

EAST OF HUDSON WATERSHED CORPORATION

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

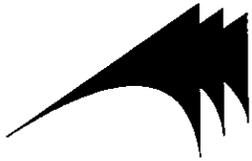
DECEMBER 31, 2015 AND 2014

EAST OF HUDSON WATERSHED CORPORATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
East of Hudson Watershed Corporation
Patterson, New York

We have audited the accompanying statements of East of Hudson Watershed Corporation (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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.

EAST OF HUDSON WATERSHED CORPORATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 financial position of East of Hudson Watershed Corporation as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Prior Period Financial Statements

The financial statements of East of Hudson Watershed Corporation as of December 31, 2014, were audited by other auditors whose report dated March 20, 2015, expressed an unmodified opinion on those statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2016 on our consideration of East of Hudson Watershed Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering East of Hudson Watershed Corporation's internal control over financial reporting and compliance.


Hudson, New York
March 16, 2016

EAST OF HUDSON WATERSHED CORPORATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2015 AND 2014

ASSETS

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 13,852,855	\$ 11,300,514
Accounts Receivable	260,360	91,000
Prepaid Expenses	35,839	41,104
Total Current Assets	<u>14,149,054</u>	<u>11,432,618</u>
PROPERTY, PLANT, AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION	<u>27,144</u>	<u>24,833</u>
OTHER ASSETS:		
Rent Security	<u>1,400</u>	<u>1,400</u>
	<u>\$ 14,177,598</u>	<u>\$ 11,458,851</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts Payable	\$ 172,146	\$ 230,848
Accrued Expenses	134,686	11,838
Deferred Revenue	<u>13,792,200</u>	<u>4,500,000</u>
Total Current Liabilities	<u>14,099,032</u>	<u>4,742,686</u>
LONG TERM LIABILITIES:		
Deferred Revenue	<u>-</u>	<u>6,644,123</u>
NET ASSETS:		
Unrestricted	-	-
Temporarily Restricted	78,566	72,042
Permanently Restricted	<u>-</u>	<u>-</u>
Total Net Assets	<u>78,566</u>	<u>72,042</u>
	<u>\$ 14,177,598</u>	<u>\$ 11,458,851</u>

Note: Totals may not add due to rounding

See independent auditor's report and notes to the financial statements.

EAST OF HUDSON WATERSHED CORPORATION

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Unrestricted	Temporarily Restricted	Totals
REVENUE:			
Program Revenues	\$ -	\$ 2,851,923	\$ 2,851,923
Non SRP Reimbursements	-	291,980	291,980
Interest	-	6,524	6,524
Net Assets Released from Restrictions	<u>3,143,903</u>	<u>(3,143,903)</u>	<u>-</u>
Total Revenues	<u>3,143,903</u>	<u>6,524</u>	<u>3,150,427</u>
EXPENSES:			
Program Services:			
Phosphorus Removal	2,367,599	-	2,367,599
Non SRP Services	<u>291,980</u>	<u>-</u>	<u>291,980</u>
Total Program Services	<u>2,659,579</u>	<u>-</u>	<u>2,659,579</u>
Supporting Services:			
Administrative and General	<u>484,324</u>	<u>-</u>	<u>484,324</u>
Total Expenses	<u>3,143,903</u>	<u>-</u>	<u>3,143,903</u>
Changes in Net Assets	-	6,524	6,524
Net Assets, Beginning	<u>-</u>	<u>72,042</u>	<u>72,042</u>
Net Assets, Ending	<u>\$ -</u>	<u>\$ 78,566</u>	<u>\$ 78,566</u>

Note: Totals may not add due to rounding

See independent auditor's report and notes to the financial statements.

EAST OF HUDSON WATERSHED CORPORATION

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	Unrestricted	Temporarily Restricted	Totals
REVENUE:			
Program Revenues	\$ -	\$ 8,314,050	\$ 8,314,050
Non SRP Reimbursements	-	-	-
Interest	-	15,730	15,730
Net Assets Released from Restrictions	<u>8,314,050</u>	<u>(8,314,050)</u>	<u>-</u>
Total Revenues	<u>8,314,050</u>	<u>15,730</u>	<u>8,329,780</u>
EXPENSES:			
Program Services:			
Phosphorus Removal	<u>7,825,141</u>	<u>-</u>	<u>7,825,141</u>
Supporting Services:			
Administrative and General	<u>488,909</u>	<u>-</u>	<u>488,909</u>
Total Expenses	<u>8,314,050</u>	<u>-</u>	<u>8,314,050</u>
Changes in Net Assets	-	15,730	15,730
Net Assets, Beginning	<u>-</u>	<u>56,312</u>	<u>56,312</u>
Net Assets, Ending	<u>\$ -</u>	<u>\$ 72,042</u>	<u>\$ 72,042</u>

Note: Totals may not add due to rounding

See independent auditor's report and notes to the financial statements.

