

CENTER FOR RESILIENT CITIES, INC.
CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

CONTENTS

Independent Auditor's Report.....	1
Consolidated Statements of Financial Position.....	2
Consolidated Statements of Activities.....	3
Consolidated Statements of Cash Flows.....	4
Notes to Consolidated Financial Statements.....	5



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Center for Resilient Cities, Inc.
Madison, Wisconsin

We have audited the accompanying consolidated financial statements of Center for Resilient Cities, Inc., which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Center for Resilient Cities, Inc. as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Wegner CPAs, LLP

Wegner CPAs, LLP
Madison, Wisconsin
July 9, 2014

Janesville Office:
101 E. Milwaukee Street
Suite 425
Janesville, WI 53545
P: (608) 756-4020

Baraboo Office:
123 Second Street
P.O. Box 150
Baraboo, WI 53913
P: (608) 356-3966
F: (608) 356-2966

Pewaukee Office:
W239 N3490 Pewaukee Road
Suite 200
Pewaukee, WI 53072
P: (262) 522-7555
F: (262) 522-7550

Madison Office:
2110 Luann Lane
Madison, WI 53713
P: (608) 274-4020
F: (608) 274-0775

www.wegnercpas.com
info@wegnercpas.com
(888) 204-7665

CENTER FOR RESILIENT CITIES, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2013 and 2012

	2013	2012
ASSETS		
Cash	\$ 60,171	\$ 294,934
Prepaid expenses	3,306	10,994
Accounts receivable	8,394	31,833
Unconditional promises to give - net	741,086	749,302
Cash restricted for project development and land acquisition	182,442	163,575
Property and equipment - net	8,087,192	8,102,808
Land held in trust	88,200	88,200
Beneficial interest in assets held by Madison Community Foundation	82,067	10,702
Total assets	\$ 9,252,858	\$ 9,452,348
LIABILITIES		
Accounts payable	\$ 37,576	\$ 33,080
Construction payable	36,786	196,920
Accrued interest	210,583	115,583
Lines of credit	2,050,000	2,000,000
Deferred revenue	4,664	4,730
Notes payable	1,338,655	1,304,079
Total liabilities	3,678,264	3,654,392
NET ASSETS		
Unrestricted	4,327,504	4,399,031
Temporarily restricted	1,158,890	1,310,725
Permanently restricted	88,200	88,200
Total net assets	5,574,594	5,797,956
Total liabilities and net assets	\$ 9,252,858	\$ 9,452,348

See accompanying notes.

CENTER FOR RESILIENT CITIES, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
Years ended December 31, 2013 and 2012

	2013	2012
UNRESTRICTED NET ASSETS		
REVENUE AND OTHER SUPPORT		
Contributions	\$ 813,456	\$ 3,239,180
Interest income	256	319
Agency endowment return	6,365	910
Rent and other income	65,351	46,607
Fees for services	168,044	96,394
Total unrestricted revenue and other support	1,053,472	3,383,410
EXPENSES		
Program services		
Greater Johnsons Park	35,006	239,300
Resilience Research Center	668,424	473,213
Other programs	398,027	376,823
Total program services	1,101,457	1,089,336
Supporting activities		
Management and general	143,332	104,126
Fundraising	88,851	112,348
Total expenses	1,333,640	1,305,810
Net assets released from restrictions	208,641	253,350
Change in unrestricted net assets	(71,527)	2,330,950
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	56,806	1,261,921
Net assets released from restrictions	(208,641)	(253,350)
Change in temporarily restricted net assets	(151,835)	1,008,571
Change in net assets	(223,362)	3,339,521
Net assets - beginning of the year	5,797,956	2,458,435
Net assets - end of year	\$ 5,574,594	\$ 5,797,956

See accompanying notes.

CENTER FOR RESILIENT CITIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2013 and 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (223,362)	\$ 3,339,521
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	175,472	72,603
Donated furniture and equipment	-	(2,000)
Investment return retained in agency endowment	(6,365)	(910)
Donated stock	(421,219)	(2,242,574)
Contributions restricted for project development	(14,488)	(930,150)
(Increase) decrease in assets		
Prepaid expenses	7,688	9,452
Accounts receivable	23,439	(21,633)
Unconditional promises to give	3,216	(664,556)
Increase (decrease) in liabilities		
Accounts payable	4,496	(21,093)
Accrued interest	95,000	95,000
Deferred revenue	(66)	4,730
Net cash flows from operating activities	(389,824)	(360,700)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in cash restricted for project development and land acquisition	(18,867)	47,170
Proceeds from sales of donated stock	421,219	2,242,574
Purchases of property and equipment	(159,856)	(2,441,265)
Contributions to agency endowment	(25,000)	-
Transfers to agency endowment	(40,000)	-
Net cash flows from investing activities	211,131	(152,431)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on construction payable	(160,134)	(1,592,127)
Proceeds from lines of credit	50,000	50,000
Payments of lines of credit	-	(65,300)
Proceeds from notes payable	84,640	1,315,354
Payments of notes payable	(50,064)	(15,434)
Proceeds from contributions restricted for project development	19,488	1,005,150
Net cash flows from financing activities	(56,070)	697,643
Net change in cash	(234,763)	184,512
Cash - beginning of year	294,934	110,422
Cash - end of year	\$ 60,171	\$ 294,934

