

**THE HUMANE SOCIETY OF
HARRISBURG AREA, INC.**

FINANCIAL REPORT

DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Humane Society of Harrisburg Area, Inc.
Harrisburg, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of The Humane Society of Harrisburg Area, Inc., which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Humane Society of Harrisburg Area, Inc., as of December 31, 2017 and 2016, 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.

A handwritten signature in black ink, reading "Boyer & Ritten". The signature is written in a cursive style with a large, sweeping flourish under the word "Boyer".

Camp Hill, Pennsylvania
April 25, 2018

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2017 and 2016

| ASSETS | 2017 | 2016 |
|---|---------------------|---------------------|
| Current Assets | | |
| Cash and cash equivalents | \$ 82,878 | \$ 238,129 |
| Accounts receivable (less allowance for doubtful accounts 2017 \$9,082; 2016 \$9,082) | 12,500 | 6,368 |
| Current portion of pledges receivable | 1,000 | 5,366 |
| Inventories | 33,945 | 43,907 |
| Prepaid expenses | 47,595 | 44,972 |
| Investments | 322,603 | 286,222 |
| Total current assets | 500,521 | 624,964 |
| Fixed Assets | | |
| Land and improvements | 76,398 | 76,398 |
| Buildings and improvements | 4,474,258 | 4,354,118 |
| Equipment | 135,874 | 141,943 |
| Vehicles | 66,215 | 66,215 |
| Furniture and fixtures | 36,068 | 36,068 |
| | 4,788,813 | 4,674,742 |
| Less accumulated depreciation | (1,646,021) | (1,527,220) |
| Total fixed assets - net | 3,142,792 | 3,147,522 |
| Other Assets | | |
| Other intangible assets (less accumulated amortization 2017 \$2,387; 2016 \$2,321) | 7,479 | 7,995 |
| Beneficial interests in split-interest agreements and perpetual trusts | 1,158,106 | 1,090,874 |
| Total other assets | 1,165,585 | 1,098,869 |
| Total assets | \$ 4,808,898 | \$ 4,871,355 |

See Notes to Financial Statements.

| LIABILITIES AND NET ASSETS | 2017 | 2016 |
|---|---------------------|---------------------|
| Current Liabilities | | |
| Accounts payable | \$ 225,203 | \$ 103,609 |
| Demand note payable | 130,000 | - |
| Current portion of long-term debt | 38,513 | 36,872 |
| Deferred income | 32,143 | 37,789 |
| Accrued expenses | 43,630 | 45,094 |
| | <hr/> | <hr/> |
| Total current liabilities | 469,489 | 223,364 |
| | <hr/> | <hr/> |
| Long-Term Liabilities | | |
| Long-term debt - net of current portion | 455,463 | 497,071 |
| | <hr/> | <hr/> |
| Total liabilities | 924,952 | 720,435 |
| | <hr/> | <hr/> |
| Net Assets | | |
| Unrestricted | | |
| Designated | 100,000 | 100,000 |
| Undesignated | 2,468,876 | 2,764,304 |
| Temporarily restricted | 156,964 | 195,742 |
| Permanently restricted | 1,158,106 | 1,090,874 |
| Total net assets | 3,883,946 | 4,150,920 |
| | <hr/> | <hr/> |
| Total liabilities and net assets | \$ 4,808,898 | \$ 4,871,355 |
| | <hr/> | <hr/> |

