (Visits) (REIMBURSED BY STATE GRANT)	62	140	\$ 22,469	\$ -	\$ -
Community Health (Tests)	400	489	\$ 34,796	\$ 16,609	\$ -
TOTALS	1,111	9,017	\$ 1,535,656	\$ 26,607	\$ 65,166

MaineHealth

CARE AT HOME

Mission Statement

*Helping people to be as Healthy
and Independent as possible at
Home and in the Community.*

Approved by Board of Directors: 2/3/04

FY17 Municipal Payments

Donor	Received
City of Westbrook	8000
Town of Standish	1200
Town of Acton	500
Town of Acton	500
Town of Alfred	1000
Town of Arundel	1200
Town of Baldwin	3200
Town of Buxton	500
Town of Cape Elizabeth	2229
Town of Casco	4000
Town of Cornish	500
Town of Falmouth	3575
Town of Freeport	500
Town of Fryeburg	950
Town of Hollis	925
Town of Hollis	925
Town of Kittery	2000
Town of Limerick	500
Town of Limington	2700
Town of North Berwick	6442
Town of North Yarmouth	2000
Town of Parsonsfield	1500
Town of Shapleigh	1800
Town of Wells	8000
Town of Windham	500



MaineHealth

CARE AT HOME

FINANCIAL STATEMENTS

September 30, 2016 and 2015

With Independent Auditor's Report

DRAFT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
MaineHealth Care at Home

We have audited the accompanying financial statements of MaineHealth Care at Home (the Association), which comprise the balance sheets as of September 30, 2016 and 2015, and the related statements of operations, changes in net assets, 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 U.S. generally accepted accounting principles; 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.

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 U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits 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 Association'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 Association'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 MaineHealth Care at Home as of September 30, 2016 and 2015, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Manchester, New Hampshire
REPORT DATE

DRAFT

MAINEHEALTH CARE AT HOME

Balance Sheets

September 30, 2016 and 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Current assets		
Cash and cash equivalents	\$ 552,444	\$ 258,389
Investments	1,050,498	981,239
Patient accounts receivable - net	4,016,477	1,110,492
Prepaid expenses and other current assets	1,006,649	519,784
Receivable from affiliated entities	-	<u>344,452</u>
Total current assets	<u>6,626,068</u>	3,214,356
Investments whose use is limited by		
Board designation	2,495,662	2,323,332
Specifically designated specific purpose funds	497,762	339,726
Funds functioning as endowment funds	<u>245,212</u>	<u>245,212</u>
	<u>3,238,636</u>	2,908,270
Property and equipment, net	788,714	784,164
Other assets	<u>2,002,270</u>	<u>1,826,670</u>
Total	<u>\$ 12,655,688</u>	<u>\$ 8,733,460</u>

DRAFT

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

MAINEHEALTH CARE AT HOME

Balance Sheets
(Continued)
September 30, 2016 and 2015

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and other current liabilities	\$ 741,814	\$ 308,940
Accrued payroll, payroll taxes, and amounts withheld	395,601	666,354
Accrued earned time	943,323	543,120
Deferred revenue	568,510	303,396
Amounts payable to affiliates	<u>2,293,463</u>	<u>-</u>
Total current liabilities	<u>4,942,711</u>	<u>1,821,810</u>
Amounts payable to affiliates – less current portion	<u>967,677</u>	<u>688,975</u>
Total liabilities	<u>5,910,388</u>	<u>2,510,785</u>
Net assets		
Unrestricted	5,051,645	4,577,673
Temporarily restricted	428,242	389,074
Permanently restricted	<u>1,265,413</u>	<u>1,255,928</u>
Total net assets	<u>6,745,300</u>	<u>6,222,675</u>
Total liabilities and net assets	<u>\$ 12,655,688</u>	<u>\$ 8,733,460</u>

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

MAINEHEALTH CARE AT HOME

Statements of Operations

Years Ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Unrestricted revenue and other support		
Net patient service revenue (net of contractual allowances and discounts)	\$ 22,704,430	\$ 18,702,524
Provision for bad debts	<u>(215,216)</u>	<u>(63,335)</u>
Net patient service revenue - net of provision for bad debts	22,489,214	18,639,189
Other revenue	<u>987,194</u>	<u>954,187</u>
Total unrestricted revenues and other support	<u>23,476,408</u>	<u>19,593,376</u>
Expenses		
Salaries	14,130,471	11,140,615
Employee benefits	3,150,970	2,600,090
Supplies	826,586	573,476
Professional fees and purchased services	3,129,013	2,571,815
Facility and other costs	1,755,473	1,419,620
Interest	18,107	15,260
Depreciation and amortization	<u>451,730</u>	<u>265,891</u>
Total expenses	<u>23,462,350</u>	<u>18,586,767</u>
Income from operations	<u>14,058</u>	<u>1,006,609</u>
Nonoperating gains (losses)		
Gifts and donations - net of related expenses	129,874	33,723
Interest and dividends	165,172	66,723
Increase (decrease) in fair value of investments	<u>185,868</u>	<u>(265,161)</u>
Total nonoperating gains (losses) - net	<u>480,914</u>	<u>(164,715)</u>
Excess of revenues and nonoperating gains (losses) - net over expenses	494,972	841,894
Equity transfer to affiliates	<u>(21,000)</u>	<u>(19,999)</u>
Increase in unrestricted net assets	<u>\$ 473,972</u>	<u>\$ 821,895</u>

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

MAINEHEALTH CARE AT HOME
Statements of Changes in Net Assets
Years Ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Unrestricted net assets		
Excess of revenues and nonoperating gains - net over expenses	\$ 494,972	\$ 841,894
Equity transfer to affiliates	<u>(21,000)</u>	<u>(19,999)</u>
Increase in unrestricted net assets	<u>473,972</u>	<u>821,895</u>
Temporarily restricted net assets		
Gifts and donations	-	20
Interest and dividends	8,369	9,224
Realized and unrealized gains (losses) on investments	44,783	(64,189)
Net assets released from restrictions for operations	<u>(13,984)</u>	<u>(25,054)</u>
Increase (decrease) in temporarily restricted net assets	<u>39,168</u>	<u>(79,999)</u>
Permanently restricted net assets		
Change in value of perpetual and beneficial interest trusts	<u>9,485</u>	<u>(100,225)</u>
Increase in net assets	<u>522,625</u>	641,671
Net assets - beginning of year	<u>6,222,675</u>	<u>5,581,004</u>
Net assets - end of year	<u>\$ 6,745,300</u>	<u>\$ 6,222,675</u>

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

MAINEHEALTH CARE AT HOME

Statements of Cash Flows

Years Ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Increase in net assets	\$ 522,625	\$ 641,671
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	451,730	265,891
Provision for bad debts	215,216	63,335
Net realized and change in unrealized (gains) losses on investments	(230,651)	329,350
Equity transfer to affiliate	21,000	19,999
Increase (decrease) in cash resulting from a change in		
Patient accounts receivable	(3,121,201)	163,833
Inventories, prepaid expenses, and other current assets	(486,865)	428,481
Receivable from affiliated entities	344,452	(344,452)
Other assets	(64,753)	62,364
Accounts payable and other current liabilities	432,874	(79,635)
Accrued payroll, payroll taxes, and amounts withheld	(270,753)	57,854
Accrued earned time	400,203	(22,321)
Payable to affiliated entities	2,406,050	(1,172,322)
Other liabilities	265,114	(359,077)
Net cash provided by operating activities	<u>885,041</u>	<u>54,971</u>
Cash flows from investing activities		
Net realized and change in unrealized (gains) losses on investments whose use is limited	(168,974)	(53,882)
Purchase of property and equipment	(401,012)	(158,173)
Net cash used by investing activities	<u>(569,986)</u>	<u>(212,055)</u>
Cash flows from financing activities		
Payments of long-term debt	-	(450,000)
Equity transfer to affiliate	(21,000)	(19,999)
Net cash used by financing activities	<u>(21,000)</u>	<u>(469,999)</u>
Net increase (decrease) in cash and cash equivalents	294,055	(627,083)
Cash and cash equivalents - beginning of year	<u>258,389</u>	<u>885,472</u>
Cash and cash equivalents - end of year	<u>\$ 552,444</u>	<u>\$ 258,389</u>
Supplemental information		
Interest paid on long-term debt	<u>\$ 18,107</u>	<u>\$ 15,260</u>

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

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

1. Summary of Significant Accounting Policies

Organization

MaineHealth Care at Home (the Association) is a member of MaineHealth, a network of health care providers, whose purpose is to provide comprehensive health care services to residents throughout Maine.

On May 1, 2016, the Association purchased certain assets of other MaineHealth affiliated home health and hospice service providers, Waldo County Home Healthcare Services and Kno-Wal-Lin Home Health Management, Inc. and its subsidiaries, Kno-Wal-Lin Home Care and Hospice, Inc. and Kno-Wal-Lin Help at Home, Inc. The results of operations of these entities has been included in the financial statements since the date of acquisition.

The Association is a non-profit corporation organized in Maine. The Association's primary purpose is to provide and assure equal and timely access to a comprehensive array of client-directed quality home health and community-based services at the lowest possible cost and to collaborate with others to improve the health and well-being of the individual, the family and the community.

Income Taxes

The Association is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association's tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Association has cash deposits in a major financial institution which may exceed federal depository insurance limits. The Association has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

Investments

The Association's investments are pooled with the MaineHealth investment portfolio and its allocable portion of investments are reflected in the balance sheet.

Investments are stated at fair value. The recorded value of investments in hedge funds and limited partnerships is based on fair value, as estimated by management using information provided by MaineHealth and their external investment managers. As a practical expedient, MaineHealth measures the fair value of these investments on the basis of the net asset value (NAV) per share (or its equivalent). MaineHealth believes that these valuations are a reasonable estimate of fair value as of September 30, 2016 and 2015, but are subject to uncertainty and, therefore, may differ from the value that would have been used had a market for the investments existed. Such differences could be material. Certain of the hedge fund and limited partnership investments have restrictions on the withdrawal of the funds. Investments are classified as current assets based on the availability of funds for current operations. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the excess of revenue over expenses, unless the income or loss is restricted by donor or law.

As provided for under ASC Topic 825, *Financial Instruments*, the Association made the irrevocable election to report investments and investments whose use is limited at fair value with changes in value reported in the excess of revenue over expenses. As a result of this election, the Association reflects changes in fair value, including both increases and decreases in value whether realized or unrealized, in its excess of revenue over expenses.

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Allowance for Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible accounts by analyzing its past history and identifies trends for all funding sources in the aggregate. In addition, balances in excess of 365 days are fully reserved. Management regularly reviews revenue data in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

Investments Whose Use is Limited

Investments whose use is limited consist of assets designated by the Board or restricted by donors.

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

Beneficial Interest in Perpetual Trusts Held by Others

The Association is an income beneficiary of perpetual trusts administered by others. Although the Association does not have access to the underlying principal, the portion of income earned from the trust is available and distributed annually to the Association. The Association's share of trust principal is recognized as permanently restricted net assets at fair market value. Annual income distributions are recognized as increases in unrestricted net assets, unless otherwise restricted by the donor. Changes in market value of beneficial trust assets are reported as increases or decreases to permanently restricted net assets.

Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation. Maintenance, repairs and minor renewals are expensed as incurred and renewals and betterments are capitalized. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Patient Service Revenue

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a fee-for-service basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined, aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed-rate amount.

Standard charges for services to all patients are recorded as revenue when services are rendered at the net realizable amounts from patients, third-party payors and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

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September 30, 2016 and 2015

Excess of Revenue and Nonoperating Gains (Losses) - Net over Expenses

The statements of operations reflect the excess of revenue and nonoperating gains (losses) - net over expenses. Changes in unrestricted net assets which are excluded from the excess of revenue over expenses, consistent with industry practice, are permanent transfers of assets to and from affiliates for other than goods and services.

Recently Issued Accounting Pronouncements

Effective in the year ended September 30, 2015, the Association retrospectively adopted the provisions of ASU No. 2015-07, Fair Value Measurement: *Disclosures for Investments in Certain Entities that Calculate Net Asset Value (NAV) per Share (or its Equivalent)* (ASU No. 2015-07), which removes the requirement to classify within the fair value hierarchy table in Levels 2 or 3 investments in certain funds measured at NAV as a practical expedient to estimate fair value. ASU No. 2015-07 requires that any NAV-measured investments excluded from the fair value hierarchy table be summarized as an adjustment to the table so that total investments can be reconciled to the balance sheet. The adoption resulted only in changes to the Association's investment disclosures.

2. **Investments and Investments Whose Use is Limited**

The composition of investments and investments whose use is limited are as follows:

	<u>2016</u>	<u>2015</u>
Investments (current assets)	\$ 1,050,498	\$ 981,239
Investments whose use is limited	<u>3,238,636</u>	<u>2,908,270</u>
Total	<u>\$ 4,289,134</u>	<u>\$ 3,889,509</u>
Cash and cash equivalents	\$ 324,232	\$ 195,196
Marketable equity securities	-	3,000
Mutual funds	20,616	19,740
Assets held by Maine Medical Center	<u>3,944,286</u>	<u>3,671,573</u>
Total investments	<u>\$ 4,289,134</u>	<u>\$ 3,889,509</u>

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Investments whose use is limited by Board designation or donor restriction are as follows:

	<u>2016</u>	<u>2015</u>
Board-designated		
For future use	\$ 2,545,182	\$ 2,253,984
For education and scholarships	20,000	20,000
Donor-restricted		
Temporarily	428,242	389,074
Permanently	<u>245,212</u>	<u>245,212</u>
Total	<u>\$ 3,238,636</u>	<u>\$ 2,908,270</u>

Investment income and net gains (losses) on investments and investments whose use is limited, cash equivalents, and other investments are as follows:

	<u>2016</u>	<u>2015</u>
Unrestricted		
Interest and dividends	\$ 165,172	\$ 66,723
Changes in fair value of investments	<u>185,868</u>	<u>(265,161)</u>
Total unrestricted	<u>351,040</u>	<u>(198,438)</u>
Restricted		
Interest and dividends	8,369	9,224
Change in fair value of investments	<u>44,783</u>	<u>(64,189)</u>
Total restricted	<u>53,152</u>	<u>(54,965)</u>
Total	<u>\$ 404,192</u>	<u>\$ (253,403)</u>

Maine Medical Center holds and invests certain assets on behalf of the Association. Maine Medical Center invests these assets in a pooled investment fund and allocates the return from the investment pool to the Association. The investment pool is invested in a variety of investments, including temporary cash investments, hedge funds, limited partnerships, marketable equity securities, and bonds and notes. Amounts are available to the Association on demand.

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Fair Value of Financial Instruments

Fair Value Measurements

The Maine Medical Center classifies its investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets. Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available, and Level 3, which refers to significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset Valuation Techniques

Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2016 and 2015.

Cash equivalents: The investments strategy for these are low-risk, low-return, highly liquid investments, typically with a maturity of three months or less, including U.S. Government, T bills, bank certificates, corporate commercial paper or other money market instruments that are based on quoted prices and are actively traded.

Fixed income securities - bonds: These securities are investments in corporate or sovereign bonds and notes, certificates of deposit, or other loans providing a periodic payment and eventual return of principal at maturity. Certain corporate bonds and notes are valued at the closing price reported in the active market in which the bond is traded. Other corporate bonds and notes are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flow approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

Equity investments - stocks: These investments include marketable equity securities, mutual equity funds, exchange-traded funds and closed-end funds. The fair value of marketable equity securities are principally based on quoted market prices. Exchange-traded funds and closed-end funds are valued at the last sale price or official closing price on the exchange or system on which they are principally traded. Investments in mutual funds are valued at their NAV at year-end. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held are deemed to be actively traded.

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Common/collective trust: These include diverse investments in securities issued by the U.S. Treasury and global bond funds using the Common Collective Trust vehicle to obtain lower expense ratios. These investments are designed to generate attractive, risk-adjusted returns. The fair value of common collective trusts are based on the NAV of the fund, representing the fair value of the underlying investments, which are generally securities traded on an active market. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. Some common collective trusts categorized are subject to a minimum holding period and a redemption period in excess of 90 days.

Limited partnerships: These include investments in off-shore and private equity funds. These investments have objectives of capital appreciation with absolute returns over the medium and long-term, and are designed to generate attractive, risk-adjusted returns. The estimated fair values of limited partnerships for which quoted market prices are not readily available are determined based upon information provided by the fund managers. Such information is generally based on the NAV of the fund, which is used as a practical expedient to estimate fair values. Some funds are subject to a minimum holding period, cannot be redeemed at the measurement date or within 90 days thereof, are subject to redemption notice periods in excess of 90 days, or have the ability to limit the aggregate amount of shareholder redemptions. The limited partnerships invest primarily in readily-available, marketable equity securities. The limited partnerships allocate gains, losses, and expenses to the partners based on ownership percentage, as described in the respective partnership agreements.

Hedge funds: These investments are inclusive of a variety of types of equity, debt, and derivative investments, designed to mitigate volatility while generating equity-like returns. The estimated fair values of limited partnerships and hedge funds, for which quoted market prices are not readily available, are determined based upon information provided by the fund managers. Such information is generally based on NAV of the fund, which is used as a practical expedient to estimate fair value. Some funds recognized are subject to a minimum holding period, cannot be redeemed at the measurement date or within 90 days thereof, are subject to redemption notice periods in excess of 90 days, or have the ability to limit the aggregate amount of shareholder redemptions. The hedge funds invest primarily in readily-available, marketable equity securities. The hedge funds allocate gains, losses, and expenses to the partners based on ownership percentage, as described in the respective hedge fund agreements.

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Notes to Financial Statements

September 30, 2016 and 2015

Assets measured at fair value and NAV are summarized below:

	Level 1	Level 2	Level 3	Investments Measured at NAV	Total
2016					
Cash and equivalents	\$ 479,415	\$ -	\$ -	\$ -	\$ 479,415
Fixed income securities - bonds	37,004	225,523	-	-	262,527
Equity investments - stocks	1,902,719	-	-	-	1,902,719
Limited partnerships	-	-	-	538,835	538,835
Hedge funds	-	-	-	1,105,638	1,105,638
Total investments	\$ 2,419,138	\$ 225,523	\$ -	\$ 1,644,473	\$ 4,289,134
Beneficial interest in perpetual trusts held by others	\$ -	\$ -	\$ 1,020,201	\$ -	\$ 1,020,201
2015					
	Level 1	Level 2	Level 3	Investments Measured at NAV	Total
Cash and equivalents	\$ 204,566	\$ -	\$ -	\$ -	\$ 204,566
Fixed income securities - bonds	23,963	123,771	-	-	147,734
Equity investments - stocks	2,042,855	-	-	-	2,042,855
Common/collective trust	-	-	-	97,560	97,560
Limited partnerships	-	-	-	285,272	285,272
Hedge funds	-	-	-	1,111,522	1,111,522
Total investments	\$ 2,271,384	\$ 123,771	\$ -	\$ 1,494,354	\$ 3,889,509
Beneficial interest in perpetual trusts held by others	\$ -	\$ -	\$ 1,010,716	\$ -	\$ 1,010,716

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September 30, 2016 and 2015

The following table sets forth a summary of the change in the fair value of the level 3 beneficial trust investments held by others:

September 30, 2014	\$ 1,110,941
Change in market value	<u>(100,225)</u>
September 30, 2015	1,010,716
Change in market value	<u>9,485</u>
September 30, 2016	<u>\$ 1,020,201</u>

Liquidity

Investments in common/collective trusts, limited partnerships and hedge funds are redeemable at NAV under the terms of the subscription and/or partnership agreements. Investments, including short-term investments, with daily liquidity generally do not require any notice prior to withdrawal. Investments with monthly, quarterly or annual redemption frequency typically require notice periods ranging from 30 to 180 days. The long-term investments' fair values are broken out below by their redemption frequency as of September 30, 2016 and 2015:

		September 30, 2016					
<u>Liquidity - NAV Measured Investments</u>	<u>Daily</u>	<u>Monthly</u>	<u>Bi-Monthly</u>	<u>Quarterly</u>	<u>Annual</u>	<u>Illiquid</u>	<u>Total</u>
Limited partnerships	\$ -	\$ 155,823	\$ 202,471	\$ 180,541	\$ -	\$ -	\$ 538,835
Hedge funds	<u>195,640</u>	<u>388,478</u>	<u>-</u>	<u>268,574</u>	<u>253,346</u>	<u>-</u>	<u>1,105,638</u>
	<u>\$ 195,640</u>	<u>\$ 544,301</u>	<u>\$ 202,471</u>	<u>\$ 449,115</u>	<u>\$ 253,346</u>	<u>\$ -</u>	<u>\$ 1,644,473</u>

		September 30, 2015					
<u>Liquidity - NAV Measured Investments</u>	<u>Daily</u>	<u>Monthly</u>	<u>Bi-Monthly</u>	<u>Quarterly</u>	<u>Annual</u>	<u>Illiquid</u>	<u>Total</u>
Common collective trust	\$ -	\$ 97,560	\$ -	\$ -	\$ -	\$ -	\$ 97,560
Limited partnerships	-	132,921	152,351	-	-	-	285,272
Hedge funds	<u>117,033</u>	<u>455,036</u>	<u>271,982</u>	<u>267,471</u>	<u>-</u>	<u>-</u>	<u>1,111,522</u>
	<u>\$ 117,033</u>	<u>\$ 685,517</u>	<u>\$ 424,333</u>	<u>\$ 267,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,494,354</u>

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

3. Patient Accounts Receivable

Patient accounts receivable consists of the following at September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Patient accounts receivable	\$ 5,362,973	\$ 2,474,701
Allowances for contractual adjustments and advance payments from third-party reimbursing agencies	996,987	1,070,428
Allowance for bad debts and free care	<u>349,509</u>	<u>293,781</u>
Patient accounts receivable - net	<u>\$ 4,016,477</u>	<u>\$ 1,110,492</u>

4. Other Assets

Other assets at September 30, 2016 and 2015 consist of the following:

	<u>2016</u>	<u>2015</u>
Beneficial interest in perpetual and charitable remainder trusts	\$ 1,020,201	\$ 1,010,716
Prepaid capital costs	<u>982,069</u>	<u>815,954</u>
Total	<u>\$ 2,002,270</u>	<u>\$ 1,826,670</u>

5. Line of Credit

The Association has available an unsecured, \$2,500,000 line of credit with a local bank through March 2018, bearing an interest rate of London Interbank Offered Rate (LIBOR) plus one and one-half percent (1.50%). There were no outstanding borrowings on the line of credit as of September 30, 2016 and 2015.

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September 30, 2016 and 2015

6. Amounts Payable to Affiliates – Less Current Portion

Amounts payable to affiliates at September 30, 2016 and 2015, consist of \$3,261,140 and \$688,975 due to MaineHealth. Included in amounts payable to affiliates at September 30, 2016 and 2015 is the Association's allocable share of amounts due to MaineHealth as purchased services under a specific system funding agreement as follows:

	<u>2016</u>	<u>2015</u>
Allocable share of purchased services supported by the MaineHealth revenue bond - Finance Authority of Maine.	\$ <u>929,487</u>	\$ 641,808
Allocable share of purchased services supported by the MaineHealth promissory note payable to a bank.	<u>65,213</u>	<u>47,167</u>
Total allocable share of purchased services	994,700	688,975
Less current portion included with amounts payable to affiliates for allocated operating expenses	<u>27,023</u>	<u>-</u>
Amounts payable to affiliates - less current portion	\$ <u>967,677</u>	\$ <u>688,975</u>

MaineHealth established an information systems project, known as the Shared electronic Health Record (SeHR) Project, that will implement a systemwide integrated electronic health record system and financial system. The SeHR Project is an integrated suite of technology solutions to support the healthcare delivery for MaineHealth members, providers and the communities MaineHealth serves.

The amounts payable represent the Association's allocable share of purchased services related to the SeHR Loan System Funding Agreement (SFA) with MaineHealth. Per the agreement, amounts payable to MaineHealth are reflective of the principal and interest amounts due on obligations incurred by MaineHealth. The interest rate on the MaineHealth Revenue Bonds is 2.36%. Interest is payable monthly until June 1, 2017 at which time principal payments will begin. Principal and interest payments will continue through September 18, 2025. The interest rate on the MaineHealth Promissory Note interest is 3.42% and interest is payable monthly until June 1, 2017 at which time principal payments will begin. Principal and interest payments will continue through September 18, 2025.

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Initial funding for the Project was drawn from cash reserves held by MaineHealth and many of the subsidiary members. In 2014, additional funding for the Project was acquired by MaineHealth through loan agreements that provide borrowings of up to \$101,000,000 under both tax-exempt interest and taxable interest debt instruments. MaineHealth issued a tax exempt revenue bond through the Finance Authority of Maine (FAME) and entered into a bond purchase agreement for the direct placement of these bonds with TD Bank, N.A. for up to \$94,800,000. MaineHealth also entered into a term loan with TD Bank, N.A. for up to \$6,700,000. As of September 30, 2016, MaineHealth had fully drawn upon the loan agreements of \$94,800,000 on the FAME Revenue Bonds and \$6,700,000 on the TD Bank, N.A. term loan.

Repayment of these loan agreements will be the responsibility of MaineHealth. Certain system affiliates deemed "SeHR Affiliates" under a project specific system funding agreement are obligated to pay MaineHealth for the purchased services value of their allocable share. The SeHR affiliates means the following affiliates of MaineHealth: Maine Medical Center, MaineHealth Care at Home, LincolnHealth Group, NorDx, Southern Maine Health Care, Coastal Healthcare Alliance, and Western Maine Health Care Corporation. The obligations of MaineHealth under the loan agreements with TD Bank, N.A. were allocated to each SeHR Affiliate based on percentages stated in the SFA. The allocation to the Association was 0.98%.

Each SeHR Affiliate is indirectly responsible for the allocable share of other SeHR Affiliates if those allocable shares are not paid to MaineHealth. The total indirect obligation for all SeHR Affiliates under the SFA is \$101,000,000 as of September 30, 2016.

