

# **ACCESS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2015 AND 2014**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**



**CONSOLIDATED FINANCIAL STATEMENTS**

**ACCESS**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 1,636,084	\$ 1,750,019
Investments - Certificates of Deposit	228,731	227,978
Accounts Receivable	31,446	28,316
Grants & Contracts Receivable	949,553	453,679
Prepaid Expenses & Deposits	51,093	43,198
<b>Total Current Assets</b>	<b>2,896,907</b>	<b>2,503,190</b>
<b>Property &amp; Equipment:</b>		
Land	2,192,842	2,192,842
Buildings & Equipment	12,503,123	12,396,601
Donated Land, Buildings & Equipment	53,539	53,539
Vehicles	542,688	517,691
Accumulated Depreciation	(7,272,121)	(6,871,419)
<b>Property &amp; Equipment, net</b>	<b>8,020,071</b>	<b>8,289,254</b>
<b>Other Assets:</b>		
Beneficial interest in assets held by OCF	212,373	212,753
Notes Receivable, net of present value	1,245,122	1,209,229
Accrued interest receivable	85,010	43,740
Restricted Deposits & Funded Reserves	359,687	442,473
Deferred Fees, net of accumulated amortization	119,218	121,079
<b>Total Other Assets</b>	<b>2,021,410</b>	<b>2,029,274</b>
<b>TOTAL ASSETS</b>	<b>\$ 12,938,388</b>	<b>\$ 12,821,718</b>

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## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued) June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 269,212	\$ 128,955
Accrued Payroll Liabilities	260,318	255,486
Other Current Liabilities	79,308	102,498
Custodial Fund	63,474	66,416
Accrued Interest Payable	6,334	-
Current Portion of Capital Lease	12,337	-
Current Portion of Notes Payable	89,572	132,443
	<u>780,555</u>	<u>685,798</u>
<b>Total Current Liabilities</b>	<u>780,555</u>	<u>685,798</u>
<b>Long-Term Liabilities:</b>		
Capital Lease, Net of Current Portion	11,672	-
Notes Payable, Net of Current Portion	3,824,467	3,840,927
	<u>3,836,139</u>	<u>3,840,927</u>
<b>Total Long-Term Liabilities</b>	<u>3,836,139</u>	<u>3,840,927</u>
<b>TOTAL LIABILITIES</b>	<u>4,616,694</u>	<u>4,526,725</u>
<b>Net Assets:</b>		
Barnett Townhomes Limited Partnership Capital	40,224	112,745
	<u>40,224</u>	<u>112,745</u>
Unrestricted Net Assets		
Operating	4,911,488	4,726,885
ACCESS Development Corporation	1,424,205	1,423,598
	<u>6,335,693</u>	<u>6,150,483</u>
<b>Total Unrestricted Net Assets</b>	<u>6,335,693</u>	<u>6,150,483</u>
Temporarily Restricted Net Assets		
Reserves	299,560	318,686
Fixed Assets	1,433,844	1,500,326
	<u>1,733,404</u>	<u>1,819,012</u>
<b>Total Temporarily Restricted Net Assets</b>	<u>1,733,404</u>	<u>1,819,012</u>
Permanently Restricted Net Assets	212,373	212,753
	<u>212,373</u>	<u>212,753</u>
<b>TOTAL NET ASSETS</b>	<u>8,321,694</u>	<u>8,294,993</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 12,938,388</u>	<u>\$ 12,821,718</u>

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## CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS Year Ended June 30, 2015

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>Public Support &amp; Revenue</b>				
Public Support:				
Contributions	\$ 606,325	\$ -	\$ -	\$ 606,325
Non-Cash Contributions	2,930,349	-	-	2,930,349
Fundraising	526,664	-	-	526,664
Grants				
Federal & State	5,511,917	-	-	5,511,917
USDA-Federal Food Commodities	596,753	-	-	596,753
City & County	152,816	-	-	152,816
Private	518,593	258,453	-	777,046
<b>Total Public Support</b>	<u>10,843,417</u>	<u>258,453</u>	<u>-</u>	<u>11,101,870</u>
Revenue:				
Program Income	393,214	-	-	393,214
Rental Income	833,682	-	-	833,682
Utility Rebates	21,505	-	-	21,505
Investment income	42,244	-	-	42,244
Change in Beneficial				
Interest in Net Assets of OCF	-	-	(380)	(380)
Miscellaneous	85,381	-	-	85,381
<b>Total Revenue</b>	<u>1,376,026</u>	<u>-</u>	<u>(380)</u>	<u>1,375,646</u>
Net Assets Released From Restrictions	<u>344,061</u>	<u>(344,061)</u>	<u>-</u>	<u>-</u>
<b>Total Public Support &amp; Revenue</b>	<u>12,563,504</u>	<u>(85,608)</u>	<u>(380)</u>	<u>12,477,516</u>
<b>Expenses:</b>				
Program Service	11,034,563	-	-	11,034,563
Management & General	441,738	-	-	441,738
Fundraising	450,637	-	-	450,637
Depreciation	405,563	-	-	405,563
Interest Expense	152,867	-	-	152,867
<b>Total Expenses</b>	<u>12,485,368</u>	<u>-</u>	<u>-</u>	<u>12,485,368</u>
<b>Other Revenue &amp; Expenses:</b>				
Change in Present Value Discount on Notes Receivable	35,893	-	-	35,893
Loss on disposal of assets	(1,340)	-	-	(1,340)
<b>Total Other Revenue &amp; Expenses</b>	<u>34,553</u>	<u>-</u>	<u>-</u>	<u>34,553</u>
<b>CHANGE IN NET ASSETS</b>	112,689	(85,608)	(380)	26,701
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>6,263,228</u>	<u>1,819,012</u>	<u>212,753</u>	<u>8,294,993</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 6,375,917</u>	<u>\$ 1,733,404</u>	<u>\$ 212,373</u>	<u>\$ 8,321,694</u>

See accompanying notes to financial statements

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## CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS Year Ended June 30, 2014

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>Public Support &amp; Revenue</b>				
Public Support:				
Contributions	\$ 446,675	\$ 53,998	\$ -	\$ 500,673
Non-Cash Contributions	2,421,327	-	-	2,421,327
Fundraising	549,804	-	-	549,804
Grants				
Federal & State	5,912,062	-	-	5,912,062
USDA-Federal Food Commodities	431,579	-	-	431,579
City & County	104,923	-	-	104,923
Private	135,961	209,253	-	345,214
<b>Total Public Support</b>	<u>10,002,331</u>	<u>263,251</u>	<u>-</u>	<u>10,265,582</u>
Revenue:				
Program Income	490,755	-	-	490,755
Rental Income	791,896	-	-	791,896
Utility Rebates	39,035	-	-	39,035
Investment Income	2,016	-	-	2,016
Change in Beneficial				
Interest in Net Assets of OCF	-	-	29,013	29,013
Miscellaneous	29,824	-	-	29,824
<b>Total Revenue</b>	<u>1,353,526</u>	<u>-</u>	<u>29,013</u>	<u>1,382,539</u>
Net Assets Released From Restrictions	<u>125,136</u>	<u>(125,136)</u>	<u>-</u>	<u>-</u>
<b>Total Public Support &amp; Revenue</b>	<u>11,480,993</u>	<u>138,115</u>	<u>29,013</u>	<u>11,648,121</u>
<b>Expenses:</b>				
Program Service	10,186,311	-	-	10,186,311
Management & General	418,282	-	-	418,282
Fundraising	469,336	-	-	469,336
Depreciation	411,052	-	-	411,052
Interest Expense	139,942	-	-	139,942
<b>Total Expenses</b>	<u>11,624,923</u>	<u>-</u>	<u>-</u>	<u>11,624,923</u>
<b>Other Revenue &amp; Expenses:</b>				
Change in Present Value Discount on Notes Receivable	<u>285,354</u>	<u>-</u>	<u>-</u>	<u>285,354</u>
<b>CHANGE IN NET ASSETS</b>	141,424	138,115	29,013	308,552
<b>NET ASSETS, BEGINNING OF YEAR, As Restated</b>	<u>6,121,804</u>	<u>1,680,897</u>	<u>183,740</u>	<u>7,986,441</u>
<b>NET ASSETS, END OF YEAR,</b>	<u>\$ 6,263,228</u>	<u>\$ 1,819,012</u>	<u>\$ 212,753</u>	<u>\$ 8,294,993</u>

