OUTSIDE AGENCY OVERSIGHT COMMITTEE

Randy Staver
Ed Hruska
Nick Campion

MONDAY, JUNE 25, 2018
2:00 P.M.
ROOM 104, CITY HALL

A. Call to Order

B. Letters and Petitions

C. Business Items:

1. April 30, 2018 Minutes
   - Minutes Attached

2. 125 LIVE Annual Report (attachments listed below)
   - City of Rochester's Finance Department Ratio
   - 125Live's Provided Financial Overview Documents
   - Agreement - 125Live / City of Rochester

D. Adjourn

Outside Agency Oversight Committee

Ed Hruska, Chair
Nick Campion, Vice Chair
Randy Staver

April 30, 2018
2:00 p.m.
Room 104, City Hall

Members Present: Ed Hruska, Nick Campion, Randy Staver

Staff Present: Steve Rymer, Aaron Parrish, Terry Spaeth, Brent Svenby, Lisa Mullenbach

A. Call to Order: - 2:00 p.m.

Randy Staver called the meeting to order noting that this was the kick-off meeting and was designed to be largely organizational.

B. Public Comments:

Staver noted the Public Comment section on the agenda asking the audience if there were any public comments. No comments were made.

C. Business Items:

1: Appoint Chair and Vice Chair

Campion nominated Hruska as chair, Hruska accepted the nomination, Staver seconded the nomination – motion passed unanimously. Ed Hruska assumed the duties of Chair.

Hruska nominated Campion as Vice–Chair, Campion accepted the nomination, Staver seconded the nomination – motion passed unanimously. Nick Campion will serve as Vice Chair.

2. Establish Meeting Procedure:

Campion suggested removing "Public Comment" from the Agenda. Staver suggested replacing "Public Comment" with "Letters and Petitions".

Committee indicated all meetings will be Open to the Public and will be published electronically on the City's calendar and posted at City Hall.

Campion made a motion to adopt Robert's Rules of Order - Hruska Second – motion passed unanimously.

3. Establish Process for Inviting Applicable Organizations.

Campion noted that he would like Rochester Downtown Alliance added to the list of organizations under review. Campion also requested some clarification of the "City Owned Facility" category, if that also included renting from a City Owned Facility under the guidelines.

The Committee consensus was that the list could be reviewed and could be updated or modified at any time. There would be the expectation that the same information would be requested from all outside agencies.

The Outside Agencies being reviewed by this Committee should be aware that the Committee will focus heavily on their financial information. The Outside Agencies being reviewed by this Committee would also be meeting with the entire Council at their annual Committee of the Whole meeting. During their C.O.W. meetings, they will be able to highlight their mission, organization and yearly highlights.

4. Discussion of Expectations of Outside Organizations in Regards to Timing and Required Material for Submission:

The Committee stated all Outside Agencies would be requested to provide the same materials. The Committee is interested in reviewing the following:

- Current Year Achievements/Highlights
- Who performs annual audit
- Auditor's Opinion Statement
- Year to Year Comparison Financial Statements (or reason, if not available)
- Most Recent Year-to-date Internal/Unaudited Income Statement and Balance Sheet

A review of the current Outside Agency agreements with the City should be reviewed at this time as well with the goal of identifying any unique agreements and standardizing those agreements in the future.

5. Establish Meeting Dates

The Committee will schedule one meeting monthly with each Outside Agency beginning the 4th Monday in June. The meetings will start at 2:00 p.m. and will be one hour in duration. The schedule will be:

a. 125 Live – June 25, 2018 – 2:00 p.m. to 3:00 p.m.
b. Civic Theatre – July 23, 2018 – 2:00 p.m. to 3:00 p.m.
c. Art Center – August 27, 2018 – 2:00 p.m. to 3:00 p.m.
d. Experience Rochester – September 24, 2018 – 2:00 p.m to 3:00 p.m.
e. Rochester Downtown Alliance – October 22, 2018-2:00 p.m. to 3:00 p.m.
f. RNeighbors – November 26, 2018 – 2:00 p.m. to 3:00 p.m.

It was noted that the Committee could ask for additional information to be provided to them from an Agency during that review and that information would be reviewed at a subsequent meeting. Those requests will be listed under "Old Business" on the agendas.

Nick Campion made a motion to accept the meeting list above; Randy Staver Seconded the motion – motion passed unanimously.

Discussion was held regarding quorums. 2 members will constitute a quorum – meetings will not be rescheduled unless 2 members will be absent.

Staver noted this Committee should enable the C.O.W. meetings to be more productive by performing a thorough financial review prior to a C.O.W. meeting. If a council member has a question or concern regarding an individual Outside Agency, they should bring that issue to the City Administrator who would forward it to the Committee for review. The Committee should be made aware of any upcoming significant expenditures the Agencies may be experiencing.

Discussion on how the Outside Agencies will be notified regarding meeting dates and expectations. City Administrator Rymer indicated he would draft a letter to the Agencies listing their meeting dates and requested information.

It was again noted that the Agencies reviewed by the Oversight Committee would still be meeting with the entire Council at a Committee of the Whole meeting. The Outside Agencies would be able to highlight their annual achievements, missions and organization at that time.

D. <u>Adjourn</u>

Ed Hruska made a motion to adjourn
Nick Campion Second
Motion Passed Unanimously – Meeting Adjourned 2:30 p.m.

FINANCE DEPARTMENT- CITY OF ROCHESTER

125 Live

Date of Report	Type of Report	Current Assets	Current Liabilities	Total Net Assets	Revenues & Contributions Less City Sponsored	Total Expenses	Cash Balance	Change in Net Assets	Current Ratio	Operating Reliance Ratio
12/31/2015	Audited YE	1,080,762	308,148	1,551,717	528,246	840,132	$ 654,994	10,241	3.5073	0.6288
12/31/2016	Audited YE	546,561	300,531	2,290,813	1,615,523	1,192,518	$ 7,465	739,096	1.8187	1.3547
3/31/2017	Qtrly Stmt	-	-	-	196,902	343,902	-	-	-	0.5726
6/30/2017	Qtrly Stmt	-	-	-	142,985	340,302	-	-	-	0.4202
9/30/2017	Qtrly Stmt	-	-	-	118,942	254,164	-	-	-	0.4680
12/31/2017	Audited YE	194,772	178,271	1,443,191	739,321	1,834,053	$ 63,396	(847,622)	1.0926	0.4031
4/30/2018	Qtrly Stmt	235,502	138,935	-	122,518	277,132	$ 114,464	-	1.6951	0.4421

Current Ratio: Identifies ability to meet short term obligations with Current Assets (Target > 1)
Operating Reliance Ratio: Identifies ability to pay for expenses solely through revenues (Target = 1)

June 11, 2018

125 LIVE
Current Year Achievements/Highlights (Assumed to be 2018 Calendar Year)
Prepared for Rochester City Council's Outside Agency Oversight Committee

Financial Highlights:

Membership

At the end of May 2018 total membership stands at 1,729. Of those 1,729 we calculate that 70% or about 1210, are active on a monthly basis. A majority of the inactive members are those who signed up because they have insurance that pays for their use of the fitness center and thus there is no cost to the member. At the end of May we had 1,054 insurance members of which 489 are inactive.

Average revenue including social memberships for 565 insurance members January 2018 to April 2018 was $65.43 per member.

Average revenue including social memberships and enrollment fees for 645 other members January 2018 to April 2018 was $153.76 per member.

Membership Revenue All Types

January 2017 $19,722.25
January 2018 $32,001.39
April 2018 $37,994.18

92% growth in membership revenue Jan. 2017 to April 2018.

Rental Revenue All Types

January 2017 $6,578.00
Average Monthly Rental Revenue for 2018 $11,207.50 for January to April.

Average Program Revenue & Expense for 2018

Revenue (4 month Average) $5,044.00
Expense (5 month Average) $4,988.00

We would note that Fitness classes in May 2017 had an attendance of 1,183, for May 2018 the attendance was 2,500. Attendance more than doubled. Members may attend classes for no charge or a discounted rate. Therefore the increase in membership revenue has a clear correlation to increase in member participation.

Total Cash Expense

Monthly Average Expense in 2017 (5 months January to May) $88,645
Monthly Average Expense in 2018 (4 months January to April) $81,197

A decrease in cash expended of 8% per month during a time period of 92% growth.

Grants

Awarded State Low Income Tax Preparation Grant of $17,000. Have not received yet and have $7,000 of direct expenses to pay upon receipt.

Received a $1,500 grant for our AED.

Have set aside a room originally being used by facilities maintenance people for woodshop. We have applied for a $5,000 Home Depot grant to furnish the shop. Trying to take the idea of the original $350,000 woodshop and get our members building on $5,000. Won't be quite as big as envisioned but will give members an opportunity to use their minds and hands in yet another way.

Have applied for 3 year grant for $100,000 per year. Mostly for incremental programing for lower income community members however about 20% of the grants would cover overhead and marketing costs.

In June we are applying for two $50,000 grants, again mostly for incremental programing with some overhead allocation.

Recently held conversations with Bush Foundation and Bremer Foundation.

In 2017/2018 we were the recipient of over $8,000 in donations for the purchase of fitness equipment which has been spent in 2018.

In 2018 we received a donation of $3,000 to get rebuilt kilns for our pottery studio. Received and expended in May 2018.

In 2017/2018 we received donations of $2,400 which was specified and used for the purchase of 2, 7' pool tables.