The SFA also requires each SeHR Affiliate to fund an allocable share of a debt service reserve fund that is held by an agent on behalf of MaineHealth. If the debt service reserve fund becomes insufficient MaineHealth may recalculate each SeHR Affiliates allocable share of the amounts payable to MaineHealth. The amount held in MaineHealth's Debt Service Reserve fund was \$575,000 at September 30, 2016.

The following is a schedule by year of future minimum payments for notes payable to related parties as of September 30, 2016:

2017	\$ 27,023
2018	109,737
2019	112,415
2020	115,160
2021	117,972
Thereafter	<u>512,393</u>
Total	<u>\$ 994,700</u>

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

7. Property and Equipment

Property and equipment consists of the following:

	<u>Useful Life in Years</u>	<u>2016</u>	<u>2015</u>
Land		\$ 122,000	\$ 122,000
Land improvements	5 - 12	133,248	122,086
Building and building improvements	5 - 25	1,587,514	1,582,126
Fixed equipment	4 - 20	1,359,641	1,344,093
Moveable equipment	3	<u>4,184,421</u>	<u>3,965,307</u>
Total cost		7,386,824	7,135,612
Less accumulated depreciation and amortization		<u>6,598,110</u>	<u>6,351,448</u>
Property and equipment, net		<u>\$ 788,714</u>	<u>\$ 784,164</u>

Depreciation expense was \$451,730 and \$265,891 for the years ended September 30, 2016 and 2015, respectively.

8. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets were available for the following purposes:

	<u>2016</u>	<u>2015</u>
Patient services	\$ 228,210	\$ 211,807
Employee education	171,305	159,543
Capital appreciation	<u>28,727</u>	<u>17,724</u>
Total	<u>\$ 428,242</u>	<u>\$ 389,074</u>

Permanently restricted net assets were available for the following purposes:

	<u>2016</u>	<u>2015</u>
Perpetual trusts held by others	\$ 1,020,201	\$ 1,010,716
Employee education	<u>245,212</u>	<u>245,212</u>
Total	<u>\$ 1,265,413</u>	<u>\$ 1,255,928</u>

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Notes to Financial Statements

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The following summarizes changes in endowment assets:

	Temporarily Restricted	Permanently Restricted
Endowment net assets, September 30, 2014	\$ 56,536	\$ 245,212
Investment income, net	4,191	-
Change in fair value of investments	(29,164)	-
Net assets released from restriction	<u>(13,839)</u>	<u>-</u>
Endowment net assets, September 30, 2015	17,724	245,212
Investment income, net	2,802	-
Change in fair value of investments	20,348	-
Net assets released from restriction	<u>(13,147)</u>	<u>-</u>
Endowment net assets, September 30, 2016	<u>\$ 28,727</u>	<u>\$ 245,212</u>

The Association has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as a donor-restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor-restricted endowment gifts and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with the UPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the Association and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Association; and
- (7) The investment policies of the Association.

The Association has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets consist of a balanced portfolio of cash, debt and equity securities.

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The Association appropriates 5% of the endowment investment portfolio for expenditures at the discretion of the Board of Trustees.

9. Patient Service Revenue

Net patient service revenue (after contractual allowances and discounts), recognized during the years ended September 30, 2016 and 2015, from these major payor sources, is as follows:

	<u>2016</u>	<u>2015</u>
Medicare	\$17,615,777	\$14,217,683
State Medicaid Programs	1,719,465	1,317,398
Anthem Blue Cross and Blue Shield	1,246,477	1,383,520
Other third-party payors	2,143,092	1,684,888
Patients	<u>9,619</u>	<u>99,035</u>
Net patient service revenue (after contractual allowances and discounts)	22,704,430	18,702,524
Provision for bad debts	<u>(215,216)</u>	<u>(63,335)</u>
Net patient service revenue - net of provision for bad debts	<u>\$22,489,214</u>	<u>\$18,639,189</u>

Net patient service revenue for the years ended September 30, 2016 and 2015, consists of the following:

	<u>2016</u>	<u>2015</u>
Gross charges		
Outpatient services	<u>\$21,856,781</u>	<u>\$18,318,079</u>
Deductions from gross charges		
Contractual adjustments	1,161,755	576,491
Free care	<u>(314,106)</u>	<u>(192,046)</u>
Total deductions from gross charges	<u>847,649</u>	<u>384,445</u>
Net patient service revenue (net of contractual allowance and discounts)	22,704,430	18,702,524
Provision for bad debts	<u>(215,216)</u>	<u>(63,335)</u>
Patient service revenue - net of provision for bad debts	<u>\$22,489,214</u>	<u>\$18,639,189</u>

There are no settlements with third-party payors regarding prior years included in net patient service revenue in 2016 or 2015.

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Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenue in the year that such amounts become known.

The Association provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its Board-established free care policy. Because the Association does not pursue collection of amounts determined to qualify as free care, they are not reported as patient service revenue. The Association estimates the costs associated with providing charity care by calculating a ratio of total cost to total gross charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care.

The estimated costs of caring for charity care patients for the years ended September 30, 2016 and 2015 were \$355,077 and \$242,699, respectively. Funds received from contributions, United Way and municipal appropriations subsidize charity services.

10. Retirement Plan

The Association provides two defined contribution retirement plans for eligible employees for the years ended September 30, 2016 and 2015.

The retirement plan expenses totaled \$211,540 and \$191,022 for the years ended September 30, 2016 and 2015, respectively.

11. Functional Expenses

The Association provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2016</u>	<u>2015</u>
Professional care of patients	\$20,029,702	\$15,470,471
Administrative and general services	2,173,699	2,223,987
Household and property	789,112	611,158
Depreciation and amortization	451,730	265,891
Interest	<u>18,107</u>	<u>15,260</u>
Total	<u>\$23,462,350</u>	<u>\$18,586,767</u>

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September 30, 2016 and 2015

12. Concentration of Risk

Financial instruments which potentially subject the Association to concentration of credit risk consist of patient accounts receivable and certain investments. Investments, which include government and agency securities, stocks and corporate bonds, are not concentrated in any corporation or industry. The Association grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors is as follows:

	<u>2016</u>	<u>2015</u>
Medicare	76 %	60 %
State Medicaid Programs	5	9
Anthem Blue Cross and Blue Shield	3	6
Other third-party payors	12	19
Patients	<u>4</u>	<u>6</u>
 Total	 <u>100 %</u>	 <u>100 %</u>

13. Malpractice Insurance

The Association insures its medical malpractice risks on a claims-made basis. There were no significant known malpractice claims outstanding at September 30, 2016 which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Association intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

14. Related-Party Transactions

The Association incurs operating expenses that have been charged by MaineHealth and its subsidiaries. Those expenses include worker's compensation, health and dental insurance, occupancy costs, purchased services and other administrative costs.

The Association incurred the following expenses with MaineHealth:

	<u>2016</u>	<u>2015</u>
Health benefits	\$ 1,639,155	\$ 1,796,204
Shared integration	1,250,505	1,152,103
Worker's compensation	139,595	138,394
Occupancy	340,018	154,416
Other administrative costs	<u>214,848</u>	<u>155,773</u>
 Total	 <u>\$ 3,584,121</u>	 <u>\$ 3,396,890</u>

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During the fiscal years of 2016 and 2015, the Association participated in a self-insured health insurance trust administered by MaineHealth. The Association pays health insurance premiums to the trust. The trust fund and related liability are reflected on the balance sheet of MaineHealth.

MaineHealth is the guarantor for substantially all of the Association's long-term debt and line of credit. MaineHealth under the debt covenants is required to maintain a minimum tangible net worth and cash and cash equivalents.

MaineHealth's Board of Trustees has approved \$205 million in capital expenditures to acquire and implement an enterprise-wide solution to include inpatient clinical information systems, revenue cycle management, financial management systems, supply chain, and human resource management systems. The systems will be implemented over several years. Funding for the project will be primarily provided by the MaineHealth members that will benefit from the future use of these systems. The MaineHealth members will recognize a prepaid purchase service as a long-term asset equivalent to the amount contributed. The prepaid purchase service will be reduced in future years as the service is provided by MaineHealth. The amount of prepaid purchased service reported by the Association as of September 30, 2016 and 2015 within other assets was \$976,594 and \$811,886, respectively.

Amounts due from (to) affiliates are as follows:

	<u>2016</u>	<u>2015</u>
Maine Medical Center	\$ (225,757)	\$ 344,452
MaineHealth	<u>(2,040,683)</u>	<u>-</u>
Total	<u>\$ (2,266,440)</u>	<u>\$ 344,452</u>

15. Commitments and Contingencies

Leases that do not meet the criteria for capitalization are classified as operating leases with related rentals charged to operations as incurred. Rental expense was \$399,199 in 2016 and \$243,037 in 2015.

The following is a schedule by year of future minimum lease payments under operating leases for office space as of September 30, 2016 that have initial or remaining lease terms in excess of one year:

2017	\$ 114,843
2018	74,165
2019	63,119
2020	48,944
2021	48,944
Thereafter	<u>224,327</u>
Total	<u>\$ 574,342</u>

MAINEHEALTH CARE AT HOME

Notes to Financial Statements

September 30, 2016 and 2015

16. Collective Bargaining Agreements

At September 30, 2016 and 2015, approximately 21% of the Association's employees were covered by a collective bargaining agreement which expires on September 30, 2018.

17. Reclassification

Certain amounts in the 2015 financial statements have been reclassified to conform to the current-year's presentation. A majority of the changes are due to enhanced disclosures to comply with MaineHealth's financial statement format.

18. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through REPORT DATE, which is the date the financial statements were available to be issued.

DRAFT



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077583720
July 12, 2016 LTR 4168C 0
22-2571902 000000 00

00053086
BODC: TE

MAINEHEALTH CARE AT HOME
15 INDUSTRIAL PARK RD
SACD ME 04072-1804



063886

Employer ID Number: 22-2571902
Form 990 required: Yes

Dear Taxpayer:

This is in response to your request dated June 16, 2016, regarding your tax-exempt status.

We issued you a determination letter in April 1986, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

MaineHealth

CARE AT HOME



REPORT TO THE COMMUNITY 2016



Donna DeBlois,
President & CEO



Judith T. Stone,
Board Chair

Message to the Community

This past year certainly marked a milestone for home health and hospice care in our communities.

On May 1st 2016, we brought together three leading home health and hospice agencies, HomeHealth Visiting Nurses, Kno-Wal-Lin Home Care and Hospice and Waldo County Home Health and Hospice to form MaineHealth Care at Home. We are now more strongly positioned to seize the opportunities inherent in aligning the strengths and expertise of three agencies dedicated to strengthening home health and hospice care in our expanded service area of Cumberland, York, Sagadahoc, Lincoln, Waldo, Knox and southern Oxford counties.

With this foundation firmly in place, we have worked collaboratively with MaineHealth members on several important initiatives that include:

- 1) A comprehensive home-based Palliative Care Program for children and adults.
- 2) A Rapid Response Program aimed at diverting emergent care by expediting advanced nursing services and telehealth technology.
- 3) Improving population health by deploying clinical resources.
- 4) Expansion of Telehealth and the development of clinical protocols serving patients with cardiac conditions, pulmonary disease, and palliative care needs.

To meet the growing demands of our communities, we will enhance our array of services by expanding private duty services. Lastly, we will continue to grow and expand the expertise of our clinicians through the development of clinical specialties in cardiac care, population health, and wound care.

Although we are proud of our accomplishments, we will continue to work diligently to strengthen the delivery of services and expand the expertise of our clinicians through additional training and certification in behavioral health and dementia. We are expanding our hospice services in the MidCoast region while offering new private home care services in our southern region.

As we close this exciting year, we thank our strong team of employees, dedicated Board of Directors, committed volunteers and donors for their support and trust in MaineHealth Care at Home.

Sincerely,

 Donna & Judy



Building a Healthier Community

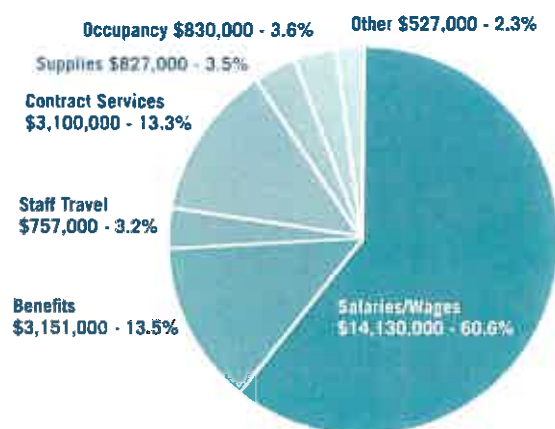
This past year, MaineHealth Care at Home brought care, healing and comfort to more than 22,000* children, adults and elders:

- 14,000 patients maintained independence and health with 135,000 home visits from registered nurses, rehabilitative therapists, social workers, home health aides and nutritionists.
- 1,800 newborns and mothers got a healthy start with home nursing visits offered, at no charge, through a state-funded Maternal and Children's Health Grant.
- 700 patients received end-of-life care and comfort with hospice services.
- 200 patients received hospice services in the supportive environment of the Sussman House.
- 3,200 people improved their health with foot care, screenings and tests at community clinics.
- 3,500 people were vaccinated as a step toward flu prevention.
- 180 people managed their health more successfully with diabetes education & support services.
- 150 people received supportive home care and companion services through Help at Home.
- 1,000 people lived more safely with Philips Lifeline Emergency Response Services.

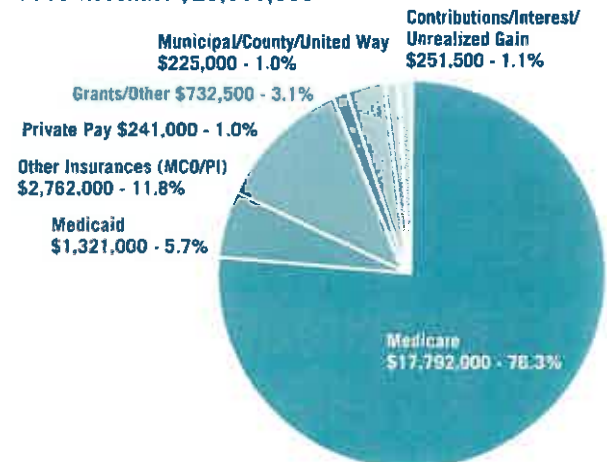
COMPASSIONATE CARE

As part of our mission to care for those in greatest need, MaineHealth Care at Home provided \$145,000 in charity care services and \$1,005,000 in care not reimbursed by government programs.

FY16 Expenses: \$23,300,000



FY16 Revenue: \$23,511,000



*Statistics reflect post-merger data effective May 1, 2016.

Generosity Unfolds...

Maternal and Child Health Program, Department of Health & Human Services, awards one-year grant of \$631,390 to provide nursing visits, at no charge, to mothers, newborn infants and children with identified health needs.

Rural Utilities Services, USDA awards \$130,000 to advance telehealth solutions for chronic disease patients living in the MidCoast area.

Elmina B. Sewall Foundation awards an unrestricted grant of \$90,000 over three years in support of charity care.

Davis Family Foundation awards \$25,000 for the advancement of pediatric palliative care.

Huntington Common Charitable Fund for Seniors awards \$25,000 to develop a comprehensive clinical training program on “Dementia Care” and “Behavioral Health.”

United Mid-Coast Charities awards \$16,000 to support charity care services in the Knox, Waldo and Lincoln Counties.

United Way of Greater Portland awards a one-year grant of \$86,430 to support home health services for children and adults who need home based health services but lack insurance and/or resources to pay for necessary care.

York County Children's Aid Society Fund of the Maine Community Foundation, awards \$10,000 to develop a self-sustaining volunteer program to support pediatric palliative care.

United Way of York County awards \$10,000 to support enhanced health services for children and families.

Towns and cities, throughout southern Maine, contributed over **\$160,000** to support charity care and uncompensated services for their residents.



CHAMPION AWARDS

Last year, we (the former HomeHealth Visiting Nurses) presented Champion Awards to first responders from Portland MedCu3 and Ladder 3 and to Dr. Charles Belisle, Maine Medical Center Family Medicine

The first responders were recognized for their advocacy, compassion and urgent delivery of oxygen supplies that allowed a six-year old patient to die peacefully, at home, surrounded by her family and friends. The second award honored Dr. Belisle for his advocacy and support for home health care.



Volunteers

We are especially grateful for the dedication of our volunteers who support the essence of our work and mission. This past year, volunteers contributed more than 5,000 hours of support and raised several thousand dollars in donations to support patient needs and clinical scholarships. This team includes the Kno-Wal-Lin Auxiliaries of Knox County and Lincoln County, Sussman House support volunteers, home care volunteers, and administrative support volunteers.

Sussman House volunteers provide front desk coverage, 12 hours a day, seven days a week, bake and cook for families and visitors, and maintain our beautiful gardens. Volunteer fundraising efforts support **Baby O Baby**, a pediatric assistance program, **Memory Bear and Memory Pillow** projects for families who have lost a loved one, and holiday gifts for patients in Lincoln

County. A **“Tree for Warmth”** program is sponsored each holiday season donating scarves, mittens, gloves, socks and hats throughout Knox County. We also appreciate the talents of volunteer craftspeople who make patient comfort items to include neck pillows, rice packs and chair platforms.

A special group of administrative volunteers assist with essential administrative functions such as assembling patient charts, clerical assistance, and assisting with special projects. Finally, we extend a big “thank-you” to Central Maine Power and the United Way Day of Caring, York County for the tremendous support and the hard-working crew that transformed our Hospice Garden and landscape! We thank all of you for your generous gifts of time, dedication and resources.



Left: Mike walking toward the lighthouse. Christine in her garden with a handcrafted "spirit" house that resonates energy and the spirit of life. Below: Christine and Valerie.



Finding Strength in the End-of-Life Journey

To describe Mike as full-of-life could be an understatement for a man who hand-beaded a full tuxedo for the New Orleans Mardi Gras! Mike was as a well-respected and accomplished psychiatrist who lived life as an adventurer with a passion for music, food, family, and friends. Christine and Mike's adventures began in Owl's Head, Maine where they first worked together at a camp for individuals with developmental disabilities. This was the beginning of a life-long friendship and eventual marriage filled with adventures that brought them to New Zealand and later to New Orleans where Mike volunteered as an emergency responder for those affected by Hurricane Katrina.

Christine shares, "Mike so loved New Orleans that we stayed for two years but returned back to Maine as his disease was progressing."

Mike knew he was dying so they came back to sell their home and his cherished collections. Christine shares, "We launched a huge yard sale and Mike acted like a carnival barker selling off photographs, magazines, and prized memorabilia. I think it was cathartic for him to be in charge of this process." Christine and Mike lived with the diagnosis of melanoma for seven years that included several surgeries and a complex regime of medications. Toward the last months of his life, Mike was in severe pain and no longer able to manage his medications. Christine was concerned about his ability to self-manage as he was losing clarity so they openly discussed the option of hospice. When asked about Mike's acceptance, Christine adds, "he was so willing to do anything I needed to get support and I knew we needed to get a connection to guide us through this process."

Valerie became the connection as their hospice nurse and eventually their friend. Valerie shares, "I was brand new at hospice and knew this was going to be a tough case." Christine adds, "We both wanted Val as she felt right and had no ego in this....and we loved her easy, comfortable New England accent. With this trust, Valerie enlisted the support of a second hospice nurse, Larry Hills, and together they coordinated a care plan, monitored medications, arranged for supplies and provided support and advice as the family made final decisions. The journey was not always smooth as Mike became depressed and non-communicative toward the end of his illness. As a couple they were in a transitional moment wrestling with the core question of hospice, Mike

made an emotional shift and made the decision to live his life fully for as long as possible. Until his death, Mike's days were filled with family visits and countless friends.

Christine shares that hospice gave them the opportunity to have support with living life with quality until you can't do it anymore. "We had the gift of being involved and that time together at the end of life is the most intimate time in a relationship. I gave myself over to it, the emotional piece of it.... I am grateful for sharing in his death. This gift gave me the strength to go on afterward." Today, Christine's life is filled with family, friends, music and a supportive friendship with both Valerie and Larry.

BUILDING TRUST AND PATIENT ENGAGEMENT

Across the country, home health agencies are adapting new technologies designed to extend clinical services, expand access and improve patient outcomes. MaineHealth Care at Home is no exception as we have incorporated advanced technology from Health Recovery Solutions that includes internet enabled tablets, video capacity and blue tooth monitoring devices. This past year, we served more than 450 patients and achieved a dramatic 75% reduction in re-hospitalization rates along with high patient satisfaction scores. Success is attributed to an innovative telehealth platform, experienced monitoring nurses and one home health aide's role in helping patients gain confidence with technology.

To gain more insights, we accompany Laura Mayberry on a home visit to Mr. Sherman, who is 93 years old, challenged with Congestive Heart Failure, Sleep Apnea, and Atrial Fibrillation, with a history of frequent hospitalizations.

When Laura presents the tablet, Mr. Sherman hesitates, but Laura responds quickly by placing the pulse oximeter on her finger to show how it automatically sends a reading. She then asks Mr. Sherman to step on the scale and within seconds his weight is clearly visible on the tablet's screen. Laura reflects, "At first, it was overwhelming as I had to learn about tablets, blue-tooth, video connections! "Now, my job is to get patients over their fear of the technology."

Laura explains the different icons that can provide immediate access to a nurse, tech support or a family caregiver 24 hours a day! She shares how easy it is to have a video connection so he can meet his team. Mr. Sherman is relaxing now and ready to learn more. Laura clicks to the assessment questions that are tailored for his conditions. He is taught to answer questions about how he is feeling, if his ankles are swollen or if he is short of breath. She emphasizes that a nurse will monitor responses everyday and call if problems occur. Mr. Sherman exclaims, "this program is great, it will help to keep me in the home I built and where I want to be." As she closes her visit, she reassures Mr. Sherman that she is only a "click" away!





Inspiration and Hope Unfolds

At our introduction, Brody is dressed in his “super-man” clothes, a fitting outfit for a child who has shown strength and tenacity in overcoming multiple surgeries and extended hospital stays. Brody was diagnosed with Wolf-Hirschhorn syndrome—an extremely rare disorder that occurs one in about 50,000 live births— that often presents with delayed growth and development, weak muscle tone, cognitive issues, and seizures.

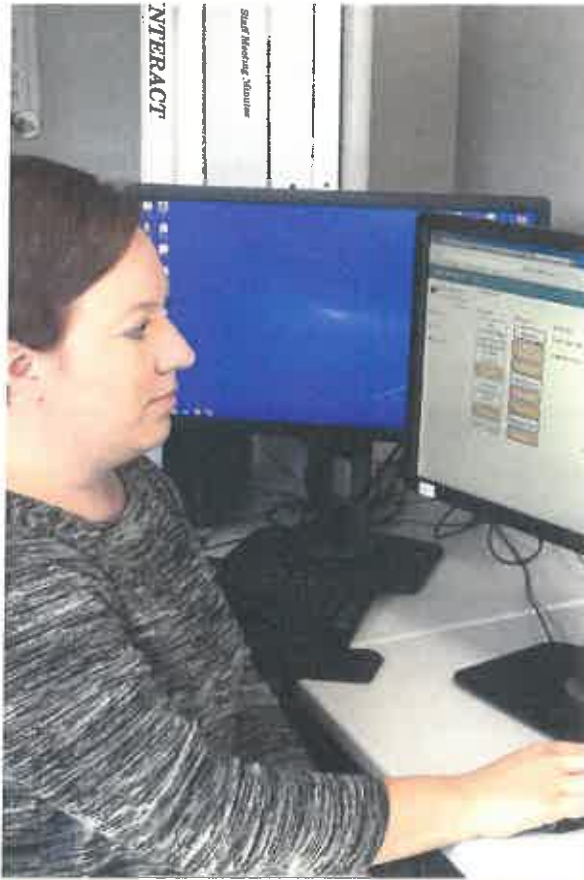
It’s been a long road for little Brody and his family! Born November 23, 2015, Brody spent most of his first five months at Maine Medical Center’s neo-natal intensive care unit where complications necessitated a cleft palate surgery, a feeding tube, cardiac catheterization and eventually a tracheostomy. It is difficult to comprehend his medical journey especially when we take note of his bright blue eyes and gentle composure.

Brody’s mother, Katie, shares that they were unprepared for any serious complications as various tests and ultra sounds proved inconclusive and the birth was normal. At birth, doctors recognized several indicators that were of concern leading to his diagnosis. When Katie learned how rare and

how little was known about this syndrome, she connected with a Facebook support group and adds, “I don’t know where I would be without this support as it was such a relief. . . there is hope and I learned that kids do live with this syndrome.”

Brody’s Dad, Jay, joins us for a short break from work as we discuss Brody’s discharge to home. He shares, “it was a whirlwind as we have a full family life that includes two older children, an active four-year old, several pets, my work with the police department, and caring for Brody.” To support this family and Brody, we assigned a specially trained pediatric team to provide specialized nursing care, physical and occupational therapies. This team is support for the family and oversees a complex care plan for Brody that includes tracheostomy care, feedings, monitoring his respiratory condition and a complex medication regime. Physical and occupational therapists are actively involved with specialized exercises to build Brody’s strength and muscle tone.

When I asked Brody’s Mom what was most challenging, she said “I can’t think of anything as we are doing great together. He is home where we want him to be!”



CLINICAL HIGHLIGHTS

- Development and expansion of Telehealth and cardio-pulmonary nursing services aimed at improving quality and reducing hospital admission
- Implementation of “Rapid Response” a program that expedites specialized services to patients at-risk of emergent care
- Development and expansion of Palliative Care by incorporating principles of the National Consensus Project
- Participation by clinical leaders on several MaineHealth workgroups, state and national committees, and organizations to include Hospice & Palliative Nurses Association, State of Maine Palliative Care and Quality of Life Interdisciplinary Advisory Council
- Educational presentations by nursing leaders at seven state and regional conferences.