See accompanying notes to financial statements

**ACCESS**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Year Ended June 30, 2015 and 2014

	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ 26,701	\$ 308,552
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	405,563	411,052
Amortization	1,861	6,243
Non-Cash Contributions & Grants	3,527,102	2,852,906
Non-Cash Expenses & Support	(3,527,102)	(2,852,906)
Change in Beneficial		
Interest in Net Assets of OCF	380	(29,013)
Change in Present Value Discount on Notes Receivable	(35,893)	(285,354)
Loss on Disposal of Assets	1,340	-
(Increase) Decrease in:		
Accounts Receivable	(3,130)	(6,934)
Grants & Contracts Receivable	(495,874)	441,733
Other Receivables	(41,270)	20,145
Prepaid Expenses & Other Assets	(7,895)	(5,132)
Restricted Deposit & Funded Reserves	82,786	214,230
Increase (Decrease) in:		
Accounts Payable	140,257	(244,348)
Accrued Payroll Liabilities	4,832	15,913
Other Current Liabilities	(23,190)	29
Custodial Fund	(2,942)	(5,700)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>53,526</b>	<b>841,416</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Change in Investments	(753)	(325)
Proceeds From Sale of Property & Equipment	1,473	-
Purchase of Property & Equipment	(139,193)	(380,569)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(138,473)</b>	<b>(380,894)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Change in Line of Credit	-	(37)
Decrease in Accrued Interest Payable	6,334	(7,846)
Proceeds from Notes Payable	62,123	50,000
Principal Payments on Notes Payable	(97,445)	(81,453)
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>(28,988)</b>	<b>(39,336)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(113,935)</b>	<b>421,186</b>
<b>CASH AND CASH EQUIVALENTS BEGINNING OF YEAR</b>	<b>1,750,019</b>	<b>1,328,833</b>
<b>END OF YEAR</b>	<b>\$ 1,636,084</b>	<b>\$ 1,750,019</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOWS:</b>		
Cash Paid During the Year for Interest	<b>\$ 149,393</b>	<b>\$ 139,942</b>

See accompanying notes to financial statements

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

##### **Nature of Operations:**

ACCESS (the Organization) was formed in 1976 as a non-profit corporation to develop and administer programs and services designed to assist low-income residents and senior citizens in Southern Oregon communities in Jackson and Josephine Counties. The Organization provides these services through the following programs: Nutrition, Energy Assistance and Weatherization, Community Services Block Grant (CSBG) programs (Community Needs Planning, Information and Referral, Medical Equipment, and Program Support), Housing Development, and Family and Senior Services.

Federal and State grant funds managed by Oregon Housing and Community Services, Oregon Food Bank, U.S. Department of Veterans Affairs, and the U.S. Department of Housing and Urban Development are the primary sources of funding for the social service programs of the Organization. Contributions, program income, and other grants provide additional support. Grants require periodic reporting, restrict the use of grant funding to provision of specified services, and may require matching revenue from other sources.

##### **Principles of Consolidation:**

The consolidated financial statements include the accounts of ACCESS Development Corporation (ADC), a 100 percent owned affiliate of the Organization. ADC was created March 2, 1994, and is organized as a Title Holding Corporation under Internal Revenue Code Section 501(c)(2). ADC owns and manages the buildings of the Organization which it uses for office space, program administration, commercial kitchens, and warehouse storage. ADC is governed by a board of directors consisting of the chair, vice-chair, and secretary/treasurer of the Organization's Board of Directors. Net income of ADC is distributed annually to the Organization and all material inter-company transactions have been eliminated in these consolidated statements.

The consolidated financial statements include the accounts of Barnett Townhomes Limited Partnership (The Partnership) organized under the laws of the State of Oregon. ACCESS is the Managing General Partner in the Partnership with a 1% ownership interest. ACCESS Barnett LLC is the Limited Partner in the Partnership with a 99% ownership interest. The Partnership began operating under Section 207 pursuant to Section 223(f) of the National Housing Act, with mortgage insurance provided by the Federal Housing Administration (FHA) of the Department of Housing and Urban Development (HUD) on April 1, 2013. The Partnership has entered into a Management Agreement with the Housing Authority of Jackson County (HAJC), to manage the day-to-day operations of the property located at 1852 E. Barnett Rd., Medford, Oregon 97504, also known as Barnett Townhomes. In turn, the HAJC has entered into a Services Contract with ACCESS to administer and carry out the landscape, maintenance and cash handling responsibilities for the property.

For the fiscal years ended June 30, 2015 and 2014, the Organization received approximately \$121,842 and \$119,089, respectively, for the services provided to the Partnership. All material inter-company transactions have been eliminated in these consolidated financial statements.

##### **Basis of Presentation:**

The financial statements of the Organization have been presented in accordance with accounting for financial statement of not-for-profit organizations, which requires classification of an organization's net assets and its revenues, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets – permanently restricted, temporarily restricted, and unrestricted – be presented in a statement of financial position and that the amounts of change in each of those classes of net assets be presented in a statement of activities. The assets, liabilities, revenues, expenses, and net assets of the Organization are reported in the following categories:



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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Unrestricted net assets:* represent unrestricted resources available to support the Organization's operations and temporarily restricted resources which have become available for use by the Organization in accordance with the intention of the donor.

*Temporarily restricted net assets:* represent contributions that are limited in use by the Organization in accordance with temporary donor-imposed stipulations. These stipulations may expire with time or may be satisfied by the actions of the Organization according to the intention of the donor. Upon satisfaction of such stipulations, the associated net assets are released from temporarily restricted net assets and recognized as unrestricted net assets. Temporarily restricted net assets are available primarily for capital projects as designated by the donors.

*Permanently restricted net assets:* represent net assets subject to donor-imposed stipulations that they be maintained by the Organization in perpetuity. The Board of Directors has interpreted Oregon's enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of permanently restricted donations absent explicit donor stipulations to the contrary. As a result of the interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated, (b) the original value of subsequent gifts, and (c) accumulations to the permanently restricted fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Generally, the donors of these assets permit the Organization to use all or part of the investment return on these 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### **Cash and Cash Equivalents:**

For the purposes of the statement of cash flows, the Organization considers all unrestricted investment instruments purchased with original maturities of three months or less to be cash equivalents.

#### **Receivables:**

The Organization extends unsecured credit to its tenants in the ordinary course of business but mitigates the associated risk by actively pursuing past due accounts. Accounts receivable are considered past due if not collected within 90 days. At June 30, 2015 and 2014 all receivables are current. An allowance for doubtful accounts has not been established since management is of the opinion that all accounts receivable at year-end are fully collectible.

Grants receivables are recorded to the extent of qualifying grant expenditures made during the current year that are to be reimbursed after year end.

#### **Inventory:**

Donated food and USDA commodities are recorded directly in the financial statements as non-cash contributions received and as non-cash expenditures within the nutrition program. Food inventory is counted monthly. Non-cash contributions of food commodities flow through the Organization directly to distribution centers and recipients. No amount is recorded on the Statement of Financial Position as inventory.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **Property and Equipment:**

The Organization records acquisitions of property and equipment at cost. Maintenance, repairs and minor renewals are charged to expense as incurred. It is the policy of the Organization to capitalize all property, plant and equipment whose value exceeds \$5,000 and whose expected life exceeds five years. Depreciation has been provided using the straight-line method over the estimated useful lives of the rated assets ranging from 5 to 50 years.

