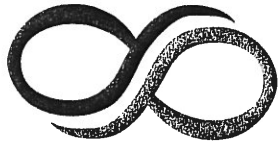


MEALS ON WHEELS  
PROGRAMS AND SERVICES OF ROCKLAND, INC.  
FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2015 AND 2014

**MEALS ON WHEELS  
PROGRAMS AND SERVICES OF ROCKLAND, INC.  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Meals on Wheels Programs and Services of Rockland, Inc.

We have audited the accompanying financial statements of Meals on Wheels Programs and Services of Rockland, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015, 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.

### ***Auditor's 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Meals on Wheels Programs and Services of Rockland, Inc. as of December 31, 2015, 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 Meals on Wheels Programs and Services of Rockland, Inc.'s December 31, 2014 financial statements, and in our report dated May 5, 2015, we expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Berard + Associates CPA's PC*

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**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
Cash	\$ 107,762	\$ 87,516
Cash-Endowment	144,179	143,523
Cash - Restricted	8,340	7,938
Investments	3	3
Contracts Receivable	431,329	395,723
Accounts Receivable	206,704	210,004
Inventory	13,204	11,279
Prepaid expenses and other	17,855	18,192
Total Current Assets	929,376	874,178
Building and Equipment (net of Depreciation)	1,895,072	1,983,047
<b>TOTAL ASSETS</b>	<b>\$ 2,824,448</b>	<b>\$ 2,857,225</b>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 37,928	\$ 33,402
Accrued Expenses	131,277	120,422
Current Portion of Vehicle Loan Payable	-	7,105
Crisp Assessment	45,085	34,000
Current Portion of Mortgage and Note Payable	318,397	228,695
Security Deposit	2,000	2,000
Total Current Liabilities	534,687	425,624
Long-term Liabilities		
Crisp Assessment	45,085	108,541
Mortgage and Note Payable	1,337,483	1,398,159
Total Long-term Liabilities	1,382,568	1,506,700
<b>Total Liabilities</b>	<b>1,917,255</b>	<b>1,932,324</b>
<b>Net Assets</b>		
Unrestricted Net Assets		
Undesignated	254,042	220,300
Net Investment in Property & Equipment	499,192	531,193
Total Unrestricted	753,234	751,493
Temporarily Restricted	153,959	173,408
Permanently Restricted	-	-
<b>TOTAL NET ASSETS</b>	<b>907,193</b>	<b>924,901</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,824,448</b>	<b>\$ 2,857,225</b>

See Notes to Financial Statements

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014 Total
	Unrestricted	Temporarily Restricted	Total	
<b>SUPPORT AND REVENUE</b>				
Contributions through United Way	\$ 13,394	\$ -	\$ 13,394	\$ 15,196
Contributions received from participants	127,547	-	127,547	136,095
Special Events - Revenue	243,998	-	243,998	239,410
Special Event Expenses	(68,324)	-	(68,324)	(61,819)
Contributions - General	220,131	-	220,131	256,372
Contributions - Senior Centers	-	22,076	22,076	23,975
Contributions-Inkind	279,165	-	279,165	263,765
Fees and grants from governmental agencies	1,832,320	-	1,832,320	1,849,349
Program service fees	880,823	-	880,823	844,572
Other income	29,605	-	29,605	12,650
Investment income	33	716	749	787
Realized Gain (loss) on sale of investment	-	-	-	(54)
Net Assets Released from Restrictions	42,241	(42,241)	-	-
Total support & revenue	<u>3,600,933</u>	<u>(19,449)</u>	<u>3,581,484</u>	<u>3,580,298</u>
<b>EXPENSES</b>				
Program services				
Senior Centers	1,076,104	-	1,076,104	1,158,391
Homebound	1,173,144	-	1,173,144	1,150,222
Adult Day Care	534,791	-	534,791	505,852
Other programs	269,904	-	269,904	279,463
Total program services	<u>3,053,943</u>	<u>-</u>	<u>3,053,943</u>	<u>3,093,928</u>
Supporting services				
General & Administration	415,106	-	415,106	404,574
Fund raising	130,143	-	130,143	126,613
Total supporting services	<u>545,249</u>	<u>-</u>	<u>545,249</u>	<u>531,187</u>
Total expenses	<u>3,599,192</u>	<u>-</u>	<u>3,599,192</u>	<u>3,625,115</u>
Change in net assets	1,741	(19,449)	(17,708)	(44,817)
Net Assets - Beginning of Year	<u>751,493</u>	<u>173,408</u>	<u>924,901</u>	<u>969,718</u>
Net Assets - End of Year	<u>\$ 753,234</u>	<u>\$ 153,959</u>	<u>\$ 907,193</u>	<u>\$ 924,901</u>