QUALITY CARE

Our commitment to patient focused care is shown by the latest publicly reported findings from the Consumer Assessment of Healthcare Providers and Systems:

	AGENCY	STATE	NAT'L
How often did the home health team give care in a professional way	91%	90%	88%
How well did the home health team communicate with patients	89%	88%	85%
Did the home health team discuss medicines, pain, and home safety with patients	85%	85%	83%
How do patients rate the overall care from the home health agency	90%	87%	84%
Would patients recommend the home health agency to friends and family	88%	85%	78%
How often patients had to be admitted to the hospital	16.3%	16.2%	16%
How often patients receiving home health care needed any urgent, unplanned care in the hospital emergency room – without being admitted to the hospital	14.9%	15.8%	12.4%

Thank You

Your donations supported our Compassionate Care Program, Agency Operations and Educational Initiatives.

FOUNDATIONS & CORPORATIONS

Davis Family Foundation
Elmina B. Sewall Foundation
Health Recovery Solutions
Kennebunk Savings Bank
Huntington Fund for Seniors
Maine Community Foundation,
"York County Children's Aid
Society Fund"
Maine Health Access
Foundation, Inc.
Quality in Real Time
Rural Utilities Services, USDA
Saco and Biddeford Savings
Institution
The Robert P. and Patricia J.
Bauman Family Foundation, Inc.
United Mid-Coast Charities
United Way of Greater Portland
United Way of York County

ESTATE GIFTS

Alton Seavey Fund
Emery Trust
Emile and Ethel C. Trafton
Levasseur Fund
Estate of Paul J. Sullivan
Henry Parson Trust
William Maguire Award

INDIVIDUAL DONORS

\$1,000+

Robert Abel
Donna DeBlois
Erik H. and Mary Jo
van der Kaay

\$500 - 999

John and Holly Benoit
Elaine M. Collins
Christopher Lynch
Mia Millefoglie
James C. and Eva Prendergast
Judith Stone

\$200 - 499

Vicki Erickson
C. Thomas and Judith S. Jagger
Eloise J. Law
Paul Poulin
Robert Poulin
Unitarian Church of Belfast
Unity Lodge #3
Dr. Heidi R. Wierman

\$1 - 199

JoAnne and Ross Babcock
Betty Bailey
Debbie Betts
Helen L. Brown
Janice Butler
Mark Butterfield
Patricia Camire
Bryan Christoforo
Andrew Clearwater
Virginia Cole
Sherry Corbell
Ricky and Corliss Davis
Donald and Christiane Daigle
Corey Day
Mary DeCrosia
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Richard Doyle & Nancy Holland
Jacquelyn Drumrney
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Katherine Heide-Tolliver
Nancy Hewett
Karin Hulse
Ann Marie Kenney
Mary Jane Krebs
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Leonard M. Passano
Barbara, Susan
and Meg Petersen
Sherry Pinard
Stephanie Plamondon
Gloria Ravasi
Andy and Carole Riddell
Diane Riegel
Carol Rivest
Martha Robinson
Eleanor A. Scribner
Calvin Senning
Marion B. Smith
SourFish Events
Walter and Rachel Stockley
Melissa Thibodeau

Gwyn Tracy

Wallace and Shirley A. Trimpop
Dimitra Voulgari
Kimberly Walls
Margaret B. Young

TOWNS

We appreciate the generosity of the following cities and towns whose municipal funds supported home health & community health services to residents in greatest need.

City of Biddeford
City of Westbrook
Town of Acton
Town of Alfred
Town of Arundel
Town of Baldwin
Town of Brownfield
Town of Buxton
Town of Cape Elizabeth
Town of Casco
Town of Denmark
Town of Eliot
Town of Falmouth
Town of Freeport
Town of Fryeburg
Town of Gray
Town of Hollis
Town of Kennebunk
Town of Kennebunkport
Town of Kittery
Town of Limerick
Town of Limington
Town of Lyman
Town of Naples
Town of New Gloucester
Town of North Berwick
Town of North Yarmouth
Town of Parsonsfield
Town of Porter
Town of Scarborough
Town of Sebago
Town of Shapleigh
Town of South Berwick
Town of Standish
Town of Windham
Town of Yarmouth
Town of York

MEMORIALS

We gratefully acknowledge the following donations that were received in memory or in honor of a loved one or a special caregiver at MaineHealth Care at Home.

In Memory of Claudia Arnold
Gail Arnold

In Honor of Sharon Balzer
Donald and Christine Mallory

In Honor of Christian Bedard
Debra Trautman

In Memory of Barbara Brazier
Roger and Sharon Brazier

In Honor of Sharon Burtchell
Sandra H. Lord

In Honor of Bridget Candemo
Robert Everest

In Memory of Barbara Carter
Robert S. and Elizabeth Laden

In Memory of Michael T. Drons
Kevin C. Kearns

In Honor of Cynthia Dufresne
Sandra H. Lord

In Memory of Geraldine Dunphy
Earle and Wanda Bonney
Lee, Nancy and Laurie Kragh
Marian Bailey & Daniel J. Mulcahey

In Honor of Rae and Larry Dwight
Gerard and Dorothy Haviland

In Memory of Mary S Eddy
Robert Eddy, Jr.

In Honor of Keith Ellsmore
Debra Trautman

In Memory of John F. Garfield
Kathleen G. Williams

In Honor of Annemarie Gautreau
Donald and Christine Mallory

In Honor of Karen Grenier
Sandra H. Lord

In Memory of Charles Guerin
Michael and Peggy Diewald
Simone Guerin
Normand Laliberte, Sr.
Angelika P. Zaia

In Memory of Jeanne Marie Guilbeault
Gerard and Priscilla Guilbeault

In Memory of Steven Jewett
Jessie O. Clark

In Honor of Sharon Kerner
Lorraine Perron

In Memory of Diane Koenig
 Roberta A. Carmichael
 Joyce D. Ferreira
 Peter and Gail Krook
 Larry and Barbara MacAdams
 Noreen Mellor
 F.J. and Jennifer O'Hara

In Honor of Dianne Lemoine
 Laban W. Leiter

In Memory of Nick Lyne
 Renee M. Hutcheon

In Honor of Michelle Mangin
 Laura Fourre

In Memory of Leo Paul Martel, R.N.
 Joan Martel

In Memory of Joyce Merrill
 Lauri Gibson and Vivek Bandu
 Bill and Mary Johnson

In Memory of Wesley Mills
 Mia Millefogle & Bill Huston

In Memory of Peter Murphy
 Maine Music Educators Assn., District III

In Memory of Catherine Nau
 Cynthia Nau

In Memory of Laura Nelson
 Arbutus Chapter 19 O.E.S.

In Honor of Carol Poirier
 Roger Braley

In Honor of Mary Powers
 Robert Everest

In Memory of Eileen Preskenis
 Tony Anderson
 Kyle Cannon
 Phyllis Courter
 Paula D'Orazio
 Jeanne Elmuccio
 Calvin Fong
 Marilyn Foushee
 Arvind Kapoor
 Tom Larkins
 Dolores Sacca

In Honor of Lisa Richardson
 Sandra H. Lord

In Honor of Jennifer Ross
 Robert Everest

In Memory of Donald Schweikert
 Bruce and Elizabeth Bowker
 Dick & Barb Burns
 Ralph G. & Joyce C. Harvey
 Judith Swiss Lyles
 Fritzie Walker
 The ICMP Team

In Memory of Clara Shaw
 Betsy Bragdon

In Honor of Anne Marie Silvius
 Sandra H. Lord

In Memory of Venson Simmons
 Anonymous

In Memory of Kenneth Smith
 The Family of Kenneth Smith

In Memory of Arthur Lyall Stewart Jr.
 Phoebe Ann Stewart

In Memory of Edward Sziklas
 Jean Hodder
 Donald P. Riccardi
 Robert and Susan Snead

In Memory of Jeanette Tardif
 Robert and Nancy Aebersold

In Memory of Wilda Thurlow
 John and Julie Keegan

In Honor of Leslie Tsomides
 Robert Everest

In Memory of Salvatore Tudisco
 Janan Tudisco

In Honor of Dimitra Voulgari
 Robert Everest

In Memory of Marion Watts
 Ronald and Virginia Demo

In Memory of Wanda Weaver
 Joanne Kalavsky

In Memory of Mary Welch
 John Welch

In Memory of Jean Williams
 Suzanne Williams

In Memory of Dorothea Young
 Craig, Kathy, Dan and Paula Copper
 Renee M. Hutcheon

UNITED WAY DESIGNATIONS

We also recognize these individuals who designated their United Way donations to MaineHealth Care at Home.

Suzanne M. Amnotte
 Andrew Anderson
 Anonymous
 Peter and Shelly Bartlett
 Joseph Blais
 Emica O. Boutilier
 Michael D. Brine
 Dan Brown
 Phillip Bunten
 Kimberly I. Burke
 Nathan Clark and Kathryn Burnham
 Karen M. Carlson
 David L. Dancause
 Stephanie Deshaies
 Faith R. Douglas
 David R. Dube
 Rose Marie Everitt
 Fairchild Semiconductor
 Paul Fearon
 Deanna D. Friedman
 Kendra Gurcan
 Paul E. Linet
 Sandra M. Maners

Jana Mayotte
 Stephen Romanoff
 Sandra D. Rosen
 Theodora S. Sawyer
 Rhonda L. Sennett
 Bente M. Shirley
 Misty Thompson
 Aaron Todd
 Nancy R. Webster-Libby

IN-KIND DONATION

Judy S. Lambert

GRATEFULNESS UNFOLDS

By offering patients a chance to say thank you to a special caregiver, the following employees were named in a donation honoring them in our Grateful Patient Program:

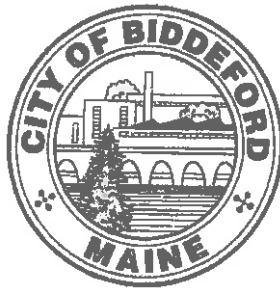
Sharon Balzer
 Christian Bedard
 Sharon Burtchell
 Bridget Candelnro
 Cynthia Dufresne
 Keith Ellsmore
 Annemarie Gautreau
 Karen Grenier
 Dianne Lemoine
 Michelle Mangin
 Carol Poirier
 Mary Powers
 Lisa Richardson
 Jennifer Ross
 Anne Marie Silvius
 Leslie Tsomides
 Dimitra Voulgari

MaineHealth

CARE AT HOME

15 Industrial Park Road
Saco, Maine 04072
1.800.660.4867
www.mainehealthcareathome.org

Working together so our communities are the healthiest in America.



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: Seeds of Hope Neighborhood Center

Principle Address: 35 South Street, Biddeford, Maine 04005

Executive Director: Rev. Shirley Bowen

Contact Person/Phone Number: (same) 207-283-1783

Est. Total Agency Budget

for 2017: \$169,425

Actual 2016 Budget: \$155,623

Amount requested from the

City of Biddeford: \$12,000.00

What % of your annual budget

does this request equal: 7%

Mission Statement: The Seeds of Hope Neighborhood Center collaborates with our local communities and neighbors to find meaningful solutions to poverty, isolation and despair in a welcoming and compassionate environment.

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses:

Seeds of Hope opened based on a number of needs expressed by our neighbors. First was hunger. Prior to our opening, Biddeford had a free 5 day/week evening meal program. But we heard from many that this single meal per day was not enough given people's limited resources. We first opened 2 days/week, and then extended it to 4 days per week due to the high demand. Because that high demand has continued, we have now opened an additional day. We are now serving our neighbors Monday through Friday from 9:00 am – 1:00 pm. The second need is companionship. Many of our neighbors were socially isolated. By opening our doors and offering games, books, and television we quickly became a place people not only came to eat but to see friends and receive support from our trained volunteers. We then learned that for many, even Goodwill was too expensive. Starting first with back to school clothes, we now offer a large selection of free clothing, including professional clothing for those seeking work and/or needing work attire. After being open just 4 months the state closed the Career Center site in Saco. We worked with the outgoing director of that program and opened our own Career Resource Center to try to help people find jobs. As our service grew, we heard about other needs, such as health education, grief support, nutrition on a budget, all of which we address by sponsoring educators that can assist us in meeting those needs. One summer when it was especially hot we were requested by the Health and Human Services Office to stay open with air conditioning on so that people could find relief in the most intense hours. The following year we purchased 2 new air conditioners for summer months and invited people to turn down their AC (in the summer) or heat (in the winter) and seek relief at our expense. All of our programs are designed to meet specified needs identified by our neighbors.

How is that need determined or measured?

We hear directly from our neighbors about their needs. We conduct small focus groups asking for feedback on our services and examining unmet needs in our community. Where possible we strive to have those needs met or pass on the information to those who may be in a better position to do so.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible)

All of our activities described above have come directly from expressed unmet need. The outcomes we seek are that no one leaves the Center hungry, that everyone has adequate clothing for the season, that those who are willing and able are given support in searching for a job that will offer them increased independence, and that everyone coming to the Center feel safe and welcome while visiting. We also strive to have no one leave without some idea how to ease the burdens they carry.

What process does your agency undertake annually to evaluate the effectiveness of your programs?

We conduct annual focus groups to get direct feedback from our neighbors. Our Executive Director also participates in local gatherings of service providers to learn from their perspective how our services are perceived. We also request a review from a nutritionist on an annual basis to learn if there are any improvements we can make to providing healthy food options.

Client eligibility criteria: We are committed to keeping our services low barrier. Everyone is welcome. We have learned over time that with very few exceptions, people wouldn't use our services day in and day out if they did not need to.

Describe fee structure: There are no fees involved.

Describe services provided:

- First, we offer nutritional breakfast/lunch five days a week. It is an expanded continental breakfast, including but not limited to: 10+ cereal options, toast, bagels, waffles, hard boiled eggs, fruit, oatmeal, milk, orange juice, coffee, tea, hot chocolate, and other items when available.
- Second, we offer free clothing. Many of our neighbors indicate that even Goodwill can be too expensive for them. We have a wonderful pool of donors that give to Seeds of Hope because it is free to those we serve.
- We are a warming and cooling center, allowing people to reduce their heat/air conditioning costs by coming to the Center for a few hours – in extreme temperatures and when requested to do so by the City, we will extend our hours to offer greater relief.
- We also run a Career Resource Center, helping people who are seeking jobs to write resumes, search for work, prepare for interviews, and acquire interview/work quality clothing if needed.
- Our neighbors also have some of their social needs met at SOH. Many who come for breakfast or other assistance stay for extended periods of time, sharing their lives with each other and offering support and encouragement. Our fabulous team of volunteers help our neighbors feel welcome and accepted for who they are.
- We offer referral information if a need is identified that we are unable to meet.
- We offer educational programs, such as good nutrition on limited funds, healthy cooking, healthy relationships; we also sponsor flu shot clinics and free, confidential Hep C and HIV testing & counseling. Other occasional health screenings are available when the need is identified.
- We help facilitate registering families with the Back to School Back-Pack Program.
- The In-A-Pinch Non-food Pantry is housed at Seeds of Hope. On the nights they are open, we coordinate with local churches to offer dinner, supplementing what they bring with our own stores, so that people attending In-A-Pinch don't have to worry about receiving their supplies and also finding a free meal.
- Finally, for those wishing spiritual support, grief support, and/or stress-related support our Executive Director/Chaplain is available to offer one-on-one mentoring and will conduct sacramental services at no charge.

What accommodations are made to those applicants with zero income? Everyone is welcome.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year? No fees are charged. We do serve as a verification place for General Assistance for those required to make on-line applications. We monitor and document that GA clients have fulfilled those expectations.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City: Yes. We are located in Biddeford.

Define a unit of service as it pertains to the program: A unit of service, in relation to our feeding program, is one service of breakfast or lunch per person per day.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. Yes. We receive donations from businesses and other agencies that have an excess of food that cannot be used before the expiration date. We also make our purchases

wholesale in order to buy in bulk and save on costs. Through two previous grants from a foundation we were able to purchase a commercial refrigerator and a commercial freezer, allowing us to bulk purchase and cut down on delivery costs.

How often are your books and/or financial records audited by an accounting firm or a third-party professional? To date we have not chosen to pay for a professional audit. Our books, however are available for inspection if requested. We are a Bronze-level Guide Star member.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal	CDBG	\$15,000	\$15,000	\$14,900
State				
County				
Municipal	Social Services	\$10,000	\$10,000	\$12,000
JTPA				
3 RD Party				
Misc		\$ 1,300	\$ 3,753	\$ 1,500
Private Insurance				
Endowments				
United Way				
Grants	Foundations & Gifts	\$121,926	\$113,248	\$121,200
Fundraising	Benefit Brunch	\$ 8,000	\$ 13,050	\$ 10,200
In-Kind	Volunteer Hrs. 4,200**			
Totals		\$150,240	\$147,911	\$152,950

****Volunteer Hour equivalent \$75,000**

Total number of individuals served (unduplicated): We estimate 450

Total number of units provided: A conservative number would be 15,000 (250 days/year x 60/day)

Total number of individuals served from Biddeford: We don't collect that data, but we believe it is approximately 400

Percent of total client count that are residents of the City of Biddeford: 89%

What other municipalities provide financial assistance and how much does each provide? None

Do you receive funding from Biddeford's CDBG program? If yes, for what services?

Yes. Our CDBG allow us to run our Career Resource Center. That grant pays for staffing and supplies in order to help job seekers find employment. Services include resume development, internet job search and application, interviewing prep and interview/work quality clothing. We have added a new component beginning in July, an intensive one-on-one mentoring/coaching program for job seekers with the goal of finding increasing wage positions (with the goal of living wages).

Per capita cost of service(s); each individual counted only once? \$71.00 (\$32,000/450 = \$71) Food costs for last year were in excess of \$27,000 and we are budgeted for \$32,000 for the coming year with our additional day of feeding..

Unit of service cost: \$2.13 (\$32,000/15,000 = \$2.13)

How many members of your agency have authority to decide where/how your funds will be spent?

Three for day to day purchases. Only the Board of Directors can authorize purchases over \$1,000.

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

Two. The Executive Director and Treasurer of the Board, with the Board reviewing yearly 990 filings.

Agencies NOT REQUIRED to file yearly audits—complete the budget form and include your IRS Form 990. 990 Form attached.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain.

Seeds of Hope Neighborhood Center filed for 501C-3 exemption in November 2011. The exemption was approved in 2012 retroactively until November 2011. Seeds of Hope operated under Christ Church and did not believe we had to file separately until 2013 at which time Seeds of Hope started operating independently. A tax return was prepared by the Treasurer for 2013 and mailed regular mail. The IRS did not receive the return until May 27th (due date was May 15th). Because the exemption was granted effective 2011 tax returns should have been filed even though all income and expenses were paid through Christ Church for those years. An automatic revocation occurred due to not filing 3 years. (2011, 2012, 2013) . An application was resubmitted, tax returns were filed and the revocation was rescinded retroactively back to the effective the date the exemption was revoked. (See attached)

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: <u>Seeds of Hope Neighbormhood Center</u>	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford	9,000	9,000	10,000	12,000
Contributions/Grants	121,926	113,248	121,200	
Fund Raising	8,000	13,050	10,200	
Legacies and Bequests				
Contributed by Associated Organizations				
Government: Federal (Block Grant)	10,000	10,000	15,000	14,900
Government: State				
Government: County				
Government: Municipalities				
Membership dues				
Program Fees				

Sales of Materials				
Investment Income	14	60	50	
Miscellaneous Revenue	1,300	3,753	1,500	
TOTAL SUPPORT REVENUE	150,240	149,111	157,950	
OPERATING EXPENSES				
Salaries	49,800	47,177	61,000**	
Employee Benefits	20,200	19,881	22,000	
Payroll Taxes, etc.		53	200	
Professional Fees/insurance	4,500	4,742	5,500	
Supplies/Program – includes food	50,500	50,607	50,500	
Telephone	3,500	3,411	4,000	
Fundraising	3,000	2,488	1,500	
Occupancy	28,400	24,103	24,225	
Rental and Maintenance of Equipment				
Printing and Publication				
Travel				
Conferences and Meetings	1,000		1,000	
Specific Assistance to Individuals				
Membership Dues				
Awards and Grants				
Miscellaneous	900	1,161	1,000	
TOTAL OPERATING EXPENSES	161,800	153,623	170,925	
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES	(11,560)	(4,512)	(12,975)	
Payments to Affiliates				
Board Designations for Specific Future Use				
Depreciation Expenses				
TOTAL OF ALL EXPENSES	161,800	153,623	170,925	
EXCESS (DEFICIT) OF REVENUE OVER TOTAL EXPENSES	(11,560)	(4,512)	(12,950)	

SECTION IV. VALIDATION

I, Rev. Shirley Bowen, of Seeds of Hope Neighborhood Center
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as
Executive Director.
(Title)

Rev. Shirley Bowen / Exec. Dir.
Signature/Title

6/26/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 16 2012

SEEDS OF HOPE NEIGHBORHOOD CENTER
18 1/2 CRESCENT ST
BIDDEFORD, ME 04005

Employer Identification Number:
30-0693703
DLN:
17053129386022
Contact Person:
ROGER W VANCE ID# 31173
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
November 28, 2011
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

-2-

SEEDS OF HOPE NEIGHBORHOOD CENTER

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **FEB 12 2015**

SEEDS OF HOPE NEIGHBORHOOD CENTER
35 SOUTH STREET
BIDDEFORD, ME 04005

Employer Identification Number:
30-0693703
DIN:
17053307308004
Contact Person:
REGINA M PARKER ID# 31274
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
May 15, 2014
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Director, Exempt Organizations

Letter 947

SEEDS OF HOPE NEIGHBORHOOD CENTER

ADDENDUM

Based on the information submitted with your application, we approved your request for reinstatement under Revenue Procedure 2014-11. Your effective date of exemption, as shown in the heading of this letter, is retroactive to the date of revocation.

Letter 947

Short Form
Return of Organization Exempt From Income Tax

2016

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning _____, 2016, and ending _____, 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
Seeds of Hope Neighborhood Center

Number and street (or P.O. box, if mail is not delivered to street address) Room/suite
35 South Street

City or town, state or province, country, and ZIP or foreign postal code
Biddeford Maine 04005

D Employer identification number
30-0893703

E Telephone number
207-571-9801

F Group Exemption Number ▶

G Accounting Method: Cash Accrual Other (specify) ▶

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website: ▶ www.seedsofhope4me.org

J Tax-exempt status (check only one) — 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$ **147,910**

Part I		Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)	
		Check if the organization used Schedule O to respond to any question in this Part I <input type="checkbox"/>	
Revenue	1	Contributions, gifts, grants, and similar amounts received	130,857
	2	Program service revenue including government fees and contracts	
	3	Membership dues and assessments	
	4	Investment income	60
	5a	Gross amount from sale of assets other than inventory	
	5b	Less: cost or other basis and sales expenses	
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	
	6	Gaming and fundraising events	
	6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	
	6b	Gross income from fundraising events (not including \$13,240 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	
6c	Less: direct expenses from gaming and fundraising events	2,488	
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	10,752	
7a	Gross sales of inventory, less returns and allowances		
7b	Less: cost of goods sold		
7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)		
8	Other revenue (describe in Schedule O)	3,753	
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	145,422	
Expenses	10	Grants and similar amounts paid (list in Schedule O)	
	11	Benefits paid to or for members	
	12	Salaries, other compensation, and employee benefits	69,149
	13	Professional fees and other payments to independent contractors	
	14	Occupancy, rent, utilities, and maintenance	22,519
	15	Printing, publications, postage, and shipping	509
	16	Other expenses (describe in Schedule O)	80,957
17	Total expenses. Add lines 10 through 16	163,134	
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)	-7,712
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	77,222
	20	Other changes in net assets or fund balances (explain in Schedule O)	0
	21	Net assets or fund balances at end of year. Combine lines 18 through 20	69,510

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 108421

Form **990-EZ** (2016)

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	77,222	89,510
23 Land and buildings		
24 Other assets (describe in Schedule O)		
25 Total assets	77,222	89,510
26 Total liabilities (describe in Schedule O)	0	0
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	77,222	89,510

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? provide food, clothes and job search assistance

Expenses
(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

28 Served an average of 85 people per day (breakfast & Lunch) 4 days per week (Biddeford Maine area)		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	26,256
29 Served an average of 150 people twice a month providing personal care items not covered by other programs		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	22,431
30 Career and job search coaching to assist clients present themselves favorably during interview process objective to provide opportunity for clients to earn a living wage		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	1,830
31 Other program services (describe in Schedule O)		
(Grants \$) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	
32 Total program service expenses (add lines 28a through 31a)	32	50,517

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
Reverend Shirley Bowen Executive Director	38	48,000	19,822	
Charles Kimball Board President and Director	4			
Debbie Lamb Secretary and Director	6			
Donna Costello Vice President and Director	4			
David Moravick Treasurer and Director	6			
Jessica Join Director	1			
Bernie Carson Director	3			
Marie Clark-Colman Director and In A Pinch President	2			
Jenn Fuller Director	1			
Bonnie Himmelmann Director	1			
Diane Edgecomb Director	1			

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V.