Vehicles and Equipment of the Organization include items purchased with funds provided by Oregon Housing and Community Services (OHCS) under various programs. OHCS requires written approval before purchasing equipment with a cost in excess of \$5,000 and for purchases of any motor vehicle. OHCS retains a security interest in vehicles purchased with funds provided.

##### **Valuation of Long-Lived Assets:**

The Organization reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the property, including any estimated proceeds from the eventual disposition of the property. If the property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property exceeds the fair value of such property. There was no impairment losses recognized in 2015 and 2014.

##### **Grants and Contracts:**

The Organization records grant revenues over the period of the award and the provisions of the grant determine the timing of revenue recognition. Grant expenses are recognized when incurred. Amounts that have been received but not earned are included in unearned revenue.

##### **Contributions:**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Contributions are recorded at fair value. All donor-restricted support is reported as an increase in temporarily restricted net assets. However, if the restrictions on grant funds are met in the same year the funds are awarded, it is the Organization's policy to report the contributions as unrestricted on the statement of activities and changes in net assets. When a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

##### **Donated Materials and Services:**

Donations of food and grocery products by the food industry, other businesses, community organizations and individuals are recorded as support at their estimated wholesale fair value stated at \$1.25 per pound and \$1.39 per pound at June 30, 2015 and 2014, respectively. To arrive at the estimated wholesale fair value per pound, ACCESS uses the approximate average value based on an independent accountants' report to Feeding America (national domestic hunger-relief charity).

Approximately 2.2 million and 1.6 million pounds of donated food was received from the above referenced sources during the years ended June 30, 2015 and 2014, respectively.

Donations of property, equipment, materials and other assets are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Organization recognizes donated services that creates or enhances nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A substantial number of volunteers have donated their time in various ACCESS programs and special events, but are not recorded because they do not meet the recognition criteria.

#### **Revenue Recognition:**

The Organization recognizes revenue as the related services are provided. Rent revenues are recognized in the month in which the services are provided. Public support from grants is recognized (accrued) when qualifying expenditures under the grant are made. Grant funds received in advance are accounted for as temporarily restricted or unrestricted as provided in the particular terms of the respective grant agreements. However, if the restrictions on grant funds are met in the same year the funds are awarded, it is the Organization's policy to report the grant funds as unrestricted on the statement of activities and changes in net assets.

#### **Advertising Costs:**

The Organization expenses advertising production costs the first time the advertising takes place and placement costs as incurred. Advertising expense for the years ended June 30, 2015 and 2014 were \$35,530 and \$68,112, respectively.

#### **Tax Status:**

The Organization is a non-profit entity exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state incomes taxes on related activities. No tax provision has been made in the accompanying statement of activities. The Organization recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Organization recognizes interest and penalties related to income tax matters in operating expenses.

ADC is exempt from income tax under Section 501(c)(2) of the U.S. Internal Revenue Code. Therefore, no provision for income taxes is necessary.

The Partnership files a partnership return for federal and state income tax purposes. Consequently, income taxes are not payable by the Partnership. The partners include their share of profits and losses in their respective income tax returns.

As of June 30, 2015 and 2014 there were no uncertain tax positions.

#### **Deposits in Excess of Insured Limits:**

The Federal Deposit Insurance Corporation (FDIC) insures account balances at each insured institution. The Organization frequently maintains cash balances greater than the FDIC insurance coverage in two financial institutions. At June 30, 2015 and 2014, the amount that exceeded FDIC coverage was \$1,333,851 and \$1,639,664, respectively.

#### **Reclassifications:**

Certain amounts in prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

**NOTE 2: CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following at June 30:

	2015	2014
Petty Cash	\$ 1,300	\$ 850
Cash in Checking Accounts:		
General	1,278,641	1,576,050
Client Trust-Security Deposits	18,299	20,590
Barnett Townhomes Limited Partnership	182,780	29,851
Access Development Corporation	155,064	122,678
	<u>1,636,084</u>	<u>1,750,019</u>
Total Cash and Cash Equivalents	<u>\$ 1,636,084</u>	<u>\$ 1,750,019</u>

**NOTE 3: INVESTMENTS**

Investments consist of the following at June 30:

	2015	2014
17 Month CD matures 3/7/2016, interest .75%	\$ 140,634	\$ 139,934
One year CD matured 6/25/2015, interest .060%	88,097	88,044
	<u>228,731</u>	<u>227,978</u>
Total Investments - Certificates of Deposit	<u>\$ 228,731</u>	<u>\$ 227,978</u>

The matured CD was reinvested September 9, 2015 in a 90 day CD maturing December 22, 2015 at a 0.10% interest rate.

**NOTE 4: BENEFICIAL INTEREST IN OREGON COMMUNITY FOUNDATION**

On February 25, 2004, the Organization elected to participate in the Oregon Community Foundation (OCF). The Organization transferred assets to OCF which is holding them as an endowed component fund (Fund) for the benefit of the Organization. The Organization has granted OCF variance power which gives OCF's Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to OCF's investment and spending policies which currently result in a distribution to the Organization of a certain percent of the average quarterly value over time. The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held by OCF in the statement of financial position and reports distributions received as investment income. Unrealized changes in the value of the Fund are reported in the statement of activities.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 5: NOTES RECEIVABLE**

During the fiscal year ended June 30, 2008, the Organization became a general partner in a 52 unit low-income housing project called Conifer Gardens Limited Partnership. During that fiscal year, the Organization made three loans to Conifer Gardens Limited Partnership for a total of \$1,297,139. During the fiscal year ended June 30, 2009, the Organization made loans to Conifer Gardens Limited Partnership for an additional \$62,304. Two of the loans have a 1% interest and the third loan has a 0% interest rate. The loans are secured by a second deed of trust on the real property. The notes receivable are adjusted to present value using the borrowing rate of the Organization which is 3.75% less the interest rate of the notes receivable.

	2015	2014
Notes Receivable	\$ 1,359,443	\$ 1,359,443
Present Value Adjustment	<u>(114,321)</u>	<u>(150,214)</u>
Net Notes Receivable	<u>\$ 1,245,122</u>	<u>\$ 1,209,229</u>

**NOTE 6: RESTRICTED DEPOSITS AND FUNDED RESERVES OF BARNETT TOWNHOMES LIMITED PARTNERSHIP**

Tenant security deposits - The Partnership holds a separate account that represents security deposits made by tenants.

Asset replacement reserve - The Partnership was required to establish an asset replacement reserve of \$609,825 and deposit \$3,027 monthly to the account. Interest earned on the deposited amounts is retained in the reserve, and the reserve is subject to withdrawals restricted to certified property improvements.

Total restricted deposits and funded reserves reflected on the consolidated financial statements at June 30 are summarized as follows:

	2015	2014
Tenant Security Deposit Account	\$ 65,838	\$ 47,821
Asset Replacement Reserve Account	<u>293,849</u>	<u>394,652</u>
Total Restricted Deposits and Funded Reserves	<u>\$ 359,687</u>	<u>\$ 442,473</u>

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

**NOTE 7: DEFERRED FEES**

Debt issuance costs are being amortized over the terms of the associated note payable. Consolidated amortization expense amounted to \$1,861 and \$6,242 for the years ended June 30, 2015 and 2014, respectively.

The balance of unamortized deferred fees consists of the following:

	<u>2015</u>	<u>2014</u>
Costs Related to Note Payable:		
ADC	\$ 10,115	\$ 10,115
The Partnership	119,413	119,413
Total Costs Related to Note Payable	<u>129,528</u>	<u>129,528</u>
Less: Accumulated Amortization:		
ADC	(2,630)	(2,124)
The Partnership	<u>(7,680)</u>	<u>(6,325)</u>
Total Accumulated Amortization	(10,310)	(8,449)
 Unamortized Deferred Fees	 <u>\$ 119,218</u>	 <u>\$ 121,079</u>

**NOTE 8: LINE OF CREDIT**

During 2013, the Organization established a line of credit with AmericanWest Bank in the amount of \$250,000. The original maturity date of the line of credit agreement was February 15, 2015, which was extended on April 2, 2015 to April 15, 2016. The interest rate on the line of credit is daily prime plus .50% but not lower than 3.75%. At June 30, 2015 and 2014, there were no amounts outstanding on the line of credit.

