

**SID PUBLIC SERVICES  
ASSOCIATION**

**FINANCIAL STATEMENTS**

**December 31, 2016 and 2015**

Board of Trustees  
SID Public Services Association

### Independent Auditor's Report

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the SID Public Services Association which comprise the statements of financial position as of December 31, 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States 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 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 principles 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 the SID Public Services Association as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information 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 audits 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 taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2017, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "John Gerlach & Company LLP". The signature is written in a cursive, flowing style.

Columbus, Ohio  
February 22, 2017

SID PUBLIC SERVICES ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents:		
Cash - undesignated	\$ 661,939	\$ 644,406
Cash - right of way	96,395	901,006
Total cash and equivalents	<u>758,334</u>	<u>1,545,412</u>
Accounts receivable	769,084	909,674
Prepaid expenses	143,062	150,863
Total Current Assets	<u>1,670,480</u>	<u>2,605,949</u>
Fixed Assets:		
Equipment and vehicles, at cost	759,600	681,883
Accumulated depreciation	(572,243)	(524,098)
Net Fixed Assets	<u>187,357</u>	<u>157,785</u>
Other Assets:		
Beneficial interest in assets held by others	862,555	82,276
Total Assets	<u>\$ 2,720,392</u>	<u>\$ 2,846,010</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 156,147	\$ 118,010
Accounts payable - related party	1,898,179	1,814,855
Accrued expenses	25,698	26,777
Deferred revenue	15,368	11,368
Total Current Liabilities	<u>2,095,392</u>	<u>1,971,010</u>
Net Assets:		
Unrestricted	(127,002)	(121,696)
Temporarily restricted	752,002	996,696
Total Net Assets	<u>625,000</u>	<u>875,000</u>
Total Liabilities and Net Assets	<u>\$ 2,720,392</u>	<u>\$ 2,846,010</u>

See Notes to Financial Statements

SID PUBLIC SERVICES ASSOCIATION

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2016 and 2015

	2016	2015
Unrestricted Net Assets:		
Revenue:		
Contract	\$ 3,150,776	\$ 2,941,958
Net assets released from restrictions	354,621	354,627
Total Revenue	3,505,397	3,296,585
Expenses:		
Contracted services	2,180,426	2,141,185
Right of way	139,847	3,904
Promotions	420,070	405,966
General and administrative	394,597	382,314
Landscaping and capital maintenance	332,188	338,624
Research	42,725	55,974
Outreach	850	1,354
Total Expenses	3,510,703	3,329,321
Change in Unrestricted Net Assets	(5,306)	(32,736)
Changes in Temporarily Restricted Net Assets:		
Grant revenue	109,927	137,363
Net assets released from restrictions	(354,621)	(354,627)
Change in Temporarily Restricted Net Assets	(244,694)	(217,264)
Change in Net Assets	(250,000)	(250,000)
Net Assets - Beginning of Year	875,000	1,125,000
Net Assets - End of Year	\$ 625,000	\$ 875,000

See Notes to Financial Statements

SID PUBLIC SERVICES ASSOCIATION

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities:		
Change in net assets	\$ (250,000)	\$ (250,000)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	48,145	55,846
(Increase) decrease in assets:		
Accounts receivable	140,590	275,371
Prepaid expenses	7,801	8,480
Beneficial interest in assets held by others	(30,279)	407
Increase (decrease) in liabilities:		
Accounts payable	38,137	53,999
Accounts payable - related party	83,324	74,005
Accrued expenses	(1,079)	(9,854)
Deferred revenue	4,000	-
Net Cash Provided (Used) by Operating Activities	40,639	208,254
Cash Flows from Investing Activities:		
Purchase of fixed assets	(77,717)	(128,465)
Net transfers (to) from beneficial interest in assets held by others	(750,000)	-
Net Cash Provided (Used) by Investing Activities	(827,717)	(128,465)
Net Increase (Decrease) in Cash and Cash Equivalents	(787,078)	79,789
Cash and Cash Equivalents at Beginning of Year	1,545,412	1,465,623
Cash and Cash Equivalents at End of Year	\$ 758,334	\$ 1,545,412

See Notes to Financial Statements

SID PUBLIC SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**Note 1 - Organization and Operation:**

SID Public Services Association (the Association) is a non-profit organization created by its sole members, Capital Crossroads Special Improvement District of Columbus, Inc. (Capital Crossroads) and Discovery Special Improvement District of Columbus, Inc. (Discovery), for the purpose of executing the charitable functions of Capital Crossroads and Discovery within their respective Districts. The Association is also authorized to operate the charitable functions of or to carry out the charitable purposes of other Ohio special improvement districts that are admitted members of the Association.

