

**EL PASO COMMUNITY FOUNDATION
AND AFFILIATES**

COMBINED FINANCIAL STATEMENTS

**DECEMBER 31, 2016
TOGETHER WITH AUDITOR'S REPORT**

**EL PASO COMMUNITY FOUNDATION
AND AFFILIATES**

COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2016

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Independent Auditor's Report

To the Boards of Directors of
El Paso Community Foundation and Affiliates:

We have audited the accompanying combined financial statements of El Paso Community Foundation (a nonprofit corporation) and Affiliates, which comprise the combined statement of financial position as of December 31, 2016, and the related combined statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements based on our audit. We did not audit the financial statements of The Burkitt Foundation, a local affiliate, which statements reflect total assets of \$16,605,940 as of December 31, 2016 and total support and revenues of \$1,020,388 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Burkitt Foundation, is based solely on the report of the other auditors. We conducted our audit 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 combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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, based on our audit and the report of other auditors, the combined financial statements referred to above present fairly, in all material respects, the financial position of El Paso Community Foundation and Affiliates as of December 31, 2016, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Gibson Ruddle Patterson LLC

El Paso, Texas,
September 20, 2017

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

ASSETS

Current Assets

Cash and cash equivalents (including amounts held by custodians totaling \$4,607,667)	\$ 5,643,614
Accounts receivable	58,137
Accrued interest and dividends receivable	262,429
Contributions receivable	29,114
Inventory	17,720
Other current assets	142,221

Total current assets 6,153,235

Noncurrent Assets

Investments - marketable securities	87,361,350
Investment in local businesses	145,833
Investment in land and mineral interest	3,345,705
Assets held in charitable remainder trust	1,942,865
Other investments	185,979
Contributions receivable	59,889
Property, furniture and equipment, net	875,241
Other assets	158,012

Total noncurrent assets 94,074,874

Total assets \$ 100,228,109

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable and accrued liabilities	\$ 132,132
Note payable	10,998,523
Liability under charitable remainder trust-current portion	145,715
Grants payable-current portion	<u>642,387</u>
Total current liabilities	<u>11,918,757</u>
Noncurrent Liabilities	
Deferred compensation	185,979
Liability under charitable remainder trust	1,171,211
Agency funds	1,705,053
Grants payable	<u>625,000</u>
Total noncurrent liabilities	<u>3,687,243</u>
Total liabilities	<u>15,606,000</u>
Net Assets	
Unrestricted	40,758,801
Temporarily restricted	40,364,263
Permanently restricted	<u>3,499,045</u>
Total net assets	<u>84,622,109</u>
Total liabilities and net assets	<u>\$ 100,228,109</u>

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINED STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and support				
Contributions, gifts, and bequests	\$ 401,542	\$ 2,650,306	\$ 69,424	\$ 3,121,272
Non-cash contributions	-	42,574	-	42,574
Investment income (net of trust administrative expenses of \$689,958)	941,786	707,278	-	1,649,064
Leases, rentals and royalty income	173,800	4	-	173,804
Realized gain (loss) on sale of investments	1,177,472	624,848	-	1,802,320
Unrealized gain (loss) on investments	1,051,629	1,012,067	-	2,063,696
Administrative fees	40,645	-	-	40,645
Project and other income	154,019	162,471	-	316,490
	3,940,893	5,199,548	69,424	9,209,865
Net assets released from restrictions	3,229,325	(3,226,825)	(2,500)	-
Total revenues and support	7,170,218	1,972,723	66,924	9,209,865
Expenses				
Grants, awards and scholarships	3,599,031	-	-	3,599,031
Program expenses	3,436,603	-	-	3,436,603
Administrative expenses	707,864	-	-	707,864
Fundraising expenses	346,031	-	-	346,031
Total expenses	8,089,529	-	-	8,089,529
Change in net assets	(919,311)	1,972,723	66,924	1,120,336
Net assets - beginning of year	51,866,667	29,688,206	3,545,583	85,100,456
Prior period adjustment	(113,462)	(1,612,065)	39,225	(1,686,302)
Net assets - beginning of year, restated	51,753,205	28,076,141	3,584,808	83,414,154
Current changes in net assets	(919,311)	1,972,723	66,924	1,120,336
Cumulative prior net assets of affiliate	87,619	-	-	87,619
Reclassification and other transfers	(10,162,712)	10,315,399	(152,687)	-
Net assets - end of year	\$ 40,758,801	\$ 40,364,263	\$ 3,499,045	\$ 84,622,109