See Notes to Financial Statements

MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Senior Centers	Homebound	Adult Day Care	Other Programs	Total	Gen'l & Admin.	Fund Raising	Total	2015 Total Expenses	2014 Total Expenses
Salaries	\$ 571,762	\$ 503,093	\$ 339,172	\$ 105,343	\$ 1,519,370	\$ 219,806	\$ 89,377	\$ 309,183	\$ 1,828,553	\$ 1,817,192
Inkind Salaries	66,786	111,961	8,715	8,348	195,810	2,750	-	2,750	198,560	188,216
Payroll taxes	42,660	37,453	25,231	7,862	113,206	17,510	6,622	24,132	137,338	144,972
Employee benefits	31,671	32,087	21,313	8,883	93,954	80,561	1,045	81,606	175,560	171,622
<b>Total Salaries and Related Expenses</b>	712,879	684,594	394,431	130,436	1,922,340	320,627	97,044	417,671	2,340,011	2,322,002
Food	53,614	231,695	-	71,485	356,794	-	-	-	356,794	394,507
In Kind Food	2,145	51,536	-	-	53,681	-	-	-	53,681	49,422
Supplies	19,302	49,850	4,972	14,835	88,959	3,102	398	3,500	92,459	90,536
In Kind Supplies	2,925	-	-	-	2,925	-	-	-	2,925	2,128
Professional Fees	23,710	4,279	11,147	9,153	48,289	4,472	4,678	9,150	57,439	65,207
Vehicle operation	67,260	23,741	25,383	3,387	119,771	27	2	29	119,800	126,915
Conferences & Meetings	492	318	2,774	45	3,629	1,091	58	1,149	4,778	1,471
Travel	3,091	1,091	893	7	5,082	41	-	41	5,123	5,232
Advertising	3,141	3,308	2,642	687	9,778	2,417	1,638	4,055	13,833	14,942
Postage	425	3,669	1,195	649	5,938	553	981	1,534	7,472	7,646
Repairs & maintenance	7,938	10,342	6,452	2,987	27,719	5,840	239	6,079	33,798	39,411
Cleaning & extermination	10,794	14,965	7,783	5,716	39,258	1,737	498	2,235	41,493	43,828
Occupancy	57,736	30,621	26,268	12,397	127,022	4,813	2,480	7,293	134,315	128,303
In Kind Rent	24,000	-	-	-	24,000	-	-	-	24,000	24,000
Telephone	9,564	2,790	3,503	816	16,673	1,971	79	2,050	18,723	17,603
Insurance	7,272	7,369	4,379	2,693	21,713	1,535	886	2,421	24,134	25,527
Printing costs	-	-	-	-	-	-	18,705	18,705	18,705	20,375
Dues & subscriptions	1,933	712	1,242	206	4,093	627	25	652	4,745	1,383
Equipment	1,730	261	-	80	2,071	-	-	-	2,071	693
Bad Debt Expense	-	-	-	-	-	24,710	-	24,710	24,710	8,419
Interest Expense	14,617	17,436	18,951	4,957	55,961	18,951	928	19,879	75,840	79,898
Senior center event	21,674	-	-	-	21,674	-	-	-	21,674	18,994
Miscellaneous	876	3,431	1,145	254	5,706	961	638	1,599	7,305	796
<b>Total Expenses Before Depreciation &amp; Amort.</b>	1,047,118	1,142,008	513,160	260,790	2,963,076	393,475	129,277	522,752	3,485,828	3,489,238
<b>Depreciation and Amortization</b>	28,986	31,136	21,631	9,114	90,867	21,631	866	22,497	113,364	135,877
<b>Total Expenses</b>	\$ 1,076,104	\$ 1,173,144	\$ 534,791	\$ 269,904	\$ 3,053,943	\$ 415,106	\$ 130,143	\$ 545,249	\$ 3,599,192	\$ 3,625,115