**NOTE 9: LONG-TERM DEBT**

The Organization's long-term debt consists of the following:

	<u>2015</u>	<u>2014</u>
ADC:		
AmericanWest Bank 2008 Loan	\$ 901,526	\$ 930,856
The Partnership:		
Walker & Dunlop HUD Loan	2,722,606	2,767,222
The Organization:		
AmericanWest Bank 2004 Loan	72,169	49,626
AmericanWest Bank 2005 Loan	84,561	87,316
AmericanWest Bank 2002 Loan	86,125	89,573
US Bank 2013 Loan	<u>47,052</u>	<u>48,777</u>
 Total Consolidated Long-Term Debt	 <u>\$ 3,914,039</u>	 <u>\$ 3,973,370</u>

# ACCESS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **NOTE 9: LONG-TERM DEBT (Continued)**

##### ADC:

On October 17, 2008, ADC entered into a note payable to AmericanWest Bank in the original amount of \$1,057,000. The terms of the note, as modified in the Change of Terms Agreement dated January 2, 2013 require monthly payments of \$5,775, with interest calculated on the unpaid principal balance using an interest rate of 4.00% per annum based, followed by 239 monthly payments of \$5,898, beginning November 17, 2013, including interest computed at the Five Year Treasury Constant Maturities Index rate plus 3.50 percentage points. The interest rates of 4.90 and 4.90 percent per annum applied at June 30, 2015 and 2014, respectively. The note matures on October 17, 2033. The note is secured by land and buildings.

The loan agreement contains a subjective acceleration clause, which gives the Bank the right to accelerate repayment upon the Bank's determination of a material adverse change in the ADC's financial position. Management has evaluated the likelihood of the Bank exercising the clause to be remote. As a result, the amounts owed are classified based upon the stated payment schedule.

Interest charged to expense for the years ended June 30, 2015 and 2014 totaled \$45,867 and \$44,135, respectively.

##### The Partnership:

On April 1, 2013, The Partnership entered into a note payable to Walker & Dunlop, LLC in the original amount of \$2,813,900. The terms of the note require 420 monthly payments of \$11,386, including interest computed at 3.35% per annum. The note is secured by land, buildings and improvements and matures on April 1, 2048.

Interest charged to expense for the years ended June 30, 2015 and 2014 totaled \$95,495 and \$85,643, respectively.

##### Organization:

On December 3, 2004, the Organization entered into a note payable to AmericanWest Bank in the original amount of \$64,384. The terms of the note require 36 monthly payments of \$441, including interest computed at 6.58 percent per annum, followed by 83 monthly payments of \$366 including interest computed at the Weekly Average Three Year Constant Maturities Treasury rate published in the Federal Reserve Board's Statistical Release plus 3.5 percentage points. On April 14, 2015 a change in terms occurred where the commitment amount was increased to \$72,683 and the interest rate and floor rate was revised from 4.06% per annum to 4.94 percent resulting in a revised monthly principal and interest payment of \$575. The note requires a final payment of \$30,998 on April 15, 2025. The interest rates of 4.94 and 4.06 percent per annum applied at June 30, 2015 and 2014, respectively. The note is secured by land and improvements.

On October 17, 2005, the Organization entered into a note payable to AmericanWest Bank in the original amount of \$150,000. The terms of the note, as modified in the Change of Terms Agreement dated June 22, 2006, require 52 monthly payments of \$907, including interest computed at 5.99 percent per annum, followed by 179 monthly payments of \$464 including interest computed at the Weekly Average Three Year Constant Maturities Treasury rate published in the Federal Reserve Board's Statistical Release plus 2.06 percentage points. A final payment of \$57,823 will be due when the note matures on October 17, 2025. The interest rate of 3.31% per annum applied at June 30, 2015 and 2014, respectively. The note is secured by land and improvements.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 9: LONG-TERM DEBT (Continued)**

On June 14, 2002, the Organization entered into a note payable to AmericanWest Bank in the original amount of \$110,000. The terms of the note require 60 monthly payments of \$779, including interest computed at 7 percent per annum, followed by 300 monthly payments of \$779 including interest computed at the Five Year Treasury Constant Maturities Index plus 2.75 percentage points. The note carries a minimum interest rate of 7% and a maximum rate of 15 percent. On January 2, 2013 a change in terms occurred where the initial interest rate and floor rate was revised from 7.00 percent to 4.00 percent until the next rate adjustment period and the margin was revised from 2.75 percent to 3.50 percent resulting in a revised monthly principal and interest payment of \$585. The note is secured by land and improvements and matures on June 10, 2032.

On October 2, 2013, the Organization entered into a note payable to US Bank in the original amount of \$50,000. The terms of the note require 59 monthly installments of \$302, including interest computed at 3.89% per annum beginning November 1, 2013, plus a final payment equal to all unpaid principal and accrued interest on October 1, 2018, the maturity date. The note is secured by land and improvements.

Each of the loan agreements with AmericanWest Bank and US Bank contain a subjective acceleration clause, which gives the Bank the right to accelerate repayment upon the Bank's determination of a material adverse change in the Organization's financial position. Management has evaluated the likelihood of the Bank exercising the clause to be remote. As a result, the amounts owed are classified based upon the stated payment schedule.

The Organization charged \$10,595 and \$10,164 for the above notes payable in interest to expense for the years ended June 30, 2015 and 2014, respectively.

The annual requirement to amortize all long-term debt outstanding at June 30 is as follows:

	<u>2015</u>	<u>2014</u>
Total Consolidated Long-Term Debt	\$ 3,914,039	\$ 3,973,370
Less: Portion due within one year	<u>(89,572)</u>	<u>(132,443)</u>
Long-Term Debt, net of current portion	<u>\$ 3,824,467</u>	<u>\$ 3,840,927</u>

Maturities of long-term debt at June 30 are as follows:

2016	\$ 89,572
2017	93,221
2018	138,435
2019	98,912
2020	98,757
Thereafter	<u>3,395,142</u>
	<u>\$ 3,914,039</u>



**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 10: CAPITAL LEASE**

The Organization entered into a Capital Lease with Marlin Equipment Finance to finance two large pieces of kitchen equipment. The lease is collateralized by the equipment. The lease is payable in 36 monthly installments of \$1,078, including imputed interest of 3.31% per annum through June 2017. The original cost of such equipment was \$37,123. The Organization incurred \$910 of interest expense associated with the capital lease for the year ended June 30, 2015.

Future minimum lease payments under this capital lease at June 30, 2015 are as follows:

	2016	\$	12,945
	2017		11,867
Total Future Minimum Payments			24,812
Less Amount Representing Interest			(803)
		\$	24,009

**NOTE 11: TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets were available for the following purposes as of June 30:

	2015	2014
Reserves		
Residential Building Maintenance	\$ 16,773	\$ 64,216
Low Income Housing	75,000	-
Educational Programs	-	538
Warehouse Expansion	24,175	24,175
Nutrition Programs	68,200	153,874
Senior/Disabled Programs	95,412	40,504
Family/Senior Services	20,000	35,379
Total Temporarily Restricted for Reserves	299,560	318,686
Fixed Assets		
Low Income Housing	1,433,844	1,500,326
Total Temporarily Restricted for Fixed Assets	1,433,844	1,500,326
Total Temporarily Restricted Net Assets	\$ 1,733,404	\$ 1,819,012

Low income housing includes land and buildings that have been restricted by granting agencies to be used for the purpose of providing affordable housing to low income recipients. At June 30, 2015 and 2014, the land and buildings had a net book value of \$1,590,573 and \$1,637,268, respectively, and the assets secured notes payable in the amounts of \$156,730 and \$136,942, respectively. At June 30, 2015 and 2014, the unencumbered net book value of the assets totaled \$1,433,844 and \$1,500,326, respectively.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 11: TEMPORARILY RESTRICTED NET ASSETS (Continued)**

During the fiscal years ended June 30, 2015 and 2014, net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by the donors as follows:

	2015	2014
Released From Restrictions		
Low Income Housing	\$ 66,482	\$ 46,694
Residential Building Maintenance	47,443	-
Educational Programs	538	-
Nutrition Programs	153,874	40,000
Senior/Disabled Programs	40,345	13,442
Family/Senior Services	35,379	25,000
 Total Released From Restrictions	 \$ 344,061	 \$ 125,136

Temporarily restricted contributions that are received and expended within the same fiscal year are reported as unrestricted resources.