		Yes	No
33	Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		✓
34	Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)		✓
35a	Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		✓
b	If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		✓
35c	Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		✓
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a		
b	Did the organization file Form 1120-POL for this year?		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		✓
b	If "Yes," complete Schedule L, Part II and enter the total amount involved		
39a	Initiation fees and capital contributions included on line 9		
b	Gross receipts, included on line 9, for public use of club facilities		
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
b	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		✓
c	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶		
d	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T		✓
41	List the states with which a copy of this return is filed ▶ Maine		
42a	The organization's books are in care of ▶ David Moravick, Treasurer Telephone no. ▶ (207) 488-5099 Located at ▶ 6 Heather Lane, Biddeford, Maine 04005 ZIP + 4 ▶ 04005-9210		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	Yes	No
42b			✓
c	At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country: ▶	Yes	No
42c			✓
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43 <input type="checkbox"/>		
44a	Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	Yes	No
44a			✓
b	Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	Yes	No
44b			✓
c	Did the organization receive any payments for indoor tanning services during the year?	Yes	No
44c			✓
d	If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	Yes	No
44d			✓
45a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	No
45a			✓
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	Yes	No
45b			✓

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		Yes	No
	46		<input checked="" type="checkbox"/>

Part VI Section 501(c)(3) organizations only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		Yes	No
	47		<input checked="" type="checkbox"/>
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48		<input checked="" type="checkbox"/>
49a Did the organization make any transfers to an exempt non-charitable related organization?	49a		<input checked="" type="checkbox"/>
b If "Yes," was the related organization a section 527 organization?	49b		<input checked="" type="checkbox"/>

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
None				

f Total number of other employees paid over \$100,000 ▶ _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000 ▶ _____

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A **Yes** **No**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here		3/6/2017
	Signature of officer	Date
	David N. Moravick Treasurer	
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

May the IRS discuss this return with the preparer shown above? See instructions **Yes** **No**

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

Seeds of Hope Neighborhood Center

30-0693703

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vii). (Complete Part II.)
- 9 An agricultural research organization described in section 170(b)(1)(A)(ix) operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. You must complete Part IV, Sections A and B.
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). You must complete Part IV, Sections A and C.
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). You must complete Part IV, Sections A, D, and E.
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). You must complete Part IV, Sections A and D, and Part V.
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat. No. 11285F

Schedule A (Form 990 or 990-EZ) 2016

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	91.5 %
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	92 %
16a 33 1/3% support test—2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>		
b 33 1/3% support test—2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	94,527	112,137	175,820	130,857	513,341
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	0	0	0	0	0	0
3 Gross receipts from activities that are not an unrelated trade or business under section 513	0	0	0	0	0	0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
5 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
6 Total. Add lines 1 through 5	0	94,527	112,137	175,820	130,857	513,341
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	0	0	0	0	0	0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	0	0	0	0	0	0
c Add lines 7a and 7b	0	0	0	0	0	0
8 Public support. (Subtract line 7c from line 6.)						513,341

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
9 Amounts from line 6	0	94,527	112,137	175,820	130,857	513,341
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	7	13	14	60	94
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975	0	0	0	0	0	0
c Add lines 10a and 10b	0	7	13	14	60	94
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	0	0	0	0	0	0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	0	9,272	5,028	18,378	14,505	47,183
13 Total support. (Add lines 9, 10c, 11, and 12.)		103,806	117,178	194,212	145,422	560,618

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	91.5 %
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	92 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	0 %
18 Investment income percentage from 2015 Schedule A, Part III, line 17	18	0 %

19a 33 1/3% support tests—2016. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2015. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI.		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4945 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI.		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI.		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI.		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
	<ul style="list-style-type: none"> ■ A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? 	11a	
	b A family member of a person described in (a) above?	11b	
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		11c	

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
	2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.	

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

		Yes	No	
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?			
	2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
	3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a	<input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b	<input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c	<input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.	Yes	No
	2a		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.	Yes	No
	2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.	Yes	No
	3a		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.	Yes	No
	3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4).	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount . Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Part IV Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year		
1	Amounts paid to supported organizations to accomplish exempt purposes			
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity			
3	Administrative expenses paid to accomplish exempt purposes of supported organizations			
4	Amounts paid to acquire exempt-use assets			
5	Qualified set-aside amounts (prior IRS approval required)			
6	Other distributions (describe in Part VI). See instructions.			
7	Total annual distributions. Add lines 1 through 6.			
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.			
9	Distributable amount for 2016 from Section C, line 6			
10	Line 8 amount divided by Line 9 amount			
Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1	Distributable amount for 2016 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2016 (reasonable cause required—explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2016:			
a				
b				
c	From 2013			
d	From 2014			
e	From 2015			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2016 distributable amount			
i	Carryover from 2011 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2016 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2016 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6	Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7	Excess distributions carryover to 2017. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b	Excess from 2013			
c	Excess from 2014			
d	Excess from 2015			
e	Excess from 2016			

Schedule B

(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Name of the organization

Seeds of hope Neighborhood Center

Employer identification number

30-0693793

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (i) \$5,000 or (ii) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

Employer identification number

Seeds of Hope Neighborhood Center

30-0693763

Part I Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	City of Biddeford P.O. Box 779 Biddeford Maine 04005	\$ 25,300	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	Sherman Fairchild Foundation 5454 Wisconsin Avenue Chevy Chase MD 20915	\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	Narragansett Number One P.O. Box 779 Bar Mills, Maine 04004	\$ 7,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	Bonnie Himmelmann 5610 Wisconsin Avenue Suite 203 Chevy Chase, MD 20815	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	Deborah Lamb 15 Peter Pond Lane Biddeford, Maine 04005	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
----------------------	--------------------------------

Part II Noncash Property (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- -----	\$ -----	-----

Name of organization _____ Employer identification number _____

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
.....		
.....		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
.....		
.....		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
.....		
.....		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
.....		
.....		

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Schedule B (Form 990, 990-EZ, or 990-PF), such as legislation enacted after the schedule and its instructions were published, go to www.irs.gov/form990.

Note: Terms in bold are defined in the Glossary of the Instructions for Form 990.

Purpose of Schedule

Schedule B (Form 990, 990-EZ, or 990-PF) is used to provide information on contributions the organization reported on:

- Form 990, Return of Organization Exempt from Income Tax, Part VIII, *Statement of Revenue*, line 1;
- Form 990-EZ, Short Form Return of Organization Exempt from Income Tax, Part I, line 1; or
- Form 990-PF, Return of Private Foundation, Part I, line 1.

Who Must File

Every organization must complete and attach Schedule B to its Form 990, 990-EZ, or 990-PF, unless it certifies that it doesn't meet the filing requirements of this schedule by taking the following action:

- Answering "No" on Form 990, Part IV, *Checklist of Required Schedules*, line 2, or
- Checking the box on
 - Form 990-EZ, line H, or
 - Form 990-PF, Part I, *Analysis of Revenue and Expenses*, line 2.

See the separate instructions for these lines on those forms.

If an organization isn't required to file Form 990, 990-EZ, or 990-PF but chooses to do so, it must file a complete return and provide all of the information requested, including the required schedules.

Accounting Method

When completing Schedule B (Form 990, 990-EZ, or 990-PF), the organization must use the same accounting method it checked on Form 990, Part XII, *Financial Statements and Reporting*, line 1; Form 990-EZ, line G; or Form 990-PF, line J.

Public Inspection

Note: Don't include social security numbers of contributors as this information may be made public.

- Schedule B is open to public inspection for an organization that files Form 990-PF.

- Schedule B is open to public inspection for a section 527 political organization that files Form 990 or 990-EZ.

- For all other organizations that file Form 990 or 990-EZ, the names and addresses of contributors aren't required to be made available for public inspection. All other information, including the amount of contributions, the description of noncash contributions, and any other information, is required to be made available for public inspection unless it clearly identifies the contributor.

If an organization files a copy of Form 990 or 990-EZ, and attachments, with any state, it shouldn't include its Schedule B (Form 990, 990-EZ, or 990-PF) in the attachments for the state, unless a schedule of contributors is specifically required by the state. States that don't require the information might inadvertently make the schedule available for public inspection along with the rest of the Form 990 or 990-EZ.

See the Instructions for Form 990, 990-EZ, or 990-PF for information on telephone assistance and the public inspection rules for these forms and their attachments.

Contributors to be Listed on Part I

A contributor (person) includes individuals, fiduciaries, partnerships, corporations, associations, trusts, and exempt organizations. In addition, section 509(a)(2), 170(b)(1)(A)(iv), and 170(b)(1)(A)(vi) organizations must also report governmental units as contributors.

Contributions

Contributions reportable on Schedule B (Form 990, 990-EZ, or 990-PF) are contributions, grants, bequests, devises, and gifts of money or property, whether or not for charitable purposes. For example, political contributions to section 527 political organizations are included. Contributions don't include fees for the performance of services. See the Instructions for Form 990, Part VIII, line 1, for more detailed information on contributions.

General Rule

Unless the organization is covered by one of the *Special Rules* below, it must list in Part I every contributor who, during the year, gave the organization, directly or indirectly, money, securities, or any other type of property that total \$5,000 or more for the organization's tax year. In determining the total amount,

separate and independent gifts of less than \$1,000 can be disregarded.

Include each contribution included on Form 990, Part VIII, line 1, in calculating a contributor's total contributions and determining whether that contributor must be reported on Schedule B under this General Rule (or one of the following *Special Rules*, if applicable). For example, if an organization that uses the accrual method of accounting reports a pledge of noncash property in Part VIII, line 1, it must include the value of that contribution in calculating whether the contributor meets the General Rule (or one of the *Special Rules*, if applicable), even if the organization didn't receive the property during the tax year.

Special Rules

Section 501(c)(3) organizations that file Form 990 or 990-EZ. For an organization described in section 501(c)(3) that meets the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and not just the 10% support test (whether or not the organization is otherwise described in section 170(b)(1)(A)), list in Part I only those contributors whose contribution of \$5,000 or more during the tax year is greater than 2% of the amount reported on Form 990, Part VIII, line 1h(A), or Form 990-EZ, line 1. An organization that claims the benefit of this special rule must either (1) establish on Schedule A (Form 990 or 990-EZ), Part II, that it met the 33 $\frac{1}{3}$ % support test for the current year or prior year, or (2) check the box on Schedule A (Form 990 or 990-EZ), Part I, line 7 or 8, and the box on Schedule A, Part II, line 13, as a section 170(b)(1)(A)(vi) organization in its first five years.

Example. A section 501(c)(3) organization, of the type described above, reported \$700,000 in total contributions, gifts, grants, and similar amounts received on Form 990, Part VIII, line 1h. The organization is only required to list in Parts I and II of its Schedule B each person who contributed more than the greater of \$5,000 or 2% of \$700,000 (\$14,000) during the tax year. Thus, a contributor who gave a total of \$11,000 wouldn't be reported in Parts I and II for this section 501(c)(3) organization. Even though the \$11,000 contribution to the organization was greater than \$5,000, it didn't exceed \$14,000.

Section 501(c)(7), (8), or (10) organizations. For contributions to these social and recreational clubs, fraternal beneficiary and domestic fraternal societies, orders, or associations that weren't for an exclusively religious, charitable, etc., purpose, list in Part I each contributor who contributed \$5,000 or more during the tax year, as described under *General Rule*, earlier.

For contributions to a section 501(c)(7), (8), or (10) organization received for use exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals (sections 170(c)(4), 2055(a)(3), or 2522(a)(3)), list in Part I each contributor whose aggregate contributions for an exclusively religious, charitable, etc., purpose were more than \$1,000 during the tax year. To determine the more-than-\$1,000 amount, total all of a contributor's gifts for the tax year (regardless of amount). For a noncash contribution, complete Part II.

All section 501(c)(7), (8), or (10) organizations that listed an exclusively religious, charitable, etc., contribution in Part I or II must also complete Part III to provide further information on such contributions of more than \$1,000 during the tax year and show the total amount received from such contributions that were for \$1,000 or less during the tax year.

However, if a section 501(c)(7), (8), or (10) organization didn't receive total contributions of more than \$1,000 from a single contributor during the tax year for exclusively religious, charitable, etc., purposes and consequently wasn't required to complete Parts I through III with respect to these contributions, it need only check the third *Special Rules* box on the front of Schedule B and enter, in the space provided, the total contributions it received during the tax year for an exclusively religious, charitable, etc., purpose.

Specific Instructions



Don't attach substitutes for Schedule B or attachments to Schedule B with information on contributors. Parts I, II, and III of Schedule B may be duplicated as needed to provide adequate space for listing all contributors. Number each page of each part (for example, Page 2 of 5, Part II).

Part I. In column (a), identify the first contributor listed as No. 1 and the second contributor as No. 2, etc. Number consecutively. In column (b), enter the contributor's name, address, and ZIP code. Identify a donor as "anonymous" only if the organization doesn't know the donor's identity. In column (c), enter the amount of total contributions for the tax year for the contributor listed.

In column (d), check the type of contribution. Check all that apply for the contributor listed. If a cash contribution came directly from a contributor (other than through payroll deduction), check the "Person" box. A cash contribution

includes contributions paid by cash, credit card, check, money order, electronic fund or wire transfer, and other charges against funds on deposit at a financial institution.

If an employee's cash contribution was forwarded by an employer (indirect contribution), check the "Payroll" box. If an employer withholds contributions from employees' pay and periodically gives them to the organization, report only the employer's name and address and the total amount given unless you know that a particular employee gave enough to be listed separately.

Check the "Noncash" box in column (d) for any contribution of property other than cash during the tax year, and complete Part II of this schedule. For example, if an organization that uses the accrual method of accounting reports a pledge of noncash property on Form 990, Part VIII, line 1g, it must check the "Noncash" box and complete Part II even if the organization didn't receive the property during the tax year.

For a section 527 organization that files a Form 8871, Political Organization Notice of Section 527 Status, the names and addresses of contributors that aren't reported on Form 8872, Political Organization Report of Contributions and Expenditures, don't need to be reported in Part I if the organization paid the amount specified by section 527(i)(1). In this case, enter "Pd. 527(i)(1)" in column (b) instead of a name, address, and ZIP code; but you must enter the amount of contributions in column (c).

Part II. In column (a), show the number that corresponds to the contributor's number in Part I. In column (b), describe the noncash contribution received by the organization during the tax year, regardless of the value of that noncash contribution. Note the public inspection rules discussed earlier.

In columns (c) and (d), report property with readily determinable market value (for example, marked quotations for securities) by listing its fair market value (FMV). If the organization immediately sells securities contributed to the organization (including through a broker or agent), the contribution still must be reported as a gift of property (rather than cash) in the amount of the net proceeds plus the broker's fees and expenses. See the instructions for Form 990, Part VIII, line 1g, which provide an example to illustrate this point. If the property isn't immediately sold, measure market value of marketable securities registered and listed on a recognized securities exchange by the average of the highest and lowest quoted selling prices (or the average between the *bona fide* bid and

asked prices) on the contribution date. See Regulations section 20.2031-2 to determine the value of contributed stocks and bonds. When FMV can't be readily determined, use an appraised or estimated value. To determine the amount of a noncash contribution subject to an outstanding debt, subtract the debt from the property's FMV. Enter the date the property was received by the organization, but only if the donor has fully given up use and enjoyment of the property at that time.

The organization must report the value of any qualified conservation contributions and contributions of conservation easements listed in Part II consistently with how it reports revenue from such contributions in its books, records, and financial statements and in Form 990, Part VIII, Statement of Revenue.

For more information on noncash contributions, see the instructions for Schedule M (Form 990), Noncash Contributions.

If the organization received a partially completed Form 8283, Noncash Charitable Contributions, from a donor, complete it and return it so the donor can get a charitable contribution deduction. Keep a copy for your records.

Original (first) and successor donee (recipient) organizations must file Form 8282, Donee Information Return, if they sell, exchange, consume, or otherwise dispose of (with or without consideration) charitable deduction property (property other than money or certain publicly traded securities) within 3 years after the date the original donee received the property.

Part III. Section 501(c)(7), (8), or (10) organizations that received contributions for use exclusively for religious, charitable, etc., purposes during the tax year must complete Parts I through III for each person whose gifts totaled more than \$1,000 during the tax year. Show also, in the heading of Part III, the total of gifts to these organizations that were \$1,000 or less for the tax year and were for exclusively religious, charitable, etc., purposes. Complete this information only on the first Part III page if you use duplicate copies of Part III.

If an amount is set aside for an exclusively religious, charitable, etc., purpose, show in column (d) how the amount is held (for example, whether it is commingled with amounts held for other purposes). If the organization transferred the gift to another organization, show the name and address of the transferee organization in column (e) and explain the relationship between the two organizations.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ
Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

OMB No. 1545-0047

2016

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

Seeds of Hope Neighborhood Center

Employer identification number

30-0693703

See Attached Schedule 1

Schedule O information	Schedule 1	EIN	30-0693703
Other Revenue			
Building use donations	\$ 1,775.00		
Misc Donations	\$ 1,978.32		
Total (Line 8 Form 990 EZ)	\$ 3,753.32		
Other Expenses			
Cleaning	\$ 1,950.00		
Outside Services	\$ 2,194.14		
payroll fees	\$ 129.00		
misc	\$ 263.00		
	\$ 4,536.14		
Program Expenses			
Career Placement	\$ 1,769.83		
Food, Paper	\$ 24,198.91		
Personal hygiene	\$ 22,431.40		
Client support items	\$ 2,117.52		
	\$ 50,517.66		
Training & Staff Education	\$ 1,161.00		
Insurance			
Directors & Officers	\$ 1,363.75		
Property & Liability	\$ 1,865.25		
Workers Compensation	\$ 1,513.00		
	\$ 4,742.00		
Total (Line 16 Form 990EZ)	\$ 60,956.80		

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Schedule O (Form 990 or 990-EZ), such as legislation enacted after the schedule and its instructions were published, go to www.irs.gov/form990.

Purpose of Schedule

An organization should use Schedule O (Form 990 or 990-EZ), rather than separate attachments, to provide the IRS with narrative information required for responses to specific questions on Form 990 or 990-EZ, and to explain the organization's operations or responses to various questions. It allows organizations to supplement information reported on Form 990 or 990-EZ.

Don't use Schedule O to supplement responses to questions in other schedules of the Form 990 or 990-EZ. Each of the other schedules includes a separate part for supplemental information.

Who Must File

All organizations that file Form 990 and certain organizations that file Form 990-EZ must file Schedule O (Form 990 or 990-EZ). At a minimum, the schedule must be used to answer Form 990, Part VI, lines 11b and 19. If an organization isn't required to file Form 990 or 990-EZ but chooses to do so, it must file a complete return and provide all of the information requested, including the required schedules.

Specific Instructions

Use as many continuation sheets of Schedule O (Form 990 or 990-EZ) as needed.

Complete the required information on the appropriate line of Form 990 or 990-EZ prior to using Schedule O (Form 990 or 990-EZ).

Identify clearly the specific part and line(s) of Form 990 or 990-EZ to which each response relates. Follow the part and line sequence of Form 990 or 990-EZ.

Late return. If the return is not filed by the due date (including any extension granted), attach a separate statement giving the reasons for not filing on time. Don't use this schedule to provide the late-filing statement.

Amended return. If the organization checked the *Amended return* box on Form 990, *Heading*, item B, or Form 990-EZ, *Heading*, item B, use Schedule O (Form 990 or 990-EZ) to list each part or schedule and line item of the Form 990 or 990-EZ that was amended.

Group return. If the organization answered "Yes" to Form 990, line H(a), but "No" to line H(b), use a separate

attachment to list the name, address, and EIN of each affiliated organization included in the group return. Don't use this schedule. See the instructions for Form 990, *I. Group Return*.

Form 990, Parts III, V, VI, VII, IX, XI, and XII. Use Schedule O (Form 990 or 990-EZ) to provide any narrative information required for the following questions in the Form 990.

1. Part III, *Statement of Program Service Accomplishments*.

- a. "Yes" response to line 2.
- b. "Yes" response to line 3.
- c. Other program services on line 4d.

2. Part V, *Statements Regarding Other IRS Filings and Tax Compliance*.

- a. "No" response to line 3b.
- b. "Yes" or "No" response to line 13a.
- c. "No" response to line 14b.

3. Part VI, *Governance, Management, and Disclosure*.

- a. Material differences in voting rights among members of the governing body in line 1a.
- b. Delegation of governing board's authority to executive committee in line 1a.
- c. "Yes" responses to lines 2 through 7b.
- d. "No" responses to lines 8a, 8b, and 10b.
- e. "Yes" response to line 9.
- f. Description of process for review of Form 990, if any, in response to line 11b.
- g. "Yes" response to line 12c.
- h. Description of process for determining compensation in response to lines 15a and 15b.
- i. If applicable, in response to line 18, an explanation as to why the organization checked the "Other" box or didn't make any of Forms 1023, 1024, 990, or 990-T publicly available.
- j. Description of public disclosure of documents in response to line 19.

4. Part VII, *Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors*.

- a. Explain if reporting of compensation paid by a related organization is provided only for the period during which the related organization was related, not the entire calendar year ending with or within the tax year, and state the period during which the related organization was related.
- b. Description of reasonable efforts undertaken to obtain information on compensation paid by related organizations, if the organization is unable to obtain such information to report in column (E).

5. Explanation for Part IX, *Statement of Functional Expenses*, line 11g (other fees

for services), including the type and amount of each expense included in line 11g, if the amount in Part IX, line 11g, exceeds 10% of the amount in Part IX, line 25 (total functional expenses).

6. Explanation for Part IX, *Statement of Functional Expenses*, line 24e (all other expenses), including the type and amount of each expense included in line 24e, if the amount on line 24e exceeds 10% of the amount in Part IX, line 25 (total functional expenses).

7. Part XI, *Reconciliation of Net Assets*. Explain any other changes in net assets or fund balances reported on line 9.

8. Part XII, *Financial Statements and Reporting*.

- a. Change in accounting method or description of other accounting method used on line 1.
- b. Change in committee oversight review from prior year on line 2c.
- c. "No" response to line 3b.

Form 990-EZ, Parts I, II, III, and V. Use Schedule O (Form 990 or 990-EZ) to provide any narrative information required for the following questions.

1. Part I, *Revenue, Expenses, and Changes in Net Assets or Fund Balances*.

- a. Description of other revenue, in response to line 8.
- b. List of grants and similar amounts paid, in response to line 10.
- c. Description of other expenses, in response to line 16.
- d. Explanation of other changes in net assets or fund balances, in response to line 20.

2. Part II, *Balance Sheets*.

- a. Description of other assets, in response to line 24.
- b. Description of total liabilities, in response to line 26.

3. Description of other program services in response to Part III, *Statement of Program Service Accomplishments*, line 31.

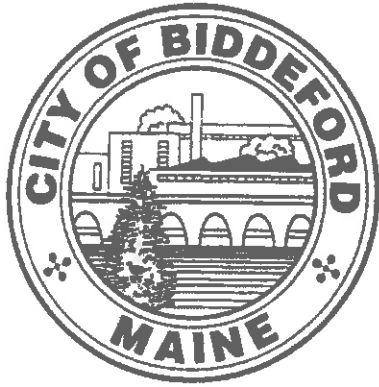
4. Part V, *Other Information*.

- a. "Yes" response to line 33.
- b. "Yes" response to line 34.
- c. Explanation of why organization didn't report unrelated business gross income of \$1,000 or more to the IRS on Form 990-T, in response to line 35b.
- d. "No" response to line 44d.

Other. Use Schedule O (Form 990 or 990-EZ) to provide narrative explanations and descriptions in response to other specific questions. The narrative provided should refer and relate to a particular line and response on the form.



Don't include on Schedule O (Form 990 or 990-EZ) any social security number(s), because this schedule will be made available for public inspection.



City of Biddeford

205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance

FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: Southern Maine Agency on Aging (SMAA)

Principal Address: 136 U.S. Route One, Scarborough, ME 04074

Executive Director: Laurence W. Gross, Chief Executive Officer

Contact Person/Phone Number: Liz Thompson, Grant Writer and Donor Relations Specialist, 396-6591

Est. Total Agency Budget for 2016/2017: \$6,361,036

Actual 2015/2016 Budget: \$6,480,286

Amount requested from the City of Biddeford: \$4,000 to support Meals on Wheels distribution for homebound, Biddeford seniors.

What percent of your annual budget does this request equal? <1%

SECTION II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses: In 2025, an estimated 9.5 million senior Americans will experience some form of food insecurity, about 75% higher than the

number in 2005. These seniors are significantly more likely to be in poor or fair health, more likely to have limitations in activities of daily living, more likely to suffer from depression, and more likely to have lower intakes of energy and major vitamins. (The Causes, Consequences, and Future of Senior Hunger in America; 2008)

Food insecurity is also often linked to living alone, subsequent loneliness and lack of social stimulation. Eating alone is a statistically significant indicator for the risk of malnutrition. It is well-documented that social isolation and loneliness in older adults is associated with higher risk of heart disease and other chronic conditions, a weakened immune system, depression, anxiety, and even Alzheimer's disease and related dementias.

According to U.S. Census data, the City of Biddeford has the 3rd highest percentage of its population 65 and older who are living in poverty out of all towns in York County - ranked behind only North Berwick and Lyman. Based on population alone, Biddeford has the highest number of residents 65 and older living in poverty, the highest number of residents 75 and older, and the highest number of residents 65 and older who are living alone in York County.

These statistics indicate risk factors that contribute to the likeliness of social isolation, food insecurity and declining health. Simply put, the deck is stacked against Biddeford seniors.

How is that need determined or measured? The Agency uses national and state-wide data and research on hunger and other growing concerns of the older population to determine the need for Meals on Wheels and its many other programs. SMAA conducts an annual Meals on Wheels client survey to collect data and feedback that helps to determine client satisfaction, growing and changing concerns and needs, success of the program, and information regarding client demographics. Throughout the year, volunteer drivers and SMAA staff receive feedback and information from clients that help to determine changes in the nature and severity of their needs.

How is your program attempting to meet that need and what is the outcome that you expect to achieve? (Please be as specific as possible) This year, SMAA will serve more than 13,000 meals to roughly 120 homebound Biddeford residents, helping to improve their nutritional and mental health, combat isolation and loneliness, and help keep them living at home, and out of institutionalized care, longer. The estimated value of the Meals on Wheels program to the City of Biddeford this year will exceed \$110,000.

Meals on Wheels program provides nutritious meals to homebound older adults who are unable to regularly shop for or prepare meals on their own. Each year, more than 100 Biddeford seniors rely on Meals on Wheels week in and week out to provide regular, nutritious meals.

As the cost of food, utilities, healthcare, and medication continues to rise, Biddeford seniors are faced with more barriers to meeting their basic human needs. SMAA is experiencing an increase in homeless or transient seniors being referred to the program. Sadly, in one case, volunteers were delivering meals to a homeless senior living out of their car in a church parking lot.

As incidences like this become more and more frequent, it is clear that the problems addressed by Meals on Wheels do not end at hunger and poor nutrition.

SMAA has responded to these evolving needs but implementing a new Meals on Wheels client intake assessment that better measures client's needs based on not just their physical, but social, emotional, and economic needs as well. The new assessment better connects Biddeford residents to additional services at SMAA and organizations throughout the community. SMAA has made it a priority Agency-wide to increase interdepartmental communication and referrals to be sure that clients are receiving the most comprehensive experience of care possible.

