

**GRAND RAPIDS CABLE ACCESS CENTER, INC.  
D/B/A COMMUNITY MEDIA CENTER**

**FINANCIAL STATEMENTS**

**For the Years Ended June 30, 2016 and 2015**

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# SEBER TANS, PLC

CONSULTANTS & CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Grand Rapids Cable Access Center, Inc.  
d/b/a Community Media Center  
Grand Rapids, Michigan

We have audited the accompanying financial statements of the Grand Rapids Cable Access Center, Inc., d/b/a Community Media Center (the Center) which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our 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 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 Center'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 Center'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 Grand Rapids Cable Access Center d/b/a Community Media Center as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matter**

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

*Seber Tans, PLC*

Seber Tans, PLC  
October 26, 2016

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Statements of Financial Position  
June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 471,355	\$ 479,008
Accounts Receivable, net of allowance for doubtful accounts of \$2,000	31,932	16,578
Total Current Assets	<u>503,287</u>	<u>495,586</u>
Property and Equipment		
Land	220,000	220,000
Buildings	1,314,220	1,039,047
Leasehold Improvements	645,354	645,354
Radio Tower	214,227	214,227
Office Equipment and Computers	385,881	385,881
Production and Service Equipment	1,453,858	1,299,932
Vehicles	56,984	56,984
Artwork	58,000	58,000
	<u>4,348,524</u>	<u>3,919,425</u>
Accumulated depreciation	<u>(2,677,959)</u>	<u>(2,492,486)</u>
	<u>1,670,565</u>	<u>1,426,939</u>
Other Assets		
Cash restricted for long-term use	51,257	57,611
<b>Total Assets</b>	<b><u>\$ 2,225,109</u></b>	<b><u>\$ 1,980,136</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 397	\$ 993
Accrued salaries and wages	80,023	76,960
Deferred revenue	86,226	118,038
Total current liabilities	<u>166,646</u>	<u>195,991</u>
Net Assets		
Unrestricted	1,975,510	1,718,513
Temporarily restricted	82,953	65,632
Total Net Assets	<u>2,058,463</u>	<u>1,784,145</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 2,225,109</u></b>	<b><u>\$ 1,980,136</u></b>

See Accompanying Notes to Financial Statements

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Statements of Activities  
For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Unrestricted Net Assets</b>		
Public Support and Revenue		
Contract revenue	\$ 763,836	\$ 616,084
Grants and contributions	695,101	503,253
In kind contributions:		
Property and goods	23,250	37,418
Services	277,158	266,152
Class fees	17,160	19,920
Membership dues	26,054	24,632
Services revenue	251,982	240,608
Sale of inventory	69,310	64,663
Interest and other income	6,823	20,026
Rental income	19,639	17,457
Total Public Support and Revenue	<u>2,150,313</u>	<u>1,810,213</u>
Net assets released from restriction	7,679	112,897
Total Support and Revenue and Reclassifications	<u>2,157,992</u>	<u>1,923,110</u>
 Expenses		
Program Services		
GRTV	381,615	366,260
Venue services	389,681	393,337
WYCE	457,825	480,888
IT Services	158,439	190,283
Education	69,008	113,488
Rapidian	131,815	162,025
Other programs	139,450	49,975
Total Program Services	<u>1,727,833</u>	<u>1,756,256</u>
Supporting Services		
Management and general	86,355	123,609
Fundraising	86,807	60,833
Total Supporting Services	<u>173,162</u>	<u>184,442</u>
 Total Expenses	<u>1,900,995</u>	<u>1,940,698</u>
 Change in Unrestricted Net Assets	256,997	(17,588)
 <b>Temporarily Restricted Net Assets</b>		
Grants and contributions	25,000	-
Expiration of restrictions on funding	(7,679)	(112,897)
Change in Temporarily Restricted Net Assets	<u>17,321</u>	<u>(112,897)</u>
 <b>Changes in Net Assets</b>	<b>274,318</b>	<b>(130,485)</b>
 Net Assets at Beginning of Year	<u>1,784,145</u>	<u>1,914,630</u>
 <b>Net Assets at End of Year</b>	<b><u>\$ 2,058,463</u></b>	<b><u>\$ 1,784,145</u></b>

