

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Financial Statements and
Supplementary Information
June 30, 2017 and 2016
(With Independent Auditors' Report Thereon)

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Eugenio Maria De Hostos Community
College Association, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Eugenio Maria De Hostos Community College Association, Inc. (the Association) as of and for the years ended June 30, 2017 and 2016, and the related notes to financial statements, which collectively comprise the Association's financial statements as listed in the table of contents.

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 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 Association'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 Association'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 net position of Eugenio Maria De Hostos Community College Association, Inc. as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

EFPR Group, CPAs, PLLC
(Formerly Toski & Co., CPAs, P.C.)

Williamsville, New York
October 2, 2017

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Management's Discussion and Analysis

June 30, 2017

The intent of management's discussion and analysis (MD&A) is to provide readers with a comprehensive overview of Eugenio Maria De Hostos Community College Association, Inc.'s (the Association) financial position as of June 30, 2017, and changes in its net position for the year then ended. Since this MD&A is designed to focus on current activities, resulting changes, and currently known facts, it should be read in conjunction with the accompanying audited financial statements and related notes.

Financial Highlights

- The Association's net position decreased by \$23,447 or 5%.
- Operating revenue increased by \$33,374 or 3%.
- Operating expenses increased by \$69,184 or 7%.

Financial Position

The Association's net position (the difference between assets and liabilities) is one way to measure the Association's financial health. Over time, increases and decreases in the Association's net position is just one indicator of whether its financial health is improving.

Statements of Net Position

The following summarizes the Association's assets, liabilities and net position as of June 30, 2017 and 2016, under the accrual basis of accounting:

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Assets:				
Current assets	\$ 500,557	461,965	38,592	8%
Noncurrent assets - investments	<u>113,371</u>	<u>101,128</u>	<u>12,243</u>	12%
Total assets	<u>613,928</u>	<u>563,093</u>	<u>50,835</u>	9%
Current liabilities	<u>197,938</u>	<u>123,656</u>	<u>74,282</u>	60%
Net position - unrestricted	\$ <u>415,990</u>	<u>439,437</u>	<u>(23,447)</u>	(5%)

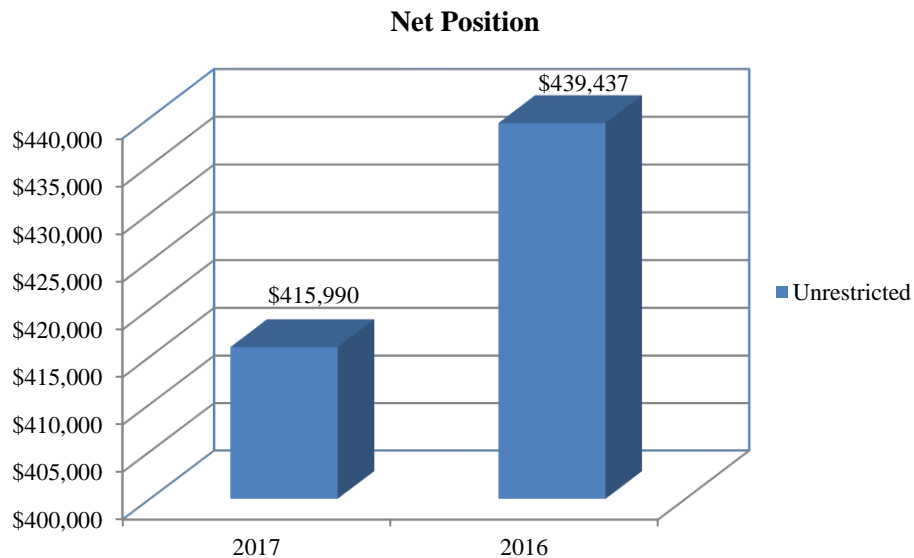
EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Management's Discussion and Analysis, Continued

At June 30, 2017, the Association's total net position decreased by \$23,447 or 5%, compared to the previous year. The majority of this variance was related to increases in accounts receivable of \$29,933, an increase in investments of \$12,243 and an increase in cash and equivalents of \$14,411 offset by a decrease in due from related entities of \$5,880 and an increase in current liabilities of \$74,282.