The Association has agreements to provide services to Capital Crossroads and Discovery. During 2016 and 2015, the Association derived substantially all of its revenues from these agreements. The funding for these agreements is almost entirely from property assessments that Capital Crossroads and Discovery receive from property owners that are in their respective special improvement districts. Property owners must periodically “reauthorize” these property assessments. The property assessments for Capital Crossroads and Discovery are currently authorized through December 31, 2021 and December 31, 2020, respectively.

**Note 2 - Summary of Significant Accounting Policies:**

The financial statements of the Association conform to accounting principles generally accepted in the United States of America applicable to not-for-profit organizations. They are prepared in accordance with the accrual basis of accounting, and reflect all significant receivables, payables, and other liabilities.

*Use of Estimates:* The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Financial Statement Presentation:* The Association reports 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. Temporarily restricted contributions whose restrictions are fulfilled in the same time period in which the contribution is received are reported as unrestricted contributions. As of December 31, 2016 and 2015, the Association had unrestricted and temporarily restricted net assets (see Note 9).

*Cash and Cash Equivalents:* The Association considers all short-term investments with an original maturity of three months or less to be cash equivalents.

*Accounts Receivable:* The Association considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is necessary.

*Income Taxes:* The Association is recognized as exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Association has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to uncertain tax positions. The Association does not believe its financial statements include any uncertain tax positions.

*Concentration of Credit Risk:* The Association maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

SID PUBLIC SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**Note 2 - Summary of Significant Accounting Policies (Continued):**

*Recent Accounting Pronouncements:* In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2019. A modified retrospective transition approach is required for leases for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. We are currently evaluating the impact of our pending adoption of the new standard on our financial statements.

**Note 3 - Fair Value Measurements:**

In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

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, and 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 are unobservable and significant to the fair value measurement.

Assets measured at fair value on a recurring basis at December 31, 2016 and 2015 were as follows:

Description	2016			
	Total	Level 1	Level 2	Level 3
Money Market Cash Funds	\$ 561,224	\$ 561,224	\$ -	\$ -
Beneficial interest in assets held by others	862,555	-	862,555	-
	<u>\$ 1,423,779</u>	<u>\$ 561,224</u>	<u>\$ 862,555</u>	<u>\$ -</u>
Description	2015			
	Total	Level 1	Level 2	Level 3
Money Market Cash Funds	\$ 1,257,908	\$ 1,257,908	\$ -	\$ -
Beneficial interest in assets held by others	82,276	-	82,276	-
	<u>\$ 1,340,184</u>	<u>\$ 1,257,908</u>	<u>\$ 82,276</u>	<u>\$ -</u>



SID PUBLIC SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**Note 3 - Fair Value Measurements (Continued):**

The level 2 assets listed above were valued using the market approach and were determined using quoted market prices of similar assets.

**Note 4 - Designated Funds:**

The Association has cash in checking and money market accounts that are designated by the Board of Directors for use relating to the Right of Way program only.

**Note 5 - Funds Held by The Columbus Foundation:**

The Association has funds held at The Columbus Foundation for the unrestricted use of the Association. These funds are subject to the variance power of the Board of Trustees of The Columbus Foundation. The variance power permits The Columbus Foundation's Board of Trustees, in its sole discretion to redirect all or part of the funds' income and/or assets to another organization. The activity of the funds held at The Columbus Foundation for the years ended December 31, 2016 and 2015 are as follows:

	2016	2015
Cash and investments at beginning of year (at market)	\$ 82,276	\$ 82,683
Transfers to The Columbus Foundation	750,000	-
Net interest and dividend income	14,388	1,653
Net realized and unrealized gains (losses)	16,299	(1,651)
Administration fees	(408)	(409)
Cash and investments at end of year (at market)	\$ 862,555	\$ 82,276

**Note 6 - Property and Equipment:**

Property and equipment is recorded at original cost. Depreciation of property and equipment is provided using the straight-line method over the estimated lives of the assets ranging from 3 to 5 years. Expenditures for additions, major renewals and improvements are capitalized, where expenditures for maintenance and repairs are charged to expense as incurred. The cost of assets retired or disposed of and the related accumulated depreciation is recorded in the year of disposal. Depreciation expense was \$48,145 and \$55,846 for the years ended December 31, 2016 and 2015, respectively.

