

# **OLEAN AREA COMMUNITY FOUNDATION**

## **FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION**

**Years Ended December 31, 2005 and 2004**

*With*

## **REPORT OF CERTIFIED PUBLIC ACCOUNTANT**

**Proto & Loskey** LLP  
**CERTIFIED PUBLIC ACCOUNTANTS  
AND CONSULTANTS**

OLEAN AREA COMMUNITY FOUNDATION  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Olean Area Community Foundation  
Olean, New York

We have audited the accompanying statements of financial position of the Olean Area Community Foundation as of December 31, 2005 and 2004 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Olean Area Community Foundation as of December 31, 2005 and 2004 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
PROTO & LOSKEY, LLC  
Certified Public Accountants

Olean, New York  
October 28, 2006

**OLEAN AREA COMMUNITY FOUNDATION  
STATEMENTS OF FINANCIAL POSITION**

	<b>December 31,</b>	
	<b>2005</b>	<b>2004</b>
<b><u>ASSETS:</u></b>		
<b>CURRENT:</b>		
Cash and cash equivalents	\$ 564,685	\$ 256,297
Accounts receivable	-	635
Prepaid expense	1,874	-
Interest receivable	882	5,062
	<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>	567,441	261,994
<b>PROPERTY AND EQUIPMENT,</b> less accumulated depreciation	15,785	26,796
<b>INVESTMENTS</b>	7,289,944	7,340,847
	<hr/>	<hr/>
	<b>\$ 7,873,170</b>	<b>\$ 7,629,637</b>
	<hr/>	<hr/>
<b><u>LIABILITIES AND NET ASSETS:</u></b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 20,522	\$ 4,842
Current maturities of long - term debt	2,583	16,736
	<hr/>	<hr/>
<b>TOTAL CURRENT LIABILITIES</b>	23,105	21,578
<b>LONG TERM DEBT,</b> less current maturities	37	2,605
<b>ASSETS HELD FOR THE BENEFIT OF OTHER ORGANIZATIONS</b>	7,629,936	7,369,412
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	7,653,078	7,393,595
	<hr/>	<hr/>
<b>NET ASSETS,</b>		
Unrestricted	93,774	90,739
Temporarily restricted	126,318	145,303
	<hr/>	<hr/>
<b>TOTAL NET ASSETS:</b>	220,092	236,042
	<hr/>	<hr/>
	<b>\$ 7,873,170</b>	<b>\$ 7,629,637</b>
	<hr/>	<hr/>

See accompanying notes and auditors' report.



**OLEAN AREA COMMUNITY FOUNDATION  
STATEMENTS OF ACTIVITIES**

	Year Ended December 31,	
	2005	2004
<b>UNRESTRICTED NET ASSETS:</b>		
<b>Support and Revenue</b>		
Gifts and donations	\$ 14,148	\$ 16,949
Administrative fees	57,948	48,076
Interest & dividends	563	31
	72,659	65,056
<b>Total support &amp; revenue</b>	<b>72,659</b>	<b>65,056</b>
<b>Net Assets Released from Restrictions</b>	<b>31,051</b>	<b>12,382</b>
<b>Expenditures</b>		
Program services	18,195	14,920
Management and general	50,514	37,093
Fundraising	2,392	1,710
Cost of direct benefits to donors	29,574	8,799
	100,675	62,522
<b>Total expenditures</b>	<b>100,675</b>	<b>62,522</b>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b>3,035</b>	<b>14,916</b>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>		
Gifts and donations	2,048	6,748
Interest & dividends	3,341	2,093
Capital gain distributions	2,730	1,356
Unrealized gains (losses)	1,343	14,455
Gain (loss) on sale of securities	2,604	(5,270)
Net assets released from restrictions	(31,051)	(12,382)
	(18,985)	7,000
<b>INCREASE (DECREASE )IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>(18,985)</b>	<b>7,000</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(15,950)</b>	<b>21,916</b>
<b>NET ASSETS,</b> beginning of year	236,042	214,126
<b>NET ASSETS,</b> at end of year	<b>\$ 220,092</b>	<b>\$ 236,042</b>

See accompanying notes and auditors' report.