**NOTE 12: PERMANENTLY RESTRICTED NET ASSETS**

The Board transferred certain assets to the Oregon Community Foundation (Foundation or OCF). In accordance with generally accepted accounting principles, when this transfer was made, the assets were deemed to be permanently restricted net assets.

Interpretation of Relevant Law

In relation to the Board Designated net assets held by the Foundation, the Foundation's Board of Trustees controls the Funds investment and spending policies, the Organization has no control of such policies. The Foundations investment policies and the performance of the investment managers are reviewed quarterly by an investment committee made up of community volunteers and the Foundation's board members.

In relation to the permanently restricted funds, the Board of Directors of the Organization has interpreted the State of Oregon Uniform Prudent Management of Institutional Funds Act (SPMIFA), adopted January 1, 2008, as allowing the Organization, absent of any donor stipulations to the contrary, to appropriate so much of an endowment fund as the Organization determines is prudent for uses, benefits, purposes, and duration for which the endowment is established.

**NOTE 13: CONCENTRATIONS OF SUPPORT AND REVENUE**

As of June 30, 2015 and 2014 Organization received approximately 51 percent and 54 percent, respectively, of its total public support and revenue from Federal and State agencies. As of June 30, 2015 and 2014, 20 percent and 39 percent, respectively, of total public support and revenue passed through Oregon Housing and Community Services.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

**NOTE 14: RETIREMENT PLAN**

The Organization maintains a retirement plan qualified under Section 403(b) of the Internal Revenue Code. The Plan covers employees who have completed one year of service with the Organization. For employees that were participants of the plan as of June 30, 2009, the Organization contributes amounts ranging from two percent to twelve percent of qualified compensation for the benefit of qualified employees based on years of service and employee elective contributions to the plan. Employees that became participants in the plan after June 30, 2009 receive contributions from the organization that match up to five percent of their qualified compensation. For the years ended June 30, 2015 and 2014, employer contributions to the plan were \$80,867 and \$76,432, respectively.

**NOTE 15: NON-CASH CONTRIBUTIONS AND EXPENSES**

At June 30, 2014 and 2014, non-cash contributions and expenses consisted of the following:

	2015		
	Equipment, Goods and Services	Food Distributed	Total
Non-Cash Contributions by Program			
General Agency	\$ 199	\$ -	\$ 199
Family and Senior Services	18,640	-	18,640
Nutrition	18,207	2,715,565	2,733,772
Medical Equipment	141,201	-	141,201
Housing	800	-	800
Resource Development	35,737	-	35,737
Total Non-Cash Contributions	214,784	2,715,565	2,930,349
Non-Cash Grants Consisting of USDA Commodities	-	596,753	596,753
Total Non-Cash Revenues and Expenses	\$ 214,784	\$ 3,312,318	\$ 3,527,102
	2014		
	Equipment, Goods and Services	Food Distributed	Total
Non-Cash Contributions by Program			
General Agency	\$ 12,406	\$ -	\$ 12,406
Family and Senior Services	32,347	-	32,347
Nutrition	14,106	2,213,828	2,227,934
Medical Equipment	104,214	-	104,214
Housing	225	-	225
Resource Development	44,201	-	44,201
Total Non-Cash Contributions	207,499	2,213,828	2,421,327
Non-Cash Grant Consisting of USDA Commodities	-	431,579	431,579
Total Non-Cash Revenues and Expenses	\$ 207,499	\$ 2,645,407	\$ 2,852,906

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 16: LEASE COMMITMENTS**

ACCESS has entered into several non-cancellable operating leases for office equipment and two leases for office and facilities to operate programs. Operating lease expenditures for the years ended June 30, 2015 and 2014, amounted to \$48,856 and \$43,350 respectively.

Future minimum rental payments required under the remaining non-cancellable lease terms are as follows:

Year ended June 30,	2016	\$ 35,107
	2017	<u>1,269</u>
		<u>\$ 36,376</u>

Additionally, the Organization leases office and warehouse facilities from ADC, an affiliated corporation which has been consolidated in these statements. Leased space includes the main office facility and warehouse of the Organization, the Olsrud Family Nutrition Center and a warehouse building on Lear Way in Medford, Oregon. The lease is for an indefinite period of time and provides for a monthly rental payment of \$9,000. For the years ended June 30, 2015 and 2014, rent expense totaled \$108,000 for each year. This amount was eliminated in the consolidation of the Organization and ADC financial statements.

**NOTE 17: FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying values of cash and cash equivalents, grants and contracts receivable, notes receivable, accounts payable and accrued expenses approximates fair value due to the short maturity of such instruments.

The carrying value of the long-term debt approximates its fair value due to the variable interest pay rate of such instrument.

The beneficial interest in assets held by the Oregon Community Foundation (OCF) has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundations' investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair value of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 17: FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)**

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Foundations investments are composed approximately of 40% equities (both domestic and international), 20% alternative investments, 15% fixed income, 15% inflation hedge investments, and 10% private equity. As a result of these factors, the assets held by the Oregon Community Foundation have been categorized as a Level 3 financial instrument.

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2015 and 2014:

Assets at Fair Value as of June 30, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$228,731	\$ -	\$ -	\$228,731
Beneficial interest in assets held by OCF	<u>-</u>	<u>-</u>	<u>212,373</u>	<u>212,373</u>
<b>Total Assets at Fair Value</b>	<b><u>\$228,731</u></b>	<b><u>\$ -</u></b>	<b><u>\$212,373</u></b>	<b><u>\$441,104</u></b>

Assets at Fair Value as of June 30, 2014

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$227,978	\$ -	\$ -	\$227,978
Beneficial interest in assets held by OCF	<u>-</u>	<u>-</u>	<u>212,753</u>	<u>212,753</u>
<b>Total Assets at Fair Value</b>	<b><u>\$227,978</u></b>	<b><u>\$ -</u></b>	<b><u>\$212,753</u></b>	<b><u>\$440,731</u></b>

The following table reconciles the beginning and ending balances of recurring fair value measurements for recognized in the accompanying financial statements using significant unobservable (Level 3) financial inputs:

	<u>2015</u>	<u>2014</u>
Balance as of July 1,	\$212,753	\$183,740
Undistributed change in value of beneficial interest in OCF	<u>(380)</u>	<u>29,013</u>
<b>Balance as of June 30,</b>	<b><u>\$212,373</u></b>	<b><u>\$212,753</u></b>

**ACCESS**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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**NOTE 18: ACCESS AGREEMENTS WITH EXEMPT ORGANIZATIONS**

Southern Oregon Lions Sight and Hearing Center (SOLS) - The Organization entered into commercial lease agreements with SOLS in connection with two low income housing projects (Holly Court and Lions Cottage). Terms of the agreements require that the Organization pay a monthly sum of \$102 for each housing project to SOLS. The Organization then rents the units to low income senior or disabled individuals and manages the projects. The Organization's financial statements do not include the operations of the projects. The agreements automatically renew each year.