See accompanying notes.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

Center for Resilient Cities, Inc. (Center) began operations in February 1996 as a non-stock, not-for-profit organization and was incorporated in June 1996 under the name Urban Open Space Foundation, Inc. In November 2007, the organization changed its name to Center for Resilient Cities, Inc. The Center builds robust and thriving urban communities that are healthy, just, economically viable and environmentally sound. Johnsons Park Development, LLC was formed in 2007 to develop three parcels of land, known as the Johnsons Park Initiative, in the Lindsay Heights neighborhood of Milwaukee, Wisconsin. These parcels, Alice's Garden, Brown Street Academy Schoolyard, and Johnsons Park, create 19 acres of high-quality, resilient, green space in Milwaukee's central city. Badger Resilience Research Center, LLC was formed in 2009 to develop the Resilience Research Center. This project, located on Madison, Wisconsin's south side, includes a neighborhood support center, with productive urban agriculture and a project-based charter middle school, in a green-built, energy efficient building that will be submitted for a LEED NC Platinum rating. It will serve as a multigenerational neighborhood hub for healthy resilient living, socializing, training, and research.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Center and its wholly owned subsidiaries, Badger Resilience Research Center, LLC and Johnsons Park Development, LLC. All material intra-entity transactions have been eliminated.

Basis of Presentation

The Center reports information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets—Net assets that have been restricted by donors to be maintained by the Center in perpetuity.

Property and Equipment

All acquisitions of property and equipment in excess of \$3,000 are capitalized. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair value at the date of donation. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

The Center is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Badger Resilience Research Center, LLC and Johnsons Park Development, LLC are treated as disregarded entities for federal tax purposes and information pertaining to their finances and operations is reported on the Center's federal exempt organization return. The Center's federal exempt organization returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed. With few exceptions, the Center is no longer subject to such examinations for tax years before 2010.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. The Center's program services are as follows:

Greater Johnsons Park—The Greater Johnsons Park Initiative is a community-drive action plan to improve the health and safety of the Lindsay Heights neighborhood in Milwaukee, Wisconsin, via physical infrastructure improvements and programmatic outreach efforts. The plan encompasses a 20-acre site and includes four catalytic projects:

- (1) Infrastructure improvements to Johnsons Park (a 13-acre Milwaukee County park);
- (2) Infrastructure improvements and educational programming at Alice's Garden (a 2-acre community garden; completed in 2010);
- (3) Infrastructure improvements and schoolyard greening at Brown Street Academy (a Milwaukee Public School on a 5-acre site; completed in 2012); and
- (4) Implementation of the Lindsay Heights Neighborhood Health Alliance program. This program was handed off to Walnut Way Conservation Corp, a community partner, in April 2012.

Resilience Research Center—The Resilience Research Center project has changed a vacant lot and abandoned school building located on the south side of Madison, Wisconsin, into a neighborhood center with productive urban agriculture (Growing Power-Madison) and a project-based charter middle school (Badger Rock Middle School). Phase 1 opened in the fall of 2012 and serves as a multi-generational hub for socializing, learning, training, research and healthy resilient living. In 2010, the land was purchased, and in 2011 feasibility, planning and construction began on the Resilience Research Center building. Urban gardening produced vegetables for the neighborhood in 2010 and 2011, as the project continued to develop. CRC provides the operations overview, working with not-for-profit partners including the Resilience Neighborhood Center, the University of Wisconsin-Madison, Growing Power, the Madison Metropolitan School District and Madison School and Community Recreation.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other programs—In 2011, CRC developed a new program area that is focused on creating a healthy, sustainable, equitable and economically just food system, with a particular emphasis on southeast Wisconsin and the greater Milwaukee region. This work includes providing technical and administrative support to the Milwaukee Food Council, an ad hoc collaborative group; and participating as technical advisors to the Milwaukee 7 Food and Beverage Advisory Council (an economic development group) the Urban Economic Development Association of Wisconsin, and the City of Milwaukee's Green Team for the Sustainability Planning process. In 2012, CRC was joined in Milwaukee by School Food FOCUS as an in-house partner. FOCUS is a national collaborative that leverages the knowledge and procurement power of large school districts to make school meals nationwide more healthful, regionally source, and sustainably produced. CRC is host to FOCUS's Regional Learning Lab.