See Notes to Financial Statements

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.**  
**STATEMENT OF CHANGES IN CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Cash Flow from Operating Activities		
Increase (Decrease) in net assets	\$ (17,708)	\$ (44,817)
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	113,364	135,877
Changes in operating assets and liabilities		
Accounts receivable	3,300	(50,533)
Contracts receivable	(35,606)	(83,083)
Inventory	(1,925)	5,916
Prepaid expenses and other	337	(4,228)
Accounts payable	4,526	(18,930)
Accrued expenses	10,855	6,485
Net Cash Provided by (Used for) Operating Activities	<u>77,143</u>	<u>(53,313)</u>
Cash Flows from Financing Activities:		
Payments on Notes Payable	(115,450)	(98,631)
Change in Line of Credit	85,000	45,000
Net Cash Provided by (Used for) Financing Activities	<u>(30,450)</u>	<u>(53,631)</u>
Cash Flows from Investing Activities		
Purchase of securities	-	(3)
Net (Purchase)/Disposal of property and equipment	(25,389)	(74,070)
Net Cash Used for Investing Activities	<u>(25,389)</u>	<u>(74,073)</u>
Net increase (decrease) in Cash and Cash Equivalents	21,304	(181,017)
Cash and Cash Equivalents - Beginning of Year	<u>238,977</u>	<u>419,994</u>
Cash and Cash Equivalents - End of Year	<u>\$ 260,281</u>	<u>\$ 238,977</u>
Supplemental Disclosures of Cash Flow Information		
Interest	<u>\$ 75,840</u>	<u>\$ 79,898</u>
Income Taxes	<u>n/a</u>	<u>n/a</u>
Supplemental information of Non-cash items:		
Donated revenue/ expenses	<u>\$ 279,165</u>	<u>\$ 263,765</u>

See Notes to Financial Statements

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 1 – Summary of Significant Accounting Policies**

**Nature of Activities**

Meals on Wheels Programs and Services of Rockland, Inc. (the "Organization") were initially formed under the Not-For-Profit Corporation Law of New York as Meals on Wheels of Rockland County, Inc. Its mission is to provide a wide range of services and programs to homebound and senior citizens of Rockland County, New York. The agency receives 56% of its support from government agencies and 26% from program service fees.

**Financial Statement Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**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 amount and disclosures. Actual results could differ from those estimates.

**Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk are principally cash and cash equivalent accounts on deposit with financial institution, which at times may exceed federally insured limits. At December 31, 2015, the Organization held cash accounts at six financial institutions for which the balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. For the years ended December 31, 2015 and 2014, respectively, the balances did not exceed the insured limits. At December 31, 2015, the Organization held \$ 3 in a money market fund which is not insured by the FDIC.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Promise to Give**

Support is recognized when the donor makes a promise to give to the organization, that is, in substance unconditional. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported, as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets.

**Inventory**

Inventory consisting principally of commissary products is valued at the lower of cost (first-in first-out method) or market. Inventory consists of food and packaging materials for meals.



**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Property and Equipment**

Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred and renewal and betterments are capitalized. Upon sales or retirement, the cost of the asset and the related accumulated depreciation are removed from the accounts and the resulting gain or loss is included in the results of operations. Leasehold improvements are amortized over the lesser of the useful life of the asset or the term of the lease. The Organization's policy is to capitalize assets costing over \$5,000.

**Support and Revenue**

Grant Revenue

Grant revenue, which is conditional upon allowable expenditures being incurred, is recognized as the expenses are incurred. Amounts received prior to the occurrence of expenditures are recorded as deferred revenue. Grant funds expended prior to the receipt of funds are recorded as accounts receivable.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contributed Services, Space and Goods

During the year ended December 31, 2015 and 2014, many individuals volunteer their time and perform a variety of tasks that assist the organizations. In 2015 and 2014 estimated contributed services were \$198,559 and \$188,215, respectively, which were recorded as In-kind Salaries. The agency has estimated it received over 21,198 volunteer hours in 2015 and 21,582 in 2014.

For the years ended December 31, 2015 and 2014 the agency received \$24,000 and \$24,000 of rent without charge which was recorded as In-Kind Rent. For the years ended December 31, 2015 and 2014 the agency received \$53,681 and \$49,422 of food donations which were recorded as In-Kind Food. For the years ended December 31, 2015 and 2014 the agency received \$2,925 and \$2,128 of supplies which were recorded as In-Kind Supplies. For the years ended December 31, 2015 and 2014 the agency received \$0 and \$0 of equipment which was recorded as In-Kind equipment.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Allocation of Expenses**

The Organization allocates its expenses on a functional basis among its various program and supporting services. Expenses which can be identified with a specific program or supporting Activity is charged directly to that activity. Other expenses that are common to several functions are allocated among the program and supporting services benefited.