**OLEAN AREA COMMUNITY FOUNDATION  
STATEMENTS OF CASH FLOWS**

	<b>Year Ended December 31,</b>	
	<b>2005</b>	<b>2004</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase (decrease) in net assets	\$ (15,950)	\$ 21,916
Adjustments to reconcile increase (decrease) to net cash provided by operating activities:		
Depreciation	11,011	7,390
Unrealized (gain) loss on investments	(120,139)	(474,114)
Realized (gain) loss on investments	(54,798)	12,283
(Increase) decrease in:		
Accounts receivable	635	1,765
Prepaid expense	(1,874)	
Interest receivable	4,180	(4,060)
Increase (decrease) in:		
Assets held for the benefit of other organizations	260,524	321,476
Accounts payable	15,680	(2,805)
	<u>99,269</u>	<u>(116,149)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Sale of investments	1,167,117	1,912,876
Purchase of investments	(941,276)	(2,479,970)
Purchase of equipment	-	(33,809)
	<u>225,841</u>	<u>(600,903)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from long-term borrowings	-	33,000
Reduction of long-term debt	(16,722)	(13,659)
	<u>(16,722)</u>	<u>19,341</u>
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>308,388</b>	<b>(697,711)</b>
<b>CASH AND CASH EQUIVALENTS, at beginning of the year</b>	<u>256,297</u>	<u>954,008</u>
<b>CASH AND CASH EQUIVALENTS, at end of year</b>	<u>\$ 564,685</u>	<u>\$ 256,297</u>

See accompanying notes and auditors' report.



OLEAN AREA COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Olean Area Community Foundation, an affiliated organization of Greater Olean Area Chamber of Commerce, was formed on September 20, 1994. The foundation was formed to solicit, receive, and maintain endowment funds for the benefit of charitable endeavors in the greater Olean, New York area and is exempt under section 501(c)(3) of the Internal Revenue Code. The IRS has also classified it as an organization that is not a private foundation under Section 509(a)(2). In addition, the organization is exempt from New York State income tax. On April 30, 1998, the corporation filed an Assumed Name Certificate and began conducting business as Olean Area Community Foundation.

**Basis of Accounting**

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

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-profit Organizations*.

Under SFAS 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Restricted and Unrestricted Revenue and Support**

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

**Fund Accounting**

In order to account for assets, liabilities, revenues, and expenditures directly related to certain activities, separate funds are used by the organization.

**Donated Property and Materials**

Donated property and materials are recorded as contributions at their estimated values at date of receipt.

See accompanying auditors' report.

OLEAN AREA COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Donated Services**

Donated services are recognized as contributions in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the foundation. Also, many individuals volunteer their time and perform a variety of tasks that assist the foundation with specific programs and various committee assignments.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted cash in operating bank accounts, cash on hand and cash in money market accounts to be cash and cash equivalents.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. 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.

**Depreciation**

Depreciation is computed on the straight-line method for financial reporting purposes. Estimated useful lives are 5 to 20 years.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment balances consist of the following:

	<u>2005</u>	<u>2004</u>
Furniture and equipment	\$ 37,039	\$ 37,039
Less accumulated depreciation	<u>21,254</u>	<u>10,243</u>
Net property and equipment	<u>\$ 15,785</u>	<u>\$ 26,769</u>

Depreciation for years ending December 31, 2005 and 2004 amounted to, \$11,011 and \$7,390, respectively.

See accompanying auditors' report.



OLEAN AREA COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

**NOTE 3 - DONATED SERVICES**

The value of donated services included as contributions in the financial statements for the year ended December 31, 2005 and 2004 are \$9,348 and \$15,109, respectively.

**NOTE 4 - INVESTMENTS**

Investments are presented in the financial statements in the aggregate at fair market value.

**2005**

	Cost	Market Value	Unrealized Gain (Loss)
Mutual Funds	\$ 6,493,783	\$ 7,111,726	\$ 617,943
Certificates of Deposit	180,000	178,218	(1,782)
	<u>\$ 6,673,783</u>	<u>\$ 7,289,944</u>	<u>\$ 616,161</u>

**2004**

	Cost	Market Value	Unrealized Gain (Loss)
Mutual Funds	\$ 6,279,004	\$ 6,776,650	\$ 497,646
Certificates of Deposit	566,000	564,197	(1,803)
	<u>\$ 6,845,004</u>	<u>\$ 7,340,847</u>	<u>\$ 495,843</u>

Sales of investments resulted in net realized gains (losses) of \$54,798 and (\$12,283) in 2005 and 2004, respectively. For purposes of determining the gain or loss on a sale, the cost of securities sold is based on the first in first out (FIFO) cost method for mutual funds and the specific identification method for all other investments. The fair values for investments are based primarily on quoted market prices.

