

Boulder Junction Community Foundation, Inc.

Financial Statements

Years Ended December 31, 2015 and 2014



WIPFLI^{LLP}
CPAs and Consultants

Boulder Junction Community Foundation Inc.

Financial Statements

Years Ended December 31, 2015 and 2014

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Independent Accountant's Review Report

Board of Directors
Boulder Junction Community Foundation Inc.
Boulder Junction, Wisconsin

We have reviewed the accompanying financial statements of Boulder Junction Community Foundation Inc., which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, cash flows, and functional expenses for the years 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 company 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, 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.

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

April 25, 2016
Rhineland, Wisconsin

Boulder Junction Community Foundation Inc.

Statements of Financial Position

December 31, 2015 and 2014

<i>Assets</i>	2015	2014
Current assets:		
Cash and cash equivalents	\$16,180	\$8,487
Contributions receivable - Net	1,400	12,398
Total current assets	17,580	20,885
Other assets - Beneficial interest in assets held by others	132,844	101,699
TOTAL ASSETS	\$150,424	\$122,584
<i>Liabilities and Net Assets</i>		
Liabilities - Accounts payable	\$495	\$0
Net assets:		
Unrestricted:		
Undesignated	16,885	20,384
Designated for endowment	132,844	101,699
Total unrestricted	149,729	122,083
Temporarily restricted	200	501
Total net assets	149,929	122,584
TOTAL LIABILITIES AND NET ASSETS	\$150,424	\$122,584

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Boulder Junction Community Foundation Inc.

Statements of Activities

Years Ended December 31, 2015 and 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues, gains, and other support:						
Contributions	\$30,104	\$12,200	\$42,304	\$3,718	\$25,775	\$29,493
Membership dues	6,095		6,095	3,435		3,435
Special event revenues - Net of costs of direct benefits to donors of \$18,465 for 2015 and \$5,905 for 2014	6,321		6,321	14,398		14,398
Net assets released from restriction	12,501	(12,501)		138,330	(138,330)	
Net revenues	55,021	(301)	54,720	159,881	(112,555)	47,326
Investment income	(6,344)		(6,344)	1,284	4	1,288
Total revenues, gains, and other support	48,677	(301)	48,376	161,165	(112,551)	48,614
Expenses:						
Program services	12,702		12,702	140,386		140,386
Management and general	8,329		8,329	7,856		7,856
Total expenses	21,031		21,031	148,242		148,242
Change in net assets	27,646	(301)	27,345	12,923	(112,551)	(99,628)
Net assets at beginning	122,083	501	122,584	109,160	113,052	222,212
Net assets at end	\$149,729	\$200	\$149,929	\$122,083	\$501	\$122,584

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Boulder Junction Community Foundation Inc.

Statements of Cash Flows

Years Ended December 31, 2015 and 2014

	2015	2014
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	\$27,345	(\$99,628)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Contributions receivable	10,998	14,855
Beneficial interest held by others	(31,145)	(32,812)
Accounts payable	495	
Total adjustments	(19,652)	(17,957)
Net cash provided by (used in) operating activities	7,693	(117,585)
Net increase (decrease) in cash and cash equivalents	7,693	(117,585)
Cash and cash equivalents at beginning	8,487	126,072
Cash and cash equivalents at end	\$16,180	\$8,487

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Boulder Junction Community Foundation Inc.

Statements of Functional Expenses

Years Ended December 31, 2015 and 2014

	2015			2014		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Grants to the Town of Boulder Junction	12,502	\$0	\$12,502	\$138,851	\$0	\$138,851
Grants to other organizations	200		200			
Payments to affiliates				1,000		1,000
Professional fees		3,699	3,699		4,521	4,521
Advertising		427	427		1,239	1,239
Office expenses		1,151	1,151	535	811	1,346
Information technology		896	896		165	165
Insurance		1,118	1,118		909	909
Miscellaneous		1,038	1,038		211	211
Total functional expenses	\$12,702	\$8,329	\$21,031	\$140,386	\$7,856	\$148,242

See Independent Accountant's Review Report.
See accompanying notes to financial statements.

Boulder Junction Community Foundation Inc.

Notes to Financial Statements

See Independent Accountant's Review Report

Note 1: Summary of Significant Accounting Policies

Nature of Activities

Boulder Junction Community Foundation Inc. (the "Foundation"), a nonprofit community-based volunteer organization, was organized to preserve and enhance Boulder Junction for present and future generations.

Basis of Presentation

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 Foundation and changes therein are classified and reported as follows:

- Unrestricted net assets are the net assets of the Foundation that are neither permanently restricted nor temporarily restricted. Thus, they include all net assets whose use has not been restricted by donors or by law.
- Board designations, which are voluntary board-approved segregations of net assets for specific purposes, projects, or investments, are also a part of unrestricted net assets.
- Temporarily restricted net assets are subject to donor-imposed stipulations that may or may not be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred 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 stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted assets in 2015.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Use of Estimates

The preparation of the Foundation's financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Boulder Junction Community Foundation Inc.

Notes to Financial Statements

See Independent Accountant's Review Report

Note 1: Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

The Foundation measures the fair value of its financial instruments using a three-tier hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to significant unobservable inputs (Level 3 measurements). The Foundation determines fair value by:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access, and where transactions occur within.

Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology reflect management's assumptions about significant unobservable inputs that market participants would use in pricing the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Contributions Receivable

Unconditional pledges are recorded as contributions receivable in the year pledged. Conditional pledges are recognized only when the conditions on which they depend are substantially met. Pledges and other promises to give whose eventual uses are restricted by the donors are recorded as increases in temporarily restricted net assets. Unrestricted pledges to be collected in future periods are also recorded as an increase to temporarily restricted net assets and reclassified to unrestricted net assets when received, unless the donor's intention is to support current-period activities.

Contributions receivable expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution revenue over the duration of the pledge.

Management individually reviews all past due contributions receivable balances and estimates the portion, if any, of the balance that will not be collected. The carrying amounts of contributions receivable are reduced by allowances that reflect management's estimate of uncollectible amounts.

Boulder Junction Community Foundation Inc.

Notes to Financial Statements

See Independent Accountant's Review Report

Note 1: Summary of Significant Accounting Policies (Continued)

Contribution Revenue

Contributions are considered available for unrestricted use unless specifically restricted by the donor. Contributions received are recorded as temporarily restricted or permanently restricted support, depending on the existence and nature of any donor restrictions. Unconditional promises to give cash and other assets to the Foundation are reported at fair value at the date the promise is received, less an allowance for promises estimated to be uncollectible.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Income Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Foundation is classified as public charity. The Foundation is also exempt from Wisconsin state taxes.

The Foundation assesses whether it is more-likely-than-not that a tax position will be sustained upon examination of the technical merits or the position, assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more-likely-than-not recognition threshold, the benefit of the tax position is not recognized in the financial statements. The Foundation recorded no assets or liabilities for uncertain tax positions or unrecognized tax benefits.

Functional Expenses

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

Advertising

Advertising costs are charged to operations in the period the advertising is initially utilized. Advertising expense was \$427 and \$1,239 for the years ended December 31, 2015 and 2014.

Subsequent Events

Subsequent events have been evaluated through April 25, 2016, which is the date the financial statements were available to be issued.

Boulder Junction Community Foundation Inc.

Notes to Financial Statements

See Independent Accountant's Review Report

Note 2: Contributions Receivable

Contributions receivable consisted of the following at December 31, 2015 and 2014:

	2015	2014
Less than one year	\$1,400	\$11,150
One to five years		1,350
Subtotals	1,400	12,500
Discount		(102)
Totals	\$1,400	\$12,398

Note 3: Beneficial Interest in Assets Held by Others

In 2010 the Foundation established the Boulder Junction Community Foundation Restricted Endowment Fund with the Community Foundation of North Central Wisconsin, Inc. (CFoNCW). The fund was structured as a designated fund, a component fund of the Foundation whose beneficiaries have been specified by a donor or a governing board.

The designated purpose of the Fund is to create a permanent source for funding distributions for such charitable purposes consistent with those specified in the Articles of Incorporation and Bylaws of the Foundation. Payouts to beneficiaries of the fund are made for such purposes consistent with those set forth in the Foundation's Articles and Bylaws. Payouts are based on a percentage of the total assets of the fund. This percentage is a portion of the total return of the fund, with the remaining portion left to allow the fund to grow. However, the Board of Directors of CFoNCW may, if it determines unusual circumstances exist which make it advisable to invade principal, authorize distributions from the principal of the Fund for the designated purpose of the Fund.

An Advisory Committee, designated by the CFoNCW is responsible for setting the guidelines for distributions from the Fund and advises the CFoNCW as to the amount and timing of such distributions.

At December 31, 2015 and 2014, the endowment fund has a balance of \$132,844 and \$101,699, which is reported in the statement of financial position as beneficial interest in assets held by others. The activity for the years ended December 31, 2015 and 2014, were as follows:

	2015	2014
Beginning balance	\$101,699	\$68,887
Board approved transfer	39,449	33,750
Interest income	6,910	3,472
Net realized and unrealized gains	(13,465)	(2,189)
Distributions		(1,000)
Administrative fee	(1,749)	(1,221)
Ending balance	\$132,844	\$101,699

Boulder Junction Community Foundation Inc.

Notes to Financial Statements

See Independent Accountant's Review Report

Note 4: Fair Value Measurements

As of December 31, 2015 and 2014, the Foundation does not have any liabilities that are measured at fair value. Following is a description of the valuation methodology used for each asset measured at fair value on a recurring or nonrecurring basis, as well as the classification of the asset within the fair value hierarchy.

Beneficial interest in assets held by others is based on the fair value of the underlying assets held by the Community Foundation of North Central Wisconsin, Inc.

Assets measured at fair value on a recurring basis as December 31, 2015 and 2014, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value are as follows:

	2015			
	Recurring Fair Value Measurement Using			
	Assets Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interest in assets held by others	\$132,844	\$0	\$0	\$132,844

	2014			
	Recurring Fair Value Measurement Using			
	Assets Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interest in assets held by others	\$101,699	\$0	\$0	\$101,699

Note 5: Temporarily Restricted Net Assets

Temporarily restricted net asset balances are restricted for distributions for charitable purposes. The total amount of temporarily restricted net assets as of December 31, 2015 and 2014, were:

	2015	2014
Community Center Building	\$200	\$501