Last year, more than half of the Biddeford seniors receiving meals were also participating in and benefiting from another service at SMAA. Additional services include: Medicare and insurance counseling; money management support; benefits screenings that uncover available resources and cost saving services; adult day centers; and much more.

Access to Meals on Wheels with the added support of other SMAA services helps older adults stay living socially active, healthy, and independent, longer.

What process does your agency undertake annually to evaluate the effectiveness of your program (s)? SMAA conducts a yearly Meals on Wheels client survey to gather information regarding client satisfaction with meal quality, volunteer performance, suggestions for program improvement, demographic information, and more. The Agency's Nutrition Program staff, Board of Directors and Advisory Council review this information, and yearly data regarding number of people served and units of service provided, to determine program effectiveness and areas in need of improvement. Last year, SMAA sought the expertise of a consultant who evaluated the Meals on Wheels infrastructure, delivery systems, and other program processes in an effort to streamline procedures and identify cost saving opportunities within the program. As a result, SMAA has made changes to its meal delivery schedule, vendor delivery frequency, and have piloted less expensive, supplementary programs to ensure clients are receiving continue socialization and care they need.

Client eligibility criteria: To be eligible for the traditional Meals on Wheels program, clients much be 60 or older, temporarily or permanently homebound and unable to shop for or prepare regular meals on their own. There are no income eligibility requirements for Meals on Wheels, but we know that an overwhelming percentage of Meals on Wheels client are low-income. Using a small pool of discretionary funding, SMAA also provides Meals on Wheels to a limited number of adults 60 and younger who are disabled. The majority of other SMAA services are offered to all adults 60 and older living in York and Cumberland counties of Maine. Some exclusions apply including: Money Minders, which helps older adults maintain control of their finances and has a maximum income eligibility level; and the Adult Day Centers, which are specifically designed for individuals with cognitive decline.

Describe fee structure: SMAA is prohibited from charging for programs – including Meals on Wheels – that it offers using funds provided by the Older Americans Act. At the same time, we are required for most of these services to request a donation from recipients to help support the program. For the Meals on Wheels program, staff send a monthly letter to participants stating the value of the meals provided to the client, and requesting a donation that reflects \$3.50 for each meal delivered. No person is refused meals for their inability to make a contribution.

Describe services provided: SMAA operates the only full-time, home-delivered meal service in southern Maine. Each year, roughly 1,500 older and disabled, homebound adults receive 150,000 nutritious meals, friendly visits, and vital socialization through SMAA's Meals on Wheels program. Last year, 113 Biddeford residents received 12,802 home-delivered meals.

Meals on Wheels is a win-win for Biddeford families and the Biddeford community. The cost for a Biddeford senior to receive meals for an ENTIRE YEAR is less than the cost of that senior spending ONE DAY in the hospital. Meals on Wheels helps older adults stay nourished, and provides vital socialization and safety checks to isolated homebound seniors.

The Agency has a corps of more than 300 Meals on Wheels volunteers who enable the Agency to deliver meals across a service region of nearly 2,500 square miles that covers more than 50 communities in York and Cumberland counties.

SMAA has a comprehensive variety of services that work together to help meet the organization's mission of improving the quality of life for older adults, adults with disabilities, and the people who care for them. Older and disabled adults and their caregivers benefit from how the Agency addresses: hunger and nutritional health, economic challenges, care management issues, long-term care planning, health challenges, caregiving challenges, and financial fraud and exploitation of the elderly.

Last year, the Agency served an estimated, unduplicated total of 1,065 Biddeford residents through a myriad of services, classes, support groups, counseling, nutritional support, and more.

The full value of the all services provided to Biddeford residents last year totals \$272,640. Last year:

- 25 Biddeford residents received guidance, participated in classes and/or support groups to help better understand and manage their caregiving role through the Family Caregiver Support Programs;

- 415 residents received Medicare and other insurance counseling. In addition to helping choose the best coverage for each individual, Agency volunteers assisted in saving participants hundreds and often thousands of dollars on yearly insurance and prescription costs;

- 626 Biddeford residents received assistance through the Agency's Information and Resources program - staffed by 16 social workers who work with seniors and their families by phone or in-person to provide information and support, and to increase access to available benefits;

- 57 low-income Biddeford seniors received 483 monthly allotments of 30 pounds of shelf-stable food through the Commodity Supplemental Food Program;

- 198 Biddeford seniors enjoyed 3,849 nutritious meals and vital socialization through the Agency's "As You Like It" and Community Café congregate dining programs;

- 1 resident participated in the Maine Senior Games;

- 14 Biddeford residents participated in Agewell Programs designed to help people reduce their risk and fear of falls, and better manage their chronic pain and chronic conditions;

-18 Biddeford residents with dementia attended the Agency's Sam L. Cohen Adult Day Center on Barra Road where they received 7,425 hours of person-centered care and participated in therapeutic and engaging activities during the day;

- and 117 Biddeford residents received 12,823 home-delivered meals, safety checks, and vital socialization through the traditional Meals on Wheels and Simply Delivered for ME nutrition programs.

What accommodations are made to those applicants with zero income? People who participate in Meals on Wheels are encouraged to contribute to the program at any level they can, but no person is denied service based on their inability to make a donation. Agency Resource Specialists will work with clients and offer comprehensive benefits screenings to help them access available benefits that may help them save money and/or improve their well-being.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year? No, the Agency does not charge for general assistance referrals.

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City: The City of Biddeford generously provides space at the Ross Center in Biddeford for Meals on Wheels preparation and for regular congregate dining and catered meals. In January 2016, the Agency opened the new, 10,000 square foot Sam L. Cohen Adult Day Center on Barra Road in Biddeford. The Center is a medical model adult day center designed to support people living with Alzheimer's disease and related dementias and their caregivers. The Cohen Center provides additional conference space in Biddeford for Family Caregiver Support classes, Welcome to Medicare Seminars, advance care directives assistance, and other SMAA programs that are now more easily accessible to Biddeford residents. SMAA also currently offers Family Caregiver Support Groups at Community Partners and Medicare one-on-one appointments at MacArthur Library in Biddeford. Throughout the year, SMAA will host classes, support groups and other events in Biddeford when there is a demand.

Define a unit of service as it pertains to the program: A unit of service in the Meals on Wheels program is one meal served. Last year the total cost of purchasing, storing and delivering one meal was calculated to be \$8.78.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain. Yes, the Agency partners with the Ross Center, in the J. Richard Martin Community Center to store meals and the Center serves as a headquarters for volunteers to meet, organize meals, and proceed to their delivery routes. SMAA also partners with Creative Works and Community Partners, who organize their constituents to help deliver meals to Biddeford residents. Agency-wide staff partner with Legal Services for the Elderly, senior centers, healthcare providers, home health nurses, and many other social service organizations by sharing referrals and ensuring clients receive the most comprehensive assistance possible. SMAA also runs the Retired Seniors Volunteer Program which matches volunteer seniors with organizations throughout southern Maine to maximize their potential as volunteers and to help support other nonprofit organizations.

How often are your books and/or financial records audited by an accounting firm or a third party professional? Yearly.

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	(so far)		
		BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FR FY 2017/2018
Federal		1,973,024	1,157,060	1,993,024
State		733,917	436,037	733,917
County		8,274	4,524	8,274
Municipal		121,000	28,070	121,000
JTPA				
3 rd Party				
Fees / Tuition		2,102,450	776,735	1,500,000
Private Insurance				
Endowments				
United Way				
Grants		350,027	374,983	267,105
Other Income / Surplus		1,058,175	818,603	1,060,000
In-kind Contributions				
Totals		\$6,366,867	\$3,596,012	\$5,683,320

Total number of individuals served (unduplicated): 1,437 – Meals on Wheels, 22,939 – Agency-wide

Total number of units provided: A unit of service for the Meals on Wheels program is defined as one meals, therefor, SMAA provided 12.802 units to Biddeford residents last year.

Total number of individuals served from Biddeford: 1,065 across all programs, 113 through the traditional Meals on Wheels program.

Percent of total client count that are residents of the City of Biddeford: Meals on Wheels program – 8%; Agency-wide - 4.5%

What other municipalities provide financial assistance and how much does each provide? See attached list of municipal donors from the Agency's FY 2015-2016.

Do you receive funding from Biddeford's CDBG program? If yes, for what services? Pending final approval from the federal government, SMAA will received Biddeford CDBG program funding to support Meals on Wheels for the funding year 7/1/17-6/30/18. Although this funding is significant and vital to the continuation of Meals on Wheels delivery in Biddeford, it accounts for only ~10% of the cost to provide Meals on Wheels to Biddeford residents. As you may well know, the current Administration's proposed budget eliminates CDBG funding entirely.

Per capita cost of service(s); each individual counted only once: Meals on Wheels recipients receive an average of 101.7 meals a year. The all-inclusive cost of delivering one meal is \$8.78. Therefore the per capita cost of the service is \$893.

Unit of service cost: The average cost of serving one person at the Agency totals \$256 per person while the unit cost of delivering one meal through the Meals on Wheels program is \$8.78.

How many members of your agency have authority to decide where/how your funds will be spent? 4

Of that group, how many are responsible for ensuring funds are used for the intended purpose?
The Chief Financial Officer is responsible for ensuring all funds are used for their intended purpose.

Agencies REQUIRED to file yearly audits—include a copy of last audited financial statement.
Agencies NOT REQUIRED to file yearly audits—complete the budget form and include your IRS Form 990. (See attached copy of the Agency’s most recent audited financial statement.)

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain: N/A

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford. (SEE ATTACHMENT)

AGENCY INDEPENDENT FUND RAISING SURVEY

Please complete the following regarding all independent fund raising activities contemplated during the next year.

Mark with an * any activities that are new this year.

Description/Purpose	Target Audience (please be as specific as possible)	Anticipated Costs	Anticipated Net Revenues	Begin - End Dates
Annual Fund Mailings	Individuals			10/1/16-9/30/17
CDBG Fundraising	S. Portland, Biddeford			10/1/16-9/30/17
Municipal Fundraisings	Towns			10/1/16-9/30/17
Foundations	Corporate, Family, Private, Charitable Trusts			10/1/16-9/30/17
Civic Organizations	Lions Club, Rotary			10/1/16-9/30/17
Corporate Fundraisings	Businesses/Corporations			10/1/16-9/30/17
Senior News Advertisement	Local Businesses			10/1/16-9/30/17
		\$239,122	\$917,789	

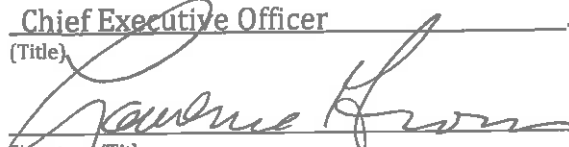
Does your agency plan any Capital Fund Drives during the next 3-5 years? If yes, please complete the following: N/A

SECTION IV. VALIDATION

I, Laurence W. Gross, of Southern Maine Agency on Aging
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as

Chief Executive Officer
(Title)


Signature/Title

6/24/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.



Mission Statement:

The Southern Maine Agency on Aging's mission is to improve the quality of life for older adults, adults with disabilities, and the people who care for them.

Municipal Giving Report FY 15-16

Constituent Name	Date	Cash
City of Sanford	10/15/2015	\$205.75
	1/19/2016	\$205.75
	4/12/2016	\$205.75
	7/22/2016	\$300.00
City of Westbrook	8/2/2016	\$8,000.00
Town of Acton	10/20/2015	\$772.50
	4/26/2016	\$772.50
Town of Alfred	10/13/2015	\$2,500.00
Town of Arundel	8/16/2016	\$700.00
Town of Baldwin	7/22/2016	\$3,500.00
Town of Bridgton	8/12/2016	\$3,520.00
Town of Buxton	8/9/2016	\$500.00
Town of Cape Elizabeth	9/7/2016	\$1,326.00
Town of Cornish	8/9/2016	\$1,250.00
Town of Cumberland	7/19/2016	\$3,500.00
Town of Eliot	8/12/2016	\$800.00
Town of Falmouth	2/24/2016	\$4,000.00
Town of Freeport	8/4/2016	\$500.00
Town of Gray	8/3/2016	\$2,700.00
Town of Hollis	11/24/2015	\$1,250.00
	5/26/2016	\$1,250.00
Town of Kennebunk	7/14/2016	\$1,500.00
Town of Kittery	9/20/2016	\$1,300.00
Town of Lebanon	11/3/2015	\$2,594.00
Town of Limerick	8/9/2016	\$500.00
Town of Limington	8/30/2016	\$2,700.00
Town of Lyman	8/3/2016	\$1,400.00
Town of Naples	8/12/2016	\$1,500.00
Town of New Gloucester	10/13/2015	\$50.00
	4/19/2016	\$50.00
	8/2/2016	\$100.00
Town of Newfield	1/19/2016	\$250.00
	8/9/2016	\$750.00
Town of North Berwick	10/27/2015	\$3,300.00
Town of Old Orchard Beach	8/9/2016	\$2,020.00
Town of Parsonsfield	11/17/2015	\$2,500.00
Town of Scarborough	11/10/2015	\$1,876.50

Municipal Giving Report

FY 15-16

Constituent Name	Date	Cash
	4/5/2016	\$1,876.50
	8/30/2016	\$50.00
Town of Sebago	8/9/2016	\$2,400.00
Town of Shapleigh	10/6/2015	\$1,700.00
Town of South Berwick	12/30/2015	\$200.00
Town of Standish	11/24/2015	\$1,500.00
Town of Waterboro	8/4/2016	\$2,700.00
Town of Wells	7/22/2016	\$7,850.00
Town of Windham	8/12/2016	\$4,000.00
Town of Yarmouth	7/19/2016	\$700.00
Town of York	8/9/2016	\$10,000.00
Grand Totals:		\$93,125.25

48 Gift(s) listed

38 Donor(s) listed

Financial Statements



September 30, 2016

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Southern Maine Agency on Aging

September 30, 2016

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Independent Auditors' Report

**To the Board of Directors
Southern Maine Agency on Aging
Scarborough, Maine**

Report on the Financial Statements

We have audited the accompanying financial statements of Southern Maine Agency on Aging (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 opinion.

Opinion


In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southern Maine Agency on Aging as of September 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southern Maine Agency on Aging's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 25, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2017, on our consideration of Southern Maine Agency on Aging's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern Maine Agency on Aging's internal control over financial reporting and compliance.


Professional Association

Portland, Maine
March 3, 2017

Statement of Financial Position

Southern Maine Agency on Aging

As of September 30, 2016

(with comparative totals for September 30, 2015)

	<u>2016</u>	<u>2015</u>
Current Assets		
Cash and cash equivalents	\$ 186,126	\$ 511,366
Construction escrow	1,349	133,978
Restricted cash	55,374	55,254
Investments	39,691	37,112
Accounts receivable	201,443	292,448
Grants receivable	257,758	85,878
Current portion of promises to give	354,050	240,199
Prepaid expenses	18,608	52,092
	<hr/>	<hr/>
Total Current Assets	1,114,399	1,408,327
Property and Equipment , net of accumulated depreciation	5,171,815	3,616,872
Other Assets		
Long-term promises to give, net	188,508	311,328
Investments	595,441	598,081
Assets restricted for permanent endowment	111,823	111,823
Beneficial interest in assets held by others	143,572	134,745
	<hr/>	<hr/>
Total Other Assets	1,039,344	1,155,977
	<hr/>	<hr/>
Total Assets	<u>\$ 7,325,558</u>	<u>\$ 6,181,176</u>
Current Liabilities		
Accounts payable	\$ 106,669	\$ 172,232
Accrued expenses	171,335	180,482
Due to State	66,925	-
Deferred revenue	6,987	6,628
Line of credit	100,000	-
Current portion of long-term debt	16,778	16,087
	<hr/>	<hr/>
Total Current Liabilities	468,694	375,429
Long-term debt , net of current portion	2,197,769	914,547
	<hr/>	<hr/>
Total Liabilities	2,666,463	1,289,976
Net Assets		
Unrestricted:		
Available for operations	811,259	1,177,492
Board designated	649,508	654,186
Net investment in property and equipment	2,957,268	2,686,238
	<hr/>	<hr/>
Total Unrestricted	4,418,035	4,517,916
Temporarily restricted	129,237	261,461
Permanently restricted	111,823	111,823
	<hr/>	<hr/>
Total Net Assets	4,659,095	4,891,200
	<hr/>	<hr/>
Total Liabilities and Net Assets	<u>\$ 7,325,558</u>	<u>\$ 6,181,176</u>

See accompanying independent auditors' report and notes to financial statements.

Statement of Activities

Southern Maine Agency on Aging

For the Year Ended September 30, 2016

(with comparative totals for the year ended September 30, 2015)

	<u>2016</u>			Total	<u>2015</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted		Total
Revenues and Other Support					
Grants and contracts	\$ 4,238,244	\$ -	\$ -	\$ 4,238,244	\$ 4,765,578
Program service fees	729,171	-	-	729,171	775,259
Meal donations	262,761	-	-	262,761	245,770
Municipal and county revenue	101,619	-	-	101,619	112,522
Tenant rental income	101,047	-	-	101,047	101,249
Other donations	499,391	454,831	-	954,222	944,827
Other income	200,422	-	-	200,422	121,665
Interest and dividends	12,951	2,258	-	15,209	24,992
Net assets released from restrictions	602,241	(602,241)	-	-	-
Total Revenues and Other Support	<u>6,747,847</u>	<u>(145,152)</u>	<u>-</u>	<u>6,602,695</u>	<u>7,091,862</u>
Expenses					
Salaries and benefits	3,704,832	-	-	3,704,832	3,586,615
Contractual service fees	752,805	-	-	752,805	1,193,963
Travel	66,571	-	-	66,571	72,702
Meals and food service	1,022,831	-	-	1,022,831	968,607
Utilities and occupancy	222,194	-	-	222,194	229,474
Supplies	225,761	-	-	225,761	237,950
Telecommunications	62,765	-	-	62,765	55,287
Alzheimer's respite	128,185	-	-	128,185	112,487
Insurance	38,756	-	-	38,756	38,478
Promotional and marketing costs	31,840	-	-	31,840	27,582
Training and staff development	33,640	-	-	33,640	25,968
Equipment and maintenance	3,856	-	-	3,856	17,741
Veteran-directed services	43,215	-	-	43,215	70,418
Interest	81,797	-	-	81,797	39,749
Depreciation	196,243	-	-	196,243	111,593
Miscellaneous	283,721	-	-	283,721	201,064
Total Expenses	<u>6,899,012</u>	<u>-</u>	<u>-</u>	<u>6,899,012</u>	<u>6,989,678</u>
Revenues Over (Under) Expenses	(151,165)	(145,152)	-	(296,317)	102,184
Investment gains (losses)	51,284	12,928	-	64,212	1,161
Increase (Decrease) in Net Assets	(99,881)	(132,224)	-	(232,105)	103,345
Net assets at beginning of year	4,517,916	261,461	111,823	4,891,200	4,787,855
Net Assets at End of Year	<u>\$ 4,418,035</u>	<u>\$ 129,237</u>	<u>\$ 111,823</u>	<u>\$ 4,659,095</u>	<u>\$ 4,891,200</u>

See accompanying independent auditors' report and notes to financial statements.

Statement of Cash Flows

Southern Maine Agency on Aging

For the Year Ended September 30, 2016
(with comparative totals for the year ended September 30, 2015)

	<u>2016</u>	<u>2015</u>
Operating Activities		
Increase (decrease) in net assets	\$ (232,105)	\$ 103,345
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	196,243	111,593
Loss on disposal of assets	17,208	-
Unrealized (gains) losses on investments	(54,776)	1,013
Unrealized (gains) losses on beneficial interest	(9,436)	(2,174)
Change in provision for uncollectible promises to give	(1,000)	(7,000)
Discount to net present value of promises to give	(2,200)	(21,200)
(Increase) Decrease in operating assets:		
Accounts receivable	91,005	(114,025)
Grants receivable	(171,880)	(47,377)
Unconditional promises to give	12,169	146,673
Prepaid expenses	33,484	(37,499)
Increase (Decrease) in operating liabilities:		
Accounts payable	(65,563)	(49,740)
Accrued expenses	(9,147)	13,974
Due to State	66,925	-
Deferred revenue	359	(129)
Net Cash Provided (Used) by Operating Activities	<u>(128,714)</u>	<u>97,454</u>
Investing Activities		
Proceeds from investment sales	411,525	877,114
Purchase of investments	(356,009)	(122,370)
Purchase of property and equipment	(1,768,464)	(1,222,488)
Net Cash Used by Investing Activities	<u>(1,712,948)</u>	<u>(467,744)</u>
Financing Activities		
Net borrowings (repayments) on line of credit	100,000	(2,730)
(Deposit) removal of cash in construction escrow account	132,629	(133,978)
Deposit of cash in restricted bank account	(120)	(103)
Proceeds from borrowing of long-term debt	1,500,000	-
Repayment of long-term borrowings	(216,087)	(15,424)
Net Cash Provided (Used) by Financing Activities	<u>1,516,422</u>	<u>(152,235)</u>
Decrease in Cash	(325,240)	(522,525)
Cash at beginning of year	<u>511,366</u>	<u>1,033,891</u>
Cash at End of Year	\$ <u>186,126</u>	\$ <u>511,366</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ 81,797</u>	<u>\$ 39,749</u>

See accompanying independent auditors' report and notes to financial statements.

Notes to Financial Statements

Southern Maine Agency on Aging

Note A - Summary of Significant Accounting Policies

Nature of Activities

Southern Maine Agency on Aging (the "Agency") is a private nonprofit Maine organization. Its purpose is to provide services to older citizens as the designated Area Agency on Aging for Cumberland and York Counties. The designation as an area agency provides support for the programs through the Federal Department of Health and Human Services, the Maine Department of Health and Human Services' Community Service Agency, and the Maine Office of Aging and Disability Services. The Agency is supported primarily through government grants and fees. Approximately 64% of the Agency's support for the year ended September 30, 2016 came from grants, contracts, and fees from federal, state, and local governments.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The accompanying financial statements include a statement of financial position, a statement of activities, and a statement of cash flow. The Agency is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted - Represents those resources that have no donor-imposed restrictions, neither permanently nor temporarily, and can be used for any purpose designated by the Agency's governing board.

Temporarily Restricted - Represents resources and the portion of net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations.

Permanently Restricted - Represents resources and the portion of net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Agency.

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note A - Summary of Significant Accounting Policies - Continued

Revenue and Expense Recognition

The financial statements of the Agency have been prepared on the accrual basis of accounting. Revenues received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restriction. Donor-restricted support is reported as an increase in temporarily or permanently restricted, net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Expenses are recognized as incurred. Expense amounts are allocated among the various program funds on both a direct basis and according to a cost allocation basis.

Contributions and Donated Assets

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated 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.

Cash and Cash Equivalents

The Agency considers all highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. The Agency maintains cash and cash equivalents with banks, which at times may exceed federally insured limits. At September 30, 2016, the Agency's uninsured and uncollateralized cash balances totaled \$149,012. The Agency has not experienced any losses in such accounts.

Grants and Accounts Receivable

Grants receivable consists primarily of amounts due from federal and state grants. Accounts receivable consists primarily of amounts due from MaineCare and other organizations for fees earned for services provided. The agency expects to collect the grant amounts in full; therefore, no allowance for doubtful accounts has been established for grants as of September 30, 2016. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuations allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of September 30, 2016, no allowance for doubtful accounts has been established for accounts receivable.

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note A - Summary of Significant Accounting Policies - Continued

Property and Equipment

Property and equipment is stated at cost if purchased or at fair value if contributed. The Agency's policy is to capitalize acquisitions and major improvements with a cost of \$5,000 or more and to expense repair and maintenance costs that do not extend the useful lives of the assets. Depreciation expense is calculated utilizing the straight-line method based on the estimated useful lives of the depreciable assets. Estimated useful lives are as follows: buildings, improvements, and fixtures, 3 to 30 years; leasehold improvements, 15 years; vehicles, 3 to 5 years; and furniture and equipment, 3 to 7 years. Depreciation expense was \$196,243 for the year ended September 30, 2016.

Investments

The Agency reports its investments in marketable securities with readily determinable fair values and all debt securities at fair value in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. As of September 30, 2016, management estimated an allowance for doubtful accounts of \$29,000.

Donated Services

No amounts have been reflected in the financial statements for donated services. The Agency generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Agency with specific assistance programs, campaign solicitations, and various committee assignments.

Beneficial Interest in Assets Held by Others

The Agency has transferred assets to the Maine Community Foundation and named itself as the beneficiary. The Board of Directors of the Maine Community Foundation shall have the power to modify, consistent with State law including seeking approval of the appropriate court or Attorney General where applicable, any restriction or condition on the distribution of funds for any specified organizations if, in the sole judgment of the Board, when (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Agency received \$250 of distributions during the year ended September 30, 2016. The fair market value of the transferred assets is reported as a beneficial interest in assets held by others.

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note A - Summary of Significant Accounting Policies - Continued

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported revenues, support and expenses. Actual results could vary from the estimates used.

Comparative Data

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended September 30, 2015, from which the summarized information was derived. Certain prior year amounts have been reclassified for comparative purposes.

Note B - Restricted Cash

At September 30, 2016 the Agency's assets included cash in the amount of \$55,374, which was restricted for replacement reserves required by USDA Rural Development in accordance with mortgage agreements.

Note C - Investments and Beneficial Interest in Assets Held by Others

Investments and beneficial interest in assets held by others consist of mutual funds and are stated at fair value as of September 30, 2016 and 2015 as follows:

	<u>2016</u>	<u>2015</u>
Mutual Funds	\$ 746,955	\$ 747,016
Beneficial Interest in Assets Held by Others		
Maine Community Foundation	<u>143,572</u>	<u>134,745</u>
	<u>\$ 890,527</u>	<u>\$ 881,761</u>

Investment returns from these investments for the year ended September 30, 2016 are summarized as follows:

Interest and dividend income	\$ 15,209
Net realized and unrealized gains (losses) on investments	<u>64,212</u>
	<u>\$ 79,421</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note C - Investments and Beneficial Interest in Assets Held by Others - Continued

Investments and beneficial interest in assets held by others are presented as:

	<u>2016</u>	<u>2015</u>
Investments - Current Assets	\$ 39,691	\$ 37,112
Investments - Other Assets	595,441	598,081
Assets restricted for permanent endowment	111,823	111,823
Beneficial interest in assets held by others	<u>143,572</u>	<u>134,745</u>
	<u>\$ 890,527</u>	<u>\$ 881,761</u>

Investment fees for the year ended September 30, 2016 were \$1,162.