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

STATEMENT OF ACTIVITIES
Year Ended December 31, 2017

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---------------------|------------------------|------------------------|---------------------|
| Revenues and Other Support | | | | |
| Contributions, grants and bequests | \$ 917,752 | \$ 50,500 | \$ - | \$ 968,252 |
| Animal placements | 97,484 | - | - | 97,484 |
| Services to state and local governments | 122,642 | - | - | 122,642 |
| Services to the public | 257,165 | - | - | 257,165 |
| Merchandise sales | 49,495 | - | - | 49,495 |
| Investment income | 14,265 | - | - | 14,265 |
| Net realized and unrealized gains | 26,251 | - | 144,009 | 170,260 |
| Income from fundraising events | 463,410 | - | - | 463,410 |
| Miscellaneous revenue | 26 | - | - | 26 |
| Net assets released from restrictions | 166,055 | (89,278) | (76,777) | - |
| Total revenues and other support | 2,114,545 | (38,778) | 67,232 | 2,142,999 |
| Expenses | | | | |
| Salaries and wages | 1,022,503 | - | - | 1,022,503 |
| Employee benefits | 161,110 | - | - | 161,110 |
| Payroll taxes | 89,689 | - | - | 89,689 |
| Utilities | 53,847 | - | - | 53,847 |
| Office supplies, printing and postage | 13,207 | - | - | 13,207 |
| Shelter | 156,597 | - | - | 156,597 |
| Vehicle | 6,410 | - | - | 6,410 |
| Cemetery | 2,248 | - | - | 2,248 |
| Veterinary | 173,949 | - | - | 173,949 |
| Supplies | 162,974 | - | - | 162,974 |
| Equipment repairs | 44,211 | - | - | 44,211 |
| Telephone | 6,653 | - | - | 6,653 |
| Insurance | 35,179 | - | - | 35,179 |
| Advertising | 8,523 | - | - | 8,523 |
| Professional fees | 130,242 | - | - | 130,242 |
| Special events | 116,093 | - | - | 116,093 |
| Collection fees | 26,386 | - | - | 26,386 |
| Merchandise purchases | 43,416 | - | - | 43,416 |
| Interest | 23,009 | - | - | 23,009 |
| Miscellaneous | 1,211 | - | - | 1,211 |
| Bad debts | 2,937 | - | - | 2,937 |
| Depreciation and amortization | 129,579 | - | - | 129,579 |
| Total expenses | 2,409,973 | - | - | 2,409,973 |
| Changes in net assets | (295,428) | (38,778) | 67,232 | (266,974) |
| Net Assets - January 1, 2017 | 2,864,304 | 195,742 | 1,090,874 | 4,150,920 |
| Net Assets - December 31, 2017 | \$ 2,568,876 | \$ 156,964 | \$ 1,158,106 | \$ 3,883,946 |

See Notes to Financial Statements.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---------------------|------------------------|------------------------|---------------------|
| Revenues and Other Support | | | | |
| Contributions, grants and bequests | \$ 1,239,612 | \$ 111,467 | \$ - | \$ 1,351,079 |
| Animal placements | 87,892 | - | - | 87,892 |
| Services to state and local governments | 117,982 | - | - | 117,982 |
| Services to the public | 261,133 | - | - | 261,133 |
| Merchandise sales | 51,761 | - | - | 51,761 |
| Investment income | 11,422 | - | - | 11,422 |
| Net realized and unrealized gains | 8,598 | 31,191 | 40,101 | 79,890 |
| Income from fundraising events | 473,379 | - | - | 473,379 |
| Miscellaneous revenue | 1,464 | - | - | 1,464 |
| Net assets released from restrictions | 337,423 | (279,676) | (57,747) | - |
| Total revenues and other support | 2,590,666 | (137,018) | (17,646) | 2,436,002 |
| Expenses | | | | |
| Salaries and wages | 952,867 | - | - | 952,867 |
| Employee benefits | 154,623 | - | - | 154,623 |
| Payroll taxes | 79,965 | - | - | 79,965 |
| Utilities | 59,380 | - | - | 59,380 |
| Office supplies, printing and postage | 13,386 | - | - | 13,386 |
| Shelter | 217,504 | - | - | 217,504 |
| Vehicle | 11,010 | - | - | 11,010 |
| Cemetery | 717 | - | - | 717 |
| Veterinary | 156,084 | - | - | 156,084 |
| Supplies | 145,795 | - | - | 145,795 |
| Equipment repairs | 53,773 | - | - | 53,773 |
| Telephone | 5,805 | - | - | 5,805 |
| Insurance | 35,613 | - | - | 35,613 |
| Advertising | 910 | - | - | 910 |
| Professional fees | 87,824 | - | - | 87,824 |
| Special events | 120,662 | - | - | 120,662 |
| Collection fees | 25,328 | - | - | 25,328 |
| Merchandise purchases | 44,851 | - | - | 44,851 |
| Bad debts | 60 | - | - | 60 |
| Miscellaneous | 1,702 | - | - | 1,702 |
| Interest | 27,051 | - | - | 27,051 |
| Depreciation and amortization | 129,346 | - | - | 129,346 |
| Total expenses | 2,324,256 | - | - | 2,324,256 |
| Changes in net assets | 266,410 | (137,018) | (17,646) | 111,746 |
| Net Assets - January 1, 2016 | 2,597,894 | 332,760 | 1,108,520 | 4,039,174 |
| Net Assets - December 31, 2016 | <u>\$ 2,864,304</u> | <u>\$ 195,742</u> | <u>\$ 1,090,874</u> | <u>\$ 4,150,920</u> |