**Direct Write-Off Method for Accounts Receivable**

The Organization uses the direct write off method for recording bad debt expense relating to their accounts receivable. The balance is bad debt expense is comprised of those accounts that they do not expect to collect. If monies are received subsequent to their write-off those amounts are recognized as income in that year. During 2015 and 2014, bad debt expense was \$24,710 and \$8,419 respectively.

**Property and Equipment**

Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Office equipment	5 years
Vehicles	5 years
Telephone equipment	7 years
Commissary equipment and leasehold improvements	10 years

Additions and betterments of \$5,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

**Income Taxes**

**Income Tax Status**

The Organization is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deductions under Section 170(b) (1) (A) and has been classified as an organization other than a private foundation under Section 509(a) (2).

**Comparative Financial Statements**

The financial information shown for 2015 in the accompanying financial statements is included to provide a basis for comparison with 2014 and presents summarized totals only.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 1 – Summary of Significant Accounting Policies (Cont'd)**

**Uncertainty in Income Taxes**

The organization recognizes the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. The Organization does not believe they have taken any material uncertain tax positions and, accordingly they have not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where required to do so.

Additionally, it has filed Internal Revenue Service Form 990 informational returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended December 31, 2015 and 2014 there were no interest or penalties recorded or included in the statement of activities.

**Subsequent Events**

Management has evaluated subsequent events after the balance sheet date through April 27, 2016, the date the financial statements are available to be issued.

**Note 2 –Programs**

**Homebound Program**

Offers a variety of prepared and packaged home delivered meals five to seven days a week to Rockland County residents who are homebound due to illness, advancing age or physical handicap and who are unable to shop or prepare meals for themselves. A variety of funding options are available. In 2015, the Agency delivered 125,865 meals through this program.

**Rockland Senior Centers Program**

Five multipurpose Senior Centers strategically located across Rockland open five days a week to residents 60 and older. The Centers offer a variety of support services including transportation, recreation, health screening, advocacy, information and referral and a hot meal. Participants contribute toward the costs of the meals. During 2015, the programs provided 25,902 days of service to seniors at all of our centers.

**Adult Day Care Programs**

A fee for service program, Bobbi Lewis is designed for functionally or cognitively impaired, frail, isolated and dependent older adults. Intergenerational supports clients who are physically limited and/or suffer from mild short-term memory loss. Both programs are structured to help maintain or improve the client's level of physical, social and emotional functioning. Transportation, meals and snacks are provided. During 2015, the adult day programs provided 5,439 days of service to participants.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 2 –Programs (Cont'd)**

The Adult Learning Center

The Adult Learning Center is a state of the art educational learning center which affords older adults the opportunity to learn how to use computers and communication technology. Courses run for six or eight weeks, two hours a session. This is a fee for service program which is open to all adults living in Rockland County. This program served 151 clients during 2015 and was taught by 19 volunteers.

**Note 3 – Property and Equipment**

Property and equipment consisted of the following at December 31, 2015 and 2014:

<u>Account</u>	<u>2015</u>	<u>2014</u>
Building	\$2,500,000	\$2,500,000
Closing Costs	58,868	58,868
Vehicles	583,513	583,513
Kitchen Equipment	199,376	173,988
Furniture and Office Equipment	215,863	215,863
Leasehold Improvements	437,445	437,445
Depreciation	<u>(2,099,993)</u>	<u>(1,986,630)</u>
	<u>\$ 1,895,072</u>	<u>\$ 1,983,047</u>

Several vehicles were purchased with UMTA Grant monies. UMTA has a reversionary interest in the vehicles if sold. Generally these vehicles can be released after 5 years or 150,000 miles.

During 2015 and 2014, respectively \$0 and \$46,277 of Computer Equipment, \$0 and \$12,995 of Leasehold Improvement and \$25,388 and \$14,800 of Commissary equipment were acquired.

During 2015 and 2014, respectively \$0 and \$40,610 of vehicles were written off.

Depreciation and amortization expense for 2015 and 2014 was \$113,364 and \$135,875, respectively.

**Note 4 – Line of Credit**

The Organization has a \$600,000 bank line of credit. Interest on any outstanding balance under this agreement is charged at the bank's prime rate and is payable monthly. The Collateral for the line of credit is the property and equipment of the Organization. At December 31, 2015 and 2014 the balance outstanding on the line of credit was \$260,000 and \$175,000 respectively.