EAST OF HUDSON WATERSHED CORPORATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash from Funding Agencies	\$ 5,622,620	\$ 4,562,522
Interest Income and Other	6,524	15,730
Cash Paid for Operating Activities	<u>(3,068,540)</u>	<u>(10,513,855)</u>
Net Cash Provided (Used) by Operating Activities	<u>2,560,604</u>	<u>(5,935,603)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	<u>(8,263)</u>	<u>(6,223)</u>
Net Cash Provided (Used) by Investing Activities	<u>(8,263)</u>	<u>(6,223)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,552,341	(5,941,826)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>11,300,514</u>	<u>17,242,340</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 13,852,855</u>	<u>\$ 11,300,514</u>

*RECONCILIATIONS OF CHANGES IN NET ASSETS TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014:*

Changes in Net Assets	\$ 6,524	\$ 15,730
Adjustments to Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,855	2,069
Amortization	<u>4,097</u>	<u>1,967</u>
Working Capital Provided (Used) by Operating Activities	<u>12,476</u>	<u>19,766</u>
Changes in Assets and Liabilities:		
(Increase) Decrease in:		
Accounts Receivable	(169,360)	40,000
Prepaid Expenditures	5,265	22,522
(Decrease) Increase in:		
Accounts Payable	(58,702)	(2,203,841)
Accrued Expenditures	122,848	-
Deferred Revenue	<u>2,648,077</u>	<u>(3,814,050)</u>
	<u>2,548,128</u>	<u>(5,955,369)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,560,604</u>	<u>\$ (5,935,603)</u>

Note: Totals may not add due to rounding

See independent auditor's report and notes to the financial statements.

EAST OF HUDSON WATERSHED CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

This summary of significant accounting policies of the East of Hudson Watershed Corporation (“EOHWC”) is presented to assist in understanding the EOHWC’s financial statements. The financial statements and notes are representations of the EOHWC’s management, which are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

A. Organization:

EOHWC was formed on October 18, 2011 under Section 1411 of the New York State Not-for-Profit Corporation Law. EOHWC is operated for charitable purposes and was established to administer, coordinate and implement through a single entity the East of Hudson regional stormwater retrofit plans (SRPs) approved by the New York State Department of Environmental Conservation (NYSDEC). The EOHWC is an organization comprised of a coalition of municipalities in Westchester, Putnam and Dutchess Counties which are located in the New York City Watershed east of the Hudson River.

The SRPs were developed in response to heightened phosphorus removal requirements of the NYSDEC. These are embodied in the Municipal Separate Storm Sewer Systems State Pollutant Discharge Elimination System (SPDES) General Permit No. GP-0-10-002 (the MS4 Permit). Entities covered under the MS4 permit (MS4 operators) that exceed their established discharge levels must address requirements aimed at achieving specified pollutant load reductions and to implement SRPs. The NYSDEC phosphorus reduction target applicable to the SRPs are for the five year period May 1, 2010 to April 30, 2015 as follows: 2010-Year 1; 2011-Year 2; 2012-Year 3; 2013-Year 4 and 2014-Year 5.

Prior to the formation of EOHWC, MS4 operators were responsible for implementing their own SRPs in Years 1 and 2. EOHWC was created to act as a Regional Stormwater Entity (RSE) through which MS4 operators could act in concert by becoming a member of the RSE. Membership will enable resource sharing as well as enhanced funding opportunities among participating members. In addition, through the RSE MS4 operators are subject to “bubble compliance” whereby members can jointly implement SRPs throughout the members’ communities in order to achieve the five-year phosphorus removal requirement as a whole.

In May of 2012, the NYSDEC authorized EOHWC to combine the separate SRPs into one consolidated program which enabled EOHWC to assist its member municipalities in Westchester, Putnam and Dutchess Counties, which are located within the East of Hudson New York City Watershed. As a result, EOHWC was eligible for funding as follows: \$15.5 million from the NYCDEP 2010 Water Supply Permit; \$4.5 million from the NYCDEP 2007 Filtration Avoidance Determination (FAD); \$10 million from Westchester County and \$8.2 million from Putnam County of which \$676,204 was used by the Putnam County to fund Year 2 SRPs. During 2015 EOHWC received funds totaling \$5,500,000 from NYCDEP 2010 Water Supply Permit and during 2014 EOHWC received funds totaling \$4,500,000 from NYCDEP 2007 Filtration Avoidance Determination (FAD).