See Notes to Financial Statements.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

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

| | 2017 | 2016 |
|---|------------------|-------------------|
| Cash Flows From Operating Activities | | |
| Changes in net assets | \$ (266,974) | \$ 111,746 |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities | | |
| Depreciation and amortization | 129,579 | 129,344 |
| Net realized and unrealized gain on investments | (26,250) | (17,031) |
| Increase in values of beneficial interests in perpetual trusts | (144,009) | (71,290) |
| Changes in assets and liabilities: | | |
| (Increase) decrease in: | | |
| Accounts receivable | (6,132) | 2,869 |
| Bequests receivable | - | - |
| Pledges receivable | 4,366 | 3,500 |
| Inventories | 9,962 | (1,513) |
| Prepaid expenses | (2,623) | (2,531) |
| (Decrease) increase in: | | |
| Accounts payable | 121,594 | (34,003) |
| Deferred income | (5,646) | 13,724 |
| Accrued expenses | (1,464) | 13,775 |
| Net cash provided by (used in) operating activities | (187,597) | 148,590 |
| Cash Flows From Investing Activities | | |
| Distributions from perpetual trusts | 76,777 | 182,372 |
| Purchases of investments | (10,131) | - |
| Purchases of fixed assets | (124,333) | (16,243) |
| Net cash provided by (used in) investing activities | (57,687) | 166,129 |
| Cash Flows From Financing Activities | | |
| Principal repayments of long-term debt | (39,967) | (235,924) |
| Net proceeds from (repayment of) lines-of-credit | 130,000 | (60,000) |
| Net cash provided by (used in) financing activities | 90,033 | (295,924) |
| Net increase (decrease) in cash and cash equivalents | (155,251) | 18,795 |
| Cash and Cash Equivalents: | | |
| Beginning | 238,129 | 219,334 |
| Ending | \$ 82,878 | \$ 238,129 |
| Supplemental Disclosures of Cash Flow Information | | |
| Cash payments for interest | \$ 23,009 | \$ 27,051 |

See Notes to Financial Statements.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities: The Humane Society of Harrisburg Area, Inc. (Society), a nonprofit corporation, is incorporated under the laws of the Commonwealth of Pennsylvania. The purpose of the Society is to build a better community for pets and people through compassion, protection, education and collaboration.

Basis of Presentation: These financial statements, which are prepared on the accrual basis of accounting, have been prepared to focus on the Society as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions, in accordance with accounting principles generally accepted in the United States of America. Accounting principles generally accepted in the United States of America require the reporting of total assets, liabilities and net assets in a Statements of Financial Position; reporting the change in net assets in a Statements of Activities and reporting the source and use of cash and cash equivalents in a Statements of Cash Flows. Net assets and revenue, gains, expenses and losses are classified as unrestricted, temporarily restricted or permanently restricted based on the existence or absence of donor-imposed restrictions as follows:

Permanently restricted - Net assets subject to donor-imposed stipulations requiring that the Society maintain the assets permanently. Generally, donors of these assets permit the Society to use all or part of the income earned on these assets.

Temporarily restricted - Net assets which are subject to donor-imposed stipulations that can be fulfilled by actions of the Society pursuant to those stipulations or that expire by the passage of time.