Ashland Community Land Trust (ACLT) - The Organization entered into a property management agreement with ACLT, an unrelated not-for-profit organization, in connection with two housing projects (Parkview, Grant Street and Bridge Street). The Organization's financial statements do not include the operations of the projects. For the fiscal years ended June 30, 2015 and 2014, the Organization received \$6,480 and \$6,480 annually in management fees from ACLT.

The cash for these organizations are included in the Organization's bank accounts with an offsetting entry to custodial fund on the consolidated statement of financial position. As of June 30, 2015 and 2014, the balance was \$60,428 and \$66,416, respectively.

Jackson County Health & Human Services (the County) - The Organization entered into several agreements with the County to provide housing to mental health clients using the Organization's residences located at 29 Summit, 717 and 723 Ross Lane, and 2622 Wyatt Drive in Medford. The County provides services to the clients and pays the Organization an agreed upon monthly or annual rent. The agreements automatically renew each year.

**NOTE 19: PRIOR PERIOD ADJUSTMENTS**

During the fiscal year ended June 30, 2014, the Organization identified certain accounting errors which resulted in an overstatement of previously reported deferred revenue (\$155,117), an understatement of cash in ADC (\$5,912), and an understatement of equipment (\$12,204). Accordingly, an adjustment of \$173,233 was made to increase net assets as of the beginning of the year. The effect of the restatement on beginning net assets for July 1, 2013 was an increase of \$141,145.

**NOTE 20: SUBSEQUENT EVENTS**

Management of the Organization has evaluated events and transactions occurring after June 30, 2015 through the date the financial statements were available for issuance, for recognition and/or disclosure in the financial statements.

- On August 14, 2015 the Organization entered into two separate leases on two Toyota Camry's with 36 monthly lease payments of \$454.

**SUPPLEMENTARY INFORMATION**

**ACCESS**  
**PROGRAM DESCRIPTIONS**  
**Fiscal Years Ended June 30, 2015 and 2014**

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Programs that have similar purposes are grouped together on these financial statements into nine program categories including, but not limited to, the following programs:

**ACCESS AGENCY:**

Accounts for the general activity of ACCESS that are not presented in the other programs including land, building, and equipment owned by ACCESS.

**ACCESS DEVELOPMENT CORPORATION:**

Accounts for the activity of ACCESS Development Corporation, the entity of which owns the land and building that houses ACCESS.

**COMMUNITY SERVICES BLOCK GRANT (CSBG):**

Medical Equipment Loan Program - Provides medical equipment on loan to senior citizens or disabled persons. There is no charge for the use of this equipment and, it may be used as long as there is a need for it. Hospital beds, walkers, crutches, and wheelchairs are examples of equipment available.

Information and Referral - Provides information via the telephone to persons seeking assistance. Current information regarding programs offered by ACCESS is provided. Information regarding programs offered by other human services agencies in Jackson County is also available.

Community Planning - Provides for assessment of community wide needs in order to provide more effective services and programs. Also coordinates Jackson County's Continuum of Care.

Program Support - Provides additional funding to support administrative and program costs of other programs.

**HOUSING DEPARTMENT PROGRAMS:**

Development - the acquisition and new construction of affordable housing for low-income individuals, families, seniors and people with disabilities.

Property/Asset Management - ACCESS has an ownership interest in 167 units of affordable rental housing, located in Jackson County. Of this, 134 units are managed by two third-party management companies while the remaining 33 units are self-managed. In addition to the self-managed units, ACCESS manages another 24 units of housing owned by Ashland Community Land Trust and the Southern Oregon Lion's Sight & Hearing Center.

Housing Counseling - provides pre and post purchase counseling to participants enrolled in the following programs; the Oregon Foreclosure Avoidance Program, National Foreclosure Mitigation Counseling program, Realizing the American Dream, E-Home America, and a variety of down-payment assistance programs.

Oregon Foreclosure Avoidance Program - a mandatory statewide foreclosure mediation program.

National Foreclosure Mitigation Counseling - a voluntary program to help delinquent homeowners avoid foreclosure.

Realizing the American Dream (RAD) - is a pre-purchase educational program delivered in a classroom setting. Classes are offered in both Jackson and Josephine Counties.

E-Home America - is an approved online pre-purchase educational course that allows the participant an opportunity to complete the education at their own pace and convenience.



# ACCESS

## PROGRAM DESCRIPTIONS

Fiscal Years Ended June 30, 2015 and 2014

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### **HOUSING DEPARTMENT PROGRAMS (Continued):**

DreamSavers - is an individual development account (IDA) program that encourages participants to build assets and financial independence through a matched savings program. Participants can save for higher education, home purchase, or to start or expand a small business, home repair and for adaptive technology supports that increase the participant's employability.

Down payment Assistance Programs (DPAP) - financial support to assist low-income, first -time home purchasers in covering a portion of the needed down payment and closing cost expenses.

### **ENERGY AND WEATHERIZATION PROGRAMS:**

Federal Department of Energy (DOE), Low Income Home Energy Assistance Program (LIHEAP), Bonneville Power Administration (BPA), Avista Weatherization and Energy Conservation Helping Oregonians (ECHO) are all weatherization programs. Low-income seniors, people with disabilities and households who have received shut off notices.

LIHEAP - Provides energy assistance to low income Jackson County residents with preference given to seniors and disabled individuals.

Oregon Energy Assistance - Provides assistance to eligible low income households to offset the costs of home energy for Pacific Power and Light customers only. Priority is given to households who have received shut off notices.

Low Income Ratepayer Assistance Program - Provides assistance to eligible low income households to offset the costs of home energy for Avista customers only. Priority is given to households who have received shut off notices.

### **NUTRITION PROGRAMS:**

Food Share - Provides emergency and supplemental food to the hungry in Jackson County. Food Share supplies twenty-four food pantries, over 20 supplemental food programs and over 10 residential feeding sites (i.e. Salvation Army and Dunn House) with food donated through local community donations, Oregon Food Bank, and USDA.

Fresh Alliance - Fresh Alliance recovers milk, produce, dairy and frozen meat from area grocery stores on or before the product pull date. This product is transported in a refrigerated truck, sorted, reboxed and distributed to people in need across Jackson County.

Commodity Supplemental Food Program (CSFP) - A federal commodity program targeting income qualifying seniors over the age of 60. Commodity food boxes are provided monthly to qualifying clients.

ACCESS Food Share Gardens - Seven large community gardens, run by volunteers growing healthy produce for ACCESS food pantries and agencies.

Plant-a-Row - Local gardeners grow extra rows of healthy produce and donate to ACCESS food pantries and agencies.

Cooking Skills Education Program - Inspires and educates community members to eat more fresh, local fruits, vegetables and whole foods with the assistance of a group of trained volunteers.

Healthy Corner Store Initiative - A collaborative project of Jackson County Public Health Department, OSU Extension, and ACCESS to make healthy foods more accessible through neighborhood markets in our community's food deserts.

# ACCESS

## PROGRAM DESCRIPTIONS

### Fiscal Years Ended June 30, 2015 and 2014

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#### **SUPPORT SERVICE PROGRAMS:**

ACCESS is a partner with DHS, Employment Division, Jackson County Health Department, On-Track, and area schools at various service integration sites in Jackson County.

HOME Tenant Based Assistance (HTBA), Housing Stability Program (HSP), and Low Income Rental Housing Fund (LIRHF) - Provides up to two years rental subsidy depending upon housing need identified in partnership with Jackson County Housing Authority. The maximum amount of HOME funds that may be paid for a security deposit is no greater than the equivalent of two months' rent for the unit.

Emergency Solutions Grant (ESG) Program - The (ESG) provides federal funds to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. ESG funds are available for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and data collection through the Homeless Management Information System; as well as administrative activities.

Support Services for Veteran Families (SSVF) - The SSVF program assists Veterans who are homeless or at-risk of homelessness end their housing crisis and stabilize in housing. There are two primary forms of assistance: Homelessness Prevention and Rapid Re-housing

Navigator Program: Senior & Disabled - Provides in-home assessments for seniors or persons with disabilities to help them navigate through resources for important issues they face on a day-to-day basis including remaining independent in their homes. Companions provide a friendly visit homebound seniors who may want that extra connection.