In 2018 we have re-built the infrastructure of the Mission Advancement/Development department with new software and processes that will allow us to better cultivate and manage our donor relationships for a steadier funding stream.

Our Donor Wall is to be installed June 14 with unveiling to take place at the next art gallery opening. The Donor Wall at first will recognize donors critical to our Capital Campaign and then donors who contribute over $500 at once will be recognized on an ongoing basis.

Financial Lowlights

Cash

Despite all of the financial successes listed above we continue to have a monthly cash deficit and will have until we become a fund raising machine. As you may recall at the Castle we were open 40 hours a week, at our new community center we are open 90 hours a week. Therefore a good portion of the cash deficit is from increased payroll. Having the doors open an extra 50 hours a week with the requisite staff to welcome people and provide programing for them is expensive. Our average monthly total payroll cost through May was $54,000 or $58,000 if you average the extra pay day in June.

Sally Gallagher's PTO is now paid so her $9,000 a month salary is done. We have posted the ED job at $78,000 to $84,000 or $2,000 a month less. Our Mission Advancement Director has given notice and we are looking at how to fill that role.

The only other regular variable expenses that have much impact are IT and Quarterly Brochures. We are wrestling with how to decrease the cost while still being able to serve our membership and attract new members.

As noted previously our average monthly cash expenditures have been $81,197 in 2018, our membership revenue, program revenue and rental revenue has averaged $51,000. So city support and our fundraising is required to make up a deficit of $30,197 a month.

Future Challenges

The 125 LIVE board has voted to change the use of the space designated as cafeteria to space for more fitness classes and potential other programing. We will look for concurrence from the Park Board and City Council. First bid to finish the space was $186,000. We are looking at other contractors and other incremental ways to finish, and know that the city has ultimate say on what is to be done. While finishing in a different way will give us flexibility to add members, getting the dollars to move ahead may be a challenge.

An additional challenge with re-purposing the cafeteria space is we are told it takes a year between when the cement floor is poured and when appropriate work out flooring can be placed on top of it.

Some of the "modern" strength circuit fitness equipment purchased originally did not turn out to be as well suited for the heavy usage that it is getting and needs to be replaced sooner rather than later but there does not appear to be much of a used market for this equipment. All cardio equipment will be off lease in 2.5 years and we will have to determine whether to exercise the bargain purchases or replace depending on how it is holding up.

Other Items of Note

We worked closely with the Rochester VA Clinic and the Olmsted County Veterans Services and 125 LIVE Veteran's to develop a week long veterans program, an event that is developing into new and meaningful programs.

We have offered Falls Prevention events and workshops that are free and open to the public quarterly since we opened. A variety of community experts have been involved with these workshops with the goal of helping Rochester residents stay independent.

In our summer programming guide for 2018 we are offering over 50 different art classes. Of note also is that we are offering a week long afternoon art day camp for younger members of the community. It looks well received.

Our library is totally maintained by members and now has digital search software.

Our Technology Learning Lab went from no usage to 8 different education offerings for seniors.

Our marketing person is attending community events, speaking at churches, community club meetings and connecting with activity directors at senior living communities. All these activities are to promote 125 LIVE, and to share our mission of **Enriching the Lives of Active Adults**.

We have made a connection with AARP which will allow our events to be promoted to their membership via e-mail and on their website.

Senior Citizens Services, Inc.
DBA: 125 Live

Rochester, MN

Financial Statements

December 31, 2017 and 2016

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Independent Auditor's Report

To the Board of Directors
Senior Citizens Services, Inc. DBA: 125 Live
Rochester, MN

We have audited the accompanying financial statements of Senior Citizens Services, Inc. dba: 125 Live, (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017 and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Senior Citizens Services, Inc. dba: 125 Live as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Adjustments to Prior Period Financial Statements

The financial statements of Senior Citizens Services, Inc. as of December 31, 2016, were audited by other auditors whose opinion dated March 31, 2017, on those statements was unmodified. As discussed in Note 15, the 2016 financial statements were restated during the current year to correct an error with the recording of a capital lease, in accordance with the accounting principles generally accepted in the United States of America. The other auditors reported on the 2016 financial statements before the restatement.

As part of our audit of the 2017 financial statements, we also audited the adjustment described in Note 15 that was applied to restate the 2016 financial statements. In our opinion, the adjustment is appropriate and has been properly applied. We were not engaged to audit, review, or apply any procedures to the 2016 financial statements of the Organization other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2016 financial statements as a whole.

Hawkins Ash CPAs, LLP

Hawkins Ash CPAs, LLP
Rochester, MN
May 22, 2018

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016

ASSETS

		2017		Restated 2016
Current Assets				
Cash and Cash Equivalents	$	63,396	$	7,465
Accounts Receivable		7,022		-
Note Receivable Current (Note 2)		120,000		-
Bequest Held in Trust (Note 3)		-		508,155
Pledges Receivable Current, Net (Note 4)		2,695		15,055
Prepaid Expenses		1,659		15,886
Total Current Assets		194,772		546,561
Property and Equipment				
Land		-		444,010
Building		-		75,000
Leasehold Improvements		672,833		672,833
Furniture and Equipment		1,271,384		1,372,610
Total Property and Equipment		1,944,217		2,564,453
Less: Accumulated Depreciation		(312,504)		(209,101)
Property and Equipment, Net		1,631,713		2,355,352
Other Assets				
Note Receivable, Non-Current (Note 2)		30,000		-
Pledges Receivable, Non-Current (Note 4)		-		740
		30,000		740
TOTAL ASSETS	**$**	**1,856,485**	**$**	**2,902,653**

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF FINANCIAL POSITION - CONTINUED
December 31, 2017 and 2016

LIABILITIES AND NET ASSETS

	2017	Restated 2016
Current Liabilities		
Current Maturities of Long-term Debt (Note 6)	$ 15,314	$ 14,140
Current Maturities of Capital Lease Obligations (Note 7)	70,418	65,940
Line of Credit (Note 5)	-	130,000
Accounts Payable	19,109	8,493
Accrued Liabilities	37,523	40,554
Deferred Revenue	35,907	41,404
Total Current Liabilities	178,271	300,531
Long-Term Liabilities		
Long-term Debt, Less Current Maturities (Note 6)	66,093	79,594
Capital Lease Obligations, Less Current Maturities (Note 7)	168,930	231,715
Total Long-Term Liabilities	235,023	311,309
Total Liabilities	413,294	611,840
Net Assets		
Unrestricted		
Undesignated		
General	(118,175)	(348,990)
Invested in Property and Equipment, Net of Debt	1,550,306	2,131,618
Temporarily Restricted (Note 9)	11,060	508,185
Total Net Assets	1,443,191	2,290,813
TOTAL LIABILITIES AND NET ASSETS	**$ 1,856,485**	**$ 2,902,653**

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2017

	Unrestricted	Temporarily Restricted	Totals
Public Support			
Contributions	$ 157,017	$ 9,166	$ 166,183
In-Kind Contributions	598,041	-	598,041
Loss on Disposal of Assets	(250,948)	-	(250,948)
Special Events, Net (Note 8)	(5,789)	-	(5,789)
Total Public Support	498,321	9,166	507,487
Revenues			
Grants	36,011	-	36,011
Program Fees	53,707	1,894	55,601
Membership Dues	297,000	-	297,000
Rental Income	78,572	-	78,572
Interest and Dividend Income	1,130	-	1,130
Miscellaneous	10,630	-	10,630
Total Revenues	477,050	1,894	478,944
Net Assets Released from Restrictions (Note 9)	508,185	(508,185)	-
Total Support and Revenues	1,483,556	(497,125)	986,431
Expenses			
Program Activities	1,612,208	-	1,612,208
Fundraising	32,926	-	32,926
General and Administrative	188,919	-	188,919
Total Expenses	1,834,053	-	1,834,053
Change in Net Assets	**(350,497)**	**(497,125)**	**(847,622)**
Net Assets - January 1, as restated	1,782,628	508,185	2,290,813
Net Assets - December 31	**$ 1,432,131**	**$ 11,060**	**$ 1,443,191**

The accompanying notes are an integral part of these financial statements

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2016

	Restated Unrestricted	Temporarily Restricted	Restated Totals
Public Support			
Contributions	$ 566,449	$ 508,185	$ 1,074,634
In-Kind Contributions	115,315	-	115,315
Gain on Disposal of Assets	470,845	-	470,845
Special Events, Net (Note 8)	35,019	-	35,019
Total Public Support	1,187,628	508,185	1,695,813
Revenues			
Grants	67,513	-	67,513
Program Fees	49,094	-	49,094
Membership Dues	72,508	-	72,508
Rental Income	14,800	-	14,800
Interest and Dividend Income	7	-	7
Miscellaneous	31,879	-	31,879
Total Revenues	235,801	-	235,801
Net Assets Released from Restrictions (Note 9)	110,119	(110,119)	-
Total Support and Revenues	1,533,548	398,066	1,931,614
Expenses			
Program Activities	1,075,631	-	1,075,631
Fundraising	8,087	-	8,087
General and Administrative	108,800	-	108,800
Total Expenses	1,192,518	-	1,192,518
Change in Net Assets	**341,030**	**398,066**	**739,096**
Net Assets - January 1	1,441,598	110,119	1,551,717
Net Assets - December 31	**$ 1,782,628**	**$ 508,185**	**$ 2,290,813**