Note D - Fair Value Measurements

The Agency applies a framework for measuring fair values under generally accepted accounting principles which applies to all financial instruments that are measured and reported at fair value.

The framework for measuring fair value of financial assets and liabilities includes a hierarchy of three levels for observable independent market inputs and unobservable market assumptions. A description of the inputs used in the valuation of assets and liabilities under this hierarchy is as follows:

Level 1 – Quoted prices are available in active markets, such as the New York or American Stock Exchange markets, for identical investments as of the reporting date. Level 1 also includes U.S. Treasury and federal agency securities and mortgage-backed securities traded by brokers or dealers in active markets.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair values are obtained from third party pricing services that may use models or other valuation methodologies to derive market value. These may be investments traded in less active dealer or broker markets.

Level 3 – Pricing inputs are unobservable for investments and valuations are derived from other methodologies not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities. The types of investments in this category would generally include debt and equity securities issued by private entities and partnerships. The Agency's Level 3 include those held by the Maine Community Foundation, which are valued by the Maine Community Foundation based upon their own methodologies for Level 1, Level 2, and Level 3 investments.

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note D - Fair Value Measurements - Continued

The following summarizes fair values of investment assets by levels within the fair value hierarchy at September 30, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Mutual Funds - Blended	\$ 746,955	\$ -	\$ -	\$ 746,955
Beneficial Interest in Assets Held by Others	-	-	143,572	143,572
Total investments	<u>\$ 746,955</u>	<u>\$ -</u>	<u>\$ 143,572</u>	<u>\$ 890,527</u>

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment based on the lowest level of input that is significant to the fair value measurement. All assets have been valued using a market approach. There have been no changes in valuation techniques and related inputs.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Beginning balance	\$ 134,745
Total losses (realized/unrealized) recognized in the statement of activities	9,077
Settlements	<u>(250)</u>
Ending balance	<u>\$ 143,572</u>
Amount of total gains for the year attributable to the change in unrealized gains relating to assets still held at the reporting date	<u>\$ 9,436</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note E - Endowment Fund

The Agency has endowment funds established for a number of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The funds are recorded at fair value and the principal is permanently or temporarily restricted depending on the intention of the donor. Earnings and losses on these funds are considered temporarily restricted or unrestricted depending on donor intentions and are recorded as such.

The State of Maine has adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). In accordance with UPMIFA the Agency classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Agency in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Agency considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Agency, and (7) the Agency's investment policies.

The Agency has adopted an investment policy, for endowment assets that attempts to provide a growing, predictable income stream for present and future services of the agency. Accordingly, the long-term expectation of the portfolio is that it will earn a reasonable rate of return that is commensurate with acceptable risk as represented by appropriate indexes, proportionately, as they represent the overall portfolio. The endowment portfolio is invested in an asset mix, which includes equity and fixed income securities and the rate of return is measured against benchmarks, including the Standard & Poor's 500 Stock Index and the Barclays Capital Aggregate Bond Index.

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note E - Endowment Fund - Continued

The Agency has adopted a spending policy, in the absence of any restriction or contractual prohibition to the contrary, which allows the Board of Directors to approve spending, for operational purposes, of up to 4% of the total market value of the portfolio including re-invested income and capital appreciation. To calculate the amount of invested funds to be transferred, if any, for operational purposes for a given fiscal year, the 4% (or less) will be applied to a value represented by the average market value of the portfolio on the three preceding June 30 dates. Any restricted accounts (endowments or specifically directed accounts) shall be distributed in accordance with instructions pertaining to those accounts.

Endowment net asset composition by type of fund is as follows at September 30, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	\$ 649,508	\$ -	\$ -	\$ 649,508
Donor-restricted endowment funds	-	89,505	111,823	201,328
Total Funds	<u>\$ 649,508</u>	<u>\$ 89,505</u>	<u>\$ 111,823</u>	<u>\$ 850,836</u>

Changes in endowment net assets for the year ended September 30, 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 654,186	\$ 78,640	\$ 111,823	\$ 844,649
Contributions received	2,579	-	-	2,579
Investment return:				
Investment income, net	13,831	2,258	-	16,089
Realized and unrealized gain (losses)	<u>52,578</u>	<u>12,928</u>	<u>-</u>	<u>65,506</u>
Total investment return	66,409	15,186	-	81,595
Appropriation of endowment assets for expenditure	<u>(73,666)</u>	<u>(4,321)</u>	<u>-</u>	<u>(77,987)</u>
Endowment net assets, end of year	<u>\$ 649,508</u>	<u>\$ 89,505</u>	<u>\$ 111,823</u>	<u>\$ 850,836</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note F - Promises to Give

In September 2013, the Agency started a capital campaign to raise funds for certain projects to benefit the Southern Maine Agency on Aging including the establishment of an Adult Daycare Center in Biddeford and increasing the Agency's endowment funds to support the Adult Daycare Center.

Unconditional promises to give are primarily from corporations and individuals. They are reflected at present value of future cash flows using the 3 year daily treasury yield curve rate (0.88% at September 30, 2016) as a discount rate.

Unconditional promises to give consist of the following at September 30, 2016:

Receivable in less than one year	\$ 354,050
Receivable in one to five years	<u>224,708</u>
	578,758
Less: allowance for uncollectible pledges	29,000
Less: discounts to net present value	<u>7,200</u>
Net unconditional promises to give	<u>\$ 542,558</u>

Note G - Property and Equipment

Property and equipment consisted of the following as of September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Land	\$ 661,250	\$ 661,250
Construction in progress	-	1,894,028
Buildings and improvements	5,170,410	1,536,020
Leasehold improvements	257,712	257,712
Furniture and equipment	671,254	664,222
Vehicles	<u>95,837</u>	<u>98,170</u>
	6,856,463	5,111,402
Less accumulated depreciation	<u>1,684,648</u>	<u>1,494,530</u>
	<u>\$ 5,171,815</u>	<u>\$ 3,616,872</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note H - Line of Credit

The Agency has an available operating line of credit of \$500,000, which bears interest at the Prime Rate plus 0%. Interest rate is limited by a floor at minimum rate of 4% per annum. The Prime Rate at September 30, 2016 was 3.50%. As of September 30, 2016, there was a balance on the line of credit of \$100,000.

Note I - Long-Term Debt

Long-term debt consists of the following:

	<u>2016</u>	<u>2015</u>
Note payable to USDA Rural Development with monthly payments of \$3,091, which includes interest of 4.25%. The note matures September 2043 and is secured by real estate.	\$ 594,067	\$ 605,564
Note payable to USDA Rural Development with monthly payments of \$1,491, which includes interest of 4.125%. The note matures September 2049 and is secured by all tangible assets of the Agency.	320,480	325,070
Note payable to Kennebunk Savings Bank, interest only payments until July 2018. In July 2018, monthly payments of \$8,008 will be made, which includes varying interest rates up to 0.5% plus the Prime Rate. The loan matures February 2038.	<u>1,300,000</u>	<u>-</u>
Total notes payable	2,214,547	930,634
Less current portion	<u>16,778</u>	<u>16,087</u>
Long-term debt, net of current portion	<u>\$ 2,197,769</u>	<u>\$ 914,547</u>

Required future annual principal payments on long-term debt are as follows:

2017	\$ 16,778
2018	28,170
2019	61,607
2020	63,489
2021	65,430
Thereafter	<u>1,979,073</u>
	<u>\$ 2,214,547</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note J - Lease Arrangement

The Agency leases space in Falmouth, Maine from a third party under an operating lease which expires in November 2029. Rent is payable in fixed monthly installments of \$3,584. Total rental expense was \$59,410 for the year ended September 30, 2016.

The future minimum lease payments at September 30, 2016 for the next five fiscal years are as follows:

	Operating Lease
2017	\$ 43,010
2018	43,010
2019	43,010
2020	43,010
2021	43,010

Note K - Deferred Revenue

Deferred revenue represents amounts advanced under contracts with state and federal governmental agencies which have not been expended in the current period and are available for use in the subsequent fiscal years. Deferred revenue at September 30, 2016 and 2015 was \$6,987 and \$6,628.

Note L - Board Designated Net Assets

Board designated net assets consist of the following at September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Southern Maine Senior Citizens Fund	\$ 143,572	\$ 134,745
Merrill Fund	398,860	432,740
Earnings on Permanently Restricted	107,076	86,701
	<u>\$ 649,508</u>	<u>\$ 654,186</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note M - Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Roses fund	\$ 89,505	\$ 78,640
Capital donations	-	143,625
Nutrition	32,240	31,704
Maine Senior Games	7,492	7,492
	<u>\$ 129,237</u>	<u>\$ 261,461</u>

Note N - Tax Deferred Annuity Plan

The Agency has entered into a tax deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan provides for matching and discretionary contributions outlined in the plan document based on length of service and employee participation. Employees are fully vested upon entering the plan. The plan expense for the year ended September 30, 2016 was \$67,673.

Note O - Functional Expense Classification

Expenses by function for the year ended September 30, 2016 were as follows:

Program Services:	
Nutrition Program	\$ 1,672,042
Independent Housing Services	361,385
Information and Resource Services	734,566
Community-based Care Transitions	569,603
Care Giver Support	398,581
Other Social Services	<u>2,134,857</u>
Total Program Services	5,871,034
Supporting Services:	
Management and general	762,060
Fundraising	<u>265,918</u>
Total Statement of Activities	<u>\$ 6,899,012</u>

Notes to Financial Statements - Continued

Southern Maine Agency on Aging

Note P - Income Taxes

The Agency qualifies as an organization exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and files a Form 990 tax return. With few exceptions, the Agency is no longer subject to U.S. federal tax examinations for years before 2012 due to statute of limitations. The Agency has adopted the provisions of FASB ASC, Income Taxes. Management of the Agency believes it has no material uncertain tax positions and, accordingly it will not recognize any liability for unrecognized tax benefits.

The Agency is subject to income taxes on income from activities unrelated to their charitable purpose, which would consist of net income (if any) from the leasing of its debt-financed property. The Agency is not classified as a private foundation by the Internal Revenue Services. For the year ended September 30, 2016, no provision was made for income tax expense or benefit as all taxable activities resulted in losses. No deferred tax asset was recorded for these items, as the Agency is not expected to realize the tax benefit.

Note Q - Contingencies

Grant Funds

Amounts received or receivable from grantors, principally State and Federal agencies, may be subject to audit and adjustment. Failure to fulfill the conditions as set forth in the instrument of grant could result in the return of funds. Management deems the possibility of returning funds to be remote and expects amounts, if any, to be immaterial.

Note R - Subsequent Events

Management has made an evaluation of subsequent events to and including March 3, 2017, which was the date the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

**To the Board of Directors
Southern Maine Agency on Aging
Scarborough, Maine**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Southern Maine Agency on Aging (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 3, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southern Maine Agency on Aging's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southern Maine Agency on Aging's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern Maine Agency on Aging's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purdy Power & Company
Professional Association



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077552845.
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BODC: TE

SOUTHERN MAINE AGENCY ON AGING
136 US ROUTE ONE
SCARBOROUGH ME 04074-9055



023852

Employer Identification Number: 01-0360259
Person to Contact: Mrs. Jones
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of Sep. 16, 2008, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in April 1979, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

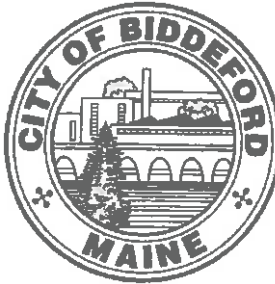
Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Cindy Westcott
Manager, EO Determinations



City of Biddeford
205 Main Street
Biddeford, Maine 04005

Application for City Financial Assistance FY 2017/2018

Please complete the following information and return a hard copy to the City of Biddeford. Applications must be received no later than June 26, 2017. Applications received after June 26, 2017 will NOT be considered. Applications that are not legible will not be accepted.

A copy of your agency's mission statement must also be included.

SECTION I. AGENCY INFORMATION

Applicant Agency Name: SWEETSER

Principal Address: 50 MOODY STREET
SACO, MAINE 04072

Executive Director: DEBRA TAYLOR

Contact Person/Phone Number: JODIE HANSEN / (207) 294-4476

Est. Total Agency Budget
for 2016/2017: \$ 55,946,107

Actual 2015/2016 Budget: \$ 55,604,484

Amount requested from the
City of Biddeford: \$ 2,500

What percent of your annual
budget does this request equal: .004%

Section II. PROGRAM DESCRIPTION

Describe the health or human service need that your program addresses:

Sweetser provides therapy to children and families with emotional and behavioral needs who are uninsured and underinsured and who reside in the Biddeford City area.

The state of the economy continues to impact the level of resources available to families. Many schools with whom we partner are under extreme financial hardship. Now more than ever, schools are relying on Sweetser to help meet the needs of at risk students.

School-based clinicians provide individual, family, and group therapy to children and families identified by their schools as potentially in need of treatment. Clinicians collaborate with families, primary care providers, schools, the Department of Health and Human Services and other providers to help children identify and achieve goals to improve good decision making, adherence to healthy lifestyles, and strengthen academic performance.

How is that need determined or measured?

Teachers and other school personnel identify children and youth who are considered at risk. Our school-based services help children and youth cope with difficult family dynamics, promote mental health well-being, and help students develop effective coping mechanisms. The school-based clinicians gather information from several different sources to support the need for services. Clinicians complete a comprehensive assessment on each child and family referred to services; work with children, their families, and other community supports to create treatment plans that identify and document the goals and objectives of treatment; and utilize the DLA 20 to measure acuity and assesses for improvement. The results and data of these assessments, as well as self-reports, progress notes, and clinical observations, are recorded in Sweetser's Electronic Client Record, which enables clinicians to easily track and measure client improvement.

How is your program attempting to meet that need and what is the outcome that you expect to achieve?

Our school-based services help children and youth cope with difficult family dynamics, promote mental health well-being, and help students develop effective coping mechanisms. Our commitment to these goals is evidenced by the desired outcomes of our school-based program, which include:

1. Reduce the number of youth who exhibit criminal behaviors while increasing good decision making and lifestyle choices;
2. Reduce the number of children who must be removed from their homes due to abuse or neglect and/or require out-of-home residential treatment;
3. Reduce the number of students retained each year; and
4. Increase the number of children who succeed in school.

Sweetser clinicians help clients and their families achieve these goals by completing a comprehensive assessment on each child and family referred for services. Our clinicians then work with the children and their families to create treatment plans that help them stay focused on the desired goals and outcomes. Clients are discharged when they have achieved their stated goals.

What process does your agency undertake annually to evaluate the effectiveness of your program (s)?

Sweetser contracts with Press Ganey, an independent survey company, to distribute client satisfaction surveys to families at time of discharge. The survey gives clients and their families the opportunity to reflect and provide feedback on the services they received. Sweetser also distributes a satisfaction survey to our partner schools to assess their satisfaction with the partnership and provision of services.

Client eligibility criteria:

The teachers and school personal identify children and youth who are considered to be at risk. Once identified, as noted above, the clinician uses the DLA 20 to determine the level of care. The family or client utilizes their insurance to cover the cost of services. Many families are uninsured or insured with catastrophic insurances that have high copays and deductibles. If awarded financial assistance, Sweetser will utilize these funds to help cover the cost of care for uninsured and under-insured children and families who otherwise would be unable to access treatment.

Describe fee structure:

The cost of care for Sweetser's School-based service is \$95 for an hour. The families insurance is expected to cover the cost of care provided by Sweetser. When the family is unable to cover

the cost, funding from grants and assistance programs become vital to ensure that children and families are able to receive the support necessary to live healthy lives.

Describe services provided:

Sweetser school-based clinicians are able to provide individual, family, and group therapy in the natural setting of the school, in their home or in an office-based setting. Specific, individualized services are designed to provide rapid access, a comprehensive assessment and solution-focused treatment for individuals, groups and/or families.

What accommodations are made to those applicants with zero income?

Applicants who are unable to afford the cost of care are encouraged to apply for MaineCare. If the family is denied MaineCare, Sweetser will use the grant/assistance dollars to cover the cost of care. In some circumstances Master level interns are utilized to provide therapy to clients who otherwise would not receive services.

Are fees charged for General Assistance referrals? If yes, how much has been charged to the City of Biddeford in the previous fiscal year?

No

Does your organization maintain a facility in the City of Biddeford? If not, please explain how you provide services for the residents of the City:

Sweetser does not maintain a facility in the City of Biddeford. However, Sweetser has three, full time School Based clinicians located within several Biddeford Schools such as Biddeford Middle School and Biddeford High School. A Master level Intern has been put in place to help provide services. In the past we have provided services to Biddeford's Elementary schools and are willing to do so again if the need arises.

Define a unit of service as it pertains to the program:

A unit of service is defined as one hour of individual, family, or group therapy.

Does your agency collaborate with any other non-profit organizations to maximize the use of the funds you receive? If yes, please explain.

Sweetser is a leader in providing integrated services to those we serve. We are one of the first agencies to provide clinical, school-based therapy within a school setting, dating back to 1994. We currently have 75 clinicians covering over 100 schools statewide. These clinicians are placed in local schools to allow for easy access to receive treatment for children and their families within their own communities. The primary focus of integrated services within a school setting is to bridge services and communications between schools, primary care providers and other services in the local area. Most recently we partnered with the Department of Health and Human Services (DHHS) on an initiative titled "Partnering for Success" that included training school based clinicians with DHHS workers to deliver an evidenced based treatment practice called CBT + (Cognitive Behavioral Therapy – Plus). Sweetser school based service is a part of a larger continuum of care including adult and child case management, medication management, clinic based services, peer services, warm line services, and crisis services. We are very mindful of using an integrated approach using our peers to support families on their continuum of care.

How often are your books and/or financial records audited by an accounting firm or third party professional?

Annually

Funding sources for program:

CATEGORY	SOURCE TITLE OR ACT	BUDGETED FOR FY 2016/2017	RECEIVED FOR FY 2016/2017	BUDGETED FOR FY 2017/2018
Federal	MaineCare	\$395,524	\$382,208	\$323,570
State	DHHS	0	\$1,512	0
County				
Municipal				
JTPA				
3 rd Party				
Fees/Tuition				
Private Insurance	Various	\$62,033	\$57,951	0
Endowments				
United Way	York County	0	\$5,505	0
Grants				
Other Income/Surplus	Private Pay	0	\$15,770	\$6,683
In-Kind Contributions				
Totals		\$457,557	\$462,946	\$378,295

Total number of individuals served (unduplicated):

257

Total number of units provided:

5203

Total number of individuals served from Biddeford:

103

Percent of total client count that are residents of the City of Biddeford:

40%

What other municipalities provide financial assistance and how much does each provide?

The Town of Phippsburg and the Town of West Bath both provide \$2,500 in annual funding to support Sweetser services for their residents. The Town of York also awards Sweetser \$1,500 to support services for residents in the York area.

Do you receive funding from Biddeford's CDBG program? If yes, for what services?

Sweetser does not receive any funding from Biddeford's CDBG program.

Per capita cost of service(s); each individual counted only once:

\$1,757 per person

Unit of service cost:

\$86.79 per unit

How many members of your agency have authority to decide where /how your funds will be spent?

Sweetser's leadership structure allows for our directors and President's Council to decide how and where grant funding will be spent. The President, four Vice Presidents, the Director of School-Based Services and the perspective supervisor will have authority as to how the funds will be utilized.

Of that group, how many are responsible for ensuring funds are used for the intended purpose?

All Members of the group mentioned are responsible for ensuring that the Biddeford Assistance Funds will be used for the intended purpose of therapy for under and uninsured school-based clients.

In addition, Sweetser's Development Department and Finance Team ensure funds we receive are allocated and used for intended purposes.

Agencies REQUIRED to file yearly audits—include a copy of last audited financial statement.

Agencies NOT REQUIRED to file yearly audits—complete the budget form and include your IRS Form 990.

Has your 501C-3 status been revoked with the past 5 years for any reason? If yes, explain. _____

NO

Include a copy of your 501C-3 form. Only documented non-profit agencies will be considered to receive funding from the City of Biddeford.

SECTION III. BUDGET FORM

Support Revenues and Expenses

Agency: _____	Last Year budget	Last year actual	This year budget	Next year proposed
PUBLIC SUPPORT AND REVENUE				
Allocation from City of Biddeford				
Contributions				
Fund Raising				
Legacies and Bequests				
Contributed by Associated Organizations				
Government: Federal				
Government: State				
Government: County				
Government: Municipalities				
Membership dues				
Program Fees				
Sales of Materials				
Investment Income				
Miscellaneous Revenue				
TOTAL SUPPORT REVENUE				
OPERATING EXPENSES				
Salaries				
Employee Benefits				
Payroll Taxes, etc.				
Professional Fees				
Supplies				
Telephone				
Postage and Shipping				
Occupancy				
Rental and Maintenance of Equipment				
Printing and Publication				
Travel				
Conferences and Meetings				
Specific Assistance to Individuals				
Membership Dues				
Awards and Grants				
Miscellaneous				
TOTAL OPERATING EXPENSES				
EXCESS (DEFICIT) OF REVENUE OVER OPERATING EXPENSES				
Payments to Affiliates				
Board Designations for Specific Future Use				
Depreciation Expenses				
TOTAL OF ALL EXPENSES				

SECTION IV. VALIDATION

I, JODIE HANSEN, of SWEETSER
(Name) (Name of Agency)

Acknowledge the foregoing document to be true and accurate and signed the same in my capacity as
DEVELOPMENT OFFICER
(Title)

Jodie Hansen, Development Officer
Signature/Title

6/23/17
Date

*Applicants who provide incomplete or inaccurate information will not be eligible for funding.

**BOARD OF DIRECTORS
2016 – 2017**

Chair:

Jerry Mansfield, Saco

Vice Chair:

Patricia Small, Scarborough

Secretary:

William Zafirson, Saco

Treasurer:

Charles Petersen, Kennebunk

John Beliveau

Falmouth

Eric Christensen

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Robert Convery

Scarborough

Robert Davis

Kennebunk

Jessica Demers Klein

Falmouth

Dennis Eagleson

Kennebunk

Erin Ehrlenbach Collins

Scarborough

Troy Ellsmore

Cape Elizabeth

Christopher Emmet

Far Hills, New Jersey

Reverend Samuel Henderson III

Portland

Michelle LaChapelle

Ogunquit

Robert Lobis, MD

Bath

Brenda Piecuch

Wells

Gregory Prince

Gorham

Meredith Richardson

Kittery

Brynn Riley

Scarborough

Michael Sawyer

Gorham

Margaret Shepp, MD

Portland

Debra Taylor

Wells

Mary Turgeon

Saco

Douglas Willett

Saco



June 23, 2017

Kristen Barth
General Assistance
City of Biddeford
205 Main Street
Biddeford, Maine 04005

Dear Ms. Barth:

Sweetser is a nonprofit mental and behavioral health organization that serves more than 20,000 children and adults throughout Maine who desperately need our services.

We are seeking \$2,500 from the City of Biddeford to help support the needs of youth and their families who are receiving School-based Services and are un/underinsured in Biddeford High School and Biddeford Middle School.

Please find enclosed our completed application for financial assistance as well as additional information regarding Sweetser's School Based Services.

Thank you for your consideration. Should you have any questions, please do not hesitate to contact me at jhansen@sweetser.org or (207) 294-4476.

Sincerely,

Jodie L. Hansen
Development Officer



Sweetser's Mission

Sweetser's mission is to provide quality treatment, support and hope to children, adults and families through a network of mental health, behavioral health and educational services.



Sweetser is your first call for a better tomorrow. As one of Maine's most comprehensive behavioral health networks, Sweetser promises to do whatever it takes to connect adults and children to the mental health treatment and related support that they need and deserve.

Nationally recognized and accredited, Sweetser has nearly 200 years of experience caring for adults and children who are living with mental illness, behavioral disorders, or substance abuse problems.

Sweetser is a nonprofit organization serving approximately 21,000 adults and children throughout Maine.



Call Sweetser's Promiseline

1.800.434.3000

50 Moody Street
Saco, Maine 04072

www.sweetser.org

School-based Outpatient Services



Helping people create promising futures

Our Goal

Sweetser school-based clinicians collaborate with school personnel and families to reduce the barriers to school success that confront children and adolescents with emotional and behavioral challenges, or are at risk.

Our Service

Sweetser school-based clinicians are able to provide individual, family and group therapy in the natural setting of the school, in their home or in an office-based setting.

Specific, individualized services are designed to provide rapid access, a comprehensive assessment and solution-focused treatment for individuals, groups and/or families.

Why would a parent, teacher or primary care physician consider to a Sweetser school-based clinician?

Perhaps a child or adolescent is:

- Refusing to attend school
- Being bullied or bullying others
- Having trouble concentrating
- Sad, withdrawn, isolated
- Experiencing weight loss or gain
- Talking about harming themselves
- Angry, defiant, disrespectful
- Suffering from the loss of a loved one, a parent, a sibling, a friend, even their pet
- Involved with drugs or alcohol
- Experiencing issues related to a change within the family (separation, divorce)

How would a parent or teacher make a referral to a Sweetser school-based clinician?

- Call their school's guidance counselor or principal
- Call their school's Sweetser school-based clinician directly
- Call the Sweetser PromiseLine at 1.800.434.3000



Community-based Services include adult services that provide a range of community-based treatment and support services focused on assisting our clients in their journey toward wellness and recovery, and family-centered services that provide strength-based support aimed at the individual needs of each child and the members of their family.

Crisis Services provide immediate community-based response to a child, family or adult experiencing an acute emotional or behavioral crisis event. (*Responding in Cumberland, Lincoln & Sagadahoc Counties*)

Educational Services provide special education and therapeutic services for students unable to function safely in a public school setting.