Interest expenses related to this line of credit for the years then ended December 31, 2015 and 2014 was \$7,150 and \$6,915.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 5 – Notes Payable and Loans Payable**

The Mortgage Loan is as follows:

Lender: TD Bank  
Amount: \$1,585,000

Terms: 20 years fully amortizing with monthly payments  
Interest Rate: Floating at LIBOR Plus 2.25%  
Concurrent with the closing of the financing Meals on Wheels entered into an Interest swap with TD bank fixing the floating rate at 4.49% for ten years.

Security: 1<sup>st</sup> mortgage lien on condominium  
December 31, 2015 balance: \$1,395,880

Minimum principal payments on this loan for the next five years are as follows:

2016	\$ 58,397
2017	61,291
2018	64,406
2019	67,381
2020	70,095
Thereafter	<u>1,074,310</u>
	<u>\$1,395,880</u>

**Note 6 – Endowment Funds**

The Board of Directors has established the Aaron and Thelma Sandler Endowment Fund to administer the gifts, tributes, bequests and/or other donations received by the Board and designated for the Endowment Fund. As of December 31, 2015 and 2014, \$144,179 and \$143,523 have been set aside in a separate account.

**Interpretation of Relevant Law**

The Endowment fund is established to permit individuals, corporations and/or other entities the opportunity to make charitable gifts, tributes, bequests and/or other donations that will become a source of financial support. The objective of the fund is to conserve as much principal as possible and use principal and/or income from the fund as necessary. All Endowments designations, other than written donor designations, can be redesignated by a majority vote of the Board of Directors.

**Return Objectives and Risk Parameters**

The investment objective of the endowment fund shall be to realize income without undue exposure to risk. The Organization shall hold and manage invested funds, guided by the recommendations given by the Finance Committee of the Board of Directors. These funds are under the control of the Finance Committee and are invested in active market Level 1 assets.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

Spending Policy and How the Investment Objectives Related to Spending Policy

The use of principal and/or income from any Donor designated endowment funds shall be consistent with the terms of the gift, tribute, bequest and/or donation. The use of principal and/or income from any non-designated or Board designated funds may be used for any purpose(s) the Board of Directors shall designate. The Finance Committee shall make recommendations to the Executive Committee with respect to use of principal and/or income from the Endowment Funds, and, the Executive Committee, if in agreement, shall forward that recommendation to the Board of Directors for their consideration and/or vote. Any withdrawal of principal and/or income must be approved by a majority vote of the Board of Directors.

Endowment Net Asset Composition by Type of Fund as of December 31, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted Endowment funds	\$ -	\$ -	\$ -	\$ -
Board restricted	\$ 144,179	-	-	\$ 144,179
	<u>\$ 144,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,179</u>

**Note 7 –Temporarily Restricted Net Assets**

Temporarily restricted net assets consist of funds designated for the senior centers. Each Senior Center has at least one bank account to use only for their activities. The following activity and balances are recorded in the financial statements:

January 1, 2015 balances	\$ 7,938
Senior Center Contributions	22,076
Event Expenses	<u>(21,674)</u>
Ending balances	<u>\$ 8,340</u>

**Note 8 – Employee Benefit Plans**

The Organization maintains a 403(b) plan for any employee employed after 30 days. Employee contributions are allowed up to IRS regulations. The Organization matches employee contributions up to 2% of their salary. This match begins once an employee has worked one year and 1,000 hours. Employees are vested immediately in employee contributions and in employer contributions after three years. During 2015 and 2014, the 403(b) contributions were \$14,118 and \$16,956, respectively. The agency also has a Section 125 Plan (medical premiums only) for employees employed after three (3) months.

**MEALS ON WHEELS PROGRAMS AND SERVICES OF ROCKLAND, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

**Note 9 – Crisp Assessment**

For the years 1998 through 2008 Meals on Wheels Programs and Services of Rockland, Inc. was a member of the Community Residence Insurance Saving Plan (CRISP), a Group Self Insurance Trust to cover Workers Compensation. This trust was closed by the NYS Workers Compensation Board (WCB) as a result of a large deficit in the premiums collected during the life of the trust to pay out existing and future claims.

Subsequent to being taken over by the WCB, former members have been assessed amounts to make up this deficit. The amount allocated to Meals on Wheels was \$173,346.

Under a Memorandum of Understanding with the WCB, Meals on Wheels was making payments of about \$2,882 a month as part of a payment plan agreed by the members of CRISP to fund the deficit prior to a final liquidation of the trust. At December 31, 2015 and 2014 the balance outstanding on the Crisp Assessment was \$90,170 and \$142,541 respectively.

In early 2016, a final settlement was arrived at for the December 31, 2015 balance of \$90,170 with monthly payments of \$3,758 for two years.