See independent auditor’s report.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

As of December 31, 2015, EOHWC had 19 members (18 towns/villages and 1 county). Each member has passed resolutions to join EOHWC and to authorize the implementation of the SRPs on their behalf.

B. Financial Statement Presentation:

EOHWC reports 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 depending on donor imposed restriction, if any.

C. Basis of Accounting:

The EOHWC's financial statement has been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

D. Cash and Cash Equivalents:

EOHWC considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

E. Investment Income:

Interest on investment funds are reported as increases in temporarily restricted net assets in accordance with the NYCDEP funding agreement.

F. Property, Plant, and Equipment:

Expenditures for furniture, equipment and certain intangibles with useful lives in excess of one year that costs more than \$500 are capitalized and recorded at cost while repairs and maintenance which do not improve or extend the life of an asset are expensed. Furniture and equipment are generally depreciated using the straight line method over their estimated useful lives of 3-7 years.

G. Income Taxes:

EOHWC is tax exempt as an organization under Section 501(c)(3) of the United States Internal Revenue Code. Accordingly, no provision for income taxes has been made.

H. 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 and disclosure of contingent assets and liabilities, at the date of the financial statements and

See independent auditor's report.

EAST OF HUDSON WATERSHED CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

I. Functional Allocation of Expenses:

The costs of implementing the phosphorus removal program (Stormwater Retrofit Projects) and other activities have been summarized on a functional basis in the statement of activities and the schedule of functional expenses. Accordingly, certain costs have been allocated between program and non-program services.

J. Advertising:

EOHWC expenses advertising costs as they are incurred.

NOTE 2 – CONCENTRATION OF CREDIT RISK:

Financial instruments which potentially subject EOHWC to a concentration of credit risk are cash accounts with major financial institutions in excess of FDIC insurance limits. At December 31, 2015, EOHWC's only cash accounts (operating and NYC DEP WSP) with balances that exceeded the current FDIC limit are subject to a third party collateral agreement and therefore management believes the credit risk related to these accounts are minimal. There were no investments made during the 2015 and 2014 fiscal years.

The bank balance was \$13,889,518 and \$11,317,699 as of December 31, 2015 and 2014.

There are three categories of credit risk that apply to the EOHWC's balance:

1. Insured or collateralized with securities held by the EOHWC or by the EOHWC's agent in the Corporation's name;
2. Collateralized with securities held by the pledging financial institution's trust department or the EOHWC's agent in the EOHWC's name; and
3. Uncollateralized, see Subsequent Events Note 10.C.

Balances held in each category as of December 31, 2015, are as follows:

Bank	Bank Balance	FDIC	Collateral	Uncollateralized
M&T Bank	\$ 9,870,503	\$ 250,000	\$ 9,620,503	\$ -
JPMorgan Chase Bank, N.A.	4,019,015	250,000	-	3,769,015
	<u>\$ 13,889,518</u>	<u>\$ 500,000</u>	<u>\$ 9,620,503</u>	<u>\$ 3,769,015</u>

Note: Totals may not add due to rounding.

See independent auditor's report.

EAST OF HUDSON WATERSHED CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

NOTE 3 – RECEIVABLES:

The receivables for EOHWC for the years ended December 31, 2015 and 2014 are \$260,360 and \$91,000 respectively. The receivables consist of reimbursements from Putnam County of \$260,360 and \$91,000 at December 31, 2015 and 2014, respectively. EOHWC has deemed these amounts to be fully collectible.

NOTE 4 – PROPERTY, PLANT, AND EQUIPMENT:

Property, plant, and equipment as of December 31, 2015 and 2014, is summarized as follows:

	2015			2014		
	Historic Cost	Accumulated Depreciation	Net Book Value	Historic Cost	Accumulated Depreciation	Net Book Value
Equipment	\$ 8,301	\$ 6,536	\$ 1,765	\$ 8,301	\$ 5,090	\$ 3,211
Computer Software	31,611	8,388	23,223	23,348	4,291	19,057
Furniture & Fixtures	<u>2,858</u>	<u>702</u>	<u>2,156</u>	<u>2,858</u>	<u>293</u>	<u>2,565</u>
	<u>\$ 42,770</u>	<u>\$ 15,626</u>	<u>\$ 27,144</u>	<u>\$ 34,507</u>	<u>\$ 9,674</u>	<u>\$ 24,833</u>

Note: Totals may not add due to rounding.