See Accompanying Notes to Financial Statements

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Statements of Cash Flows  
For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 274,318	\$ (130,485)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	185,474	173,534
Changes in operating assets and liabilities:		
Accounts receivable	(15,354)	28,151
Accounts payable	(596)	(14,711)
Accrued expenses	3,063	3,983
Deferred revenue	(31,812)	98,561
Net Cash Provided by Operating Activities	<u>415,093</u>	<u>159,033</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(429,100)	(157,066)
Net withdrawals from restricted cash	6,354	108,574
Net Cash Used in Investing Activities	<u>(422,746)</u>	<u>(48,492)</u>
<b>Change in Cash</b>	<b>(7,653)</b>	<b>110,541</b>
Cash at Beginning of Year	<u>479,008</u>	<u>368,467</u>
<b>Cash at End of Year</b>	<b><u>\$ 471,355</u></b>	<b><u>\$ 479,008</u></b>

See Accompanying Notes to Financial Statements

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE A – Summary of Significant Accounting Policies**

Business Activities

The Grand Rapids Cable Access Center, Inc. d/b/a Community Media Center (the Center) operates through funding provided by a contract with the City of Grand Rapids, membership fees, class fees, grants and donations. The Center operates GRTV, a nonprofit public access television station. Its purpose is to provide metropolitan Grand Rapids and selected outlying communities with non-commercial access programming through Comcast Cable Services. The funding provided by the City is restricted to funding the operations of GRTV only and is required to be maintained in a segregated bank account. The contract between the Center and the City expires December 31, 2017. Current programs and services provided by Grand Rapids Cable Access Center, Inc. d/b/a Community Media Center include the following:

Other Programming Services

The Center provides project based media and technology services in partnerships with various community entities.

GRTV

GRTV is the designated public access television provider for the City of Grand Rapids and many of the surrounding communities. GRTV plays non-commercial video programs submitted by the community on channels 25 and 24 (LiveWire). GRTV also loans out equipment to make programs and conducts training workshops to certify Community Media Center members to borrow equipment for these purposes. GRTV also has a production wing called Community Media Services that helps other nonprofit organizations with their media production needs.

Wealthy Theatre

The Community Media Center operates the Wealthy Theatre, a historic, 400-seat neighborhood theatre. The theatre is a community space for concerts, films, lectures and other performances and rehearsals. Wealthy Theatre is also available for member programmed events. A concession stand and smaller meeting rooms are also available to support events.

WYCE 88.1 FM

The Center operates WYCE 88.1 FM, a non-commercial, educational radio station. The station is funded through listener contributions, class fees, promotional concert series and fundraising events.

IT Services

The Center provides IT Services for nonprofit organizations.

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE A – Summary of Significant Accounting Policies (Continued)**

Education Services

The Center operates on site and off site educational training in media production, media literacy, and technology applications. Educational services are funded through donations, grants, user fees and consulting services.

Rapidian

Is a hyper-local, web-based community news and information site. Content is created by volunteer citizen journalists, interns and CMC staff.

Basis of Presentation

The financial statements of the Center have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

*Unrestricted net assets* are not subject to donor-imposed restrictions.

*Temporarily restricted net assets* are subject to donor-imposed restrictions that may or will be met, either by the actions of the Center and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Permanently restricted net assets* are subject to donor-imposed restrictions and maintained permanently by the Organization. Generally, the donors of these assets permit the Center to use all or part of the income earned on any related investments for general or specific purposes.

The Organization does not have any permanently restricted net assets at June 30, 2016.

Cash Equivalents

For purposes of the statement of cash flows, cash is defined as cash in checking, savings, and money market accounts, and investments with an initial maturity of less than three months.

Accounts 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 evaluation of the status of individual accounts, past credit history with customers and the customers' current financial condition. 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. Changes in the valuation allowance have not been material to the financial statements.

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE A – Summary of Significant Accounting Policies (Continued)**

Contributions and Promises

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Center reports gifts of cash and other assets as 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 to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If the restriction will be met in the same reporting period, the support will be recorded as unrestricted.

Unconditional promises to give are recognized as revenue in the period the promise is made and as assets, decreases of liabilities or expenses depending on the form of the benefits to be received. Conditional promises to give are recognized when the conditions upon which they depend are substantially met.