Promises to give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. 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 consolidated statement of activities as net assets released from restrictions.

Donated Services

Donated services are recognized as contributions 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 Center.

Date of Management's Review

Management has evaluated subsequent events through July 9, 2014, the date which the consolidated financial statements were available to be issued.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 2—PROMISES TO GIVE

Unconditional promises to give at December 31, 2013 and 2012 consisted of the following:

	2013	2012
Greater Johnsons Park	\$ -	\$ 5,000
Resilience Research Center	795,000	823,133
Other	150	1,807
	<u>\$ 795,150</u>	<u>\$ 829,940</u>
Receivable in less than one year	\$ 203,150	\$ 227,940
Receivable in one to five years	592,000	602,000
Receivable in more than five years	-	143,000
	<u>795,150</u>	<u>829,940</u>
Total unconditional promises to give	Less discounts to net present value	80,638
	<u>54,064</u>	<u>80,638</u>
	<u>\$ 741,086</u>	<u>\$ 749,302</u>

Promises to give receivable in more than one year are discounted at 4%. The Center had a \$100,000 conditional promise to give at December 31, 2012. The condition on this promise was removed by the donor in 2013.

NOTE 3—PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2013 and 2012 consisted of the following:

	2013	2012
Furniture and equipment	\$ 36,937	\$ 33,942
Building	7,516,344	7,416,982
Construction in process	117,755	64,516
Land	585,342	585,342
Land improvements	96,234	91,974
Less accumulated depreciation	(265,420)	(89,948)
	<u>\$ 8,087,192</u>	<u>\$ 8,102,808</u>

Depreciation expense for 2013 and 2012 was \$175,472 and \$72,603.

NOTE 4—LAND HELD IN TRUST

The James and Mildred Green Community Garden in Fitchburg, with a carrying value of \$88,200, is a community garden and natural area serving families of diverse ethnic and economic backgrounds.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 5—NOTE PAYABLE AND LINES OF CREDIT

Notes payable at December 31, 2013 and 2012 consisted of the following:

7% note payable to Home Savings Bank, collateralized by a general security agreement. Monthly payments of \$320 including interest, due March 2013, paid May 29, 2014.	\$	-	\$	944
5.5% note payable to Monona State Bank, collateralized by a general security agreement, due May 2014, paid May 29, 2014		300,000		215,360
5.5% note payable to Monona State Bank, collateralized by Resilient Research Center. Monthly payments of \$5,750 including interest, due May 2019, paid May 29, 2014.		657,879		689,246
5.5% note payable to Forward Community Investments, collateralized by Resilient Research Center. Monthly payments of \$3,269 including interest due November 2019, paid May 29, 2014.		380,776		398,529
		<u>1,338,655</u>		<u>1,304,079</u>
Notes payable	\$	<u>1,338,655</u>	\$	<u>1,304,079</u>

The Center has a \$50,000 line of credit, which had an outstanding balance of \$50,000 at December 31, 2013. Advances on the credit line are payable in a single principal payment at maturity plus monthly interest payments. The credit line carries an interest rate of 1% over prime and shall not be less than 5.5%. The line matures on July 23, 2014 and is secured by a general business security agreement.

The Center has a \$2,000,000 line of credit from the Board President, which had a balance of \$2,000,000 at December 31, 2013 and 2012. Advances on the credit line are payable in a single principal payment at maturity plus three periodic payments of interest. The credit line carries an interest rate of 4.75% and was paid on May 29, 2014.

Interest expense was \$170,831 and \$59,799 for 2013 and 2012. Capitalized interest was \$89,815 for 2012.

In April of 2014, the Resilience Research Center, Inc. ("RRC", a non-profit corporation and related party to the Center) was incorporated. On May 29, 2014 the RRC purchased all interest in the Badger Resilience Research Center, LLC ("BRRC") from the Center for \$5,798,000. Interests included land, a building, its contents, pledges of operating support, and other receivables. All activity related to the BRRC will henceforth flow through the RRC, and all contract related to such activity were transferred from the Center to the RRC. The Center will provide personnel and overhead services to the RRC at cost.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 5 – NOTES PAYABLE AND LINES OF CREDIT (continued)

The building constructed by the BRRRC qualified as a “qualified low-income community investment” and enabled the RRC to receive low-interest financing through a New Market Tax Credit Investment. GWOF Sub CDE 6, LLC loaned \$6,860,000 to the RRC (1.24731% note, collateralized by the Resilience Research Center, semi-annual payment of interest only through September 2020, and then principal and interest semi-annual payments from October 2020 through May 2049.) The loan requires the RRC to comply with certain covenants and to receive an audit.