At June 30, 2017, the Association's total current liabilities increased by \$74,282 or 60%, compared to the previous year. The majority of this variance was related to an increase in accounts payable and accrued expenses of \$14,741, an increase in due to related entities of \$35,097 and an increase in unearned revenue of \$24,444.

There were no other significant or unexpected changes in the Association's assets and liabilities.

The following illustrates the Association's net position at June 30, 2017 and 2016 by category:



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COMMUNITY COLLEGE ASSOCIATION, INC.
Management's Discussion and Analysis, Continued

Statements of Revenue, Expenses and Changes in Net Position

The statements of revenue, expenses and changes in net position present the operating results of the Association, as well as nonoperating revenue and expenses, if any. The major components of revenue and expenses for the years ended June 30, 2017 and 2016 are as follows:

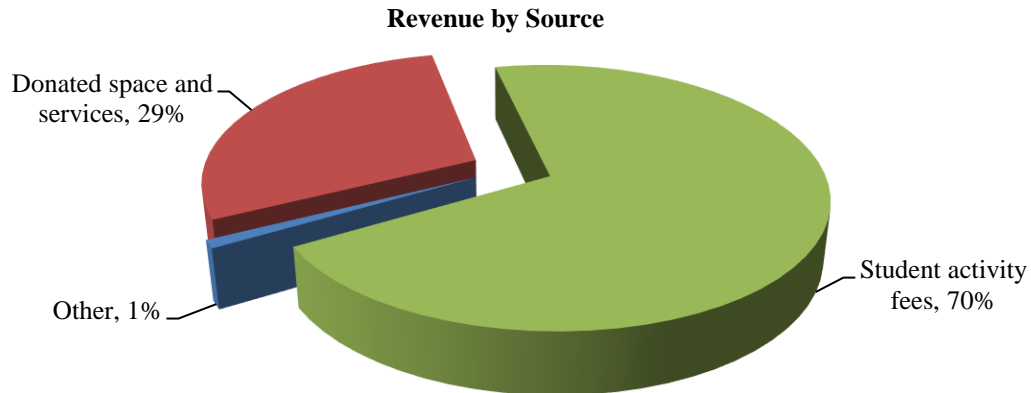
Revenue

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating revenue:				
Student activity fees	\$ 723,319	748,515	(25,196)	(3%)
Donated space and services	307,787	248,478	59,309	24%
Other	<u>605</u>	<u>1,344</u>	<u>(739)</u>	(55%)
Total operating revenue	1,031,711	998,337	33,374	3%
Nonoperating revenue - net appreciation (depreciation) of investments and other	<u>12,543</u>	<u>(2,243)</u>	<u>14,786</u>	659%
Total revenue	\$ <u>1,044,254</u>	<u>996,094</u>	<u>48,160</u>	5%

The Association's total revenue for the year ended June 30, 2017 amounted to \$1,044,254, an increase of \$48,160 or 5%, compared to the previous year. The component of this variance is related to an increase in donated space and services of \$59,309 and an increase in investment income and other of \$14,786 offset by a decrease in student activity fees of \$25,196.

There were no other significant or unexpected changes in the Association's revenue.

The following illustrates the Association's revenue, by source, for the year ended June 30, 2017:



EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Management's Discussion and Analysis, Continued