Depreciation expense for the years ended December 31, 2015 and 2014 is \$5,952 and \$4,036, respectively.

NOTE 5 – COMPENSATED ABSENCES:

EOHWC's policy is to accrue for compensated absences for vacation time and sick pay if such expenses can be reasonably estimated. As of December 31, 2015 and 2014 the accrued liabilities for compensated absences were \$4,735 and \$4,313, respectively.

NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted assets are available for Stormwater Retrofit Projects.

NOTE 7 – DEFERRED REVENUES:

During 2015 EOHWC received funding from NYCDEP 2010 Water Supply Permit totaling \$5,500,000 towards the planning, design and implementation of various SRPs. These funds are treated as deferred (unearned) revenues until actual expenditures are made for both program and non-program (supporting) costs.

See independent auditor's report.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

NOTE 7 – DEFERRED REVENUES (CONTINUED):

During the year ended December 31, 2015 and 2014, EOHWC has total expenses (paid and incurred) of \$3,143,903 and \$8,314,050, respectively. The liability deferred revenues totaled \$13,792,200 and \$11,144,123 respectively for the fiscal years ended December 31, 2015 and 2014 of which \$13,792,200 and \$4,500,000 is short-term based on total anticipated expenses paid and incurred during the subsequent year. In the case of 2015, current contracts are in the final year and any amounts in excess of estimated 2016 costs are treated as short-term.

NOTE 8 – COMMITMENTS AND CONTINGENCIES:

A. Operating Leases:

EOHWC has operating leases for its office space and its copier. The copier lease is a month-to-month lease which can be canceled by either party upon thirty days written notice. Total expense related to the copier lease was \$2,990 and \$3,378 for the years ended December 31, 2015 and 2014, respectively.

The original office lease was for the three year period commencing April 2, 2012 and ending December 31, 2014. This lease required monthly rent payments of \$1,400. Beginning November 1, 2012 the lease was amended as a result of EOHWC increasing the amount of office space occupied and monthly rent increased to \$1,800 through February 2013. In March 2013 monthly rent increased to \$2,161 as a result of utilizing additional office space. In June 2014 EOHWC and the landlord executed a rider to the original lease to formally recognize the increased space occupied by EOHWC. The rider established monthly rent at \$3,500 for the period of February 1, 2014 through January 31, 2017. The lease can be terminated by either party at any time upon thirty days prior notice in writing.

Rental payments for the year ended December 31, 2015 and 2014 amounted to \$43,022 and \$43,526, respectively.

The minimum rental payments under the office lease for future fiscal years through the last lease payment are as follows:

<u>Year Ending December 31</u>	
2016	\$ 42,000
2017	<u>3,500</u>
	<u>\$ 45,500</u>

Note: Totals may not add due to rounding.

See independent auditor's report.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2015 AND 2014

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED):

B. Grants:

The Organization has received grants in varying amounts, which are subject to audit/review by agencies of Local Governments. Such audits/reviews may result in disallowances and a request for return of funds to the Local Governments. Based on past evaluations, agency administration believes disallowances, if any, will be immaterial.

NOTE 9 – INCOME TAXES:

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Organization is not liable for income taxes if it operates within the confines of its exempt status, though the Organization may be responsible for taxes on unrelated business activities. In the event of an examination of the income tax returns, the tax liability of the Organization could be changed if an adjustment in the tax exempt purpose or income from unrelated business activities is ultimately determined by the taxing authorities. The Organization's income tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2012–2015. Management continually evaluates expiring statutes of limitation, audits, proposed settlements, changes in tax law and new authoritative rulings. The Organization believes their estimates are appropriate based on current facts and circumstances. Accordingly, there are no uncertain tax positions to disclose. As such, there are no correspondingly related interest and penalties to be accrued thereon.

NOTE 10 – SUBSEQUENT EVENTS:

A. Lease:

EOHWC has entered into an operating lease agreement for a copier effective 2/3/16 for a term of 60 months with monthly payments of \$285 plus applicable charges. The lease contains a "non-appropriation clause" making the obligation to pay the lease payments contingent upon approval of the appropriation of funds.

B. Agreement with NYC DEP:

The process has been initiated by Westchester County, Putnam County and NYCDEP to authorize use of the remaining fund balance for years 6 through 10 of the stormwater retrofit regional plan.

C. Collateral:

Due to a systemic error that occurred at JPMorgan Chase Bank, N.A. collateral was not allocated to EOHWC at December 31, 2015. The systemic error has been rectified.