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2017

	Program Activities	Fundraising	General and Administrative	Total
Salaries	$ 480,231	$ 24,947	$ 118,499	$ 623,677
Employee Benefits	16,140	817	3,473	20,430
Payroll Taxes and Workmen's Compensation	48,866	2,474	10,516	61,856
Total Salaries & Related Expenses	545,237	28,238	132,488	705,963
Recreation and Supplies	50,719	2,669	-	53,388
Professional Fees	76,316	-	771	77,087
Service Agreements	84,420	-	853	85,273
Rent	419,157	-	4,234	423,391
Utilities	159,455	-	1,611	161,066
Insurance	9,856	203	102	10,161
Repairs and Maintenance	7,523	-	76	7,599
Printing and Copying	8,730	180	90	9,000
Telephone	8,493	-	173	8,666
Postage	2,484	-	25	2,509
Fees	3,947	987	14,802	19,736
Bad Debts Expense	39	-	-	39
Subscriptions	1,060	-	-	1,060
Conferences and Meetings	1,677	-	-	1,677
Transportation	3,109	-	-	3,109
Marketing	15,581	649	-	16,230
Interest Expense	-	-	22,519	22,519
Miscellaneous	2,088	-	-	2,088
Total Expenses Before Depreciation	1,399,891	32,926	177,744	1,610,561
Depreciation	212,317	-	11,175	223,492
Total Expenses	**$ 1,612,208**	**$ 32,926**	**$ 188,919**	**$ 1,834,053**

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2016

	Restated Program Activities	Fundraising	Restated General and Administrative	Restated Total
Salaries	$ 321,911	$ 5,412	$ 74,178	$ 401,501
Employee Benefits	25,812	1,307	5,555	32,674
Payroll Taxes and Workmen's Compensation	27,012	1,368	5,813	34,193
Total Salaries & Related Expenses	374,735	8,087	85,546	468,368
Recreation and Supplies	55,028	-	-	55,028
Professional Fees	17,470	-	176	17,646
Service Agreements	13,900	-	140	14,040
Rent	248,215	-	2,508	250,723
Utilities	91,665	-	926	92,591
Insurance	11,612	-	117	11,729
Repairs and Maintenance	26,649	-	269	26,918
Printing and Copying	304	-	3	307
Telephone	4,386	-	90	4,476
Postage	1,319	-	13	1,332
Subscriptions	2,605	-	-	2,605
Conferences and Meetings	2,125	-	-	2,125
Transportation	1,080	-	-	1,080
Marketing	15,774	-	-	15,774
Interest Expense	-	-	13,854	13,854
Capital Campaign Expenses for Facility	107,383	-	-	107,383
Miscellaneous	3,377	-	-	3,377
Total Expenses Before Depreciation	977,627	8,087	103,642	1,089,356
Depreciation	98,004	-	5,158	103,162
Total Expenses	**$ 1,075,631**	**$ 8,087**	**$ 108,800**	**$ 1,192,518**

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017 and 2016

	2017	Restated 2016
Cash Flows from Operating Activities:		
Contributions Received	$ 668,549	$ 256,381
Grants Received	36,011	197,828
Program Fees Received	54,076	49,094
Member Dues Received	297,000	72,508
Rent Received	78,572	14,800
Interest and Dividend Income Received	1,130	7
Other Miscellaneous Cash Receipts	10,630	31,879
Cash Paid to Vendors	(284,151)	(244,992)
Cash Paid to Employees	(681,932)	(394,420)
Interest Paid	(22,519)	(13,854)
Net Cash Provided by (Used In) Operating Activities	**157,366**	**(30,769)**
Cash Flows from Investing Activities:		
Proceeds from Sale of Investments	-	344,449
Proceeds from Sale of Property and Equipment	101,633	636,000
Capital Expenditures	-	(1,451,626)
Net Cash Provided by (Used In) Investing Activities	**101,633**	**(471,177)**
Cash Flows from Financing Activities:		
Principal Payments on Debt	(12,327)	(275,583)
Principal Payments on Capital Lease Obligations	(60,741)	-
(Payments)/Proceeds on Line of Credit	(130,000)	130,000
Net Cash Used in Financing Activities	**(203,068)**	**(145,583)**
Net Increase (Decrease) In Cash and Cash Equivalents	**55,931**	**(647,529)**
Cash and Cash Equivalents - January 1	7,465	654,994
Cash and Cash Equivalents - December 31	**$ 63,396**	**$ 7,465**

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
Rochester, MN

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017 and 2016

Reconciliation of Increase (Decrease) in Net Assets To Cash Flows from Operating Activities

Cash Flows from Operating Activities:	**2017**	**Restated 2016**
Change in Net Assets	**$ (847,622)**	**$ 739,096**
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation	223,492	103,162
(Gain) Loss on Disposal of Property and Equipment	250,948	(470,928)
(Increase) Decrease in Receivables	(7,022)	329
(Increase) Decrease in Bequest Held in Trust	508,155	(508,155)
(Increase) Decrease in Pledges Receivable	13,100	81,270
(Increase) Decrease in Prepaid Expenses	14,227	(5,679)
Increase (Decrease) in Accounts Payable	10,616	(11,387)
Increase (Decrease) in Accrued Liabilities	(3,031)	39,755
Increase (Decrease) in Deferred Revenue	(5,497)	1,768
Net Cash Used in Operating Activities	**$ 157,366**	**$ (30,769)**
Supplemental Disclosure of Non-Cash Transactions		
Facility Use	$ 598,041	$ 297,565
Financed Purchase of Property and Equipment	9,124	418,856
Donated Property and Equipment	-	5,000

The accompanying notes are an integral part of these financial statements.

Senior Citizens Services, Inc.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Senior Citizens Services, Inc., dba: 125 Live ("the Organization") is a non-profit corporation organized under the laws of the State of Minnesota for the purpose of providing a broad spectrum of aging related services, including health, social, education, and recreational services. Through programs and services where older adults come together, the Organization enriches the lives of older adults by utilizing their experience and skills, responding to their needs and interests, enhancing their dignity, supporting their independence, and encouraging their involvement in the community. Senior Citizens Services, Inc., doing business as Rochester Senior Center, became 125 Live in 2016 when a new state-of-the-art facility opened adjacent to the City of Rochester's ("the City") Recreation Center. Senior Citizens Services, Inc., dba: 125 Live expanded its programs and services in the community as a result of the addition of the new amenities and space allowing the Organization to initiate new and innovative programming. The new facility also enabled the Organization to develop multi-generational programs with the City's Parks and Recreation Department and partner with other community organizations with an interest in enriching the lives of older adults.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation and Net Assets

The accompanying financial statements are presented in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP) as codified by the Financial Accounting Standards Board.

Under U.S. GAAP, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations. Board designated net assets are unrestricted net assets that have been designated by the Board of Directors as opportunity and permanent reserves for future unexpected expenditures.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization has no permanently restricted net assets as of December 31, 2017 and 2016.

Revenue Recognition

The Organization's primary sources of revenue are from grants, membership dues, program fees, capital campaign contributions, and public contributions. Revenues are recognized as the services are provided and contributions are recognized when received.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor's restriction. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or 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.

Unconditional promises to give are recognized as revenues in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Donated Services

Donated services are recognized as contributions in accordance with U.S. GAAP, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. A substantial number of volunteers have made significant contributions of their time to the Organization's program and supporting services. The value of this contributed time is not reflected in these financial statements because the criteria for recognition have not been satisfied. Contributed services from professionals are recorded when utilized and reflected in the financial statements at their estimated fair value.

Facility Use Revenues

The Organization has entered into facility use agreements described in Note 10. In exchange for providing senior oriented programs and activities the Organization pays rent of $1 annually. These agreements are considered exchange transactions and the fair value of facility rent has been recorded as in-kind contribution revenue and rent expense.

Senior Citizens Services, Inc.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Advertising

Advertising costs are charged to the expense as incurred.

Functional Allocation of Expenses

Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical.

Concentrations

The Organization maintains its cash balances in one financial institution located in Rochester, MN. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000. At times, such deposits may be in excess of this limit.

Fair Value of Investments

Money market and mutual funds are carried in the financial statements at fair value. Fair value is measured using level one inputs, defined as quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Any unrealized gains or losses recognized from the change in fair value of the investments and realized gains or losses from the sale of investments are reported as income or loss in the statement of activities.

Cash and Cash Equivalents

The Organization considers all demand deposits and investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect from outstanding balances. No allowance for bad debts has been recorded in the financial statements. Management believes all accounts receivable are collectable. If amounts become uncollectable, they will be charged to operations when that determination is made.

NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Pledges

Pledges that are expected to be collected within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a nominal borrowing rate applicable to the years in which the pledges are received. Amortization of the discounts is included in contribution revenue. Conditional pledges are not included as support until the conditions are substantially met. Management provides for probable uncollectible amounts through a provision for uncollectible pledge expense from outstanding balances and an adjustment to a valuation allowance based on its assessment of the current status of individual pledges. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to pledges receivable. Changes in the valuation allowance have not been material to the financial statements.

Property and Equipment

Property and equipment are recorded at cost. Donated property is recorded at the estimated fair value of the items at the date of receipt. Expenditures for repairs and maintenance are charged to expense as incurred, while betterments are capitalized. It is the policy of the Organization to calculate depreciation based on the estimated useful life of individual assets. Assets are depreciated on the straight-line method over an estimated useful life of three to twenty years.