Outpatient Services provide individual, family or group therapy and/or medication management for children, adults or families struggling with a mental health or substance abuse issue through school-based practitioners, members of Sweetser's Affiliate Network and practice locations in Brunswick, Lewiston, Saco, Sanford and Rockland.

Residential Services provide an intensive, therapeutic group living option for children or adolescents experiencing a severe emotional disturbance.

Address any reply to: 66 Sewall St., Augusta, Maine 04330

US Treasury Department

ADG:EO:69/62



District Director Internal Revenue Service

Date: August 29, 1969 In reply refer to: AU:R

▷ Sweetser Children's Home
50 Moody Street
Saco, Maine 04072

Gentlemen:

Purpose: Charitable/Educational
Address inquiries and File Returns with District
Director of Internal Revenue: Augusta, Maine

Form 990-A Required: Yes No
Accounting Period Ending: December 31

On the basis of your stated purposes and the understanding that your operations will continue as evidenced to date or will conform to those proposed in your ruling application, we have concluded that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code. Any changes in operation from those described, or in your character or purposes, must be reported immediately to your District Director for consideration of their effect upon your exempt status. You must also report any change in your name or address.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code, in which event you are required to file Form 990-T. Our determination as to your liability for filing the annual information return, Form 990-A, is set forth above. That return, if required, must be filed on or before the 15th day of the fifth month after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to this office, as should any questions concerning excise, employment or other Federal taxes.

This is a determination letter.

Very truly yours,

William H. Wheeler

District Director

FORM L-179 (REV. 3-69)



Sweetser's Mission

Sweetser's mission is to provide quality treatment, support and hope to children, adults, and families through a network of mental health, behavioral health, and educational services.

Sweetser's Vision

Helping people create promising futures.

Sweetser's Values

In support of our Mission and Vision, we respect, value and promote:

- Dignity, respect, and compassion for all people
- The highest quality standards in our work
- Accountability to those we serve for the ethical, effective, and efficient use of resources
- The creative contributions of dedicated staff and volunteers
- Professional excellence through on-going training in best practices and Continuous Quality Improvement
- The importance of family, community, and other significant connections in the provision of individualized, responsive care
- A commitment to providing leadership in developing a responsive and innovative service-delivery system on the regional and state level
- A strong network of community partnerships
- An active advocacy program



To the Board of Directors
Sweetser

In planning and performing our audit of the consolidated financial statements of Sweetser, Subsidiary and Affiliate (the Organization) as of and for the year ended June 30, 2016, in accordance with U.S. generally accepted auditing standards, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

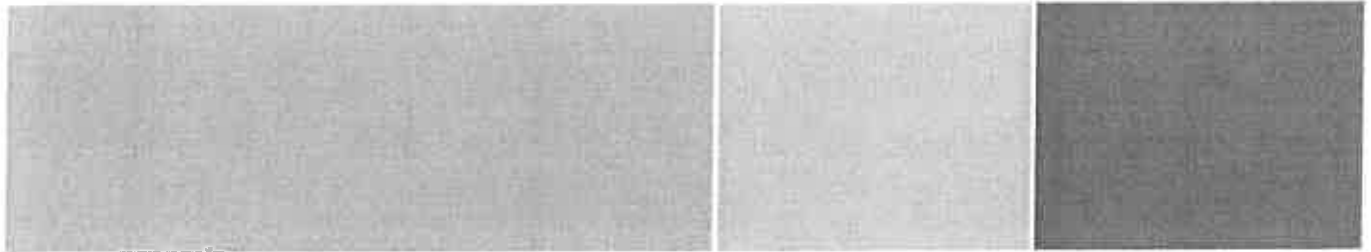
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Audit Committee, the Board of Directors, and regulatory agencies, and is not intended to be, and should not be, used by anyone other than these specified parties.

BerryDunn McNeil & Parker, LLC

Portland, Maine
October 26, 2016



SWEETSER, SUBSIDIARY AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2016 and 2015

With Independent Auditor's Report

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidated Financial Statements

June 30, 2016 and 2015

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Sweetser

We have audited the accompanying consolidated financial statements of Sweetser, Subsidiary and Affiliate, which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, and the related consolidated 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 U.S. generally accepted accounting principles; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sweetser, Subsidiary and Affiliate as of June 30, 2016 and 2015, and the consolidated results of its activities and its consolidated cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

The Board of Directors
Sweetser

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. Schedules 1 and 2 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of activities and cash flows of the individual entities and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dawn McNeil & Parker, LLC

Portland, Maine
October 26, 2016

SWEETSER, SUBSIDIARY AND AFFILIATE
Consolidated Statements of Financial Position
June 30, 2016 and 2015

ASSETS

	<u>2016</u>	<u>2015</u>
Cash	\$ 232,019	\$ 28,397
Trustee-held funds	45,994	39,355
Accounts and grants receivable, net of allowance for doubtful accounts of approximately \$264,000 in 2016 and \$286,000 in 2015	4,812,196	4,859,961
Other receivables	236,954	28,676
Prepaid expenses and supplies	362,416	444,383
Investments limited as to use		
Internally designated for operations and capital acquisition	16,923,317	22,375,173
Temporarily restricted	4,622,794	5,060,522
Permanently restricted	2,050,485	2,050,485
Land, buildings and equipment, net of depreciation	13,380,697	13,632,391
Goodwill, other intangibles and deferred charges, net	2,393,261	2,411,903
Other assets	86,589	576,044
Beneficial interest in perpetual trusts	<u>1,653,910</u>	<u>1,724,234</u>
Total assets	<u>\$ 46,800,632</u>	<u>\$ 53,231,524</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 977,802	\$ 827,132
Accrued payroll and related liabilities	2,076,891	1,939,601
Deferred compensation	58,277	554,002
Accrued postretirement benefit obligation	157,178	180,900
Other accrued expenses	308,226	151,816
Capital revolver	90,646	-
Operating line of credit	-	2,693,353
Interest rate swap	341,513	108,959
Long-term debt	<u>7,993,656</u>	<u>8,587,992</u>
Total liabilities	<u>12,004,189</u>	<u>15,043,755</u>
Net assets		
Unrestricted	26,469,254	29,352,528
Temporarily restricted	4,622,794	5,060,522
Permanently restricted	<u>3,704,395</u>	<u>3,774,719</u>
Total net assets	<u>34,796,443</u>	<u>38,187,769</u>
Total liabilities and net assets	<u>\$ 46,800,632</u>	<u>\$ 53,231,524</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidated Statement of Activities

Year Ended June 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Changes in net assets from operations				
Operating revenues				
Net program service revenue	\$ 52,556,813	\$ -	\$ -	\$ 52,556,813
Gifts and grants	897,981	226,704	-	1,124,685
Miscellaneous revenue	454,910	-	-	454,910
Budgeted income on investments	1,193,126	6,725	-	1,199,851
Net assets released in satisfaction of program restrictions	<u>208,414</u>	<u>(208,414)</u>	-	-
Total operating revenues	<u>55,311,244</u>	<u>25,015</u>	-	<u>55,336,259</u>
Operating expenses				
Salaries	26,369,090	-	-	26,369,090
Employee health and retirement benefits	4,372,298	-	-	4,372,298
Payroll taxes and unemployment benefits	2,009,928	-	-	2,009,928
Professional fees clinical	12,484,271	-	-	12,484,271
Professional fees other	842,206	-	-	842,206
Contracted services	246,326	-	-	246,326
Children's work study	41,005	-	-	41,005
Food	515,507	-	-	515,507
Supplies	715,932	-	-	715,932
Telephone	527,182	-	-	527,182
Electricity, fuel and water	544,811	-	-	544,811
Repairs and maintenance	879,799	-	-	879,799
Rent	566,151	-	-	566,151
Service provider taxes	630,185	-	-	630,185
Insurance	289,093	-	-	289,093
Postage	60,552	-	-	60,552
Printing and stationery	45,905	-	-	45,905
Special assistance	1,284,077	-	-	1,284,077
Staff expenses	285,988	-	-	285,988
Dues, subscriptions and recreation	97,700	-	-	97,700
Travel and auto	654,398	-	-	654,398
Bad debts	322,977	-	-	322,977
Interest	479,094	-	-	479,094
Depreciation of buildings and equipment	1,292,264	-	-	1,292,264
Amortization	43,472	-	-	43,472
Miscellaneous	4,273	-	-	4,273
Total operating expenses	<u>55,604,484</u>	-	-	<u>55,604,484</u>
Change in net assets from operations	<u>(293,240)</u>	<u>25,015</u>	-	<u>(268,225)</u>
Other changes				
Loss on investments, net of amount budgeted for operations and investment management fees	(1,474,868)	(200,282)	-	(1,675,150)
Bequests and other gifts	-	3,383	-	3,383
Change in value of beneficial interest in perpetual trusts	-	-	(70,324)	(70,324)
Net assets released from restriction for satisfaction of capital purchase restrictions	265,844	(265,844)	-	-
Rental income, net of \$1,253,000 in expenses	(1,151,201)	-	-	(1,151,201)
Prior service costs-postretirement benefits	2,745	-	-	2,745
Change in fair value of interest rate swap	<u>(232,554)</u>	-	-	<u>(232,554)</u>
Net other changes	<u>(2,590,034)</u>	<u>(462,743)</u>	<u>(70,324)</u>	<u>(3,123,101)</u>
Change in net assets	<u>(2,883,274)</u>	<u>(437,728)</u>	<u>(70,324)</u>	<u>(3,391,326)</u>
Net assets, beginning of year	<u>29,352,528</u>	<u>5,060,522</u>	<u>3,774,719</u>	<u>38,187,769</u>
Net assets, end of year	\$ <u>26,469,254</u>	\$ <u>4,622,794</u>	\$ <u>3,704,395</u>	\$ <u>34,796,443</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidated Statement of Activities

Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Changes in net assets from operations				
Operating revenues				
Net program service revenue	\$ 54,017,755	\$ -	\$ -	\$ 54,017,755
Gifts and grants	398,248	175,535	-	573,783
Miscellaneous revenue	392,434	-	-	392,434
Budgeted income on investments	1,208,723	6,540	-	1,215,263
Gain on sale of property	2,878	-	-	2,878
Net assets released in satisfaction of program restrictions	<u>203,937</u>	<u>(203,937)</u>	-	-
Total operating revenues	<u>56,223,975</u>	<u>(21,862)</u>	-	<u>56,202,113</u>
Operating expenses				
Salaries	27,028,565	-	-	27,028,565
Employee health and retirement benefits	4,691,416	-	-	4,691,416
Payroll taxes and unemployment benefits	2,061,933	-	-	2,061,933
Professional fees clinical	11,545,465	-	-	11,545,465
Professional fees other	815,337	-	-	815,337
Contracted services	229,797	-	-	229,797
Children's work study	43,860	-	-	43,860
Food	528,290	-	-	528,290
Supplies	719,907	-	-	719,907
Telephone	574,418	-	-	574,418
Electricity, fuel and water	633,287	-	-	633,287
Repairs and maintenance	965,356	-	-	965,356
Rent	540,046	-	-	540,046
Service provider taxes	685,670	-	-	685,670
Insurance	306,551	-	-	306,551
Postage	70,820	-	-	70,820
Printing and stationery	36,793	-	-	36,793
Special assistance	1,482,129	-	-	1,482,129
Staff expenses	271,234	-	-	271,234
Dues, subscriptions and recreation	114,119	-	-	114,119
Travel and auto	760,755	-	-	760,755
Bad debts	254,615	-	-	254,615
Interest	504,771	-	-	504,771
Depreciation of buildings and equipment	1,359,811	-	-	1,359,811
Amortization	37,052	-	-	37,052
Miscellaneous	<u>16,864</u>	-	-	<u>16,864</u>
Total operating expenses	<u>56,278,861</u>	-	-	<u>56,278,861</u>
Change in net assets from operations	<u>(54,886)</u>	<u>(21,862)</u>	-	<u>(76,748)</u>
Other changes				
(Loss) income on investments, net of amount budgeted for operations and investment management fees	(288,351)	119,528	-	(168,823)
Bequests and other gifts	1,300,000	800,543	18,891	2,119,434
Change in value of beneficial interest in perpetual trusts	-	-	(34,252)	(34,252)
Net assets released from restriction for satisfaction of capital purchase restrictions	92,164	(92,164)	-	-
Rental income, net of \$1,185,000 in expenses	(1,088,894)	-	-	(1,088,894)
Prior service costs - postretirement benefits	8,691	-	-	8,691
Loss on sale of property	(100,806)	-	-	(100,806)
Change in fair value of interest rate swap	(108,959)	-	-	(108,959)
Other nonoperating losses	<u>(77,609)</u>	-	-	<u>(77,609)</u>
Net other changes	<u>(263,764)</u>	<u>827,907</u>	<u>(15,361)</u>	<u>548,782</u>
Change in net assets	(318,650)	806,045	(15,361)	472,034
Net assets, beginning of year	<u>29,671,178</u>	<u>4,254,477</u>	<u>3,790,080</u>	<u>37,715,735</u>
Net assets, end of year	<u>\$ 29,352,528</u>	<u>\$ 5,060,522</u>	<u>\$ 3,774,719</u>	<u>\$ 38,187,769</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE
Consolidated Statement of Functional Expenses
Year Ended June 30, 2016

	<u>Services</u>	<u>Management and General</u>	<u>Planning and Development</u>	<u>Total Expenses</u>
Salaries	\$ 23,050,279	\$ 3,133,241	\$ 185,570	\$ 26,369,090
Employee health and retirement benefits	3,802,457	535,122	34,719	4,372,298
Payroll taxes and unemployment benefits	1,771,439	225,019	13,470	2,009,928
Professional fees clinical	12,483,700	571	-	12,484,271
Professional fees other	376,993	464,185	1,028	842,206
Contracted services	215,500	29,088	1,738	246,326
Children's work study	41,005	-	-	41,005
Food	515,507	-	-	515,507
Supplies	487,611	180,162	48,159	715,932
Telephone	470,731	54,334	2,117	527,182
Electricity, fuel and water	476,431	64,513	3,867	544,811
Repairs and maintenance	374,276	501,821	3,702	879,799
Rent	477,870	84,390	3,891	566,151
Service provider taxes	630,185	-	-	630,185
Insurance	260,950	26,041	2,102	289,093
Postage	18,135	34,910	7,507	60,552
Printing and stationery	984	29,011	15,910	45,905
Special assistance	1,284,077	-	-	1,284,077
Staff expenses	214,598	70,966	424	285,988
Dues, subscriptions and recreation	50,694	46,401	605	97,700
Travel and auto	625,929	24,515	3,954	654,398
Bad debts	322,977	-	-	322,977
Interest	232,981	240,367	5,746	479,094
Depreciation of buildings and equipment	886,243	395,402	10,619	1,292,264
Amortization	41,338	2,017	117	43,472
Miscellaneous	<u>3,223</u>	<u>1,050</u>	<u>-</u>	<u>4,273</u>
Total operating expenses	\$ <u>49,116,113</u>	\$ <u>6,143,126</u>	\$ <u>345,245</u>	\$ <u>55,604,484</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE
Consolidated Statement of Functional Expenses
Year Ended June 30, 2015

	<u>Services</u>	<u>Management and General</u>	<u>Planning and Development</u>	<u>Total Expenses</u>
Salaries	\$ 23,774,886	\$ 3,072,388	\$ 181,291	\$ 27,028,565
Employee health and retirement benefits	4,125,677	530,090	35,649	4,691,416
Payroll taxes and unemployment benefits	1,824,909	223,389	13,635	2,061,933
Professional fees clinical	11,545,197	268	-	11,545,465
Professional fees other	315,453	498,957	927	815,337
Contracted services	203,977	24,317	1,503	229,797
Children's work study	43,860	-	-	43,860
Food	528,290	-	-	528,290
Supplies	475,309	187,264	57,334	719,907
Telephone	508,862	62,998	2,558	574,418
Electricity, fuel and water	562,661	66,487	4,139	633,287
Repairs and maintenance	464,755	497,482	3,119	965,356
Rent	479,247	57,195	3,604	540,046
Service provider taxes	685,670	-	-	685,670
Insurance	275,901	28,235	2,415	306,551
Postage	28,837	36,039	5,944	70,820
Printing and stationery	2,693	25,557	8,543	36,793
Special assistance	1,482,129	-	-	1,482,129
Staff expenses	177,522	92,948	764	271,234
Dues, subscriptions and recreation	61,695	51,889	535	114,119
Travel and auto	717,899	37,016	5,840	760,755
Bad debts	254,615	-	-	254,615
Interest	276,816	222,368	5,587	504,771
Depreciation of buildings and equipment	904,713	444,916	10,182	1,359,811
Amortization	36,098	633	321	37,052
Miscellaneous	<u>4,914</u>	<u>11,950</u>	<u>-</u>	<u>16,864</u>
Total operating expenses	\$ <u>49,762,585</u>	\$ <u>6,172,386</u>	\$ <u>343,890</u>	\$ <u>56,278,861</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidated Statements of Cash Flows

Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Change in net assets	\$ (3,391,326)	\$ 472,034
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation and amortization	1,380,937	1,415,099
Change in fair value of interest rate swap	232,554	108,959
Net realized and unrealized losses (gains) on investments	937,912	(587,442)
Bad debt expense	322,977	254,615
Forgiveness of debt	(30,000)	-
Change in value of beneficial interest in perpetual trusts	70,324	34,252
Loss on sale of assets	33,538	97,928
Decrease (increase) in		
Accounts and grants receivable	(275,212)	(760,303)
Other receivables	(208,278)	24,695
Prepaid expenses and supplies	81,967	11,245
Goodwill, other intangibles, and deferred charges, net	18,642	105,833
Other assets	489,455	(57,471)
Increase (decrease) in		
Accounts payable	(24,330)	40,089
Accrued payroll and related liabilities	137,290	(241,966)
Deferred compensation	(495,725)	65,668
Accrued postretirement benefit obligation	(23,722)	(43,255)
Other accrued expenses	156,410	(256,756)
Net cash (used) provided by operating activities	<u>(586,587)</u>	<u>683,224</u>
Cash flows from investing activities		
Purchases of property, equipment and capital projects in process	(1,008,632)	(872,020)
Net proceeds from sale of property and equipment	20,851	114,457
Proceeds from sale of investments	12,784,134	15,450,207
Purchase of investments	(7,832,462)	(11,587,144)
Net cash provided by investing activities	<u>3,963,891</u>	<u>3,105,500</u>
Cash flows from financing activities		
Net payments on line of credit	(2,693,353)	(3,173,565)
Borrowings on capital revolver	90,646	-
Principal payments on long-term debt	(564,336)	(922,532)
Additions to trustee-held funds	(6,639)	(6,503)
Net cash used by financing activities	<u>(3,173,682)</u>	<u>(4,102,600)</u>
Net increase (decrease) in cash	203,622	(313,876)
Cash, beginning of year	<u>28,397</u>	<u>342,273</u>
Cash, end of year	\$ <u>232,019</u>	\$ <u>28,397</u>
Supplemental disclosures		
Cash paid for interest	\$ <u>419,953</u>	\$ <u>476,583</u>
Property and equipment purchases in accounts payable	\$ <u>175,000</u>	\$ <u>-</u>

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

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Nature of Business

Sweetser is a not-for-profit organization that provides comprehensive behavioral health services to individuals with emotional, behavioral and learning needs, and to their families, schools and communities in Maine. With history dating to 1828, Sweetser is the oldest child welfare/behavioral health organization in Maine.

The Organization's operations are funded through contracts with government agencies, fees for service paid by school districts, third-party insurers and clients, income from investments and the generosity of committed corporations, foundations, organizations and individuals. The majority of revenues for residential care, treatment and tuition are from the State of Maine and municipal governments and, as such, related programs are contingent upon adequate government funding. Credit is extended without collateral.

1. Summary of Significant Accounting Policies

Principles of Consolidation and Reporting Entity

The consolidated financial statements include the accounts of Sweetser and its wholly-owned subsidiary, Unit 2 at Bath Road, LLC, located in Saco, Maine. The accounts of 329 Bath Road Condominiums Owners Association (Affiliate), which manages Sweetser's and Unit 2 at Bath Road, LLC's Brunswick facility, are also included in the consolidated financial statements. Sweetser's operations include the control of its Subsidiary and Affiliate. Collectively, the entities are referred to as the Organization. All significant intercompany transactions have been eliminated.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Definition of Operations

The consolidated statements of activities include change in net assets from operations. Changes in net assets which are excluded from this measure include return on investments in excess of the amount budgeted for operations, investment fees, bequests and other gifts designated for investment by the Board of Directors, permanently restricted gifts, change in value of beneficial interest in perpetual trusts, net rental income or loss, prior service costs on postretirement benefits, change in the fair value of interest rate swap, loss on property held for sale, and other nonoperating losses.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Cash

The Organization maintains its cash in certain bank deposit accounts which, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes Sweetser is not exposed to any significant risk with respect to these accounts.

Accounts and Grants Receivable

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts and grants receivable.

Investments

Investments are presented in the consolidated financial statements at fair value. Investments in general are exposed to various risks, such as interest rates, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and statements of activities. Investments are pooled on a relative market value basis.

Endowments

Sweetser's endowment consists of numerous funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Directors to act as endowments. Net assets associated with endowments, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Appreciation on Permanently Restricted Net Assets

In accordance with the Maine Uniform Prudent Management of Institutional Funds Act, the Organization deems all realized and unrealized gains on permanently restricted investments to be temporarily restricted until appropriated by the Board of Directors, unless such appreciation is restricted by the donor.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Capitalization and Depreciation

Land, buildings and equipment are stated at cost, or, if acquired by gift, at appraised value at date of gift, subsequently reduced by an impairment charge if applicable. Gains on the sale of land, buildings, and equipment, if unrestricted, are reported as an increase in unrestricted net assets, or, if restricted, as an increase in temporarily or permanently restricted net assets, as appropriate. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight-line method.

Goodwill

Harbor Schools of Maine, Inc. d/b/a Harbor Family Services (HFS) was acquired by Sweetser in exchange for the assumption of its liabilities. HFS was a community-based mental health provider with a primary focus on providing children's residential treatment services to populations in the midcoast region. In addition to the acquisition noted above, goodwill also resulted from the July 2006 purchase of the assets and operations of PROTEA Behavioral Health Services (PROTEA).

Goodwill is comprised of the following at June 30:

	<u>2016</u>	<u>2015</u>
PROTEA	\$ 1,429,728	\$ 1,429,728
HFS	<u>751,252</u>	<u>751,673</u>
	<u>\$ 2,180,980</u>	<u>\$ 2,181,401</u>

Goodwill is reported at cost and evaluated for impairment annually. As described in Financial Accounting Standards (FASB) Accounting Standards Codification (ASC) Topic 350, *Intangibles - Goodwill and Other*, the Organization has an option to perform an initial assessment of qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is greater than the unit's carrying amount and thus to determine it is necessary to perform Step 1 to the two-step goodwill impairment test. During 2016 and 2015, the Organization performed initial assessments of qualitative factors to determine whether it is more likely than not that the fair value of HFS and PROTEA is greater than their respective carrying amounts. The Organization concluded it was not necessary to perform a quantitative goodwill impairment test relative to PROTEA in 2016 and 2015. The Organization did perform a quantitative impairment test relative to HFS in 2016 and 2015 and concluded the goodwill was not impaired.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Beneficial Interest in Perpetual Trusts

Sweetser is a beneficiary of certain perpetual trusts. Sweetser's interest in these perpetual trusts is reported as a contribution in the year received at the Organization's pro rata share of the fair value of the underlying assets in the trusts which approximates fair market value. Valuation changes are reflected as a change in permanently restricted net assets in the consolidated statement of activities.

Net Program Service Revenue

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges, and per diem payments. Net program service revenue is reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Laws and regulations governing Sweetser's MaineCare and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Charity Care

Sweetser provides care to clients who meet certain criteria without charge or at amounts less than its established rates. Because Sweetser does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of activities as net assets released in satisfaction of program restrictions.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire land, buildings and equipment are reported as restricted support. Absent explicit donor stipulation about how long-lived assets must be maintained, satisfaction of donor restrictions is reported when the land, buildings and equipment are placed in service.

Income Taxes

Sweetser is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes.

Volunteer Services

During the years ended June 30, 2016 and 2015, volunteers provided 26,477 and 32,537 hours of service to Organization programs, respectively. Volunteers served in the capacity of mentors, activity leaders, study buddies, classroom helpers and leaders of special events or group projects. The volunteers work directly with Organization clients to extend the continuum of care offered to individuals, children and families. The value of these services is not recorded in the financial statements.

Subsequent Events

Management has considered transactions or events occurring through October 26, 2016, which was the date the financial statements were issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

2. Investments

A summary of investments, including pooled investments, follows:

	<u>2016</u>	
	<u>Cost</u>	<u>Fair Value</u>
Cash and cash equivalent investments	\$ 1,918,118	\$ 1,918,118
Marketable equity securities	13,411,311	15,493,466
U.S. Treasury notes and obligations of government agencies	207,497	210,284
Mutual funds	3,662,982	3,631,417
Corporate bonds	<u>2,345,309</u>	<u>2,343,311</u>
	<u>\$ 21,545,217</u>	<u>\$ 23,596,596</u>

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

	<u>2015</u>	
	<u>Cost</u>	<u>Fair Value</u>
Cash and cash equivalent investments	\$ 2,990,784	\$ 2,990,784
Marketable equity securities	13,763,140	17,560,335
U.S. Treasury notes and obligations of government agencies	1,783,776	1,798,441
Mutual funds	2,350,693	2,484,467
Corporate bonds	<u>4,687,306</u>	<u>4,652,153</u>
	<u>\$ 25,575,699</u>	<u>\$ 29,486,180</u>

The permanent endowment net assets and Board-designated net assets are invested in order to ensure resources of the Organization will be available to meet the needs of clients in perpetuity. The Board of Directors has approved an investment policy with allocation targets of 65% in U.S. equities, 15% in international equities, and 20% in fixed income securities. The Organization's spending policy allows the appropriation of up to 3.5% of the trailing three-year average market value to support operations. Additional appropriations can be made with Board approval.