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINED STATEMENT OF FUNCTIONAL EXPENSES

DECEMBER 31, 2016

	Grants, Awards & Scholarships	Program	Administrative	Fundraising	Total
Salaries	\$ -	\$ 623,103	\$ 326,055	\$ 176,648	\$ 1,125,806
Benefits and payroll taxes	-	306,155	165,824	87,395	559,374
Grants, awards and scholarships	3,599,031	-	-	-	3,599,031
Project expenses	-	920,731	-	-	920,731
Professional fees	-	645,369	72,717	23,645	741,731
Rent and utilities	-	238,129	38,016	20,440	296,585
Professional development	-	39,109	3,964	2,131	45,204
Publication and distribution	-	129,238	316	170	129,724
Meetings, workshops and donor activities	-	110,711	38,071	13,467	162,249
Office supplies and expenses	-	39,659	8,819	4,742	53,220
Telephone	-	8,405	4,454	2,395	15,254
Insurance	-	34,321	14,266	4,081	52,668
Equipment lease maintenance	-	2,079	1,102	592	3,773
Postage and delivery	-	1,924	1,020	549	3,493
Interest	-	240,508	-	-	240,508
Permit, taxes, fees	-	7,756	-	-	7,756
Advertising	-	7,245	-	-	7,245
Administrative fees	-	664	-	-	664
Other	-	-	15,059	-	15,059
Total expenses before depreciation	3,599,031	3,355,106	689,683	336,255	7,980,075
Depreciation	-	81,497	18,181	9,776	109,454
Total expenses	\$ 3,599,031	\$ 3,436,603	\$ 707,864	\$ 346,031	\$ 8,089,529

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINED STATEMENT OF CASH FLOWS

DECEMBER 31, 2016

Cash flows from operating activities:	
Changes in net assets	\$ 1,120,336
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Non-cash contributions	(17,049)
Realized gain on sale of investments	(1,802,320)
Unrealized gain on investments	(2,063,696)
Depreciation	109,454
(Increase) decrease in:	
Accrued interest and dividends receivable	(53,110)
Accounts receivable	68,162
Other assets	(53,901)
Contributions receivable	(44,176)
Increase (decrease) in:	
Accounts payable and accrued liabilities	46,343
Grants payable	489,846
Net cash used by operating activities	<u>(2,193,111)</u>
Cash flows from investing activities:	
Net sales of investments	4,386,570
Purchases of equipment	(3,673)
Sales of equipment	1,605
Distributions to charitable remainder trust beneficiaries	(147,890)
Prior cash balance transfer from affiliate	94,619
Net cash provided by investing activities	<u>4,331,231</u>
Cash flows from financing activities:	
Borrowings on note payable	240,508
Payments on note payable	<u>(240,214)</u>
Net cash provided by financing activities	<u>294</u>
Net increase in cash and cash equivalents	2,131,414
Cash and cash equivalents, beginning of year	<u>3,512,200</u>
Cash and cash equivalents, end of year	<u>\$ 5,643,614</u>
Cash paid during the year for interest	<u>\$ 229,420</u>

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Nature of Operations

The El Paso Community Foundation is a Texas nonprofit corporation responsible for charitable funds contributed by various donors and the related income generated by those funds. The Foundation is organized and operated to serve the general charitable, educational and scientific needs of the inhabitants of El Paso, Southern New Mexico, and Ciudad Juarez, Mexico through charitable grants and various charitable programs at the discretion of the Board of Directors (the Board). The various Affiliate organizations serve to support El Paso Community Foundation in its charitable purpose.

Basis of Accounting

The financial statements of El Paso Community Foundation and Affiliates (the Foundation) are prepared on the accrual basis of accounting.

Financial Statement Presentation

The combined financial statements include the El Paso Community Foundation and following entities:

- The Cardwell Foundation
- The Burkitt Foundation
- The Walter Hightower Foundation
- The J. Edward and Helen M.C. Stern Foundation
- La Frontera Conservation Fund
- El Paso Festivals, Inc.
- Compañeros International
- Border Art Residency
- El Paso Museum of History Foundation
- Love P.A.R.K. LLC
- Newspaper Tree Corp.

