

# **Boulder Junction Community Foundation Inc.**

Boulder Junction, Wisconsin

## **Financial Statements**

Years Ended December 31, 2014 (Unaudited) and  
2013 (Audited)

# Boulder Junction Community Foundation Inc.

## Financial Statements

Years Ended December 31, 2014 (Unaudited) and 2013 (Audited)

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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. (the "Foundation") as of December 31, 2014, and the related statements of activities, cash flows, and functional expenses for the year then ended. 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 is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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.

The financial statements for the year ended December 31, 2013, were audited by us and our report dated April 24, 2014, expressed an unmodified opinion on those statements, but we have not performed any auditing procedures since that date.

*Wipfli LLP*

Wipfli LLP

April 2, 2015  
Rhineland, Wisconsin

# Boulder Junction Community Foundation Inc.

## Statements of Financial Position

December 31, 2014 and 2013

	Reviewed 2014	Audited 2013
<hr/> <i>Assets</i> <hr/>		
Current assets:		
Cash and cash equivalents	\$8,487	\$126,072
Contributions receivable - Net	12,398	27,253
<hr/> Total current assets	<hr/> 20,885	<hr/> 153,325
<hr/> Other assets - Beneficial interest in assets held by others	<hr/> 101,699	<hr/> 68,887
<hr/> <b>TOTAL ASSETS</b>	<hr/> <b>\$122,584</b>	<hr/> <b>\$222,212</b>
<hr/> <i>Net Assets</i> <hr/>		
Net assets:		
Unrestricted:		
Undesignated	\$20,384	\$40,273
Designated for endowment	101,699	68,887
<hr/> Total unrestricted	<hr/> 122,083	<hr/> 109,160
<hr/> Temporarily restricted	<hr/> 501	<hr/> 113,052
<hr/> <b>TOTAL NET ASSETS</b>	<hr/> <b>\$122,584</b>	<hr/> <b>\$222,212</b>

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

# Boulder Junction Community Foundation Inc.

## Statements of Activities

Years Ended December 31, 2014 and 2013

	Reviewed 2014		Reviewed 2013		Total	Temporarily Restricted		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted		Unrestricted	Temporarily Restricted	
Revenues, gains, and other support:								
Contributions	\$3,718	\$25,775	\$29,493	\$62,440	\$344,601	\$407,041		
Membership dues	3,435		3,435	1,850		1,850		
Special event revenues - Net of costs of direct benefits to donors of \$5,905 for 2014 and \$4,681 for 2013	14,398		14,398	18,676		18,676		
Net assets released from restriction	138,330	(138,330)		250,000	(250,000)			
Net revenues	159,881	(112,555)	47,326	332,966	94,601	427,567		
Investment income	1,284	4	1,288	5,524	213	5,737		
Total revenues, gains, and other support	161,165	(112,551)	48,614	338,490	94,814	433,304		
Expenses:								
Program services	140,386		140,386	251,500		251,500		
Management and general	7,856		7,856	4,199		4,199		
Total expenses	148,242		148,242	255,699		255,699		
Change in net assets	12,923	(112,551)	(99,628)	82,791	94,814	177,605		
Net assets at beginning	109,160	113,052	222,212	26,369	18,238	44,607		
Net assets at end	\$122,083	\$501	\$122,584	\$109,160	\$113,052	\$222,212		

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, 2014 and 2013

	Reviewed 2014	Audited 2013
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Change in net assets	(\$99,628)	\$177,605
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Contributions receivable	14,855	(27,253)
Beneficial interest held by others	(32,812)	(48,978)
Total adjustments	(17,957)	(76,231)
Net cash provided by (used in) operating activities	(117,585)	101,374
Net increase (decrease) in cash and cash equivalents	(117,585)	101,374
Cash and cash equivalents at beginning	126,072	24,698
Cash and cash equivalents at end	\$8,487	\$126,072

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, 2014 and 2013

	Reviewed 2014		Audited 2013			
	Program Services	Management and General	Total	Program Services	Management and General	Total
Grants to the Town of Boulder Junction	\$138,851	\$0	\$138,851	\$250,000	\$0	\$250,000
Grants to other organizations				1,500		1,500
Payments to affiliates	1,000		1,000			
Professional fees		4,521	4,521		1,153	1,153
Advertising		1,239	1,239		660	660
Office expenses	535	811	1,346		547	547
Information technology		165	165		154	154
Insurance		909	909		1,198	1,198
Miscellaneous		211	211		487	487
<b>Total functional expenses</b>	<b>\$140,386</b>	<b>\$7,856</b>	<b>\$148,242</b>	<b>\$251,500</b>	<b>\$4,199</b>	<b>\$255,699</b>

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

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### 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 2014.



# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

See Independent Accountant's Review Report

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **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.

#### **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.

# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

See Independent Accountant's Review Report

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Fair Value Measurements** (Continued)

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.

# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

See Independent Accountant's Review Report

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Contributions Receivable** (Continued)

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.

#### **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 of 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. Federal returns for the years ended 2010 and thereafter remain subject to examination by the Internal Revenue Service.

# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies (Continued)

#### 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 \$1,239 and \$660 for the years ended December 31, 2014 and 2013.

#### Subsequent Events

Subsequent events have been evaluated through April 2, 2015, which is the date the financial statements were available to be issued.

### Note 2 Contributions Receivable

Contributions receivable consisted of the following at December 31, 2014 and 2013:

	Reviewed 2014	Audited 2013
Less than one year	\$11,150	\$16,900
One to five years	1,350	11,200
Subtotals	12,500	28,100
Discount	(102)	(847)
Totals	\$12,398	\$27,253

# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

### 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, 2014 and 2013, the endowment fund has a balance of \$101,699 and \$68,887, 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, 2014 and 2013, were as follows:

	Reviewed 2014	Audited 2013
Beginning balance	\$68,887	\$19,909
Contributions		44,257
Board approved transfer	33,750	
Interest income	3,472	2,193
Net realized and unrealized gains	(2,189)	3,331
Distributions	(1,000)	
Administrative fee	(1,221)	(803)
Ending balance	\$101,699	\$68,887

# Boulder Junction Community Foundation Inc.

## Notes to Financial Statements

### Note 4 Fair Value Measurements

As of December 31, 2014 and 2013, 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, 2014 and 2013, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value are as follows:

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

  

	Audited 2013			
	Recurring Fair Value Measurement Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	Assets Measured at Fair Value			
Beneficial interest in assets held by others	\$68,887	\$0	\$0	\$68,887

### 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, 2014 and 2013, were:

	Reviewed 2014	Audited 2013
Community Center Building	\$501	\$113,052