**Note 7 - Line of Credit:**

The Association has a \$300,000 line of credit available with a bank bearing interest at prime plus 1.5% (5.25% and 5% at December 31, 2016 and 2015, respectively). The outstanding balance on the line of credit was \$-0- at both December 31, 2016 and 2015. The line of credit is secured by substantially all of the Association's assets, including cash and accounts receivable.

**Note 8 - Operating Leases:**

The Association entered into operating lease agreements for office space, storage and office equipment, which expire at various dates through 2021. The office space lease has two options to renew for five year periods. Rental expense under operating leases including operational fees totaled \$77,770 and \$77,586 for the years ending December 31, 2016 and 2015, respectively.

SID PUBLIC SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**Note 8 - Operating Leases (Continued):**

Future minimum lease payments under these operating leases are as follows:

For the Year Ended December 31:	Amount
2017	\$ 80,550
2018	80,550
2019	62,198
2020	60,638
2021	60,638
Total	\$ 344,574

**Note 9 - Temporarily Restricted Net Assets:**

Temporarily restricted net assets restricted by purpose consist of the following at December 31:

	2016	2015
Columbus Public Art	\$ 21,548	\$ 23,573
Pearl Public Art	32,251	-
Summer Pearl Market	20,578	19,532
Parking Booths	52,625	78,591
Bike Share	625,000	875,000
Total	\$ 752,002	\$ 996,696

**Note 10 - Related Parties:**

The Association is related to Capital Crossroads through common management. In addition, four members of the Association's eight member board of directors are appointed by Capital Crossroads. Capital Crossroads and the Association entered into an agreement whereby the Association provides certain program and administrative services to Capital Crossroads. Total revenue recognized by the Association under this agreement was \$2,419,523 and \$2,309,997 for the periods ended December 31, 2016 and 2015, respectively. The statement of financial position includes a payable to Capital Crossroads of \$1,669,578 and \$1,580,187 as of December 31, 2016 and 2015, respectively.

The Association is related to Discovery through common management. In addition, four members of the Association's eight member board of directors are appointed by Discovery. Discovery and the Association entered into an agreement whereby the Association provides certain program and administrative services to Discovery. Total revenue recognized by the Association under this agreement was \$841,180 and \$769,324 for the year periods ended December 31, 2016 and 2015, respectively. The statement of financial position includes a payable to Discovery of \$228,601 and \$234,668 as of December 31, 2016 and 2015, respectively.

SID PUBLIC SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**Note 11 - Retirement Plan:**

The Association participates in a 401(k) defined contribution plan which allows eligible employees to contribute up to the legal limit into the participant's choice of investment accounts. The Association contributes a matching of up to 3% of employee contributions. In addition the plan allows for the Association to make discretionary contributions. The Association's contribution for the year ended December 31, 2016 and 2015 was \$14,828 and \$12,936, respectively.

**Note 12 - Promises To Give:**

The Association received the following conditional promises to give that are not recognized as assets in the statement of financial position:

	<u>2016</u>	<u>2015</u>
Promise to give conditional upon securing a long-term lease at 44 N High St Columbus, OH.	\$ 70,000	\$ 70,000
Total	<u>\$ 70,000</u>	<u>\$ 70,000</u>

**Note 13 - Subsequent Events:**

Subsequent events have been evaluated through February 22, 2017, which is the date that the financial statements were available to be issued.

SID PUBLIC SERVICES ASSOCIATION

SCHEDULE OF FINANCIAL POSITION BY MEMBER

As of December 31, 2016

	Capital Crossroads	Discovery	Total
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents:			
Cash - undesignated	\$ 445,827	\$ 216,112	\$ 661,939
Cash - right of way	96,395	-	96,395
Total cash and equivalents	542,222	216,112	758,334
Accounts receivable	710,308	58,776	769,084
Prepaid expenses	134,869	8,193	143,062
Total Current Assets	1,387,399	283,081	1,670,480
Fixed Assets:			
Equipment and vehicles, at cost	665,464	94,136	759,600
Accumulated depreciation	(495,595)	(76,648)	(572,243)
Net Fixed Assets	169,869	17,488	187,357
Other Assets:			
Beneficial interest in assets held by others	862,555	-	862,555
Total Assets	\$ 2,419,823	\$ 300,569	\$ 2,720,392
<u>LIABILITIES AND NET ASSETS</u>			
Current Liabilities:			
Accounts payable	\$ 90,143	\$ 66,004	\$ 156,147
Accounts payable - related party	1,669,578	228,601	1,898,179
Accrued expenses	19,734	5,964	25,698
Deferred revenue	15,368	-	15,368
Total Current Liabilities	1,794,823	300,569	2,095,392
Net Assets:			
Unrestricted	(127,002)	-	(127,002)
Temporarily restricted	752,002	-	752,002
Total Net Assets	625,000	-	625,000
Total Liabilities and Net Assets	\$ 2,419,823	\$ 300,569	\$ 2,720,392