The entities are supporting organizations (Affiliates) of El Paso Community Foundation. The Affiliates operate for the benefit of, and carry out the purposes of El Paso Community Foundation. The Foundation has significant control over the functions of the Affiliates. All intercompany transactions and balances have been eliminated in combination.

The Walter Hightower Foundation was dissolved during 2016, and all of the organization's assets were contributed to El Paso Community Foundation, temporarily restricted for purpose.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Under the Presentation of Financial Statements of FASB Accounting Standards Codification (ASC), El Paso Community Foundation and its Affiliates are required to report information regarding their financial position and operations according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets include all resources over which the Boards of Directors have discretionary control to use in carrying on the operations of the Foundation and Affiliates in accordance with the limitations of their charters and bylaws.

Temporarily restricted net assets consist of unconditional promises to give that are to be used in future years as well as contributions restricted for specific purposes. Temporarily restricted net assets include irrevocable charitable trusts, lead trusts, restricted contributions receivable, and the portion of donor-restricted endowment funds that are not permanently restricted net assets. When donor restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets consist of contributions which the donor has stipulated must be invested in perpetuity. Income from the permanently restricted net assets is expended or accumulated as designated by the donor. The expendable portion is classified as temporarily restricted until those amounts are appropriated for expenditure.

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 disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.

Revenues and Support Recognition

Contributions are recognized and recorded as support when received or unconditionally promised. Investment income and gains, project income, lease income, rental income and royalty income are recognized and recorded as revenue when earned.

Contributions

The Foundation and Affiliates report gifts of cash and other assets as temporary or permanently restricted support if they are received with donor stipulations that limit or designate the use of the donated assets. Gifts of non-cash assets are recorded at their fair value on the date of the gift.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Contributions of Long-Lived Assets

The Foundation and Affiliates report gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation and Affiliates report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Gifts of Remainder Interests

Remainder interest gifts are donations whereby the donor stipulates that the Foundation pay a fixed amount of money to a specified beneficiary periodically. The Foundation records an actuarially determined liability for the beneficiary payments on the date of the gift. The excess or deficiency of the fair value of the gift over the liability is recognized as temporarily restricted support when the gift is received. When the terms of the gift have been met, absent donor restrictions on the use of the residual, the Foundation reclassifies the remaining amount of the gift, net of any actuarial gains or losses, to unrestricted net assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$7,245 for the year ended December 31, 2016.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes savings accounts, certificates of deposit, money market accounts and all investments with an original maturity of three months or less when purchased.

Accounts Receivable

Accounts receivable are considered by management to be fully collectible and accordingly no allowance for doubtful accounts is considered necessary at December 31, 2016.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Inventory

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property, Furniture and Equipment

All fixed assets acquired with a value of \$1,500 or greater are capitalized and are recorded as property, furniture and equipment and are stated at cost or estimated fair value at date of donation. Depreciation is computed based on expected useful lives as follows:

<u>Assets</u>	<u>Lives</u>	<u>Method</u>
Office equipment and furniture	1 - 15 years	Straight-line
Leasehold improvements	15 years	Straight-line

Maintenance, repairs and minor replacements are charged to operations as incurred; major replacements and betterments are capitalized. The cost and accumulated depreciation of property retired or sold is removed from the respective accounts and gains and losses are included in the combined statement of activities.

Investment Securities

The Foundation has adopted the following policies as a basis for valuing investment securities.

- A. Investments acquired through gift or bequest with readily determinable fair values are recorded at fair value as of the acquisition date.
- B. Investments in money market funds are stated at cost, which approximates fair value. Investments in marketable securities are stated at fair value in the statement of financial position. The change in value of investments held at the end of each year is included in unrealized gains and losses on investments in the statement of activities.

Endowment Classifications

The Foundation endowments consist of individual funds established for a variety of purposes. Its endowments include both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Endowment Investment and Spending Policies

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by their endowments while seeking to maintain the purchasing power of the endowment assets. The Foundation's spending and investment policies work together to achieve this objective. The investment policies establish an achievable return objective through diversification of asset classes. The current long-term return objectives are based upon the Boards of Directors' assessment of current and future economic conditions and the needs of the organizations.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The organizations target a diversified asset allocation that places equal emphasis on equity and debt-based investments to achieve their long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds, for grant making and administration. The current spending guideline is to distribute approximately 4%-7%.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (Continued)

Income Tax Status

El Paso Community Foundation and its Affiliates are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, therefore, have no provision for federal income taxes.