Tax Status

The Organization is exempt from state and federal income taxes under Section 501(c)(3) of the Internal Revenue Code and similar provisions of Minnesota statutes.

Accounting for Uncertainty in Income Taxes

U.S. GAAP requires management to evaluate tax positions taken by the Organization and recognizes a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by a taxing authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Organization will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense, if incurred.

Senior Citizens Services, Inc.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 revenues and expenses during the reporting period. Actual results could differ from the estimates.

Reclasssifications

Certain accounts in the prior year financial statements have been reclassified for comparative purpose to conform to the presentation of the current year's financial statements.

NOTE 2. NOTES RECEIVABLE

The Organization entered into an agreement with the City on October 30, 2017 to sell the real property referred to as the Podein Property for a total amount of $250,000. A payment of $100,000 was received by the Organization at the time of closing, and payments of $10,000 a month are to be recieved for the 15 months beginning January 2018 with no interest to be applied to the monthly payments.

Notes Receivable due in:			Amount
	2018	$	120,000
	2019		30,000
		$	150,000

NOTE 3. BEQUEST HELD IN TRUST

The Organization was named a beneficiary in the last will and testament of Harold E. Schwartz and received one half of the residue of his estate. The final account of the estate was filed in the Third Judicial District Court in Olmsted County on March 27, 2017 with a proposed distribution to Senior Citizens Services, Inc. of $508,155. The actual distribution of $509,276 was received in the second quarter of 2017.

Senior Citizens Services, Inc.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. PLEDGES RECEIVABLE

In 2015, Senior Citizens Services, Inc. began a capital campaign to raise funds for equipment in the new facility. Pledges receivable are discounted to net present value using a risk-free rate of five percent.

	2017	2016
Pledges Receivable due in:		
Less than one year	$ 3,830	$ 15,055
One to three years	-	1,875
Total Pledges Receivable	3,830	16,930
Less: discount to net present value	(135)	(135)
Less: allowance for uncollectible pledges	(1,000)	(1,000)
Pledges Receivable, Net	2,695	15,795
Current	2,695	15,055
Long-term	$ -	$ 740

NOTE 5. LINE OF CREDIT

The Organization has a bank revolving line of credit with a maximum borrowing capacity of $150,000 and $200,000 at December 31, 2017 and 2016, respectively. Borrowings on the line of credit are subject to annualized interest at the Wall Street Journal Prime Rate with a floor of 3.75% at December 31, 2016 and a floor of 4.50% at December 31, 2017. The initial credit line was due October 4, 2017 and was renewed October 5, 2017 with a new due date of October 5, 2018. Collateral for the loan includes substantially all inventory and equipment of the Organization. The outstanding balance on this line of credit as of December 31, 2016 was $130,000. There was no balance outstanding at December 31, 2017.

NOTE 6. LONG-TERM DEBT

	2017	2016
Note payable to Leaf Capital Funding, due in monthly installments of $1,708, including interest at 7.77% to August 2022, secured by equipment.	$ 81,407	$ 93,734
Less Current Maturities	15,314	14,140
Total Long-Term Debt, Net	$ 66,093	$ 79,594

NOTE 6. LONG-TERM DEBT - CONTINUED

Principal maturities of long-term debt are as follows:

Year Ending December 31,		Amount
2018	$	15,314
2019		16,586
2020		17,964
2021		19,456
2022		12,087
	$	81,407

NOTE 7. CAPITAL LEASE OBLIGATION

The Organization has entered into long-term leases for equipment which have been accounted for as capital leases during the years ended December 31, 2017 and 2016.

Future minimum payments, by year and in the aggregate for the capital leases with an initial or remaining term of one year or more consisted of the following at December 31, 2017 and 2016:

	2017	2016
Capital Lease Obligations	258,481	324,070
Less: amounts representing interest	19,133	26,415
Present value of minimum lease payments	239,348	297,655
Less: Current Maturities	70,418	65,940
Total Capital Lease Obligations	$ 168,930	$ 231,715

The future minimum lease payments are as follows:

Year Ending December 31,		Amount
2018	$	70,418
2019		73,584
2020		69,029
2021		26,317
	$	239,348

The total assets included as equipment recorded under capital leases at December 31, 2017 and 2016 were $329,910 and $320,786, respectively. Amortization of the equipment during the years ended December 31, 2017 and 2016 was $60,689 and $9,861, respectively, and is included in amounts reported as depreciation expense.

Senior Citizens Services, Inc.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. SPECIAL EVENTS

Special events during 2017 and 2016 consisted of the following:

	Hole-in-one	Other Fundraising	2017 Total
Revenues	$ -	$ 8,331	$ 8,331
Expenses	-	(14,120)	(14,120)
Net Revenues	$ -	$ (5,789)	$ (5,789)

	Hole-in-one	Other Fundraising	2016 Total
Revenues	$ 37,397	$ 13,863	$ 51,260
Expenses	(8,103)	(8,138)	(16,241)
Net Revenues	$ 29,294	$ 5,725	$ 35,019

NOTE 9. TEMPORARILY RESTRICTED NET ASSETS

The following summarizes activity of temporarily restricted net assets for the years ended December 31, 2017 and 2016:

	12/31/2016	Additions	Restrictions Released	12/31/2017
Bequest proceeds, 2017	$ 508,155	$ -	$ 508,155	$ -
Building improvements and other	30	-	30	-
Quilting Club Revenue	-	1,894	-	1,894
Billiards	-	1,100	-	1,100
Fireplace	-	1,000	-	1,000
Fitness Equipment	-	6,528	-	6,528
Fitness Room Blinds		250	-	250
Star Tribune Subscription	-	288	-	288
Total	$ 508,185	$ 11,060	$ 508,185	$ 11,060

NOTE 9. TEMPORARILY RESTRICTED NET ASSETS - CONTINUED

	12/31/2015	Additions	Restrictions Released	12/31/2016
Bequest	$ -	$ 508,155	$ -	$ 508,155
Building improvements and other	-	30	-	30
Furnishing new center	32,091	-	32,091	-
Activity and quilting rooms	52,350	-	52,350	-
Fitness center	21,785	-	21,785	-
Billiards room	2,288	-	2,288	-
Art and ceramics studio	750	-	750	-
Computer lab	300	-	300	-
Wood working shop	10	-	10	-
Equipment	545	-	545	-
Total	110,119	508,185	110,119	508,185

NOTE 10. ARMORY BUILDING LEASE

In February 1978, the Organization entered into a fifty year lease of its downtown facility with the City. The agreement required annual rent of $1 and included a requirement that the Organization use the facility as a Senior Center. Under the terms of the lease agreement, leasehold improvements reverted to the City when the lease terminated in October 2016. Rent expense of $180,532 and an equal facility in-kind contribution revenue has been recorded in 2016. The basis used for valuing the facility use revenue is an average of the rental rates paid by other local nonprofit organizations and a rate calculated based on a fair return on investment.

NOTE 11. LEASE AND JOINT USE AGREEMENT OF 125 LIVE FACILITY

On September 14, 2015 the City and the Organization agreed to terms on the cooperative use and cost of sharing a regional recreation/senior center that required the parties to enter into a Joint Use Agreement on October 15, 2016. The term of the agreement is for the life of the facility, so long as the Organization exists as a non-profit organization. Under the terms of the agreement the facility's usage is restricted to providing senior programming services. The lease provides for annual rent from the Organization of $1. The City is the owner of the facility and has sole authority to determine the future use and occupancy of the facility. In the event that the Organization ceases to exist as a non-profit organization or ceases to provide senior programming services in the future, the lease is otherwise terminated.

NOTE 11. LEASE AND JOINT USE AGREEMENT OF 125 LIVE FACILITY - CONTINUED

The City is responsible for all aspects of the operation, management, staffing, and maintenance of the facility. Senior Citizens Services, Inc. is responsible for all costs to staff and operate the programs in 125 Live. The City is responsible for general operating costs of operating the facility including utilities, building, parking lot and grounds maintenance and repairs, basic landscaping and lawn care, basic snow removal from parking lot, and garbage removal service. Senior Citizens Services, Inc. is responsible for the upkeep of its furnishings and equipment, staffing and programming, materials, custodial services in 125 Live, and snow removal on sidewalks that adjoin 125 Live. If a portion of the 125 Live is sub-leased to a third party cafeteria operation, Senior Citizens Services, Inc. bears the costs of any utilities and garbage for that sub-lease operation. The City is responsible for all capital improvements to the facility and its parking lot and grounds. Senior Citizens Services, Inc. is responsible for capital improvements to the interior of 125 Live with the City's prior consent.

The City occupies and controls the Recreation Center portion of the Facility. Senior Citizens Services, Inc. occupies and controls 125 Live portion of the facility. Each party is entitled to any revenues generated from the programs they offer in the facility including revenues from sub-leases. Each party pays a negotiated rate for the use of the other party's facilities. Each party has the opportunity to schedule activities in the activity spaces by following the established priority guidelines and fees.

The agreement became effective upon completion of the regional recreation/senior center on November 1, 2016. Rent expense of $420,888 and $70,148 and an equal in-kind contribution has been recorded in 2017 and 2016, respectively. The City is responsible for costs of operating the facility including utilities, building, parking lot and grounds maintenance and repairs, basic landscaping and lawn care, basic snow removal from parking lot, and garbage removal service. Utilities expense of $156,153 and $45,167 and an equal in-kind contribution has been recorded in 2017 and 2016, respectively.