Returns on investments are as follows:

	2005	2004
Realized gains	\$ 54,798	\$ (12,283)
Unrealized gains (losses)	120,341	474,114
Dividend and capital gain distributions	286,367	150,554
Return on investments	<u>\$ 461,506</u>	<u>\$ 612,385</u>

See accompanying auditors' report.

OLEAN AREA COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

**NOTE 5 – ASSETS HELD FOR THE BENEFIT OF OTHER ORGANIZATIONS**

Assets held for the benefit of other organizations consists of the following:

	Balance at 12/31/04	Net Change	Balance at 12/31/05
Anonymous Individual	\$ 5,544,302	\$ 27,542	\$ 5,571,844
Burt Scholarship Fund	69,804	2,668	72,472
Butterfly Ballroom	293	(48)	245
Challenger Learning Center	226	(507)	(281)
Beautification Fund	1,278	5	1,283
Carriage House	420	(65)	355
Center For Family Unity	6,935	344	7,279
Hillview Playground	1,237	489	1,726
Iqbal Health Care Award	10,369	93	10,462
Kenney Estate	596,711	31,334	628,045
Hinsdale Scholarship	17,392	3,447	20,839
Kay & Oliver Williams	232,701	(2,964)	229,737
Michael Parks	3,388	(538)	2,850
L & D Reisner	239,292	17,807	257,099
D Reisner	205,402	4,489	209,891
Schussele Scholarship	3,793	(59)	3,734
Teuscher Scholarship	92,062	19,802	111,864
Wing Ski Club	13,066	6	13,072
Mountain Sports	364	(63)	301
Manuel Fund	31,194	(2,946)	28,248
Rose Pappas	9,974	4,470	14,444
Food Pantry	10,584	2,824	13,408
Kaleigh Wilday	108,554	10,473	119,027
Dictionary Fund	672	179	851
Olean City School	2,859	(362)	2,497
Samuel Costa Jr.	103,497	133	103,630
Mahar Family Foundation	15,826	884	16,710
Trees for Tomorrow	4,397	(1,665)	2,732
Jamie's Fund	1,537	4,392	5,929
L. Potter	21,308	9,902	31,210
St. John's Church	19,975	14,407	34,382
Tyler Bihler	-	3,701	3,701
Jim Kelly	-	818	818
Pat McGee	-	71,716	71,716
So. Tier Military	-	18,213	18,213
MJ Procton	-	7,689	7,689
TADJM	-	2,600	2,600
J. Wehmeyer	-	9,253	9,253
Fireworks	-	61	61
	<u>\$ 7,369,412</u>	<u>\$ 260,524</u>	<u>\$ 7,629,936</u>

See accompanying auditors' report.



OLEAN AREA COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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**NOTE 6 - BOARD DESIGNATED FUNDS**

During 2000, the foundation board of directors adopted a resolution to designate \$1,800 of unrestricted funds for the purpose of making charitable donations to various individuals or groups. The balance in the board designated fund at December 31, 2005 and 2004 was \$3,631 and \$1,455 respectively.

**NOTE 7 - FEDERAL TAX STATUS**

The Internal Revenue Service has classified the foundation as exempt from Federal income taxes under Section 501(a) of the United States Internal Revenue Code as an organization described in section 501(c)(3).

**NOTE 8 - CONCENTRATION OF CREDIT RISKS**

*Arising from Cash Deposits in Excess of Insured Limits*

The foundation maintains its cash balances in two financial institutions in Olean, New York. The Federal Deposit Insurance Corporation insures up to \$100,000 of demand deposit balances. At December 31, 2005 and 2004 the foundation's uninsured cash balances totaled \$447,542 and \$109,763, respectively.

*Arising from Investments Held with one Financial Institution*

The foundation maintains its investments in one financial institution located in Olean, New York. As of December 31, 2005 and 2004, the foundation's investment with this institution amounted to \$7,289,944 and \$7,340,847, respectively.