Ashland Community Resource Center (ACRC) - Provide homeless, at-risk individuals and families receive assistance and tools to support housing stability. Services provided at the center include; case management, service referrals, restrooms, backpack storage, mailing address, internet access, phone, job search-related printing, hygiene supplies, bus passes, education opportunities and more.

#### **OLSRUD FAMILY NUTRITION CENTER:**

Operation of a community nutrition center used to provide a meeting facility with catering options to other agencies in the community.

#### **RESOURCE DEVELOPMENT:**

Fundraising activities of ACCESS.

**ACCESS**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2015**

	<u>ACCESS</u>	<u>Barnett Townhomes Limited Partnership</u>	<u>ACCESS Development Corporation</u>	<u>Consolidation Eliminations</u>	<u>Total</u>
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 1,298,140	\$ 182,880	\$ 155,064	\$ -	\$ 1,636,084
Investments - Certificates of Deposit	228,731	-	-	-	228,731
Accounts Receivable	14,196	14,820	15,756	(13,326)	31,446
Grants & Contracts Receivable	949,553	-	-	-	949,553
Prepaid Expenses & Deposits	10,768	40,325	-	-	51,093
<b>Total Current Assets</b>	<u>2,501,388</u>	<u>238,025</u>	<u>170,820</u>	<u>(13,326)</u>	<u>2,896,907</u>
<b>Property &amp; Equipment</b>					
Land	554,752	1,057,616	580,474	-	2,192,842
Buildings & Equipment	3,872,626	6,126,275	2,504,222	-	12,503,123
Donated Land, Buildings & Equipment	53,539	-	-	-	53,539
Vehicles	542,688	-	-	-	542,688
Construction in Progress	-	-	-	-	-
Accumulated Depreciation	(1,828,543)	(4,506,308)	(937,270)	-	(7,272,121)
<b>Property &amp; Equipment, net</b>	<u>3,195,062</u>	<u>2,677,583</u>	<u>2,147,426</u>	<u>-</u>	<u>8,020,071</u>
<b>Other Assets</b>					
Beneficial interest in assets held by OCF	212,373	-	-	-	212,373
Notes Receivable, net of present value	1,748,023	-	-	(502,901)	1,245,122
Accrued Interest Receivable	97,614	-	-	(12,604)	85,010
Restricted Deposits & Funded Reserves	19,000	340,687	-	-	359,687
Deferred Fees, net of accumulated amortization	-	111,733	7,485	-	119,218
<b>Total Other Assets</b>	<u>2,077,010</u>	<u>452,420</u>	<u>7,485</u>	<u>(515,505)</u>	<u>2,021,410</u>
<b>Total Assets</b>	<u>\$ 7,773,460</u>	<u>3,368,028</u>	<u>\$ 2,325,731</u>	<u>\$ (528,831)</u>	<u>\$ 12,938,388</u>

**ACCESS**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION (Continued)**  
**June 30, 2015**

	<b>ACCESS</b>	<b>Barnett Townhomes Limited Partnership</b>	<b>ACCESS Development Corporation</b>	<b>Consolidation Eliminations</b>	<b>Total</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$ 232,691	\$ 36,521	\$ -	\$ -	\$ 269,212
Accrued Payroll Liabilities	260,318	-	-	-	260,318
Other Current Liabilities	45,796	46,838	-	(13,326)	79,308
Custodial Fund	63,474	-	-	-	63,474
Accrued Interest Payable	-	6,334	-	-	6,334
Current Portion of Capital Lease	12,337	-	-	-	12,337
Current Portion of Notes Payable	11,663	46,133	31,776	-	89,572
<b>Total Current Liabilities</b>	<b>626,279</b>	<b>135,826</b>	<b>31,776</b>	<b>(13,326)</b>	<b>780,555</b>
<b>Long Term Liabilities</b>					
Capital Lease, Net of Current Portion	11,672	-	-	-	11,672
Notes Payable, Net of Current Portion	278,244	3,179,374	869,750	(502,901)	3,824,467
Accrued Interest Payable	-	12,604	-	(12,604)	-
<b>Total Long Term Liabilities</b>	<b>289,916</b>	<b>3,191,978</b>	<b>869,750</b>	<b>(515,505)</b>	<b>3,836,139</b>
<b>Total Liabilities</b>	<b>916,195</b>	<b>3,327,804</b>	<b>901,526</b>	<b>(528,831)</b>	<b>4,616,694</b>
<b>Net Assets</b>					
Barnett Townhomes Limited Partnership Capital	-	40,224	-	-	40,224
<b>Unrestricted Net Assets</b>					
Operating	4,911,488	-	1,424,205	-	6,335,693
<b>Total Unrestricted Net Assets</b>	<b>4,911,488</b>	<b>40,224</b>	<b>1,424,205</b>	<b>-</b>	<b>6,375,917</b>
<b>Temporarily Restricted Net Assets</b>					
Reserves	299,560	-	-	-	299,560
Fixed Assets	1,433,844	-	-	-	1,433,844
<b>Total Temporarily Restricted Net Assets</b>	<b>1,733,404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,733,404</b>
<b>Permanently Restricted Net Assets</b>					
	212,373	-	-	-	212,373
<b>Total Net Assets</b>	<b>6,857,265</b>	<b>40,224</b>	<b>1,424,205</b>	<b>-</b>	<b>8,321,694</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 7,773,460</b>	<b>\$ 3,368,028</b>	<b>\$ 2,325,731</b>	<b>\$ (528,831)</b>	<b>\$ 12,938,388</b>

**ACCESS**  
**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
Year Ended June 30, 2015

	<u>ACCESS</u>	<u>Barnett Townhomes Limited Partnership</u>	<u>ACCESS Development Corporation</u>	<u>Consolidation Eliminations</u>	<u>TOTAL</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS:</b>					
<b>Public Support &amp; Revenue</b>					
Public Support					
Contributions	\$ 606,325	\$ -	\$ -	\$ -	\$ 606,325
Non-Cash Contributions	2,930,349	-	-	-	2,930,349
Fundraising	526,664	-	-	-	526,664
Grants					
Federal & State	5,511,917	-	-	-	5,511,917
USDA-Federal Food Commodities	596,753	-	-	-	596,753
City & County	152,816	-	-	-	152,816
Private	518,593	-	-	-	518,593
<b>Total Public Support</b>	<u>10,843,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,843,417</u>
Revenue					
Program Income	454,708	-	-	(61,494)	393,214
Rental Income	198,050	635,632	108,000	(108,000)	833,682
Utility Rebates	21,505	-	-	-	21,505
Investment Income	102,512	80	-	(60,348)	42,244
Miscellaneous	65,232	20,149	-	-	85,381
<b>Total Revenue</b>	<u>842,007</u>	<u>655,861</u>	<u>108,000</u>	<u>(229,842)</u>	<u>1,376,026</u>
<b>Total Public Support &amp; Revenue Before Net Assets Released from Restrictions</b>	<u>11,685,424</u>	<u>655,861</u>	<u>108,000</u>	<u>(229,842)</u>	<u>12,219,443</u>
Net Assets Released from Restrictions	<u>344,061</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>344,061</u>
<b>Total Public Support &amp; Revenue</b>	<u>12,029,485</u>	<u>655,861</u>	<u>108,000</u>	<u>(229,842)</u>	<u>12,563,504</u>
<b>Expenses</b>					
Program Services	10,737,246	358,811	-	(61,494)	11,034,563
General and Administration	546,572	-	3,166	(108,000)	441,738
Fundraising	450,637	-	-	-	450,637
Depreciation	133,475	213,728	58,360	-	405,563
Interest Expense	11,505	155,843	45,867	(60,348)	152,867
<b>Total Expenses</b>	<u>11,879,435</u>	<u>728,382</u>	<u>107,393</u>	<u>(229,842)</u>	<u>12,485,368</u>
<b>Other Revenue &amp; Expenses</b>					
Change in Present Value Discount on Notes Receivable	35,893	-	-	-	35,893
Loss on disposal of assets	(1,340)	-	-	-	(1,340)
<b>Total Other Revenue &amp; Expenses</b>	<u>34,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,553</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>184,603</u>	<u>(72,521)</u>	<u>607</u>	<u>-</u>	<u>112,689</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>					
Grants - Private	258,453	-	-	-	258,453
<b>Total Temporarily Restricted Public Support</b>	<u>258,453</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,453</u>
Net Assets Released from Restrictions	<u>(344,061)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(344,061)</u>
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<u>(85,608)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(85,608)</u>
<b>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:</b>					
Change in Beneficial Interest in Net Assets of OCF	(380)	-	-	-	(380)
<b>CHANGE IN PERMANENTLY RESTRICTED NET ASSETS</b>	<u>(380)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(380)</u>
<b>CHANGE IN NET ASSETS</b>	<u>98,615</u>	<u>(72,521)</u>	<u>607</u>	<u>-</u>	<u>26,701</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>6,758,650</u>	<u>112,745</u>	<u>1,423,598</u>	<u>-</u>	<u>8,294,993</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 6,857,265</u>	<u>\$ 40,224</u>	<u>\$ 1,424,205</u>	<u>\$ -</u>	<u>\$ 8,321,694</u>