As the Organization must meet the requirement to operate as a senior center annually, the interest in leasehold based on present value of future rent concessions has not been recorded in the financial statements.

NOTE 12. LEASE OF PODEIN PROPERTY CITY OF ROCHESTER

The Organization owned the real property referred to as the Podein property adjoining the Recreation Center which provides 60 parking spaces for the facility. The City leased a portion of the building on the property to park and store City vehicles and equipment. Rent payments under the lease were $800 per month beginning July 1, 2016 and ending October 30, 2017 with the sale of the property to the City.

NOTE 13. IN-KIND SERVICES

The value of donated services and materials included as in-kind contributions in the financial statements and the corresponding expense was for professional accounting fees in the amount of $21,000 for the year ended December 31, 2017. There were no in-kind services for the year ended December 31, 2016.

NOTE 14. RETIREMENT PLAN

The Organization maintains a retirement plan covering substantially all of its employees. There were no employer contributions to the plan for the years ended December 31, 2017 and 2016.

NOTE 15. PRIOR PERIOD ADJUSTMENT

In 2017, it was discovered that a capital lease for fitness equipment was improperly recorded as an operating lease, causing fixed assets net of accumulated depreciation to be understated by $119,336, capital lease payable to be understated by $114,685 and net assets to be understated by $4,651.

NOTE 16. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 22, 2018, the date the financial statements were available to be issued.

125Live
Statement of Financial Income and Expense
January through April 2018

	Jan 18	Feb 18	Mar 18
Ordinary Income/Expense			
Income			
80000 · Contributions			
80010 · Members	0.00	257.00	35.00
80020 · IBM EE/Ret	37.93	124.18	64.18
80025 · UW Specific care	0.00	164.31	0.00
80035 · Give Direct	0.00	48.00	0.00
80040 · Memorials	50.00	0.00	0.00
80050 · Employees	112.00	112.00	112.00
80055 · AARP	1,500.00	125.00	159.00
80090 · Other	3,985.21	62.00	0.00
80100 · Annual Giving	0.00	0.00	0.00
80500 · Capital Campaign			
80530 · CC Fitness Center	0.00	0.00	0.00
80550 · CC Art/Ceramics	0.00	0.00	50.00
80500 · Capital Campaign - Other	0.00	75.00	25.00
Total 80500 · Capital Campaign	0.00	75.00	75.00
80000 · Contributions - Other	0.00	0.00	183.00
Total 80000 · Contributions	5,685.14	967.49	628.18
81000 · Grants	0.00	120,000.00	1,500.00
82000 · Membership Revenue			
82010 · Social (Monthly)	2,033.22	1,984.81	2,134.51
82015 · Social (Annual)	280.00	480.00	0.00
82020 · Fitness (Monthly)	9,462.20	10,037.99	10,879.69
82025 · Fitness (Annual)	1,692.00	2,889.00	1,242.00
82030 · Silver & Fit (Monthly)	2,374.86	2,272.50	2,303.50
82031 · Silver and Fit Insurance Pmt	4,066.75	5,318.00	4,842.50
82035 · Silver Sneakers (Monthly)	876.00	923.00	945.00
82036 · Silver Sneakers Insurance Pmt	400.00	297.50	630.50
82040 · Social & Fit (Monthly)	4,078.47	4,506.87	4,437.92
82045 · Social & Fit (Annual)	2,736.00	990.00	310.50
82050 · Community Fitness (Monthly)	1,046.06	1,233.39	1,411.30
82055 · Community Fitness (Annual)	1,080.00	864.00	0.00
82100 · Discounts/Refunds	-37.50	-22.50	-22.50
82150 · Deferred Revenue	1,161.33	639.09	4,263.46
82200 · Enrollment/Change Fee	520.00	440.00	380.00
82400 · Support			
82410 · Fitness	62.00	86.00	84.00
82420 · Social	10.00	10.00	18.00
Total 82400 · Support	72.00	96.00	102.00
82500 · Day Pass	396.00	540.00	892.00
82600 · Participant Account Credit	-236.00	-5.00	-178.00
Total 82000 · Membership Revenue	32,001.39	33,484.65	34,574.38
83000 · Program/Wellness Revenue			
83100 · Registration/Admission/Fees	7,619.00	5,189.25	8,385.75

125Live
Statement of Financial Income and Expense
January through April 2018

	Jan 18	Feb 18	Mar 18
83200 · Materials/Supplies/Tools	60.00	0.00	30.00
83300 · Sales from Products/Events	63.75	41.00	91.50
83900 · Discounts/Refunds	-1,689.00	-2,007.00	-2,865.00
84200 · Footcare	436.00	470.00	604.00
Total 83000 · Program/Wellness Revenue	6,489.75	3,693.25	6,246.25
85000 · Rental Revenue			
85100 · Rooms - General	8,835.00	3,812.50	4,403.75
85110 · River Rooms	5,896.00	4,418.50	4,077.50
85130 · Supplies & Equipment Rental	0.00	0.00	7.00
85140 · RNeighbors Office Rent	0.00	1,460.00	1,460.00
85150 · Adaptive Recreation Rental Inc	2,400.00	0.00	1,200.00
85400 · Lockers-Non Billiards	250.00	220.00	70.00
85900 · Discounts/Refunds	-8,697.50	-647.50	-2,887.25
Total 85000 · Rental Revenue	8,683.50	9,263.50	8,331.00
86000 · Special Events & Fundraising			
86100 · Winterfest Revenue			
86190 · Other Revenue	1,830.00	0.00	0.00
Total 86100 · Winterfest Revenue	1,830.00	0.00	0.00
Total 86000 · Special Events & Fundraising	1,830.00	0.00	0.00
87000 · Member Services			
87100 · Cab/Bus Coupons	16.00	16.00	24.00
87200 · K-Cups/Coffee	152.00	27.00	65.00
87400 · Copies, Fax, Notary	1.30	25.00	29.75
87500 · Key Card Replacement	30.00	15.00	0.00
Total 87000 · Member Services	199.30	83.00	118.75
88000 · Program Partners Revenue			
88100 · Sponsorship	500.00	0.00	450.00
88200 · Intergenerational Guest Fee	28.00	36.00	52.00
Total 88000 · Program Partners Revenue	528.00	36.00	502.00
89000 · Other Income			
89010 · Vending Machines	14.66	12.03	13.67
89040 · Book Sales	0.00	21.00	16.75
89050 · Community Event Support	0.00	43.48	0.00
89000 · Other Income - Other	145.64	1,167.99	0.00
Total 89000 · Other Income	160.30	1,244.50	30.42
89500 · Interest Income	22.60	68.72	73.14
89900 · Gain (Loss) on Sale of Assets	500.00	1,660.31	2,500.00
Total Income	56,099.98	170,501.42	54,504.12
Expense			
90000 · General & Administrative Exps			
90020 · Lease/Rent Expense-Equipment			
90021 · Copier Lease	0.00	-3,585.42	4,213.60
90022 · Copier Contract Overage Fees	284.45	0.00	0.00
90020 · Lease/Rent Expense-Equipment - Other	0.00	0.00	0.00
Total 90020 · Lease/Rent Expense-Equipment	284.45	-3,585.42	4,213.60

125Live
Statement of Financial Income and Expense
January through April 2018

	Jan 18	Feb 18	Mar 18
90040 · Facilities			
90041 · Supplies - Facilities	228.08	1,100.99	1,160.44
90042 · Repairs & Maintenance	104.00	145.50	109.99
90043 · Cleaning	0.00	364.00	0.00
90044 · Minor Equipment	0.00	2,295.13	435.23
90045 · Miscellaneous	0.00	0.00	10.00
Total 90040 · Facilities	332.08	3,905.62	1,715.66
90050 · Office Expenses			
90051 · Office Expenses	0.00	256.27	0.00
90052 · Printing & Copying	0.00	0.00	86.27
90053 · Postage/Shipping	0.00	200.00	101.75
90054 · Dues/Subscriptions/Memberships	230.40	329.43	150.00
Total 90050 · Office Expenses	230.40	785.70	338.02
90060 · Professional Fees	0.00	178.00	9,000.00
90070 · Marketing/Advertising	116.00	250.00	6,603.41
90080 · Service Agreements			
90081 · Rec 1	380.34	420.36	409.13
90082 · Authorize.net	120.15	133.35	124.55
Total 90080 · Service Agreements	500.49	553.71	533.68
90090 · Insurance Expense			
90091 · Property/Liability	-52.49	0.00	1,879.00
90093 · Worker's Compensation	942.00	1,083.00	942.00
Total 90090 · Insurance Expense	889.51	1,083.00	2,821.00
90120 · Training/Dev-Staff & Board	0.00	0.00	0.00
90130 · Cable & Phone			
90131 · Cable	257.98	0.00	529.96
90132 · Phone	715.85	729.59	718.62
Total 90130 · Cable & Phone	973.83	729.59	1,248.58
90140 · License Fees	0.00	120.00	45.00
90150 · Computer/IT Related Expenses			
90151 · IT Monthly Contract	1,100.00	0.00	0.00
90152 · IT Incident Support	1,987.50	202.50	0.00
Total 90150 · Computer/IT Related Expenses	3,087.50	202.50	0.00
90160 · Uniforms	0.00	0.00	0.00
90190 · Fees			
90192 · Credit Card Fees	662.00	717.51	711.86
90193 · Payroll Processing Fees	525.81	448.57	510.98
90194 · Late Fees	0.00	17.00	0.00
Total 90190 · Fees	1,187.81	1,183.08	1,222.84
90200 · Depreciation Expense	18,175.20	18,175.20	18,175.20
90500 · Interest Expense	1,359.99	1,351.73	1,333.39
91000 · Payroll Expenses			
91100 · Salaries/Wages			
91110 · Salaried	15,303.00	12,160.00	12,160.00
91115 · Part-Time (No Benefits)	5,967.29	8,911.64	9,728.63