D. Management of EOHWC evaluated subsequent events through March 16, 2016, which is the date the financial statements were available to be issued.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

EAST OF HUDSON WATERSHED CORPORATION
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Program Services Stormwater Retrofit Projects			Supporting Services General and Administrative			Fundraising	Total
	Putnam	Westchester	Subtotal	Putnam	Westchester	Subtotal		
Salaries	\$ 30,238	\$ 35,724	\$ 65,962	\$ 111,792	\$ 111,792	\$ 223,584	\$ -	\$ 289,546
Employee Health and Payroll Taxes	5,031	5,944	10,975	18,601	18,601	37,202	-	48,177
Total Salaries and Related Expenses	35,269	41,668	76,937	130,393	130,393	260,786	-	337,723
Supplies	-	38	38	2,826	2,826	5,652	-	5,690
Travel	405	995	1,400	377	377	754	-	2,154
Consulting	225,025	217,446	442,471	4,916	4,916	9,832	-	452,303
Construction	852,074	822,875	1,674,949	-	-	-	-	1,674,949
Printing & Postage	363	796	1,159	632	632	1,264	-	2,423
Advertising	1,149	153	1,302	517	517	1,034	-	2,336
Municipal Reimbursable	112,322	323,811	436,133	-	-	-	-	436,133
Bank Charges	-	-	-	32	32	64	-	64
Legal & Accounting	14,937	10,579	25,516	41,963	41,963	83,926	-	109,442
Telephone	-	-	-	1,929	1,929	3,858	-	3,858
Insurance	-	-	-	31,503	31,503	63,006	-	63,006
Permits & Licensing	6,675	(7,001)	(326)	-	-	-	-	(326)
Equipment Rental	-	-	-	1,495	1,495	2,990	-	2,990
Rent	-	-	-	21,511	21,511	43,022	-	43,022
Conferences	-	-	-	463	463	926	-	926
Depreciation & Amortization	-	-	-	2,976	2,976	5,952	-	5,952
Miscellaneous	-	-	-	629	629	1,258	-	1,258
Total Other Expenses	1,212,950	1,369,692	2,582,642	111,769	111,769	223,538	-	2,806,180
Total Expenses	\$ 1,248,219	\$ 1,411,360	\$ 2,659,579	\$ 242,162	\$ 242,162	\$ 484,324	\$ -	\$ 3,143,903

EAST OF HUDSON WATERSHED CORPORATION

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services Stormwater Retrofit Projects			Supporting Services General and Administrative			Fundraising	Total
	Putnam	Westchester	Subtotal	Putnam	Westchester	Subtotal		
Salaries	\$ 50,381	\$ 48,235	\$ 98,616	\$ 127,166	\$ 127,166	\$ 254,332	\$ -	\$ 352,948
Employee Health and Payroll Taxes	6,312	6,043	12,355	15,931	15,931	31,862	-	44,217
Total Salaries and Related Expenses	56,693	54,278	110,971	143,097	143,097	286,194	-	397,165
Supplies	-	-	-	3,147	3,148	6,295	-	6,295
Travel	726	586	1,312	134	134	268	-	1,580
Consulting	543,613	356,007	899,620	2,447	2,447	4,894	-	904,514
Construction	4,544,890	2,100,322	6,645,212	-	-	-	-	6,645,212
Printing & Postage	1,355	2,726	4,081	874	874	1,748	-	5,829
Advertising	911	1,195	2,106	534	534	1,068	-	3,174
Municipal Reimbursable	145,036	-	145,036	-	-	-	-	145,036
Bank Charges	-	-	-	-	-	-	-	-
Legal & Accounting	4,021	3,832	7,853	48,630	48,630	97,260	-	105,113
Telephone	-	-	-	2,693	2,693	5,386	-	5,386
Insurance	-	-	-	14,031	14,031	28,062	-	28,062
Permits & Licensing	8,950	-	8,950	-	-	-	-	8,950
Equipment Rental	-	-	-	1,689	1,689	3,378	-	3,378
Rent	-	-	-	21,763	21,763	43,526	-	43,526
Conferences	-	-	-	1,357	1,357	2,714	-	2,714
Depreciation & Amortization	-	-	-	2,018	2,018	4,036	-	4,036
Miscellaneous	-	-	-	2,040	2,040	4,080	-	4,080
Total Other Expenses	5,249,502	2,464,668	7,714,170	101,357	101,358	202,715	-	7,916,885
Total Expenses	\$ 5,306,195	\$ 2,518,946	\$ 7,825,141	\$ 244,454	\$ 244,455	\$ 488,909	\$ -	\$ 8,314,050

See independent auditor's report and notes to the financial statements.