**NOTE 9 - RELATED PARTY**

Beginning in 2002 the foundation entered into an annual shared service agreement with its affiliate, Greater Olean Area Chamber of Commerce. Under the shared service agreement Greater Olean Area Chamber of Commerce is reimbursed for a portion of personal services and use of office space and equipment. For the year ended December 31, 2005 and 2004, Greater Olean Area Chamber of Commerce was reimbursed \$28,738 and \$10,982, respectively. Greater Olean Area Chamber of Commerce donated staff services with an estimated value of \$9,348 and \$15,109 during 2005 and 2004 respectively. Included in accounts payable as of December 31, 2005 and 2004 was \$12,260 and \$963 that the Foundation owed to the Greater Olean Area Chamber of Commerce.

See accompanying auditors' report.



**SUPPLEMENTAL INFORMATION**

**Proto & Loskey** LLC  
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**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL MATERIAL**

To the Board of Directors  
Olean Area Community Foundation  
Olean, New York

Our report on our audits of the basic financial statements of the Olean Area Community Foundation appears on page 2. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. The audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained in the following pages is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
PROTO & LOSKEY, LLC  
Certified Public Accountants

Olean, New York  
October 28, 2006

OLEAN AREA COMMUNITY FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
YEAR ENDED DECEMBER 31, 2005

	Operating	Visual Arts	Recreational Trail	Santa Claus Lane	Gift Tree	2005	2004
<b>ASSETS:</b>							
<b>CURRENT:</b>							
Cash and cash equivalents	\$ 555,221	\$ 3,915	\$ 2,081	\$ (63)	\$ 3,531	\$ 564,685	\$ 256,297
Accounts receivable	-	-	-	-	-	-	635
Prepaid expense	1,874	-	-	-	-	1,874	-
Interest receivable	882	-	-	-	-	882	5,062
<b>TOTAL CURRENT ASSETS</b>	<b>557,977</b>	<b>3,915</b>	<b>2,081</b>	<b>(63)</b>	<b>3,531</b>	<b>567,441</b>	<b>261,994</b>
<b>PROPERTY AND EQUIPMENT,</b> less accumulated depreciation	15,785	-	-	-	-	15,785	26,796
<b>INVESTMENTS</b>	<b>7,154,070</b>	<b>72,072</b>	<b>16,228</b>	<b>11,372</b>	<b>36,202</b>	<b>7,289,944</b>	<b>7,340,847</b>
	<b>\$ 7,727,832</b>	<b>\$ 75,987</b>	<b>\$ 18,309</b>	<b>\$ 11,309</b>	<b>\$ 39,733</b>	<b>\$ 7,873,170</b>	<b>\$ 7,629,637</b>
<b>LIABILITIES AND NET ASSETS:</b>							
<b>CURRENT LIABILITIES:</b>							
Accounts payable	\$ 20,522	\$ -	\$ -	\$ -	\$ -	\$ 20,522	\$ 4,842
Current maturities of long-term debt	2,583	-	-	-	-	2,583	16,736
Due to/from other funds	(19,020)	1,786	14,058	-	3,176	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,085</b>	<b>1,786</b>	<b>14,058</b>	<b>-</b>	<b>3,176</b>	<b>23,105</b>	<b>21,578</b>
<b>LONG TERM DEBT,</b> less current maturities	37	-	-	-	-	37	2,605
<b>ASSETS HELD FOR THE BENEFIT OF OTHER ORGANIZATIONS</b>	<b>7,629,936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,629,936</b>	<b>7,369,412</b>
<b>TOTAL LIABILITIES</b>	<b>7,634,058</b>	<b>1,786</b>	<b>14,058</b>	<b>-</b>	<b>3,176</b>	<b>7,653,078</b>	<b>7,393,595</b>
<b>NET ASSETS,</b> Unrestricted	93,774	-	-	-	-	93,774	90,739
Temporarily restricted	-	74,201	4,251	11,309	36,557	126,318	145,303
<b>TOTAL NET ASSETS:</b>	<b>93,774</b>	<b>74,201</b>	<b>4,251</b>	<b>11,309</b>	<b>36,557</b>	<b>220,092</b>	<b>236,042</b>
	<b>\$ 7,727,832</b>	<b>\$ 75,987</b>	<b>\$ 18,309</b>	<b>\$ 11,309</b>	<b>\$ 39,733</b>	<b>\$ 7,873,170</b>	<b>\$ 7,629,637</b>

See accompanying auditors' report on supplemental information.



