

**LEGIONVILLE SCHOOL SAFETY PATROL
TRAINING CENTER, INC.**

FINANCIAL STATEMENTS

YEARS ENDED OCTOBER 31, 2016 AND 2015

**LEGIONVILLE SCHOOL SAFETY PATROL
TRAINING CENTER, INC.
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YEARS ENDED OCTOBER 31, 2016 AND 2015**

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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Legionville School Safety Patrol Training Center, Inc.
St. Paul, Minnesota

Management is responsible for the accompanying financial statements of Legionville School Safety Patrol Training Center, Inc., which comprise the balance sheets as of October 31, 2016 and 2015, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 8, 2016

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
BALANCE SHEETS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash	\$ 37,582	\$ 111,338
Accounts and Grants Receivable	-	25,460
Accrued Interest Receivable	1,054	1,078
Inventories	26,266	26,851
Total Current Assets	64,902	164,727
PROPERTY AND EQUIPMENT, NET	828,854	722,453
OTHER ASSETS		
Investments	156,506	201,726
Total Assets	\$ 1,050,262	\$ 1,088,906
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,404	\$ 2,242
NET ASSETS		
Unrestricted	988,511	1,014,854
Temporarily Restricted	60,347	71,810
Total Net Assets	1,048,858	1,086,664
Total Liabilities and Net Assets	\$ 1,050,262	\$ 1,088,906

See accompanying Notes to Financial Statements.

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

	2016		
	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Support:			
Contributions	\$ 60,051	\$ 11,298	\$ 71,349
Revenue:			
Registrations	163,973	-	163,973
Insurance Proceeds	-	-	-
Sales	25,272	-	25,272
Interest Income	4,432	-	4,432
Lease Revenue	4,048	-	4,048
Unrealized Gain (Loss) on Investments	4,780	-	4,780
Loss on Disposal of Property	-	-	-
Miscellaneous	9,498	-	9,498
Subtotal Revenue	<u>212,003</u>	<u>-</u>	<u>212,003</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>22,761</u>	<u>(22,761)</u>	<u>-</u>
Total Support and Revenue	294,815	(11,463)	283,352
EXPENSE			
Program Services:			
Salaries	75,173	-	75,173
Payroll Taxes	5,751	-	5,751
Cost of Goods Sold	26,557	-	26,557
Supplies	40,306	-	40,306
Utilities	20,848	-	20,848
Insurance	27,110	-	27,110
Repairs and Maintenance	30,935	-	30,935
Travel and Meetings	3,387	-	3,387
Food	19,541	-	19,541
Other Program Expenses	30,000	-	30,000
Miscellaneous	1,224	-	1,224
Depreciation	35,937	-	35,937
Total Program Services	<u>316,769</u>	<u>-</u>	<u>316,769</u>
Support Services - Management and General:			
Professional Fees	4,389	-	4,389
Total Expense	<u>321,158</u>	<u>-</u>	<u>321,158</u>
CHANGE IN NET ASSETS	(26,343)	(11,463)	(37,806)
Net Assets - Beginning of Year	<u>1,014,854</u>	<u>71,810</u>	<u>1,086,664</u>
NET ASSETS - END OF YEAR	<u>\$ 988,511</u>	<u>\$ 60,347</u>	<u>\$ 1,048,858</u>

See accompanying Notes to Financial Statements.

2015		
Unrestricted	Temporarily Restricted	Total
\$ 26,490	\$ 258,359	\$ 284,849
172,500	-	172,500
56,511	-	56,511
25,218	-	25,218
2,905	-	2,905
4,014	-	4,014
(668)	-	(668)
(4,405)	-	(4,405)
6,591	-	6,591
<u>262,666</u>	<u>-</u>	<u>262,666</u>
230,515	(230,515)	-
519,671	27,844	547,515
83,675	-	83,675
6,400	-	6,400
18,946	-	18,946
20,901	-	20,901
19,618	-	19,618
26,778	-	26,778
41,744	-	41,744
4,611	-	4,611
28,018	-	28,018
46,854	-	46,854
640	-	640
20,572	-	20,572
<u>318,757</u>	<u>-</u>	<u>318,757</u>
2,515	-	2,515
<u>321,272</u>	<u>-</u>	<u>321,272</u>
198,399	27,844	226,243
816,455	43,966	860,421
<u>\$ 1,014,854</u>	<u>\$ 71,810</u>	<u>\$ 1,086,664</u>

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (37,806)	\$ 226,243
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	35,937	20,572
Loss on Disposal of Property	-	4,405
Unrealized (Gain) Loss on Investments	(4,780)	668
Realized Gain on Sale of Investments	(398)	-
Contributions Received for Property and Equipment Purchases	-	(49,828)
(Increase) Decrease in Receivables	25,484	(25,629)
(Increase) Decrease in Inventories	585	(593)
Increase (Decrease) in Accounts Payable	(838)	1,418
Net Cash Provided by Operating Activities	18,184	177,256
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(30,000)	(130,000)
Proceeds on Sale of Investments	80,398	45,000
Purchases of Property and Equipment	(142,338)	(79,035)
Net Cash Used by Investing Activities	(91,940)	(164,035)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions Received for Property and Equipment Purchases	-	49,828
Net Cash Provided by Financing Activities	-	49,828
 NET CHANGE IN CASH	(73,756)	63,049
 Cash - Beginning of Year	111,338	48,289
 CASH - END OF YEAR	\$ 37,582	\$ 111,338

See accompanying Notes to Financial Statements.