125Live
Statement of Financial Income and Expense
January through April 2018

	Jan 18	Feb 18	Mar 18
91120 · Coordinator	10,230.00	11,287.50	10,450.00
91140 · Fitness			
91141 · Floor Professional	5,188.37	6,186.89	5,187.26
91143 · Class Instructor	2,891.50	3,112.75	2,750.25
91144 · Personal Training	588.75	1,025.75	682.25
Total 91140 · Fitness	8,668.62	10,325.39	8,619.76
91150 · Custodial Services	4,691.75	4,730.56	4,802.96
91160 · Rentals			
91161 · Supervisor	1,892.00	1,687.20	1,728.00
Total 91160 · Rentals	1,892.00	1,687.20	1,728.00
Total 91100 · Salaries/Wages	46,752.66	49,102.29	47,489.35
91200 · Payroll Taxes	3,448.40	3,628.16	3,504.73
91250 · Unemployment Taxes	789.42	821.08	732.54
91300 · Employee Benefits			
91310 · Health Insurance	0.00	0.00	0.00
91330 · Life Insurance	0.00	160.24	136.37
Total 91300 · Employee Benefits	0.00	160.24	136.37
Total 91000 · Payroll Expenses	50,990.48	53,711.77	51,862.99
Total 90000 · General & Administrative Exps	78,127.74	78,644.48	99,113.37
93000 · Program/Wellness Expenses			
93100 · Contracted Services/Instructor	400.00	1,720.00	3,681.00
93200 · Supplies	829.34	1,088.12	844.89
93300 · Transportation	0.00	0.00	98.10
93400 · Minor Equipment Expense	0.00	0.00	4,053.81
93500 · Fees	0.00	0.00	200.00
93900 · Other/Miscellaneous Exps	0.00	0.00	614.00
94200 · Footcare	268.00	472.00	436.00
Total 93000 · Program/Wellness Expenses	1,497.34	3,280.12	9,927.80
96000 · Special Events/Fundraising Exp	459.54	5,607.68	80.60
97000 · Member Services Expenses			
97100 · Cab/Bus Coupons	0.00	300.00	0.00
97200 · K-Cups/Coffee	0.00	0.00	93.00
Total 97000 · Member Services Expenses	0.00	300.00	93.00
Total Expense	80,084.62	87,832.28	109,214.77
Net Ordinary Income	-23,984.64	82,669.14	-54,710.65
Net Income	**-23,984.64**	**82,669.14**	**-54,710.65**

125Live
Statement of Financial Income and Expense
January through April 2018

	Apr 18	TOTAL
Ordinary Income/Expense		
Income		
80000 · Contributions		
80010 · Members	750.00	1,042.00
80020 · IBM EE/Ret	64.18	290.47
80025 · UW Specific care	0.00	164.31
80035 · Give Direct	0.00	48.00
80040 · Memorials	0.00	50.00
80050 · Employees	62.00	398.00
80055 · AARP	295.00	2,079.00
80090 · Other	2,165.61	6,212.82
80100 · Annual Giving	25.00	25.00
80500 · Capital Campaign		
80530 · CC Fitness Center	10.00	10.00
80550 · CC Art/Ceramics	22.00	72.00
80500 · Capital Campaign - Other	0.00	100.00
Total 80500 · Capital Campaign	32.00	182.00
80000 · Contributions - Other	0.00	183.00
Total 80000 · Contributions	3,393.79	10,674.60
81000 · Grants	0.00	121,500.00
82000 · Membership Revenue		
82010 · Social (Monthly)	2,222.26	8,374.80
82015 · Social (Annual)	3,840.00	4,600.00
82020 · Fitness (Monthly)	11,662.98	42,042.86
82025 · Fitness (Annual)	1,998.00	7,821.00
82030 · Silver & Fit (Monthly)	2,391.50	9,342.36
82031 · Silver and Fit Insurance Pmt	6,649.50	20,876.75
82035 · Silver Sneakers (Monthly)	896.00	3,640.00
82036 · Silver Sneakers Insurance Pmt	1,782.25	3,110.25
82040 · Social & Fit (Monthly)	4,704.03	17,727.29
82045 · Social & Fit (Annual)	2,184.00	6,220.50
82050 · Community Fitness (Monthly)	1,460.00	5,150.75
82055 · Community Fitness (Annual)	0.00	1,944.00
82100 · Discounts/Refunds	-22.50	-105.00
82150 · Deferred Revenue	-2,832.54	3,231.34
82200 · Enrollment/Change Fee	470.00	1,810.00
82400 · Support		
82410 · Fitness	78.20	310.20
82420 · Social	10.00	48.00
Total 82400 · Support	88.20	358.20
82500 · Day Pass	628.00	2,456.00
82600 · Participant Account Credit	-127.50	-546.50
Total 82000 · Membership Revenue	37,994.18	138,054.60
83000 · Program/Wellness Revenue		
83100 · Registration/Admission/Fees	5,137.50	26,331.50

125Live
Statement of Financial Income and Expense
January through April 2018

	Apr 18	TOTAL
83200 · Materials/Supplies/Tools	100.00	190.00
83300 · Sales from Products/Events	78.00	274.25
83900 · Discounts/Refunds	-2,024.00	-8,585.00
84200 · Footcare	456.00	1,966.00
Total 83000 · Program/Wellness Revenue	3,747.50	20,176.75
85000 · Rental Revenue		
85100 · Rooms - General	4,499.00	21,550.25
85110 · River Rooms	12,669.00	27,061.00
85130 · Supplies & Equipment Rental	0.00	7.00
85140 · RNeighbors Office Rent	0.00	2,920.00
85150 · Adaptive Recreation Rental Inc	2,420.00	6,020.00
85400 · Lockers-Non Billiards	220.00	760.00
85900 · Discounts/Refunds	-1,256.00	-13,488.25
Total 85000 · Rental Revenue	18,552.00	44,830.00
86000 · Special Events & Fundraising		
86100 · Winterfest Revenue		
86190 · Other Revenue	0.00	1,830.00
Total 86100 · Winterfest Revenue	0.00	1,830.00
Total 86000 · Special Events & Fundraising	0.00	1,830.00
87000 · Member Services		
87100 · Cab/Bus Coupons	16.00	72.00
87200 · K-Cups/Coffee	43.00	287.00
87400 · Copies, Fax, Notary	3.70	59.75
87500 · Key Card Replacement	15.00	60.00
Total 87000 · Member Services	77.70	478.75
88000 · Program Partners Revenue		
88100 · Sponsorship	2,120.00	3,070.00
88200 · Intergenerational Guest Fee	84.00	200.00
Total 88000 · Program Partners Revenue	2,204.00	3,270.00
89000 · Other Income		
89010 · Vending Machines	24.19	64.55
89040 · Book Sales	0.00	37.75
89050 · Community Event Support	0.00	43.48
89000 · Other Income - Other	0.00	1,313.63
Total 89000 · Other Income	24.19	1,459.41
89500 · Interest Income	59.20	223.66
89900 · Gain (Loss) on Sale of Assets	0.00	4,660.31
Total Income	66,052.56	347,158.08
Expense		
90000 · General & Administrative Exps		
90020 · Lease/Rent Expense-Equipment		
90021 · Copier Lease	608.15	1,236.33
90022 · Copier Contract Overage Fees	508.10	792.55
90020 · Lease/Rent Expense-Equipment - Other	0.00	0.00
Total 90020 · Lease/Rent Expense-Equipment	1,116.25	2,028.88

125Live
Statement of Financial Income and Expense
January through April 2018

	Apr 18	TOTAL
90040 · Facilities		
90041 · Supplies - Facilities	440.51	2,930.02
90042 · Repairs & Maintenance	35.15	394.64
90043 · Cleaning	0.00	364.00
90044 · Minor Equipment	214.75	2,945.11
90045 · Miscellaneous	98.75	108.75
Total 90040 · Facilities	789.16	6,742.52
90050 · Office Expenses		
90051 · Office Expenses	0.00	256.27
90052 · Printing & Copying	152.96	239.23
90053 · Postage/Shipping	0.00	301.75
90054 · Dues/Subscriptions/Memberships	125.00	834.83
Total 90050 · Office Expenses	277.96	1,632.08
90060 · Professional Fees	297.50	9,475.50
90070 · Marketing/Advertising	533.36	7,502.77
90080 · Service Agreements		
90081 · Rec 1	381.17	1,591.00
90082 · Authorize.net	138.75	516.80
Total 90080 · Service Agreements	519.92	2,107.80
90090 · Insurance Expense		
90091 · Property/Liability	1,625.36	3,451.87
90093 · Worker's Compensation	753.00	3,720.00
Total 90090 · Insurance Expense	2,378.36	7,171.87
90120 · Training/Dev-Staff & Board	687.86	687.86
90130 · Cable & Phone		
90131 · Cable	264.98	1,052.92
90132 · Phone	722.66	2,886.72
Total 90130 · Cable & Phone	987.64	3,939.64
90140 · License Fees	905.00	1,070.00
90150 · Computer/IT Related Expenses		
90151 · IT Monthly Contract	0.00	1,100.00
90152 · IT Incident Support	2,012.50	4,202.50
Total 90150 · Computer/IT Related Expenses	2,012.50	5,302.50
90160 · Uniforms	144.00	144.00
90190 · Fees		
90192 · Credit Card Fees	777.00	2,868.37
90193 · Payroll Processing Fees	394.41	1,879.77
90194 · Late Fees	0.00	17.00
Total 90190 · Fees	1,171.41	4,765.14
90200 · Depreciation Expense	18,175.20	72,700.80
90500 · Interest Expense	1,314.99	5,360.10
91000 · Payroll Expenses		
91100 · Salaries/Wages		
91110 · Salaried	14,467.69	54,090.69
91115 · Part-Time (No Benefits)	10,452.63	35,060.19