Unrestricted - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

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

Restricted and Unrestricted Revenue and Support: Support that is restricted by the donor is reported as an increase in temporarily restricted net assets. 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 Statements of Activities as net assets released from restrictions. Donor-restricted contributions, grants, and investment income whose restrictions are met in the year received are reported as unrestricted contributions or return on investments in the accompanying financial statements.

Cash Equivalents: All liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Accounts Receivable: The Society carries accounts receivable at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and current economic conditions. Accounts receivables are written off when deemed uncollectible.

Bequests Receivable: The Society is a beneficiary under various wills, the total realizable value of which is not presently determinable. Such amounts are recorded as contributions when clear title is established and the proceeds are clearly measurable.

Pledges Receivable: Contributions are recognized when the donor makes a promise to give to the Society that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are 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.

Investments and Investment Income: Investments are reported at their fair values on a recurring basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management determines the appropriate classifications of the investments in the fair value hierarchy at the time they are acquired and evaluates the appropriateness of classifications at each balance sheet date.

Investment income or loss (including interest, dividends and realized and unrealized gains or losses on investments) is included in the Statements of Activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law. Until any donor restrictions (time period or purpose restriction) are satisfied, investment income or loss is reported as an increase or decrease in temporarily restricted or permanently restricted net assets.

Investments are exposed to various risks, such as interest-rate, market and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is at least reasonably possible that changes in risks in the near-term could materially affect values of invested assets.

Fixed Assets: Fixed assets are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments greater than \$1,000 in cost are capitalized. When fixed assets are sold or retired, related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of activities.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Beneficial Interests in Split-Interest Agreements and Perpetual Trusts: Beneficial interests in split-interest agreements and perpetual trusts represent the Society's interests in irrevocable trusts for which the Society is not Trustee. These assets are neither in the possession, nor under the control of the Society. The present values of the estimated future cash flows from the trusts are recognized as a collective asset in the Statements of Financial Position.

Donated Materials and Services: The Society records the values of the donated goods or services when there is an objective basis to measure their values. Donated marketable securities and other noncash donations are recorded as contributions in the financial statements at their estimated values measured as of the dates of donation. Donated services that create or enhance nonfinancial assets or require specialized skills, provided by individuals possessing those skills, and that would typically be purchased if not provided by donation, are recorded as contributions in the financial statements.

Compensated Absences: Employees of the Society are entitled to paid vacation, paid sick days, and personal days off, depending on the employees' job classifications, lengths of service and other factors. The Society's policy is to recognize the costs of compensated absences when actually paid.

Income Tax Status: The Society is a not-for-profit organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, with the exception of Federal income tax arising from net income and investment income derived from unrelated business activities, if any. Additionally, the Internal Revenue Service has determined that the Society is not a private foundation within the meaning of Section 509(a) of the Code.

Accounting standards require the Society to annually assess its exposure to income taxes at the entity level as a result of uncertain tax positions taken in current and previously-filed tax returns. Examples of tax positions taken at the entity level include continuing qualification as a tax-exempt organization and conducting taxable, unrelated business-income activities. Currently, the Internal Revenue Code contains nominal guidance on what products or services constitute unrelated business-income activities; consequently the Internal Revenue Service (IRS) is studying the matter and may issue additional guidance. Presently, management believes that it is more likely than not that its tax positions will be sustained upon examination, including any appeals and litigation, and therefore, management believes that the Society has no exposure to income taxes arising from uncertain tax positions.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements: In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, "Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities." The new guidance is intended to improve and simplify the current, net-asset-classification requirements and information presented in financial statements and notes that are useful in assessing a not-for-profit's liquidity, financial performance, and cash flows. ASU No. 2016-14 is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. ASU No. 2016-14 is to be applied retroactively with transition provisions. The Organization is assessing the impact this standard will have on its financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP, including industry-specific guidance. More judgement and estimates may be required in the revenue recognition process when compared to existing U.S. GAAP, including identifying performance obligations in the contract, estimating variable consideration, and allocating the transaction price to each performance obligation. ASU 2014-09, as deferred one year by ASU 2015-14, will be effective for annual reporting periods beginning after December 15, 2018, using either a full retrospective or retrospective with cumulative effect transition method. The Company has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

Subsequent Events: In preparing these financial statements, the Society has evaluated events and transactions for potential recognition or disclosure through April 25, 2018, the date the financial statements were available to be issued.