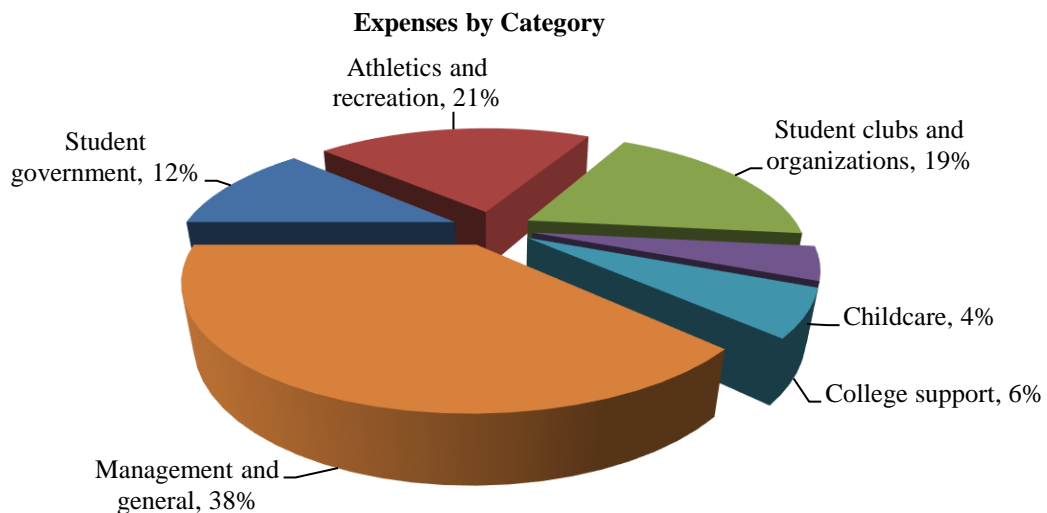
Expenses

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating expenses:				
Student government	\$ 132,527	137,561	(5,034)	(4%)
Athletics and recreation	225,887	184,013	41,874	23%
Student clubs and organizations	205,419	244,092	(38,673)	(16%)
Childcare	43,852	45,960	(2,108)	(5%)
Management and general	<u>392,987</u>	<u>319,862</u>	<u>73,125</u>	23%
Total operating expenses	1,000,672	931,488	69,184	7%
Nonoperating expenses - College support and other	<u>67,029</u>	<u>55,818</u>	<u>11,211</u>	20%
Total expenses	\$ <u>1,067,701</u>	<u>987,306</u>	<u>80,395</u>	8%

Total expenses for the year ended June 30, 2017 were \$1,067,701, an increase of \$80,395 or 8%, compared to the previous year. The majority of this variance was related to a decrease in student government, student clubs and organizations and childcare of \$5,034, \$38,673 and \$2,108, respectively, offset by an increase in management and general and athletics and recreation of \$73,125 and \$41,874, respectively.

There were no other significant or unexpected changes in the Association's expenses.

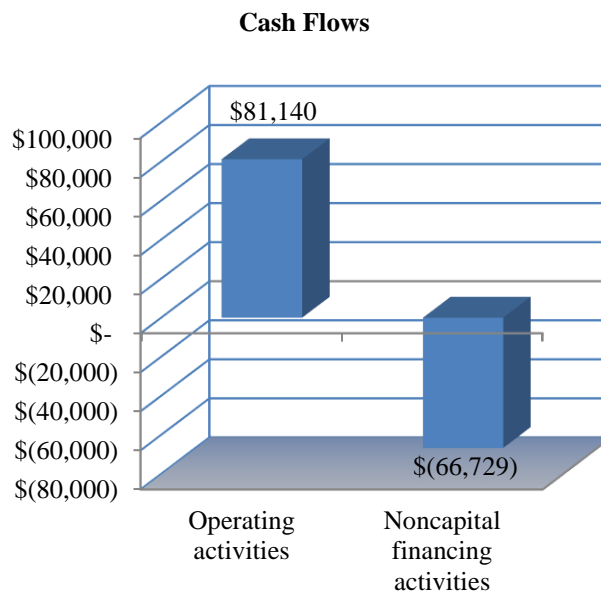
The following illustrates the Association's expenses, by category, for the year ended June 30, 2017:



EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Management's Discussion and Analysis, Continued

Cash Flows

The statement of cash flows provides information about cash receipts and cash payments during the year. This statement assists users to assess the Association's ability to generate net cash flows, meet its obligations as they come due, and its dependency on external financing. The following summarizes the Association's cash flows for the year ended June 30, 2017:



Economic Factors That May Affect the Future

There are no known economic factors that may influence the future, with the exception of student enrollment, which directly relates to the amount of revenue earned, as well as related expenses incurred.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Statements of Net Position
June 30, 2017 and 2016

	<u>Assets</u>	<u>2017</u>	<u>2016</u>
Current assets:			
Cash and equivalents		\$ 210,467	196,056
Accounts receivable		195,005	165,072
Due from related entities		87,946	93,826
Prepaid expenses		<u>7,139</u>	<u>7,011</u>
Total current assets		500,557	461,965
Noncurrent assets - investments in CUNY investment pool		<u>113,371</u>	<u>101,128</u>
Total assets		<u>613,928</u>	<u>563,093</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued expenses		50,250	35,509
Due to related entities		61,275	26,178
Unearned revenue		<u>86,413</u>	<u>61,969</u>
Total current liabilities		<u>197,938</u>	<u>123,656</u>
<u>Net Position</u>			
Unrestricted:			
Undesignated		304,036	439,437
Board designated		<u>111,954</u>	<u>-</u>
Total unrestricted		<u>\$ 415,990</u>	<u>439,437</u>

See accompanying notes to financial statements.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Statements of Revenue, Expenses and Changes in Net Position
Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating revenue:		
Student activity fees	\$ 723,319	748,515
Donated space and services	307,787	248,478
Other	<u>605</u>	<u>1,344</u>
Total operating revenue	<u>1,031,711</u>	<u>998,337</u>
Operating expenses:		
Student government	132,527	137,561
Athletics and recreation	225,887	184,013
Student clubs and organizations	205,419	244,092
Childcare	43,852	45,960
Management and general	<u>392,987</u>	<u>319,862</u>
Total operating expenses	<u>1,000,672</u>	<u>931,488</u>
Income from operations	<u>31,039</u>	<u>66,849</u>
Nonoperating revenue (expenses):		
Other	71	(139)
Net appreciation (depreciation) of investments	12,243	(2,393)
College support	<u>(66,800)</u>	<u>(55,529)</u>
Total nonoperating expenses, net	<u>(54,486)</u>	<u>(58,061)</u>
Increase (decrease) in net position	(23,447)	8,788
Net position at beginning of year	<u>439,437</u>	<u>430,649</u>
Net position at end of year	<u>\$ 415,990</u>	<u>439,437</u>

See accompanying notes to financial statements.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Statements of Cash Flows
Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash receipts from:		
Student activity fees	\$ 650,312	685,154
Other	605	1,344
Cash payments to/for:		
Payroll	(168,026)	(111,888)
Student activities	(233,815)	(298,004)
Vendors	<u>(167,936)</u>	<u>(353,225)</u>
Net cash provided by (used in) operating activities	<u>81,140</u>	<u>(76,619)</u>
Cash flows from noncapital financing activities:		
Other	71	(139)
College support	<u>(66,800)</u>	<u>(55,529)</u>
Net cash used in noncapital financing activities	<u>(66,729)</u>	<u>(55,668)</u>
Cash flows from investing activities:		
Interest and dividends	257	528
Purchases of investments	<u>(257)</u>	<u>(528)</u>
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and equivalents	14,411	(132,287)
Cash and equivalents at beginning of year	<u>196,056</u>	<u>328,343</u>
Cash and equivalents at end of year	<u>\$ 210,467</u>	<u>196,056</u>
Reconciliation of income from operations to net cash provided by (used in) operating activities:		
Income from operations	31,039	66,849
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities:		
Bad debt expense	67,518	42,895
Changes in:		
Accounts receivable	(97,451)	(105,741)
Due from related entities	5,880	(56,512)
Prepaid expenses	(128)	(4,395)
Accounts payable and accrued expenses	14,741	(67,910)
Due to related entities	35,097	5,815
Unearned revenue	<u>24,444</u>	<u>42,380</u>
Net cash provided by (used in) operating activities	<u>\$ 81,140</u>	<u>(76,619)</u>