OLEAN AREA COMMUNITY FOUNDATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2005

	Operating	Visual Arts	Recreational Trail	Santa Claus Lane	Gift Tree	2005	2004
<b>UNRESTRICTED NET ASSETS:</b>							
Support and Revenue							
Gifts and donations	\$ 14,148	\$ -	\$ -	\$ -	\$ -	\$ 14,148	\$ 16,949
Administrative fees	57,948	-	-	-	-	57,948	48,076
Interest & dividends	563	-	-	-	-	563	31
<b>Total support &amp; revenue</b>	<b>72,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,659</b>	<b>65,056</b>
Net Assets Released from Restrictions	-	4,822	25,708	114	407	31,051	12,382
<b>Expenditures</b>							
Program services	16,718	772	184	114	407	18,195	14,920
Management and general	50,514	-	-	-	-	50,514	37,093
Fundraising	2,392	-	-	-	-	2,392	1,710
Cost of direct benefits to donors	-	4,050	25,524	-	-	29,574	8,799
<b>Total expenditures</b>	<b>69,624</b>	<b>4,822</b>	<b>25,708</b>	<b>114</b>	<b>407</b>	<b>100,675</b>	<b>62,522</b>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<b>3,035</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,035</b>	<b>14,916</b>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>							
Gifts and donations	-	-	1,748	-	300	2,048	6,748
Interest & dividends	-	1,577	728	216	820	3,341	2,093
Capital gain distributions	-	1,472	279	212	767	2,730	1,356
Unrealized gains (losses)	-	1,663	(1,624)	417	887	1,343	14,455
Gain (loss) on sale of securities	-	(29)	2,682	-	(49)	2,604	(5,270)
Net assets released from restrictions	-	(4,822)	(25,708)	(114)	(407)	(31,051)	(12,382)
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>-</b>	<b>(139)</b>	<b>(21,895)</b>	<b>731</b>	<b>2,318</b>	<b>(18,985)</b>	<b>7,000</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>3,035</b>	<b>(139)</b>	<b>(21,895)</b>	<b>731</b>	<b>2,318</b>	<b>(15,950)</b>	<b>21,916</b>
<b>NET ASSETS, beginning of year</b>	<b>90,739</b>	<b>74,340</b>	<b>26,146</b>	<b>10,578</b>	<b>34,239</b>	<b>236,042</b>	<b>214,126</b>
<b>NET ASSETS, at end of year</b>	<b>\$ 93,774</b>	<b>\$ 74,201</b>	<b>4,251</b>	<b>\$ 11,309</b>	<b>\$ 36,557</b>	<b>\$ 220,092</b>	<b>\$ 236,042</b>

See accompanying auditors' report on supplemental information.

OLEAN AREA COMMUNITY FOUNDATION  
EXPENDITURES BY TYPE  
YEAR ENDED DECEMBER 31, 2005

	Operating	Visual Arts	Recreational Trail	Santa Claus Lane	Gift Tree	2005	2004
Donations and grants	\$ 300	\$ 4,050	\$ 25,524	\$ -	\$ -	\$ 29,874	\$ 8,799
Management fees	41,957	-	-	-	-	41,957	29,688
Depreciation	11,011	-	-	-	-	11,011	7,390
Accounting and legal	7,500	-	-	-	-	7,500	7,310
Office supplies	3,257	-	-	-	-	3,257	1,605
Administrative fees	100	760	183	114	400	1,557	1,524
Insurance	1,063	-	-	-	-	1,063	1,063
Interest expense	571	-	-	-	-	571	989
Computer expense	1,874	-	-	-	-	1,874	-
Miscellaneous	1,991	12	1	-	7	2,011	1,754
<b>TOTAL EXPENDITURES</b>	<b>\$ 69,624</b>	<b>\$ 4,822</b>	<b>\$ 25,708</b>	<b>\$ 114</b>	<b>\$ 407</b>	<b>\$ 100,675</b>	<b>\$ 60,122</b>