As part of the New Market Tax Credit Investment and the sale of the BRRRC, the notes payable from the Center to Monona State Bank and Forward Community Investments were paid off, as well as the lines of credit from Monona State Bank and the Board President. New loans were issued to the Center as follows:

\$324,482 from Forward Community Investments (5.5% note, collateralized by a general security agreement. Monthly payments of \$2,775 including interest, due May 2021).

\$552,784 from Monona State Bank (5.5% note, collateralized by a general security agreement. Monthly payments of \$4,540 including interest, due May 2021).

Future principal payments on the notes payable are as follows for the years ending December 31:

2014	\$	23,377
2015		41,858
2016		44,219
2017		46,713
2018		49,348
Thereafter		671,751
Total	\$	877,266

A new \$1,750,000 line of credit from the Board President was established with an advance made of \$1,750,000 (4.75%, accrued interest payable August 2014 and February 2015, and note due May 2015).

In an arrangement related to the New Market Tax Credit Investment, the Center loaned \$4,956,000 to GWOF Sub CDE 6 Investment Fund, LLC, 1.00% note, collateralized by the interests in GWOF Sub CDE 6, LLC, semi-annual payments of interest only through September 2020, and then principal and interest semi-annual payments from October 2020 through May 2049.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 6—NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods:

	2013	2012
Greater Johnsons Park	\$ 182,442	\$ 167,954
Milwaukee Food Council	2,823	505
Resilience Research Center - Phase II	-	90,000
Resilience Research Center - Operations	393,549	353,549
Resilience Research Center - Debt service	580,076	698,717
Temporarily restricted net assets	\$ 1,158,890	\$ 1,310,725

Permanently restricted net assets at December 31, 2013 and 2012 consist of the James and Mildred Green Community Garden land designated as a land trust.

NOTE 7—AGENCY ENDOWMENTS

The Center has established agency endowment funds at Madison Community Foundation (MCF). The Center recognizes the fair value of contributions as support when received and recognizes transfers to the agency endowments as decreases in cash and increases in the asset "beneficial interest in assets held by Madison Community Foundation." The Center acknowledges that, by virtue of the governing instrument with MCF, the Board of Governors of MCF has the authority to modify any restriction or condition on the distribution of assets from the funds if, in the reasonable judgment of the Board of Governors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by MCF. MCF maintains legal ownership of the funds.

The 2013 and 2012 activity consisted of the following:

	2013	2012
Beginning balance	\$ 10,702	\$ 9,792
Contributions to agency endowments	50,000	-
Transfers to agency endowments	15,000	-
Change in value of beneficial interest in assets held by Madison Community Foundation	6,365	910
Ending balance	\$ 82,067	\$ 10,702

CENTER FOR RESILIENT CITIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 8—FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2013 and 2012 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Beneficial interest in assets held by MCF - 2013	<u>\$ 82,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,067</u>
Beneficial interest in assets held by MCF - 2012	<u>\$ 10,702</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,702</u>

NOTE 9—LEASING OF SPACE AT RESILIENT RESEARCH CENTER

The Center leases a portion of the space at the Resilience Research Center to an entity with a similar mission. The lease expires July 31, 2016 and monthly lease payments range between \$4,730 and \$5,173.

Future minimal payments, including lease and operational support payments related to the occupation of the space, to be received are as follows for the years ending December 31:

2014	\$ 57,201
2015	60,238
2016	<u>36,210</u>
Total	<u>\$ 153,649</u>

NOTE 10—OPERATING LEASES

The Center leases space for its administrative offices and program services under two operating leases. The lease for the Madison office expires in December 2014 and the lease for the Milwaukee office expires in July 2014. The Center also leased space for Badger Rock Middle School under an operating lease that expired in June 2012. Total lease expense for 2013 and 2012 was \$42,608 and \$42,219.

NOTE 11—RETIREMENT PLAN

The Center contributes to a Simple IRA retirement plan in which all full-time employees are eligible to participate. The Center matches employee contributions on a dollar-for-dollar basis up to 3% of each employee's salary. Retirement expense was \$13,501 and \$17,333 for 2013 and 2012.

CENTER FOR RESILIENT CITIES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 12—DONATED SERVICES

The value of donated services included as contributions in the consolidated financial statements and the corresponding program for which the contributed services were used are as follows:

	<u>2013</u>	<u>2012</u>
Legal - Resilience Research Center	\$ 7,370	\$ 71,833

NOTE 13—SUPPLEMENTAL CASH FLOW DISCLOSURES

Supplemental cash flow disclosures consisted of the following at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Cash paid for interest, net of capitalized amount	\$ 75,831	\$ 28,122
Noncash investing and financing transactions		
Property acquired by construction payable	\$ 36,876	\$ 196,920
Donated furniture and equipment	-	2,000
Donated stock	421,219	2,242,574

NOTE 14—ECONOMIC DEPENDENCY

Approximately 30% of the Organization's support is provided by contributions from a board member.