(Continued)

See accompanying notes to financial statements.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.
Statements of Cash Flows, Continued

	<u>2017</u>	<u>2016</u>
Supplemental schedule of cash flow information:		
Donated space and services	<u>\$ 307,787</u>	<u>248,478</u>
Donated facilities expense	255,600	198,800
Donated professional services expense	<u>52,187</u>	<u>49,678</u>
	<u>\$ 307,787</u>	<u>248,478</u>

See accompanying notes to financial statements.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements

June 30, 2017 and 2016

(1) Nature of Organization

The Eugenio Maria De Hostos Community College Association, Inc. (the Association) is a nonprofit entity created for the principal purpose of developing and cultivating educational, social, cultural, and recreational activities among students of Eugenio Maria De Hostos Community College (the College) of the City University of New York (CUNY or the University). The Association's revenue is derived primarily from student activity fees levied by a resolution of the Board of Directors of the University and collected by the College on the Association's behalf. The Association was incorporated in 1976.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The Association's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and applicable Governmental Accounting Standards Board (GASB) pronouncements.

For financial reporting purposes, the Association is considered to be a special-purpose entity engaged only in business-type activities. GASB defines business-type activities as activities financed in whole or in part by fees charged to external parties for goods or services. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP, as prescribed by GASB. For financial reporting purposes, the Association is also considered to be a discretely presented component unit of the University, as defined by GASB.

(b) Accounting Pronouncements

The significant GASB standards followed by the Association are summarized below:

- GASB Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position." This Statement amends the net asset reporting requirements in Statement No. 34 - "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.
- GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities." This Statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets or liabilities.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(b) Accounting Pronouncements, Continued

- GASB Statement No. 72 - “Fair Value Measurement and Application” provides guidance regarding accounting and financial reporting related to fair value measures of certain investments. The requirements of this Statement are effective for periods beginning after June 15, 2015. For the Association, this Statement became effective for the fiscal year beginning July 1, 2015.
- GASB Statement No. 79 - “Certain External Investment Pools and Pool Participants.” This Statement, issued in December 2015, addresses the accounting and financial reporting for certain external investment pools and pool participants. It establishes the criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The provisions of this Statement are effective for financial statements for years beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk and shadow pricing. For the Association, this Statement became effective for the fiscal year beginning July 1, 2015.

(c) Net Position

The Association’s resources are classified into the following net position categories:

Net investment in capital assets - Capital assets, net of accumulated depreciation and outstanding principal balances of debt, if any, attributable to the acquisition, construction, or improvement of those assets.

Restricted - non-expendable - Net position subject to externally imposed stipulations requiring the Association to maintain them in perpetuity.

Restricted - expendable - Net position whose use is subject to externally imposed stipulations that can be fulfilled by the actions of the Association or the passage of time.

Unrestricted - All other net position, including net position designated by actions, if any, of the Association’s Board of Directors.

At June 30, 2017, the Association only had unrestricted net position.

(d) Cash and Equivalents

Cash and equivalents are comprised of highly liquid instruments with original maturities of 90 days or less.

(e) Accounts Receivable

Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(f) Investments

The Association's investments are held by CUNY in an investment pool which is under the control of the Committee of Fiscal Affairs of the Board of Trustees of CUNY (the Committee). Several investment advisory firms are engaged to assist the Committee in its Investment Pool portfolio management, which is comprised of cash and cash equivalents, corporate bonds, equities, mutual funds, U.S. agency mortgage-backed securities, U.S. government bonds and foreign bonds. Realized and unrealized gains and losses are included in the statements of revenue, expenses and changes in net position.

(g) Revenue Recognition

Student activity fees are recognized in the period earned. Student activity fees and other funds collected prior to year-end, if any, relating, to the summer and fall semesters of the subsequent year, are recorded as unearned revenue. At June 30, 2017 and 2016 the Association had \$86,413 and \$61,969, respectively, in student activity fees relating to the subsequent year.