125Live
Statement of Financial Income and Expense
January through April 2018

	Apr 18	TOTAL
91120 · Coordinator	9,850.00	41,817.50
91140 · Fitness		
91141 · Floor Professional	4,357.69	20,920.21
91143 · Class Instructor	3,629.95	12,384.45
91144 · Personal Training	927.25	3,224.00
Total 91140 · Fitness	8,914.89	36,528.66
91150 · Custodial Services	4,557.75	18,783.02
91160 · Rentals		
91161 · Supervisor	1,648.00	6,955.20
Total 91160 · Rentals	1,648.00	6,955.20
Total 91100 · Salaries/Wages	49,890.96	193,235.26
91200 · Payroll Taxes	4,323.52	14,904.81
91250 · Unemployment Taxes	725.69	3,068.73
91300 · Employee Benefits		
91310 · Health Insurance	5,202.44	5,202.44
91330 · Life Insurance	136.37	432.98
Total 91300 · Employee Benefits	5,338.81	5,635.42
Total 91000 · Payroll Expenses	60,278.98	216,844.22
Total 90000 · General & Administrative Exps	91,590.09	347,475.68
93000 · Program/Wellness Expenses		
93100 · Contracted Services/Instructor	545.00	6,346.00
93200 · Supplies	1,060.00	3,822.35
93300 · Transportation	0.00	98.10
93400 · Minor Equipment Expense	256.42	4,310.23
93500 · Fees	5.00	205.00
93900 · Other/Miscellaneous Exps	0.00	614.00
94200 · Footcare	434.00	1,610.00
Total 93000 · Program/Wellness Expenses	2,300.42	17,005.68
96000 · Special Events/Fundraising Exp	101.70	6,249.52
97000 · Member Services Expenses		
97100 · Cab/Bus Coupons	80.00	380.00
97200 · K-Cups/Coffee	0.00	93.00
Total 97000 · Member Services Expenses	80.00	473.00
Total Expense	94,072.21	371,203.88
Net Ordinary Income	-28,019.65	-24,045.80
Net Income	**-28,019.65**	**-24,045.80**

125Live
Statement of Financial Position
As of April 30, 2018

	Apr 30, 18	Apr 30, 17	$ Change
ASSETS			
Current Assets			
Checking/Savings			
10000 · Cash-Sterling State Bank	0.00	5,474.31	-5,474.31
10005 · Cash-Premier Bank	113,842.99	0.00	113,842.99
10010 · Fitness Desk	50.50	0.00	50.50
10020 · Front Desk	110.00	0.00	110.00
10030 · Upstairs Safe	360.00	0.00	360.00
10040 · Free Coffe Friday Cash Bag	15.00	0.00	15.00
10100 · Petty Cash	85.62	114.62	-29.00
Total Checking/Savings	114,464.11	5,588.93	108,875.18
Accounts Receivable			
15000 · Accounts Receivable	110,598.00	598.00	110,000.00
15100 · Health Plan Reimbursement	4,023.75	7,705.50	-3,681.75
16000 · Pledges Receivable	1,955.00	15,055.00	-13,100.00
Total Accounts Receivable	116,576.75	23,358.50	93,218.25
Other Current Assets			
12000 · Undeposited Funds	2,802.62	348.00	2,454.62
13000 · Cash in Transit	0.00	15,044.20	-15,044.20
17000 · Bequest Held in Trust	0.00	508,155.00	-508,155.00
25100 · Prepaid Insurance	1,658.65	8,548.59	-6,889.94
Total Other Current Assets	4,461.27	532,095.79	-527,634.52
Total Current Assets	235,502.13	561,043.22	-325,541.09
Fixed Assets			
40100 · Land (Woodshop)	0.00	444,010.00	-444,010.00
40200 · Building (Woodshop)	0.00	75,000.00	-75,000.00
40300 · Leasehold Improvements	672,833.00	672,833.00	0.00
40400 · Furniture & Equipment	1,256,768.57	1,248,084.66	8,683.91
40900 · Accumulated Depreciation	-371,929.47	-267,632.81	-104,296.66
Total Fixed Assets	1,557,672.10	2,172,294.85	-614,622.75
Other Assets			
36000 · Pledges Receivable - Long Term	1,875.00	1,875.00	0.00
36500 · Allowance-Uncollectible Pledges	-1,000.00	-1,000.00	0.00
36600 · Discount to Net Present Value	-135.00	-135.00	0.00
Total Other Assets	740.00	740.00	0.00
TOTAL ASSETS	**1,793,914.23**	**2,734,078.07**	**-940,163.84**
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
55000 · Accounts Payable	11,599.85	-50.00	11,649.85
Total Accounts Payable	11,599.85	-50.00	11,649.85
Other Current Liabilities			
56000 · Current (Year) Maturities	56,613.77	51,000.00	5,613.77

125Live
Statement of Financial Position
As of April 30, 2018

	Apr 30, 18	Apr 30, 17	$ Change
60000 · Deferred Revenue			
60100 · Gift Cards	839.00	0.00	839.00
60000 · Deferred Revenue - Other	31,746.91	42,558.64	-10,811.73
Total 60000 · Deferred Revenue	32,585.91	42,558.64	-9,972.73
61000 · Accrued Payroll			
61100 · Salaries/Wages	12,892.68	12,892.68	0.00
61200 · Payroll Taxes & Unemployment			
61230 · Unemployment Compensation	-4.26	1,054.74	-1,059.00
Total 61200 · Payroll Taxes & Unemployment	-4.26	1,054.74	-1,059.00
61300 · Employee Benefits			
61310 · Health Insurance	0.00	1,049.62	-1,049.62
61400 · Retirement-403(b)	5,158.96	2,898.09	2,260.87
61600 · Medical FSA	218.66	471.54	-252.88
61700 · PTO	19,869.45	23,423.00	-3,553.55
Total 61300 · Employee Benefits	25,247.07	27,842.25	-2,595.18
Total 61000 · Accrued Payroll	38,135.49	41,789.67	-3,654.18
65000 · Line of Credit	0.00	250,872.89	-250,872.89
Total Other Current Liabilities	127,335.17	386,221.20	-258,886.03
Total Current Liabilities	138,935.02	386,171.20	-247,236.18
Long Term Liabilities			
50000 · Notes Payable			
50100 · Steelcase Financial (001)	58,884.31	75,282.67	-16,398.36
50200 · Steelcase Financial (002)	74,679.37	95,611.18	-20,931.81
50300 · Leaf Capital (HUR)	76,437.95	90,958.68	-14,520.73
50400 · All-Lines Leasing	5,575.86	0.00	5,575.86
50450 · Northland Lease	77,231.64	0.00	77,231.64
50500 · Current (Year) Maturities	-56,613.77	-51,000.00	-5,613.77
Total 50000 · Notes Payable	236,195.36	210,852.53	25,342.83
Total Long Term Liabilities	236,195.36	210,852.53	25,342.83
Total Liabilities	375,130.38	597,023.73	-221,893.35
Equity			
75100 · Unrestricted Fund Balance	-111,393.62	-51,335.21	-60,058.41
75200 · Invested in PP&E, Net of Debt	1,550,306.00	1,829,312.00	-279,006.00
75300 · Temporarily Restricted			
75301 · Billiards	1,100.00	0.00	1,100.00
75302 · Fireplace	1,000.00	0.00	1,000.00
75303 · Fitness Equipment	179.51	0.00	179.51
75304 · Fitness Room Blinds	250.00	0.00	250.00
75305 · Star Tribune Subscription	163.07	0.00	163.07
75306 · Quilting Club Revenue	1,586.37	0.00	1,586.37
75307 · AARP	-358.96	0.00	-358.96
75300 · Temporarily Restricted - Other	0.00	508,185.00	-508,185.00
Total 75300 · Temporarily Restricted	3,919.99	508,185.00	-504,265.01
75500 · Restricted	-2.72	-1.15	-1.57

125Live
Statement of Financial Position
As of April 30, 2018

	Apr 30, 18	Apr 30, 17	$ Change
Net Income	-24,045.80	-149,106.30	125,060.50
Total Equity	1,418,783.85	2,137,054.34	-718,270.49
TOTAL LIABILITIES & EQUITY	**1,793,914.23**	**2,734,078.07**	**-940,163.84**