Promises to give 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 evaluation of the status of individual accounts, past credit history with donors and the donors' current financial condition. 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. Changes in the valuation allowance have not been material to the financial statements. The majority of these promises are expected to be collected within one year. The long term portion of promises to give has been deemed immaterial to segregate and the related discount has been deemed immaterial to record.

Property and Equipment

The Center follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$1,000. Donations of property and equipment are recorded as support at the estimated fair value at the time received. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. 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 long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Depreciation is recorded on the straight-line and accelerated methods at rates based on the estimated useful life of the asset. Works of art are not depreciated because they do not have a determinable useful life.

In the event the contract between the Center and the City of Grand Rapids (City) is terminated, the Center is required to transfer title and possession of all assets acquired in whole or part with funds provided by the City, or with funds raised independently by the Center which were used to qualify for payment of matching funds, to the City.

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE A – Summary of Significant Accounting Policies (Continued)**

Donated Services, Property, Goods and Facilities

Amounts that have been reported in the financial statements as voluntary donations of services are those services that create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills, which would be typically purchased if not provided by donation. In-kind services of \$277,158 and \$266,152 have been recorded in the statements of activities for the years ended June 30, 2016 and 2015, respectively.

In addition, contributions of property, goods and facilities of \$23,250 and \$37,418 are recorded in the statements of activities at their estimated fair value for the years ended June 30, 2016 and 2015, respectively.

Functional Allocation of Expenses

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

Income Taxes

The Internal Revenue Service has determined the Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). However, the Center receives rental income from a cellular company that is unrelated to their tax exempt purpose and accordingly is subject to unrelated business income taxes on the rental income.

Management of the Center considers the likelihood of changes by taxing authorities in its exempt organization returns and discloses potential significant changes that management believes are more likely than not to occur upon examination by tax authorities. Management has not identified any uncertain tax positions in filed returns that require disclosure in the accompanying financial statements.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of management's estimates. These estimates affect the amounts reported in the financial statements and the disclosures provided. Actual results may differ from management's estimates.

Advertising Costs

All advertising costs are expensed in the period in which they are incurred.

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE B – Restriction on Assets**

Temporarily restricted net assets consist of cash and promises to give as follows:

	2016	2015
Donor restricted for long-term assets	\$ 51,257	\$ 57,611
Specific purpose	31,696	8,021
	<u>\$ 82,953</u>	<u>\$ 65,632</u>

**NOTE C – Concentrations**

Major Funding Source

Approximately 41% of the Center's revenue was provided by the City of Grand Rapids under an operating agreement providing funding to the Center through fees received from commercial cable providers for the years ended June 30, 2016 and 2015, respectively. The agreement with the City of Grand Rapids expires December 31, 2017.

Credit Risk

The Center has financial instruments that are subject to credit risk which include: accounts receivable, promises receivable, and cash that at times may exceed FDIC insurance limits. The Center maintains its cash deposits with several financial institutions. The Federal Deposit Insurance Corporation insures accounts at each institution up to \$250,000. At June 30, 2016, approximately \$53,000 of the Center's cash deposit balances were in excess of the FDIC insured limits.

**NOTE D – Leases**

The Center leases facilities under an operating lease that was extended subsequent to June 30, 2016, expiring December 31, 2037. The lease requires an annual payment of \$5,000. Lease expense totaled \$5,000 during each of the years ended June 30, 2016 and 2015.

The future minimum lease payments required under this facility lease agreement at June 30, 2016 are as follows:

2017	\$ 5,000
2018	5,000
2019	5,000
2020	5,000
2021	5,000
Thereafter	75,000
	<u>\$ 100,000</u>

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Notes to Financial Statements  
For the Years Ended June 30, 2016 and 2015**

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**NOTE E – Retirement Plan**

The Organization sponsors a retirement plan (the Plan) covering all eligible employees, which contains 403(b) salary reduction provisions. Under the Plan, an employee may elect to make a voluntary salary deferral to the Plan up to amounts allowed under federal law. Employer contributions to the Plan may be made annually based on a percentage of eligible employees' gross pay at the discretion of the Board of Directors. No employer contributions to the Plan were made during the fiscal years ended June 30, 2016 and 2015.