**ACCESS**  
**CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2015

	Management, General and Administration		Fundraising	Program Services							Consolidation Eliminations	TOTAL
	ACCESS	ACCESS Development Corporation	Resource Development	CSBG	Barnett Townhomes Limited Partnership	Housing Development Programs	Energy and Weatherization Programs	Nutrition Programs	Support Services	Olsrud Family Nutrition Center		
<b>Functional Expenses</b>												
Program Services:												
Personnel and Benefits	\$ 361,560	\$ -	\$ 207,288	\$ 148,769	\$ -	\$ 435,656	\$ 551,822	\$ 545,141	\$ 380,736	\$ 6,280	\$ -	\$ 2,637,252
Contracted Services	27,629	-	11,024	22,021	64,413	70,961	845,955	59,332	467,349	173	-	1,568,857
Energy Assistance	-	-	-	-	-	-	1,944,122	-	22,247	-	-	1,966,369
Shelter Assistance	-	-	-	-	-	-	-	-	502,446	-	-	502,446
Emergency Assistance	-	-	-	-	-	237	8,560	-	200,504	-	-	209,301
Food Assistance	-	-	-	1,055	-	-	-	42,022	17,827	-	-	60,904
Food Contributions Distributed	-	-	-	-	-	-	-	3,312,318	-	-	-	3,312,318
Direct Program Costs	210	-	3	10,929	9,347	88,819	38,263	27,644	28,607	-	-	203,822
Weatherization and Maintenance Materials	123	-	-	-	-	21,501	383	281	1	75	-	22,364
Non-cash Equipment, Goods and Services	199	-	35,737	-	-	800	10	18,207	159,825	-	-	214,778
Rent, Utilities and Security	16,367	-	10,552	4,544	99,342	55,172	11,668	51,142	37,047	95,706	(108,000)	273,540
Building and Equipment Maintenance	4,822	750	5,972	101	129,317	44,303	658	5,212	2,590	30,899	(61,494)	163,130
Insurance	6,312	-	955	385	7,250	16,224	5,822	5,094	2,107	8,438	-	52,587
Tools and Supplies	780	-	-	-	-	831	7,678	3,970	-	-	-	13,259
Vehicle Gas and Oil	2,910	-	94	527	-	5,144	3,627	15,264	1,138	-	-	28,704
Vehicle Insurance and Maintenance	582	-	69	-	-	4,718	5,318	19,991	8,202	-	-	38,880
Travel and Training	13,826	-	2,905	13,570	110	34,389	32,503	4,669	37,114	-	-	139,086
Office and Computer	20,744	-	87,136	8,146	3,834	21,031	40,980	14,105	32,366	266	-	228,608
Telephone	2,707	-	760	1,567	4,517	4,453	6,164	4,373	7,752	906	-	33,199
Taxes, Licenses and Fees	4,003	60	7,954	-	36,328	4,692	973	2,486	3,331	593	-	60,420
Advertising and Promotion	9,692	-	23,894	1,521	-	275	2,097	2,598	3,762	-	-	43,839
Professional Fees	58,034	1,850	-	2,250	-	2,435	-	-	2,853	-	-	67,422
Amortization	-	506	-	-	1,355	-	-	-	-	-	-	1,861
Miscellaneous	16,072	-	1,770	315	2,998	4,360	579	2,124	665	-	-	28,883
Fundraising	-	-	54,524	-	-	-	-	-	585	-	-	55,109
Depreciation	89,764	58,360	-	-	213,728	-	3,509	28,216	3,100	8,886	-	405,563
Interest Expense	11,505	45,867	-	-	155,843	-	-	-	-	-	(60,348)	152,867
<b>Total Functional Expenses</b>	<b>\$ 647,841</b>	<b>\$ 107,393</b>	<b>\$ 450,637</b>	<b>\$ 215,700</b>	<b>\$ 728,382</b>	<b>\$ 816,001</b>	<b>\$ 3,510,691</b>	<b>\$ 4,164,189</b>	<b>\$ 1,922,154</b>	<b>\$ 152,222</b>	<b>\$ (229,842)</b>	<b>\$ 12,485,368</b>

See accompanying notes to financial statements

**ADDITIONAL REPORTS AND SCHEDULES REQUIRED BY**  
**OMB CIRCULAR A-133**

**ACCESS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2015**

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
<b><u>U.S. Department of Health and Human Services</u></b>			
Passed through Oregon Housing and Community Services			
Temporary Assistance for Needy Families	93.558	1361	\$ 26,593
Low income Home Energy Assistance (LIHEAP)	93.568	1361	1,597,750
Community Services Block Grant	93.569	1361	262,596
Passed through Rogue Valley Council of Governments			
Title III, Part B and E - Grants for Supportive Services and Senior Centers	93.044	N/A	100,000
<b><u>U.S. Department of Energy</u></b>			
Passed through Oregon Housing and Community Services			
Weatherization Assistance for Low income Persons (DOE)	81.042	1361	97,590
Bonneville Power Administration	81.XXX	1361	21,834
<b><u>U.S. Department of Agriculture</u></b>			
Passed through Oregon Food Bank			
The Emergency Food Assistance Program - Noncash Food Commodities	10.569	N/A	500,924
The Emergency Food Assistance Program	10.568	N/A	25,405
Passed through Oregon Housing and Community Services			
Commodity Supplemental Food Program - Noncash Food Commodities	10.565	N/A	95,829
Commodity Supplemental Food Program	10.565	1361	24,013
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Supportive Housing Program	14.235	N/A	11,423
Housing Counseling Assistance Program	14.169	N/A	22,238
Passed through Oregon Housing and Community Services			
Emergency Solutions Grants Program	14.231	1361	129,752
HOME Investment Partnership Program - Tenant Based Assistance	14.239	1361	179,784
Passed through the City of Medford			
Community Development Block Grant - Down Payment Assistance	14.218	N/A	22,490
HOME Investment Partnership Program - Bridges to HOME	14.239	N/A	31,890
Continuum of Care Grant	14.267	N/A	14,498
<b><u>Department of Treasury</u></b>			
Passed through Oregon Housing and Community Services			
National Foreclosure Mitigation Counseling	21.XXX	1361	5,976
<b><u>Department of Veterans Affairs</u></b>			
Supportive Services for Veterans Families	64.033	N/A	<u>863,532</u>
<b>Total Federal Awards</b>			<b><u>\$ 4,034,115</u></b>