Investments by class of net assets are as follows:

	<u>2016</u>	<u>2015</u>
Unrestricted		
Designated for investment by the Board of Directors, income available for operations and capital acquisition	<u>\$ 16,923,317</u>	<u>\$ 22,375,173</u>
Temporarily restricted		
Donor restricted project funds	634,824	872,270
Appreciation on permanently restricted net assets	<u>3,987,970</u>	<u>4,188,252</u>
Total temporarily restricted	<u>4,622,794</u>	<u>5,060,522</u>
Permanently restricted endowments	<u>2,050,485</u>	<u>2,050,485</u>
	<u>\$ 23,596,596</u>	<u>\$ 29,486,180</u>

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Changes in endowment net assets and a summary of investment return for the year ended June 30, 2016 are as follows:

	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Endowment net assets, beginning of year	\$ 22,375,173	\$ 5,060,522	\$ 2,050,485	\$ 29,486,180
Investment return				
Investment income, net of \$89,686 in fees	452,039	10,574	-	462,613
Realized gains on investments	729,013	208,126	-	937,139
Net depreciation of investments	<u>(1,440,540)</u>	<u>(412,257)</u>	-	<u>(1,852,797)</u>
Total investment return	(259,488)	(193,557)	-	(453,045)
Deposits	2,118	158,333	-	160,451
Appropriated withdrawals - to support operations	(1,193,126)	(6,725)	-	(1,199,851)
Appropriated withdrawals - other	(3,997,202)	-	-	(3,997,202)
Releases from restrictions and other withdrawals	<u>(4,158)</u>	<u>(395,779)</u>	-	<u>(399,937)</u>
Endowment net assets, end of year	<u>\$ 16,923,317</u>	<u>\$ 4,622,794</u>	<u>\$ 2,050,485</u>	<u>\$ 23,596,596</u>

Changes in endowment net assets and a summary of investment return for the year ended June 30, 2015 are as follows:

	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Endowment net assets, beginning of year	\$ 26,475,730	\$ 4,254,477	\$ 2,031,594	\$ 32,761,801
Investment return				
investment income, net of \$90,841 in fees	449,756	9,242	-	458,998
Realized gains on investments	2,130,337	556,892	-	2,687,229
Net depreciation of investments	<u>(1,665,125)</u>	<u>(440,066)</u>	-	<u>(2,105,191)</u>
Total investment return	914,968	126,068	-	1,041,036
Deposits	958,486	934,737	-	1,893,223
Appropriated withdrawals - to support operations	(1,208,723)	(6,540)	-	(1,215,263)
Appropriated withdrawals - other	(4,754,610)	-	-	(4,754,610)
Releases from restrictions and other withdrawals	(10,678)	(229,329)	-	(240,007)
Reclassifications of restricted funds	-	<u>(18,891)</u>	18,891	-
Endowment net assets, end of year	<u>\$ 22,375,173</u>	<u>\$ 5,060,522</u>	<u>\$ 2,050,485</u>	<u>\$ 29,486,180</u>

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

3. Fair Value Measurement

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and liabilities measured at fair value on a recurring basis are summarized below.

	<u>Fair Value Measurements at June 30, 2016, Using:</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments limited as to use				
Cash and cash equivalents	\$ 1,918,118	\$ 1,918,118	\$ -	\$ -
Marketable equity securities	15,493,466	15,493,466	-	-
U.S. Treasury notes and obligations of government agencies	210,284	210,284	-	-
Mutual funds	3,631,417	3,631,417	-	-
Corporate bonds	<u>2,343,311</u>	-	<u>2,343,311</u>	-
Total investments limited as to use	<u>\$ 23,596,596</u>	<u>\$ 21,253,285</u>	<u>\$ 2,343,311</u>	<u>\$ -</u>
Beneficial interest in perpetual trusts	<u>\$ 1,653,910</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,653,910</u>
Investments to fund deferred compensation				
Cash and cash equivalents	\$ 143	\$ 143	\$ -	\$ -
Mutual funds	<u>58,134</u>	<u>58,134</u>	-	-
Total investments to fund deferred compensation	<u>\$ 58,277</u>	<u>\$ 58,277</u>	<u>\$ -</u>	<u>\$ -</u>
Interest rate swap liability	<u>\$ 341,513</u>	<u>\$ -</u>	<u>\$ 341,513</u>	<u>\$ -</u>

SWEETSER, SUBSIDIARY AND AFFILIATE
Notes to Consolidated Financial Statements
June 30, 2016 and 2015

	Fair Value Measurements at June 30, 2015, Using:			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments limited as to use				
Cash and cash equivalents	\$ 2,990,784	\$ 2,990,784	\$ -	\$ -
Marketable equity securities	17,560,335	17,560,335	-	-
U.S. Treasury notes and obligations of government agencies	1,798,441	1,798,441	-	-
Mutual funds	2,484,467	2,484,467	-	-
Corporate bonds	<u>4,652,153</u>	<u>-</u>	<u>4,652,153</u>	<u>-</u>
Total investments limited as to use	<u>\$ 29,486,180</u>	<u>\$ 24,834,027</u>	<u>\$ 4,652,153</u>	<u>\$ -</u>
Beneficial interest in perpetual trusts	<u>\$ 1,724,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,724,234</u>
Investments to fund deferred compensation				
Cash and cash equivalents	\$ 24,535	\$ 24,535	\$ -	\$ -
Mutual funds	<u>529,467</u>	<u>529,467</u>	<u>-</u>	<u>-</u>
Total investments to fund deferred compensation	<u>\$ 554,002</u>	<u>\$ 554,002</u>	<u>\$ -</u>	<u>\$ -</u>
Interest rate swap liability	<u>\$ 108,959</u>	<u>\$ -</u>	<u>\$ 108,959</u>	<u>\$ -</u>

Level 2 consists of corporate bonds and an interest rate swap liability. The corporate bonds are valued based on quoted prices for similar assets. The interest rate swap liability is valued at the present value of future expected cash flows, based on market expectations regarding future interest rates.

The beneficial interest in perpetual trusts is valued based on quoted market prices of the assets in the trusts multiplied by Sweetser's share of the trusts. The fair value of Level 3 assets is based on the market prices of the underlying assets, but is classified as Level 3 as there is no market in which to trade the beneficial interest itself.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value:

Balance, July 1, 2014	\$ 1,758,486
Change in value of trusts	<u>(34,252)</u>
Balance, June 30, 2015	1,724,234
Change in value of trusts	<u>(70,324)</u>
Balance, June 30, 2016	\$ <u>1,653,910</u>

4. Land, Buildings and Equipment

A summary of land, buildings and equipment follows:

	<u>2016</u>	<u>2015</u>
Buildings and improvements	\$ 22,853,527	\$ 22,373,897
Equipment	6,747,246	6,965,171
Land and improvements	2,425,053	2,380,982
Capital projects in progress	<u>389,228</u>	<u>151,192</u>
	32,415,054	31,871,242
Less accumulated depreciation	<u>(19,034,357)</u>	<u>(18,238,851)</u>
	\$ <u>13,380,697</u>	\$ <u>13,632,391</u>

5. Accounts and Grants Receivable

Components of accounts and grants receivable and their related concentrations at June 30 follow:

	<u>2016</u>		<u>2015</u>	
MaineCare	\$ 2,283,722		\$ 2,691,061	
Unapplied nonclaims-specific payments received	<u>(4,056)</u>		<u>(1,487)</u>	
MaineCare, net	2,279,666	45%	2,689,574	52%
Grants and other payors	2,338,459	46%	1,954,856	38%
Self-pay	<u>458,019</u>	9%	<u>501,230</u>	10%
	5,076,144	100%	5,145,660	100%
Less: allowance for doubtful accounts	<u>(263,948)</u>		<u>(285,699)</u>	
	\$ <u>4,812,196</u>		\$ <u>4,859,961</u>	

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

6. Operating Line of Credit

The Organization has a \$6,000,000 unsecured operating line of credit with interest at the bank's base rate (3.50% at June 30, 2016). The line of credit is renewed annually on or about November 30, subject to the bank's review. Sweetser is in compliance with the financial ratio covenant required under the operating line of credit as of and for the year ended June 30, 2016.

7. Letter of Credit

Sweetser has available a \$500,000 irrevocable standby letter of credit with Key Bank, which expires on October 8, 2016 and serves as collateral for a direct reimbursement agreement with the State of Maine for unemployment benefits. Under the agreement, the liability for unemployment benefits can extend up to 30 months should the business of the Organization cease. The letter of credit is anticipated to be automatically extended annually, without amendment. There was no outstanding balance on this letter of credit at June 30, 2016.

8. Capital Revolver

The Organization has a \$100,000 capital revolver available with interest at the bank's base rate plus .50% or the 30-day London Interbank Offered Rate plus 3.25% (3.72% at June 30, 2016). As of June 30, 2016, there was \$90,646 in advances outstanding. At June 30, 2015, there was no advance outstanding on the capital revolver. Sweetser is in compliance with the financial covenant ratio required under the capital revolver as of and for the year ended June 30, 2016. The revolver agreement is renewed annually and collateralized by certain equipment.

Assuming the revolver is continually renewed, maturities are as follows:

2017	\$	19,000
2018		19,000
2019		19,000
2020		19,000
2021		<u>14,646</u>
	\$	<u>90,646</u>

SWEETSER, SUBSIDIARY AND AFFILIATE
Notes to Consolidated Financial Statements
June 30, 2016 and 2015

9. Long-Term Debt

A summary of long-term debt follows:

	<u>2016</u>	<u>2015</u>
Finance Authority of Maine (FAME) 2014 Revenue Obligation Bonds, net of original issue discount of \$318,486 and \$344,805 at June 30, 2016 and 2015, respectively, due in monthly installments ranging from \$63,990 to \$71,115, including interest at 67% of the one-month LIBOR plus 1.61% (1.92% at June 30, 2016) through September 2023; collateralized by real estate.	\$ 7,451,246	\$ 8,002,141
Maine State Housing Authority note payable, due in monthly installments of \$3,744, including interest at 7%, through March 2023; collateralized by real estate at 1152 Rockland Street, Rockport, ME.	442,410	455,851
Maine State Housing Authority deferred notes payable, forgivable in March 2023 as long as the Organization maintains the programs in accordance with agreements; collateralized by real estate at 1152 Rockland Street, Rockport, ME.	100,000	100,000
Federal Home Loan Bank note payable, forgiven in November 2015.	<u> -</u>	<u> 30,000</u>
Total long-term debt	<u>\$ 7,993,656</u>	<u>\$ 8,587,992</u>

The indentures and loan agreements related to the bonds contain a number of financial and nonfinancial covenants. Sweetser was in compliance with all covenants as of and for the year ended June 30, 2016 and 2015.

Bond issuance costs incurred in connection with the issuance of FAME Revenue Bonds are being amortized over the life of the bonds and are included in goodwill, other intangibles and deferred charges, net in the statements of financial position.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Maturities of long-term debt are as follows:

2017	\$ 601,000
2018	612,000
2019	624,000
2020	635,000
2021	648,000
Thereafter	<u>4,873,656</u>
	<u>\$ 7,993,656</u>

Interest Rate Swap

In connection with the FAME 2014 Revenue Obligation Bonds and a related note payable through Key Bank, the Organization entered into an interest rate swap agreement to hedge the interest rate risk. Under this agreement, the Organization makes and receives payments based on the difference between the fixed-rate interest payments and the variable market-indexed payments. The notional amount of the interest rate swap outstanding totaled \$7,596,911 and \$8,148,178 as of June 30, 2016 and 2015, respectively. The interest rate swap agreement, expiring in September 2023, requires the Organization to pay a fixed interest rate of 3.10% in exchange for a variable rate of 67% of the one-month LIBOR plus 1.61% (1.92% at June 30, 2016).

The Organization is required to include the fair value of the swap in the consolidated statement of financial position, and annual changes, if any, in the fair value of the swap in the consolidated statement of activities. These annual accounting adjustments of value changes in the swap transaction are non-cash recognition requirements, the net effect of which will be zero at the end of the 10-year term. The Organization retains the sole right to terminate the swap agreements should the need arise. The swap was recorded at its liability position of \$341,513 and \$108,959 at June 30, 2016 and 2015, respectively.

10. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets consist of the following:

	<u>2016</u>	<u>2015</u>
Investments - appreciation on permanently restricted net assets	\$ 3,987,970	\$ 4,188,252
Restricted for various program operating expenses and capital expenditures	<u>634,824</u>	<u>872,270</u>
	<u>\$ 4,622,794</u>	<u>\$ 5,060,522</u>

SWEETSER, SUBSIDIARY AND AFFILIATE
Notes to Consolidated Financial Statements
June 30, 2016 and 2015

Permanently restricted net assets by availability and use of earnings restrictions are as follows:

	<u>2016</u>	<u>2015</u>
Invested by Sweetser		
General purposes	\$ 1,930,635	\$ 1,930,635
Program activities	<u>119,850</u>	<u>119,850</u>
	2,050,485	2,050,485
Beneficial interest in perpetual trusts held by others	<u>1,653,910</u>	<u>1,724,234</u>
	\$ <u>3,704,395</u>	\$ <u>3,774,719</u>

Income received on the perpetual trusts is unrestricted.

11. Postretirement Benefits

The Organization provides health care, dental and life insurance benefits for certain retired employees who had elected to remain in Sweetser's insurance plans. The Plan is unfunded and is closed to all employees with retirement dates after December 31, 1995. Participant criteria included: the retiree must have been a participant in the health insurance plans prior to retirement; the retiree must have attained the minimum age of 62; and the retiree must have completed a minimum of ten years of employment with the Organization.

The actuarially determined accumulated postretirement benefit obligation approximates the amount recognized in the statement of financial position. Related expense and benefits paid are not material.

For measurement purposes, a 5% annual rate increase in the per capita cost of covered health care and life insurance benefits was assumed for 2016 and thereafter. The weighted average discount rate used in determining the accumulated postretirement benefit obligation was 6%.

12. Defined Contribution Retirement Plan

Sweetser maintains a 403(b) Plan. All employees of the Organization participate in the 403(b) Plan. Under this Plan, Sweetser must match contributions made by participants up to 3% of compensation. During the years ended June 30, 2016 and 2015, Sweetser contributed \$361,926 and \$360,953, respectively, to the 403(b) Plan.

13. Contingencies - Malpractice Insurance

The Organization insures its medical malpractice risks and the risks of its employee physicians and other clinical professionals under two separate policies, both of which are on an occurrence basis. As of June 30, 2016, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor were there any unasserted claims or incidents which required loss accrual.

SWEETSER, SUBSIDIARY AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

14. Leases

The Organization leases office space and equipment under several operating leases expiring from October 2016 through July 2021. Future minimum payments under these leases for fiscal years ending June 30 are as follows:

2017	\$ 566,324
2018	436,412
2019	233,721
2020	141,724
2021	<u>6,856</u>
	<u>\$ 1,385,037</u>

Lease expense was \$1,511,495 and \$1,413,630 for the years ended June 30, 2016 and 2015, respectively.

The Organization's subsidiary leases its warehouse to an unrelated party under a noncancelable operating lease expiring in March 2017. Future minimum lease payment required under the lease is \$32,063 for the year ending June 30, 2017.

SUPPLEMENTARY INFORMATION

SWEETSER, SUBSIDIARY AND AFFILIATE
Consolidating Statement of Financial Position

June 30, 2016

ASSETS

	<u>Sweetser</u>	<u>Unit 2 at Bath Road, LLC</u>	<u>329 Bath Road Condominiums Owners Association</u>	<u>Eliminations</u>	<u>Combined Total</u>
Cash	\$ 205,564	\$ 26,455	\$ -	\$ -	\$ 232,019
Trustee-held funds	45,994	-	-	-	45,994
Accounts receivable, net	4,812,196	-	-	-	4,812,196
Other receivables	222,847	14,107	-	-	236,954
Due from subsidiary and affiliate	311,690	-	-	(311,690)	-
Prepaid expenses and supplies	362,416	-	-	-	362,416
Investments limited as to use					
Internally designated for operations and capital acquisition	16,923,317	-	-	-	16,923,317
Temporarily restricted	4,622,794	-	-	-	4,622,794
Permanently restricted	2,050,485	-	-	-	2,050,485
Land, buildings and equipment					
Buildings and improvements	22,409,102	444,425	-	-	22,853,527
Equipment	6,747,246	-	-	-	6,747,246
Land and improvements	2,425,053	-	-	-	2,425,053
Construction in progress	<u>389,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>389,228</u>
	31,970,629	444,425	-	-	32,415,054
Less accumulated depreciation	<u>(18,941,393)</u>	<u>(92,964)</u>	<u>-</u>	<u>-</u>	<u>(19,034,357)</u>
Net land, buildings and equipment	<u>13,029,236</u>	<u>351,461</u>	<u>-</u>	<u>-</u>	<u>13,380,697</u>
Goodwill, other intangibles and deferred charges, net	2,393,261	-	-	-	2,393,261
Other assets	82,398	-	4,191	-	86,589
Beneficial interest in perpetual trusts	<u>1,653,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,653,910</u>
Total assets	<u>\$ 46,716,108</u>	<u>\$ 392,023</u>	<u>\$ 4,191</u>	<u>\$ (311,690)</u>	<u>\$ 46,800,632</u>

SWEETSER, SUBSIDIARY AND AFFILIATE
Consolidating Statement of Financial Position

June 30, 2016

LIABILITIES AND NET ASSETS (DEFICIT)

	Sweetser	Unit 2 at Bath Road, LLC	329 Bath Road Condominiums Owners Association	Eliminations	Combined Total
Liabilities					
Accounts payable	\$ 977,802	\$ -	\$ -	\$ -	\$ 977,802
Accrued payroll and related liabilities	2,076,891	-	-	-	2,076,891
Deferred compensation	58,277	-	-	-	58,277
Accrued postretirement benefit obligation	157,178	-	-	-	157,178
Other accrued expenses	305,226	3,000	-	-	308,226
Due to Sweetser	-	209,159	102,531	(311,690)	-
Capital revolver	90,646	-	-	-	90,646
Interest rate swap liability	341,513	-	-	-	341,513
Long-term debt	<u>7,993,656</u>	-	-	-	<u>7,993,656</u>
Total liabilities	<u>12,001,189</u>	<u>212,159</u>	<u>102,531</u>	<u>(311,690)</u>	<u>12,004,189</u>
Net assets (deficit)					
Unrestricted	26,387,730	179,864	(98,340)	-	26,469,254
Temporarily restricted	4,622,794	-	-	-	4,622,794
Permanently restricted	<u>3,704,395</u>	-	-	-	<u>3,704,395</u>
Total net assets (deficit)	<u>34,714,919</u>	<u>179,864</u>	<u>(98,340)</u>	<u>-</u>	<u>34,796,443</u>
Total liabilities and net assets (deficit)	<u>\$ 46,716,108</u>	<u>\$ 392,023</u>	<u>\$ 4,191</u>	<u>\$ (311,690)</u>	<u>\$ 46,800,632</u>

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidating Statement of Changes in Unrestricted Net Assets (Deficit)

Year Ended June 30, 2016

	<u>Sweetser</u>	<u>Unit 2 at Bath Road, LLC</u>	<u>329 Bath Road Condominiums Owners Association</u>	<u>Total</u>
Changes in net assets from operations				
Unrestricted operating revenues				
Net program service revenue	\$ 52,556,813	-	\$ -	\$ 52,556,813
Gifts and grants	897,981	-	-	897,981
Miscellaneous revenue	454,910	-	-	454,910
Budgeted income on investments	1,193,126	-	-	1,193,126
Net assets released in satisfaction of program restrictions	<u>208,414</u>	<u>-</u>	<u>-</u>	<u>208,414</u>
Total operating revenues	<u>55,311,244</u>	<u>-</u>	<u>-</u>	<u>55,311,244</u>
Operating expenses				
Salaries	26,369,090	-	-	26,369,090
Employee health and retirement benefits	4,372,298	-	-	4,372,298
Payroll taxes and unemployment benefits	2,009,928	-	-	2,009,928
Professional fees clinical	12,484,271	-	-	12,484,271
Professional fees other	842,206	-	-	842,206
Contracted services	246,326	-	-	246,326
Children's work study	41,005	-	-	41,005
Food	515,507	-	-	515,507
Supplies	715,932	-	-	715,932
Telephone	527,182	-	-	527,182
Electricity, fuel and water	544,811	-	-	544,811
Repairs and maintenance	879,799	-	-	879,799
Rent	566,151	-	-	566,151
Service provider taxes	630,185	-	-	630,185
Insurance	289,093	-	-	289,093
Postage	60,552	-	-	60,552
Printing and stationery	45,905	-	-	45,905
Special assistance	1,284,077	-	-	1,284,077
Staff expenses	285,988	-	-	285,988
Dues, subscriptions and recreation	97,700	-	-	97,700
Travel and auto	654,398	-	-	654,398
Bad debts	322,977	-	-	322,977
Interest	479,094	-	-	479,094
Depreciation of buildings and equipment	1,292,264	-	-	1,292,264
Amortization	43,472	-	-	43,472
Miscellaneous	<u>4,273</u>	<u>-</u>	<u>-</u>	<u>4,273</u>
Total operating expenses	<u>55,604,484</u>	<u>-</u>	<u>-</u>	<u>55,604,484</u>
Change in net assets from operations	<u>(293,240)</u>	<u>-</u>	<u>-</u>	<u>(293,240)</u>

(Continued on next page)

SWEETSER, SUBSIDIARY AND AFFILIATE

Consolidating Statement of Changes in Unrestricted Net Assets (Deficit)

Year Ended June 30, 2016

	<u>Sweetser</u>	Unit 2 at Bath Road, LLC	329 Bath Road Condominiums Owners Association	<u>Total</u>
Other changes				
Loss on investments, net of amount budgeted for operations and investment management fees	\$ (1,474,868)	\$ -	\$ -	\$ (1,474,868)
Net assets released from restriction for satisfaction of capital purchase restrictions	265,844	-	-	265,844
Rental (loss) income, net	(1,174,669)	37,015	(13,547)	(1,151,201)
Prior service costs-postretirement benefits	2,745	-	-	2,745
Change in fair value of interest rate swap	<u>(232,554)</u>	<u>-</u>	<u>-</u>	<u>(232,554)</u>
Net other changes	<u>(2,613,502)</u>	<u>37,015</u>	<u>(13,547)</u>	<u>(2,590,034)</u>
Change in unrestricted net assets (deficit)	<u>\$ (2,906,742)</u>	<u>\$ 37,015</u>	<u>\$ (13,547)</u>	<u>\$ (2,883,274)</u>

Allocations 2012-2016

Agency	2016 Allocation	2016 Request	2015 Allocation	2014 Allocation	2013 Allocation	2012 Allocation
American Red Cross	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00
Biddeford Food Pantry (Friends of Community Action Food Pantry)	\$10,000.00	\$17,500.00	\$0.00	\$3,000.00	\$6,400.00	\$8,566.00
Biddeford Free Clinic (CLOSED)	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00	\$1,000.00
Bon Appetit Meal Program	\$15,000.00	\$20,000.00	\$17,500.00	\$15,070.00	\$10,000.00	\$20,066.00
Caring Unlimited	\$6,000.00	\$6,383.00	\$6,020.00	\$3,500.00	\$3,500.00	\$0.00
City of Biddeford Emergency Apartment (formally: The Maine Way)	\$0.00	\$0.00	\$5,780.00	\$10,560.00	\$10,200.00	\$6,800.00
Community Bicycle Center	\$2,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$2,500.00	\$0.00
Community Partners, Inc.	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00	\$0.00
Creative Works Systems	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Day One	\$1,200.00	\$1,200.00	\$1,200.00	\$1,000.00	\$1,000.00	\$0.00
In A Pinch Non Food Pantry	\$8,000.00	\$8,000.00	\$5,000.00	\$4,070.00	\$3,400.00	\$4,000.00
Joyful Harvest (CLOSED)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,500.00	\$0.00
Kids Free to Grow	\$0.00 (offered/accepted space at Support Center instead)	\$1,000.00	\$500.00	\$800.00	\$0.00	\$0.00
Maine Behavioral Health Care (Common Connection Club)	\$0.00 (denied-late application)	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$0.00
Maine Health Care at Home (formally: Home Health Visiting Nurses)	\$2,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$3,000.00	\$0.00
Seeds of Hope	\$7,800.00	\$10,000.00	\$9,000.00	\$0.00	\$0.00	\$0.00

Allocations 2012-2016

Sexual Assault Response Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Southern Maine Agency on Aging (Meals on Wheels)	\$0.00 (denied-receives CDBG)	\$2,000.00	\$1,500.00	\$1,500.00	\$1,000.00	\$2,000.00
Stone Soup Food Pantry	\$5,000.00	\$5,000.00	\$0.00	\$3,000.00	\$10,000.00	\$13,568.00
Sweetser	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
York County Community Action	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
York County Shelters	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$57,000.00	\$81,583.00	\$57,000.00	\$57,000.00	\$57,000.00	\$57,000.00

SSBRC FY 2017/2018

Worksheet

Organization	Application Mailed	Application Received	Amount Requesting	Reccommended Amount	Notes
American Red Cross	X	X	\$2,500.00		
Biddeford Food Pantry (Friends of Community Action Food Pantry)	X	X	\$20,000.00		
Bon Appetit Meal Program	X	X	\$20,000.00		
Caring Unlimited	X	X	\$6,383.00		
Community Bicycle Center	X	X	\$2,000.00		
Community Partners, Inc.	X				
Creative Works Systems	X				
Day One	X	X	\$1,400.00		
In A Pinch Non Food Pantry	X	X	\$8,000.00		
Kids Free to Grow	X	X	\$500.00		
Maine Behavioral Health Care (Common Connection Club)	X				
Maine Health Care at Home (formally: Home Health Visiting Nurses)	X	X	\$5,000.00		
Seeds of Hope	X	X	\$12,000.00		
Sexual Assault Response Services	X				
Southern Maine Agency on Aging (Meals on Wheels)	X	X	\$4,000.00		
Stone Soup Food Pantry	X				
Sweetser	X	X	\$2,500.00		
York County Community Action	X				
York County Shelters	X				
			\$84,283.00		