(h) Donated Space and Services

The Association operates on the campus of the College and utilizes facilities and equipment as well as professional services of certain College employees. The cost savings associated with such arrangements are recorded as donated space and services and are recognized as revenue and expenses in the accompanying financial statements based on the fair value of such services (note 5).

(i) Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of revenue, expenses and changes in net position. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(j) Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(k) Subsequent Events

The Association has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(1) Income Taxes

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Association has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Association presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Association has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Association are subject to examination by taxing authorities.

(3) Cash and Equivalents

Custodial credit risk of deposits is the risk that the Association's deposits may not be returned in the event of a bank failure. At June 30, 2017, \$10,921 of the Association's bank balance of \$260,921 was exposed to custodial credit risk as it was uninsured and uncollateralized.

The Association does not have a deposit policy.

(4) Investments and Investment Income

The Association's investments in the investment pool comprise assets which are pooled and invested by and under the control of the Committee on Fiscal Affairs of the Board of Trustees of CUNY. Pooled investments include equity and fixed income securities. Investments as of June 30, 2017 and 2016 are comprised of the following:

	<u>2017</u>	<u>2016</u>
Investments in CUNY investment pool	\$ <u>113,371</u>	<u>101,128</u>

The following table summarizes the activity for financial instruments in 2017 and 2016:

Balance at July 1, 2015	\$ 103,521
Dividends and interest income	528
Realized and unrealized loss	<u>(2,921)</u>
Balance at June 30, 2016	101,128
Dividends and interest income	257
Realized and unrealized gain	<u>11,986</u>
Balance at June 30, 2017	\$ <u>113,371</u>

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements, Continued

(4) Investments and Investment Income, Continued

A summary for investment gain (loss) for the years ended June 30, 2017 and 2016 is as follows:

	<u>2017</u>	<u>2016</u>
Dividends and interest income	\$ 257	528
Realized gains	1,142	660
Unrealized gain (loss)	<u>10,844</u>	<u>(3,581)</u>
Total investment gain (loss)	\$ <u>12,243</u>	<u>(2,393)</u>

(5) Donated Space and Services

The Association utilizes certain facilities and professional services provided by the College. The estimated fair values of facilities and professional services are included in the accompanying statements of revenue, expenses and changes in net position. Facilities and professional services for the years ended June 30, 2017 and 2016 amounted to the following:

	<u>2017</u>	<u>2016</u>
Facilities	\$ 255,600	198,800
Professional services	<u>52,187</u>	<u>49,678</u>
	\$ <u>307,787</u>	<u>248,478</u>

(6) Related Party Transactions

At June 30, 2017 and 2016, the Association owed \$61,275 and \$26,178, respectively, to other College entities. The Association is occasionally required to transfer funds to/from other Hostos College related entities during the course of the year for payroll reimbursement and other costs, if any. In addition, at June 30, 2017 and 2016, the Association was owed \$87,946 and \$93,826, respectively, from other College entities.

(7) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 83 - "Certain Asset Retirement Obligations." This Statement, issued in November 2016, addresses accounting and financial reporting for certain asset retirement obligations (AROs). Governments that have legal obligations to perform certain future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning July 1, 2018 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

EUGENIO MARIA DE HOSTOS
COMMUNITY COLLEGE ASSOCIATION, INC.

Notes to Financial Statements, Continued

(7) Accounting Standards Issued But Not Yet Implemented, Continued

GASB Statement No. 84 - "Fiduciary Activities." This Statement, issued in January 2017, established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement is effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning July 1, 2019 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 85 - "Omnibus 2017." This Statement, issued in March 2017, addresses issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning July 1, 2017 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 86 - "Certain Debt Extinguishment Issues." This Statement, issued in May 2017, addresses issues related to in-substance defeasances occurring through repayment of debt from existing sources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning July 1, 2017 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 87 - "Leases." This Statement, issued in June 2017, increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, which is the fiscal year beginning July 1, 2020 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.