125Live
Statement of Financial Position
As of April 30, 2018

	% Change
ASSETS	
Current Assets	
Checking/Savings	
10000 · Cash-Sterling State Bank	-100.0%
10005 · Cash-Premier Bank	100.0%
10010 · Fitness Desk	100.0%
10020 · Front Desk	100.0%
10030 · Upstairs Safe	100.0%
10040 · Free Coffe Friday Cash Bag	100.0%
10100 · Petty Cash	-25.3%
Total Checking/Savings	1,948.05%
Accounts Receivable	
15000 · Accounts Receivable	18,394.65%
15100 · Health Plan Reimbursement	-47.78%
16000 · Pledges Receivable	-87.01%
Total Accounts Receivable	399.08%
Other Current Assets	
12000 · Undeposited Funds	705.35%
13000 · Cash in Transit	-100.0%
17000 · Bequest Held in Trust	-100.0%
25100 · Prepaid Insurance	-80.6%
Total Other Current Assets	-99.16%
Total Current Assets	-58.02%
Fixed Assets	
40100 · Land (Woodshop)	-100.0%
40200 · Building (Woodshop)	-100.0%
40300 · Leasehold Improvements	0.0%
40400 · Furniture & Equipment	0.7%
40900 · Accumulated Depreciation	-38.97%
Total Fixed Assets	-28.29%
Other Assets	
36000 · Pledges Receivable - Long Term	0.0%
36500 · Allowance-Uncollectible Pledges	0.0%
36600 · Discount to Net Present Value	0.0%
Total Other Assets	0.0%
TOTAL ASSETS	**-34.39%**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
55000 · Accounts Payable	23,299.7%
Total Accounts Payable	23,299.7%
Other Current Liabilities	
56000 · Current (Year) Maturities	11.01%

125Live
Statement of Financial Position
As of April 30, 2018

	% Change
60000 · Deferred Revenue	
60100 · Gift Cards	100.0%
60000 · Deferred Revenue - Other	-25.4%
Total 60000 · Deferred Revenue	-23.43%
61000 · Accrued Payroll	
61100 · Salaries/Wages	0.0%
61200 · Payroll Taxes & Unemployment	
61230 · Unemployment Compensation	-100.4%
Total 61200 · Payroll Taxes & Unemployment	-100.4%
61300 · Employee Benefits	
61310 · Health Insurance	-100.0%
61400 · Retirement-403(b)	78.01%
61600 · Medical FSA	-53.63%
61700 · PTO	-15.17%
Total 61300 · Employee Benefits	-9.32%
Total 61000 · Accrued Payroll	-8.74%
65000 · Line of Credit	-100.0%
Total Other Current Liabilities	-67.03%
Total Current Liabilities	-64.02%
Long Term Liabilities	
50000 · Notes Payable	
50100 · Steelcase Financial (001)	-21.78%
50200 · Steelcase Financial (002)	-21.89%
50300 · Leaf Capital (HUR)	-15.96%
50400 · All-Lines Leasing	100.0%
50450 · Northland Lease	100.0%
50500 · Current (Year) Maturities	-11.01%
Total 50000 · Notes Payable	12.02%
Total Long Term Liabilities	12.02%
Total Liabilities	-37.17%
Equity	
75100 · Unrestricted Fund Balance	-116.99%
75200 · Invested in PP&E, Net of Debt	-15.25%
75300 · Temporarily Restricted	
75301 · Billiards	100.0%
75302 · Fireplace	100.0%
75303 · Fitness Equipment	100.0%
75304 · Fitness Room Blinds	100.0%
75305 · Star Tribune Subscription	100.0%
75306 · Quilting Club Revenue	100.0%
75307 · AARP	-100.0%
75300 · Temporarily Restricted - Other	-100.0%
Total 75300 · Temporarily Restricted	-99.23%
75500 · Restricted	-136.52%

125Live
Statement of Financial Position
As of April 30, 2018

	% Change
Net Income	83.87%
Total Equity	-33.61%
TOTAL LIABILITIES & EQUITY	**-34.39%**

AGREEMENT

This Agreement is made the 20th day of September, 2017, by and between the CITY OF ROCHESTER, MINNESOTA, a Minnesota municipal corporation, hereinafter "City," and 125 Live, a Minnesota non-profit corporation, hereinafter "125 Live."

WHEREAS, in the interest of providing the community a variety of resources, amenities and activities that promote healthy aging; and

WHEREAS, City is authorized by law to expend public funds for such purposes, and the Common Council of City has determined that a program to provide such resources, amenities and activities for healthy-aging will serve a public purpose and create a return on investment and serve as an economic catalyst for Rochester; and

WHEREAS, 125 LIVE is a non-profit corporation capable of providing City with resources, amenities and activities for healthy-aging for the purposes set forth above and as hereinafter provided, and desires to enter into an agreement with City to provide such services; and

NOW, THEREFORE, in consideration of the terms and mutual covenants contained herein, the parties agree as follows:

1. Term. The initial term of this Agreement shall commence upon the date hereof and continue through December 31, 2018. Except when the City has decided not to provide funding for the subsequent year, the term shall thereafter be automatically renewed for successive annual terms unless one party shall give the other party at least one year prior notice of intent to terminate this Agreement upon the expiration of the then current term.

2. Services/Metrics. 125 LIVE agrees to provide professional services to City as the resources, amenities and activities for healthy-aging. Such services shall include, without limitation, the following:

a. Onsite resources available such as the Elder Network Senior Advocate, Family Services of Rochester, foot care clinic, and other community partners.

b. Expansive educational, fitness, technology, and art programming and amenities primarily designed to enrich the lives of older adults and promote healthy aging.

c. Serve as an affordable rental space for private and public community events.

125 LIVE shall employ professional staff capable of providing the services and activities required of 125 LIVE hereunder.

3. Board of Directors. 125 LIVE shall maintain the composition of its Board of Directors as provided in its Bylaws. Bylaws must be attached to this Agreement and any updates to the Bylaws must be sent to the City immediately after passage.

4. Conflicts of Interest Policy. The Board of Directors of 125 LIVE shall adopt a Conflict of Interest Policy. A copy of the Conflict of Interest Policy shall be provided to the City. (A sample policy is attached.)

5. Operations Review. On August 1st of each year a written report shall be provided to the City that provides an update on current activities including programs offered, participants, etc., financial position, and any requests for funding for the next year. Before October 1 of each year the 125 LIVE shall present to the City at a regularly scheduled Committee of the Whole meeting an update on current activities, current financial position, results of prior year audit, the next year's organizational budget, and any requests for funding for the next year. In December

of each year the 125 LIVE shall be present for the regularly scheduled budget discussion relating to the budget and programs for the subsequent year.

6. Payment Procedure. City will pay 125 LIVE the amounts described in paragraph 7 when requested by 125 LIVE and approved by the City.

7. Fiscal.

a. 125 LIVE has requested the use of the current 125 Live facility as detailed in a separate lease agreement and annual financial assistance in an amount to be determined. The exact amount of City financial assistance will be determined on annual basis by the City during the budget process.

b. 125 LIVE shall maintain accounting records in accordance with generally accepted accounting practices and procedures and shall provide evidence acceptable to the City Finance Director that such financial services are in place.

c. 125 LIVE shall maintain all accounting records and supporting documentation for a period that adheres to 125 LIVE record retention policies or not less than five years, whichever is greater.

d. 125 LIVE shall, at any time during normal business hours and as often as City may deem necessary, make its accounting records available to City and shall permit City's representatives to examine, audit, or make excerpts or transcripts from such records.

e. No later than 120 days after the end of its fiscal year, 125 LIVE shall submit to City an audited financial report of 125 LIVE for such fiscal year prepared by an independent certified public accountant together with a list of 125 LIVE fixed assets.

partnership or association for the expenditure of public funds, the undertaking of any public improvement or the granting of any favor or special treatment of any nature whatsoever.

12. Assignment. Neither party may assign this Agreement without the express written consent of the other party.

13. Termination. This Agreement may be terminated by either party prior to the expiration of the term hereof, upon the occurrence of any of the following events:

a. The other party shall be in material default of its obligations under this Agreement and shall fail to cure such default within 60 days of written notice by the non-defaulting party of such default;

b. The other party shall be the subject of a petition in bankruptcy which is not dismissed within 90 days of filing, makes an assignment for the benefit of its creditors, becomes insolvent or is unable to pays its obligations as they become due; or

c. A decision by the City not to provide funding for the subsequent year.

14. Entire Agreement. Except as noted in paragraph 13, This Agreement constitutes the entire agreement between the parties with respect to the subject matter contained herein. Any prior agreements between parties with respect to such subject matter, are hereby terminated and no longer in force or effect. There are no understandings, agreements or representations, oral or written, not contained herein regarding the subject of this Agreement. No waiver, consent, modification or alteration of the terms of this Agreement shall be binding except in writing executed by both parties.

15. Execution. By executing this Agreement, the parties acknowledge that they: (a) have read this Agreement, understand all of its terms and appreciate the significance of those

terms; (b) enter into and execute this Agreement knowingly, voluntarily and freely of their own volition with such consultation with legal counsel as they deem appropriate; and (c) have not relied upon any representation or statement not set forth herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

CITY OF ROCHESTER

By Ardell F. Brede

Its Mayor

Attest [signature]

Its City Clerk

(INSERT ORG NAME)

By Karl L. Pasch

Its BOARD PRESIDENT

By Thomas M. Rigby

Its Board Treasurer

Conflict of Interest

A member must not participate in or vote on a decision of the corporation relating to any project authorized by or under consideration by the corporation in which the member has either a direct or indirect financial interest.