See Auditor's Report

SID PUBLIC SERVICES ASSOCIATION

SCHEDULE OF FINANCIAL POSITION BY MEMBER

As of December 31, 2015

	Capital Crossroads	Discovery	Total
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents:			
Cash - undesignated	\$ 457,238	\$ 187,168	\$ 644,406
Cash - right of way	901,006	-	901,006
Total cash and equivalents	1,358,244	187,168	1,545,412
Accounts receivable	857,009	52,665	909,674
Prepaid expenses	133,430	17,433	150,863
Total Current Assets	2,348,683	257,266	2,605,949
Fixed Assets:			
Equipment and vehicles, at cost	595,942	85,941	681,883
Accumulated depreciation	(454,716)	(69,382)	(524,098)
Net Fixed Assets	141,226	16,559	157,785
Other Assets:			
Beneficial interest in assets held by others	82,276	-	82,276
Total Assets	\$ 2,572,185	\$ 273,825	\$ 2,846,010
<u>LIABILITIES AND NET ASSETS</u>			
Current Liabilities:			
Accounts payable	\$ 86,849	\$ 31,161	\$ 118,010
Accounts payable - related party	1,580,187	234,668	1,814,855
Accrued expenses	18,781	7,996	26,777
Deferred revenue	11,368	-	11,368
Total Current Liabilities	1,697,185	273,825	1,971,010
Net Assets:			
Unrestricted	(121,696)	-	(121,696)
Temporarily restricted	996,696	-	996,696
Total Net Assets	875,000	-	875,000
Total Liabilities and Net Assets	\$ 2,572,185	\$ 273,825	\$ 2,846,010

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SID PUBLIC SERVICES ASSOCIATION  
SCHEDULE OF ACTIVITIES BY MEMBER

For the Year Ended December 31, 2016

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
Unrestricted Net Assets:			
Revenue:			
Assessments	\$ 1,741,261	\$ 658,982	\$ 2,400,243
Right of way	78,795	-	78,795
Contributions	459,281	163,596	622,877
Promotions	65,684	4,260	69,944
Contracted income	35,783	7,882	43,665
Grants	-	-	-
Interest	378	213	591
Miscellaneous	1,505	181	1,686
Gain/loss on investment held by others	16,299	-	16,299
Other income (expense)	(89,390)	6,066	(83,324)
Net assets released from restrictions	354,621	-	354,621
	<u>2,664,217</u>	<u>841,180</u>	<u>3,505,397</u>
Expenses:			
Contracted services	1,550,643	629,783	2,180,426
Right of way	64,310	75,537	139,847
Promotions	387,620	32,450	420,070
General and administrative	299,811	94,786	394,597
Landscaping and capital maintenance	332,170	18	332,188
Research	34,544	8,181	42,725
Outreach	425	425	850
	<u>2,669,523</u>	<u>841,180</u>	<u>3,510,703</u>
Change in Unrestricted Net Assets	<u>(5,306)</u>	<u>-</u>	<u>(5,306)</u>
Changes in Temporarily Restricted Net Assets:			
Grant revenue	109,927	-	109,927
Net assets released from restrictions	(354,621)	-	(354,621)
Change in Temporarily Restricted Net Assets	<u>(244,694)</u>	<u>-</u>	<u>(244,694)</u>
Change in Net Assets	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net Assets - Beginning of Year	875,000	-	875,000
Net Assets - End of Year	<u>\$ 625,000</u>	<u>\$ -</u>	<u>\$ 625,000</u>