Note 2. Pledges Receivable

The following is a summary of pledges receivable as of December 31:

| | 2017 | 2016 |
|---------------------------------|----------|----------|
| Amounts due in: | | |
| Less than one year | \$ 1,000 | \$ 5,366 |
| | 1,000 | 5,366 |
| Allowance for doubtful accounts | - | - |
| Pledges receivable | \$ 1,000 | \$ 5,366 |

As of December 31, 2017 and 2016, all amounts pledged to the Society are for its capital campaign.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 3. Fair Value Measurements

The Financial Accounting Standards Board has established a framework for measuring fair values and has expanded the required disclosures about fair value measurements. The framework enables the reader of financial statements to assess the inputs used to develop fair value measurements by establishing a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under the standard are described below:

| | |
|---------|--|
| Level 1 | Inputs are unadjusted quoted prices for identical assets in active markets. |
| Level 2 | Inputs consist of other observable inputs that include: <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets• Quotes prices for identical or similar assets or liabilities in inactive markets• Inputs other than quoted prices that are observable for the asset or liability• Inputs that are derived principally from or corroborated by observable market data by correlation or other means If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. |
| Level 3 | Inputs are significant unobservable inputs that include assumptions by management or estimation. |

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The assets that are recorded at fair value on a recurring basis are investments and beneficial interests in certain trusts. The Society has no financial liabilities or non-financial items that are recognized or disclosed at fair value on a recurring basis. There have been no changes in the valuation methodologies used at December 31, 2017 and 2016. Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual funds and common stocks: Fair values of marketable securities were based on closing market prices for the respective securities as reported in active markets.

Beneficial interests in perpetual trusts: Fair values of beneficial interests in perpetual trusts are based on the percentage ownership of the respective trust assets, based on either the value of the trust assets as reported to the Society by the Trustees or via the valuation formulas or methodology stipulated by the underlying trust agreement which may require present value computations.

THE HUMANE SOCIETY OF HARRISBURG AREA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 11. Functional Expenses (Continued)

Expenses by function as of December 31, 2016, are as follows:

| | Program | Management and General | Fundraising | Total |
|---------------------------------------|---------------------|---------------------------|-------------------|---------------------|
| Salaries and wages | \$ 798,247 | \$ 116,753 | \$ 37,867 | \$ 952,867 |
| Employee benefits | 129,264 | 20,092 | 5,267 | 154,623 |
| Payroll taxes | 68,136 | 8,932 | 2,897 | 79,965 |
| Utilities | 59,453 | 5,488 | - | 59,380 |
| Office supplies, printing and postage | - | 13,386 | - | 13,386 |
| Shelter | 217,504 | - | - | 217,504 |
| Vehicle | 11,010 | - | - | 11,010 |
| Cemetery | 717 | - | - | 717 |
| Veterinary | 156,084 | - | - | 156,084 |
| Supplies | 145,795 | - | - | 145,795 |
| Equipment repairs | 53,773 | - | - | 53,773 |
| Telephone | 5,805 | - | - | 5,805 |
| Insurance | 27,422 | 8,191 | - | 35,613 |
| Advertising | - | 910 | - | 910 |
| Professional fees | - | 87,824 | - | 87,824 |
| Special events | - | - | 120,662 | 120,662 |
| Collection fees | - | 25,328 | - | 25,328 |
| Merchandise purchases | 44,851 | - | - | 44,851 |
| Interest | 27,051 | - | - | 27,051 |
| Miscellaneous | 1,702 | - | - | 1,702 |
| Bad debts | 60 | - | - | 60 |
| Depreciation and amortization | 119,797 | 9,549 | - | 129,346 |
| | <u>\$ 1,866,671</u> | <u>\$ 296,453</u> | <u>\$ 166,693</u> | <u>\$ 2,324,256</u> |