**NOTE F – Cash Flow Information**

No cash was paid for interest during the years ended June 30, 2016 and 2015. Cash paid for tax related to unrelated business income totaled approximately \$800 during each of the years ended June 30, 2016 and 2015.

**NOTE G – Subsequent Events**

Management has evaluated subsequent events through October 26, 2016, the date on which the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Schedule of Functional Expenses  
For the Year Ended June 30, 2016**

	<b>GRTV</b>	<b>Venue Services</b>	<b>WYCE</b>	<b>IT Services</b>	<b>Education</b>	<b>Rapidian</b>	<b>Other Programs</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fund-raising</b>	<b>Totals</b>
Compensation	\$ 176,055	\$ 125,558	\$ 111,571	\$ 98,862	\$ 31,069	\$ 98,220	\$ 104,185	\$ 745,520	\$ 22,473	\$ 62,595	\$ 830,588
Payroll taxes	15,036	9,488	8,752	7,267	5,198	7,998	-	53,739	2,735	4,734	61,208
Employee benefits	29,712	27,437	9,528	32,493	23,250	9,608	-	132,028	3,764	4,067	139,859
Contract labor	620	8,569	38,656	6,649	519	372	-	55,385	1,025	-	56,410
Consulting expense	-	-	120	-	-	-	6,000	6,120	-	9,720	15,840
Facility maintenance	386	7,439	151	101	67	202	9	8,355	555	-	8,910
Equipment maintenance	453	1,926	212	398	43	109	2,179	5,320	300	506	6,126
Telephone and internet	5,089	9,110	3,450	5,146	1,408	3,617	-	27,820	5,780	1,058	34,658
Staff and board development	405	292	164	109	83	219	375	1,647	602	-	2,249
Rent	1,000	800	450	300	200	600	-	3,350	1,650	-	5,000
Supplies	726	39,204	1,401	73	367	365	216	42,352	403	78	42,833
Utilities	5,216	43,973	14,226	1,565	1,043	3,130	-	69,153	8,607	-	77,760
Insurance	2,259	3,193	6,238	299	199	598	-	12,786	1,645	-	14,431
Membership and dues	406	906	6,943	121	345	434	250	9,405	332	276	10,013
Miscellaneous expense	4,461	3,569	2,838	1,338	892	2,677	(307)	15,468	7,361	-	22,829
License and permits	-	1,393	-	-	-	-	-	1,393	-	-	1,393
Postage and freight	610	148	1,586	53	57	106	-	2,560	291	-	2,851
Printing	1,675	666	4,836	196	122	410	26	7,931	1,008	1,938	10,877
Professional fees	3,657	8,923	6,973	1,116	780	2,184	680	24,313	5,964	116	30,393
Promotions	463	905	5,146	(11)	64	402	94	7,063	(59)	621	7,625
Travel and lodging	16	2,409	302	-	33	6	7	2,773	-	-	2,773
Vehicle expense	1,611	150	84	56	1,235	113	981	4,230	309	-	4,539
Minor equipment purchases	18,209	1,878	2,355	188	91	85	24,755	47,561	234	-	47,795
Major equipment purchases	976	-	-	-	-	-	-	976	-	-	976
Bad debt expense	-	-	250	177	-	-	-	427	-	-	427
In kind programmer	39,200	-	227,140	-	-	360	-	266,700	-	-	266,700
In kind contract labor	-	9,360	-	-	-	-	-	9,360	-	1,098	10,458
<b>Total Expenses</b>											
Before Depreciation	<u>308,241</u>	<u>307,296</u>	<u>453,372</u>	<u>156,496</u>	<u>67,065</u>	<u>131,815</u>	<u>139,450</u>	<u>1,563,735</u>	<u>64,979</u>	<u>86,807</u>	<u>1,715,521</u>
Depreciation expense	<u>73,374</u>	<u>82,385</u>	<u>4,453</u>	<u>1,943</u>	<u>1,943</u>	<u>-</u>	<u>-</u>	<u>164,098</u>	<u>21,376</u>	<u>-</u>	<u>185,474</u>
<b>Total Expenses</b>	<b>\$ 381,615</b>	<b>\$ 389,681</b>	<b>\$ 457,825</b>	<b>\$ 158,439</b>	<b>\$ 69,008</b>	<b>\$ 131,815</b>	<b>\$ 139,450</b>	<b>\$ 1,727,833</b>	<b>\$ 86,355</b>	<b>\$ 86,807</b>	<b>\$ 1,900,995</b>