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SID PUBLIC SERVICES ASSOCIATION  
SCHEDULE OF ACTIVITIES BY MEMBER

For the Year Ended December 31, 2015

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
Unrestricted Net Assets:			
Revenue:			
Assessments	\$ 1,735,328	\$ 547,554	\$ 2,282,882
Right of way	2,284	-	2,284
Contributions	462,568	156,888	619,456
Promotions	53,364	2,250	55,614
Contracted income	41,291	-	41,291
Grants	15,000	-	15,000
Interest	339	228	567
Miscellaneous	400	121	521
Gain/loss on investment held by others	(1,651)	-	(1,651)
Other income (expense)	(136,289)	62,283	(74,006)
Net assets released from restrictions	354,627	-	354,627
	<u>2,527,261</u>	<u>769,324</u>	<u>3,296,585</u>
Expenses:			
Contracted services	1,528,088	613,097	2,141,185
Right of way	1,977	1,927	3,904
Promotions	369,291	36,675	405,966
General and administrative	278,756	103,558	382,314
Landscaping and capital maintenance	338,624	-	338,624
Research	42,225	13,749	55,974
Outreach	1,036	318	1,354
	<u>2,559,997</u>	<u>769,324</u>	<u>3,329,321</u>
Change in Unrestricted Net Assets	<u>(32,736)</u>	<u>-</u>	<u>(32,736)</u>
Changes in Temporarily Restricted Net Assets:			
Grant revenue	137,363	-	137,363
Net assets released from restrictions	(354,627)	-	(354,627)
Change in Temporarily Restricted Net Assets	<u>(217,264)</u>	<u>-</u>	<u>(217,264)</u>
Change in Net Assets	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net Assets - Beginning of Year	1,125,000	-	1,125,000
Net Assets - End of Year	<u>\$ 875,000</u>	<u>\$ -</u>	<u>\$ 875,000</u>

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SID PUBLIC SERVICES ASSOCIATION

SCHEDULE OF CASH FLOWS BY MEMBER

For the Year Ended December 31, 2016

	Capital Crossroads	Discovery	Total
Cash Flows from Operating Activities:			
Change in net assets	\$ (250,000)	\$ -	\$ (250,000)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	40,879	7,266	48,145
(Increase) decrease in assets:			
Accounts receivable	146,701	(6,111)	140,590
Prepaid expenses	(1,439)	9,240	7,801
Beneficial interest in assets held by others	(30,279)	-	(30,279)
Increase (decrease) in liabilities:			
Accounts payable	3,294	34,843	38,137
Accounts payable - related party	89,391	(6,067)	83,324
Accrued expenses	953	(2,032)	(1,079)
Deferred revenue	4,000	-	4,000
 Net Cash Provided (Used) by Operating Activities	 3,500	 37,139	 40,639
 Cash Flows from Investing Activities:			
Purchase of fixed assets	(69,522)	(8,195)	(77,717)
Net transfers (to) from beneficial interest in assets held by others	(750,000)	-	(750,000)
 Net Cash Provided (Used) by Investing Activities	 (819,522)	 (8,195)	 (827,717)
 Net Increase (Decrease) in Cash and Cash Equivalents	 (816,022)	 28,944	 (787,078)
 Cash and Cash Equivalents at Beginning of Year	 1,358,244	 187,168	 1,545,412
 Cash and Cash Equivalents at End of Year	 \$ 542,222	 \$ 216,112	 \$ 758,334

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SID PUBLIC SERVICES ASSOCIATION

SCHEDULE OF CASH FLOWS BY MEMBER

For the Year Ended December 31, 2015

	<u>Capital Crossroads</u>	<u>Discovery</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Change in net assets	\$ (250,000)	\$ -	\$ (250,000)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	43,964	11,882	55,846
(Increase) decrease in assets:			
Accounts receivable	289,408	(14,037)	275,371
Prepaid expenses	(197)	8,677	8,480
Beneficial interest in assets held by others	407	-	407
Increase (decrease) in liabilities:			
Accounts payable	32,640	21,359	53,999
Accounts payable - related party	136,287	(62,282)	74,005
Accrued expenses	(6,184)	(3,670)	(9,854)
Deferred revenue	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>246,325</u>	<u>(38,071)</u>	<u>208,254</u>
Cash Flows from Investing Activities:			
Purchase of fixed assets	(119,928)	(8,537)	(128,465)
Net Cash Provided (Used) by Investing Activities	<u>(119,928)</u>	<u>(8,537)</u>	<u>(128,465)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>126,397</u>	<u>(46,608)</u>	<u>79,789</u>
Cash and Cash Equivalents at Beginning of Year	1,231,847	233,776	1,465,623
Cash and Cash Equivalents at End of Year	<u>\$ 1,358,244</u>	<u>\$ 187,168</u>	<u>\$ 1,545,412</u>

See Auditor's Report