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizational Purpose

The Legionville School Safety Patrol Training Center, Inc. (Legionville or the Organization) offers summer camps for youngsters between the ages of ten and thirteen. Legionville provides instruction for school and school bus patrol officers, nature study, conservation training, and boat and water safety lessons to children from Minnesota which are conducted in a summer camp environment.

Financial Statement Presentation

Net assets and revenues, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of Legionville School Safety Patrol Training Center, Inc. and changes therein are classified and reported as follows:

Unrestricted – Resources over which the board of directors has discretionary control. Designated amounts represent those revenues which the board has set aside for a particular purpose.

Temporarily Restricted – Those resources subject to donor imposed restrictions which will be satisfied by actions of the Organization on passage of time.

Cash

The Organization maintains cash accounts at two financial institutions. At times the amounts on deposit may exceed federally insured limits.

Accounts and Grants Receivable

All outstanding receivables are expected to be collected within the next fiscal year; therefore, no allowance for doubtful accounts has been reflected in the financial statements.

Inventories

Inventories consist of souvenirs and promotional items used for various Legionville programs. Inventory is valued at the lower of cost, determined on a first-in, first-out basis, or market.

Property and Equipment

All major expenditures for land, buildings and equipment are capitalized at cost. Contributed items are recorded at fair market value at date of donation. Depreciation is provided through the use of the straight-line method over their estimated useful lives. Depreciable lives range from five to thirty-nine years.

Investments

Investments are recorded at fair market value. Accordingly, unrealized gains and losses are recognized in the statements of activity as unrealized gains and losses. Realized gains and losses are determined using the specific identification method.

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor.

The Organization has elected to present temporarily restricted contributions, which are fulfilled in the same time period, within the unrestricted net asset class. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

In-Kind Services

Many individuals volunteer their time to Legionville each year. Although their contributions are valuable to the program, no donated services have been recognized in these financial statements because no specialized skills as defined by generally accepted accounting principles have been provided.

Functional Expense

The Organization's costs of providing its services have been classified on a functional basis in the statements of activities. Expenses are not allocated since they have direct relationships to a particular functional expense.

Tax Exempt Status

Legionville has a tax exempt status under Section 501(a) as an organization described in 501(c)(3) of the Internal Revenue Code (IRC) and Minnesota Statute. It has been classified as an organization that is not a private foundation under Section 509(a)(2) of the IRC and charitable contributions by donors are tax deductible.

The Organization has adopted the income tax standard regarding the recognition and measurement of uncertain tax positions. The Organization has no current obligation for unrelated business income tax.

Fair Value Measurement

The Organization accounts for its investments at fair value and has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (Continued)

Financial assets and liabilities recorded on the Statements of Financial Position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 – Financial assets and liabilities are valued using inputs quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes long/short funds, private equity, venture capital, hedge fund, and real assets.

The following tables present the fair value hierarchy for the balance of the assets of the Organization measured at fair value on a recurring basis as of October 31:

	2016			
	Level 1	Level 2	Level 3	Total
INVESTMENTS				
Certificates of Deposit	\$ -	\$ 156,506	\$ -	\$ 156,506
	2015			
	Level 1	Level 2	Level 3	Total
INVESTMENTS				
Certificates of Deposit	\$ -	\$ 201,726	\$ -	\$ 201,726

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 8, 2016, the date the financial statements were available to be issued.

NOTE 2 PROPERTY AND EQUIPMENT

Legionville holds the following property and equipment as of October 31:

	<u>2016</u>	<u>2015</u>
Land	\$ 11,456	\$ 11,456
Buildings	902,278	902,278
Improvements	248,086	211,934
Furniture and Equipment	260,502	241,028
Electric Systems	79,131	42,769
Water Systems	40,333	40,333
Vehicles	86,875	36,525
	<u>1,628,661</u>	<u>1,486,323</u>
Accumulated Depreciation	<u>(799,807)</u>	<u>(763,870)</u>
Property and Equipment - Net	<u>\$ 828,854</u>	<u>\$ 722,453</u>

NOTE 3 INVESTMENTS

Investments are comprised of the following values at October 31:

	<u>2016</u>		<u>2015</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Certificates of Deposit	<u>\$ 155,005</u>	<u>\$ 156,506</u>	<u>\$ 205,005</u>	<u>\$ 201,726</u>

LEGIONVILLE SCHOOL SAFETY PATROL TRAINING CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015
(SEE ACCOUNTANTS' COMPILATION REPORT)

NOTE 4 NET ASSETS

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of resources restricted for scholarships for individual registrations or agreed upon equipment purchases. Net assets released from restrictions were \$22,671 and \$230,515 for scholarships and equipment for the years ended October 31, 2016 and 2015, respectively.

Temporarily restricted net assets consist of the following at October 31:

	2016	2015
Equipment Purchases	\$ 4,644	\$ 5,364
Scholarships	10,703	9,290
Paver	-	9,656
AAA Naming Rights	45,000	47,500
Temporarily Restricted Net Assets	\$ 60,347	\$ 71,810