See Independent Auditors' Report on Financial Statements

**Grand Rapids Cable Access Center  
d/b/a Community Media Center  
Schedule of Functional Expenses  
For the Year Ended June 30, 2015**

	<b>GRTV</b>	<b>Venue Services</b>	<b>WYCE</b>	<b>IT Services</b>	<b>Education</b>	<b>Rapidian</b>	<b>Other Programs</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fund-raising</b>	<b>Totals</b>
Compensation	\$ 197,824	\$ 137,780	\$ 114,302	\$ 131,483	\$ 70,149	\$ 110,223	\$ 39,940	\$ 801,701	\$ 49,027	\$ 38,531	\$ 889,259
Payroll taxes	15,477	10,397	8,728	9,746	5,483	8,483	589	58,903	4,033	2,931	65,867
Employee benefits	24,825	27,483	8,788	33,999	22,145	13,868	-	131,108	6,739	1,372	139,219
Contract labor	2,049	11,012	48,306	804	2,415	315	1,080	65,981	866	-	66,847
Consulting expense	(6)	(4)	747	(2)	(1)	(3)	6,000	6,731	(9)	8,578	15,300
Facility maintenance	230	7,105	131	303	46	138	-	7,953	379	1,629	9,961
Equipment maintenance	341	750	1,430	287	51	137	11	3,007	376	-	3,383
Telephone and internet	5,114	8,458	3,626	4,234	1,408	4,767	-	27,607	6,162	-	33,769
Staff and board development	135	100	871	38	25	75	(102)	1,142	208	794	2,144
Rent	1,000	800	450	300	200	600	-	3,350	1,650	-	5,000
Supplies	885	38,394	4,380	399	800	9,548	28	54,434	1,024	-	55,458
Utilities	6,308	40,945	14,723	1,892	1,262	3,785	-	68,915	10,408	-	79,323
Insurance	2,704	1,546	6,171	299	199	971	-	11,890	1,642	-	13,532
Membership and dues	640	584	7,559	143	46	209	588	9,769	378	400	10,547
Miscellaneous expense	4,263	3,411	2,743	1,279	853	2,558	-	15,107	7,034	423	22,564
License and permits	-	2,198	-	-	-	-	20	2,218	-	-	2,218
Postage and freight	407	380	2,013	101	68	301	4	3,274	556	-	3,830
Printing	1,023	1,471	5,856	260	227	1,862	117	10,816	1,262	-	12,078
Professional fees	3,884	8,503	5,670	1,165	902	2,496	568	23,188	6,365	-	29,553
Promotions	578	483	6,421	180	234	883	153	8,932	69	-	9,001
Travel and lodging	19	2,041	3,174	-	2,719	8	-	7,961	-	-	7,961
Vehicle expense	1,136	304	276	283	1,717	198	-	3,914	546	-	4,460
Minor equipment purchases	437	3,062	5,815	788	288	43	979	11,412	120	1,645	13,177
Major equipment purchases	-	-	-	-	-	-	-	-	-	4,530	4,530
Bad debt expense	-	231	1,750	50	-	-	-	2,031	-	-	2,031
In kind programmer	39,200	-	222,232	-	-	560	-	261,992	-	-	261,992
In kind contract labor	-	4,160	-	-	-	-	-	4,160	-	-	4,160
<b>Total Expenses</b>											
Before Depreciation	308,473	311,594	476,162	188,031	111,236	162,025	49,975	1,607,496	98,835	60,833	1,767,164
Depreciation expense	57,787	81,743	4,726	2,252	2,252	-	-	148,760	24,774	-	173,534
<b>Total Expenses</b>	<b>\$ 366,260</b>	<b>\$ 393,337</b>	<b>\$ 480,888</b>	<b>\$ 190,283</b>	<b>\$ 113,488</b>	<b>\$ 162,025</b>	<b>\$ 49,975</b>	<b>\$ 1,756,256</b>	<b>\$ 123,609</b>	<b>\$ 60,833</b>	<b>\$ 1,940,698</b>

See Independent Auditors' Report on Financial Statements