El Paso Community Foundation and its Affiliates evaluate significant tax positions as required by generally accepted accounting principles in the United States of America. Their tax returns are subject to examination by the appropriate regulatory authorities. Generally, the statute of limitations runs three years after the date the return is due or filed, whichever is later.

2. CASH AND CASH EQUIVALENTS

The Foundation's cash and cash equivalents include the following at December 31, 2016:

Cash in banks	\$ 1,036,947
Money market funds	<u>4,606,667</u>
	<u>\$ 5,643,614</u>

The Foundation maintains cash accounts at several banks. These accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Foundation's cash balances at the banks periodically exceed the FDIC limit.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give which have been made by the donors, but have not yet been received by the Foundation. The Foundation considers the contributions receivable balance to be fully collectible, and accordingly, has no provision for allowance for uncollectible contributions.

Contributions receivable in less than one year	\$ 29,114
Contributions receivable in one to five years	<u>59,889</u>
Total contributions receivable	<u>\$ 89,003</u>

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

4. GRANTS PAYABLE

The Foundation made current and long-term unconditional promises to give to organizations in 2016 and prior years. The amounts payable in one to five years at December 31, 2016 is as follows:

<u>Year ended December 31,</u>	
2017	\$ 642,387
2018	375,000
2019	<u>250,000</u>
	<u>\$ 1,267,387</u>

5. FAIR VALUE MEASUREMENTS

The fair value measurement accounting literature established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three levels:

Level 1 -inputs have the highest priority and consist of unadjusted quoted prices for identical assets in active markets that the Organization has the ability to access.

Level 2 -inputs consist of quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, inputs other than quoted prices that are observable for the asset, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 -inputs have the lowest priority and are unobservable and significant to the fair value measurement.

The asset's and liability's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for the assets and liabilities measured at fair value. There have been no changes in the methodologies used at December 31, 2016.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

5. FAIR VALUE MEASUREMENTS (Continued)

Marketable Securities - Equities and Mutual Funds

Equities and mutual funds are valued using quoted market prices for identical securities.

Marketable Securities - Corporate and Mortgage-backed bonds

Corporate and mortgage-backed bond valuations are obtained using the market and model approaches, and are valued based upon quoted prices for similar instruments in active markets, and model-based valuations using inputs such as yield curves and indices.

Investment in Land and Mineral Interest

Land held for investment valuations are based upon independent appraisals conducted as of December 31, 2012 and as of May 2016. Mineral rights valuations are based upon independent valuations conducted as of December 31, 2015.

Liability Under Charitable Remainder Unitrust

The liability under charitable remainder unitrust is valued based upon certain actuarial assumptions, including beneficiary life expectancies.

Fair value of certain assets and liabilities in the statement of financial position consisted of the following at December 31, 2016:

	Quoted Price in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
<u>Recurring fair value measurements:</u>				
Marketable securities	\$ 77,437,218	\$ 9,924,132	\$ -	\$ 87,361,350
Assets held in charitable remainder trust	1,700,359	242,506	-	1,942,865
Liability under charitable remainder trust	-	(1,316,926)	-	(1,316,926)
	<u>\$ 79,137,577</u>	<u>\$ 8,849,712</u>	<u>\$ -</u>	<u>\$ 87,987,289</u>
<u>Nonrecurring fair value measurements:</u>				
Investment in land and mineral interest	\$ -	\$ 3,345,705	\$ -	\$ 3,345,705

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

6. INVESTMENTS IN MARKETABLE SECURITIES

Investments in marketable securities at December 31, 2016, stated at fair value, consisted of the following:

Corporate bonds	<u>\$ 5,609,917</u>
Government and agency obligations	
US Treasury notes	8,349,422
US government agency mortgage-backed bonds	4,294,338
Municipal bonds	<u>19,877</u>
	<u>12,663,637</u>
Equities	
Domestic equities	44,326,901
Foreign equities	<u>5,077,381</u>
	<u>49,404,282</u>
Mutual funds	
Fixed income	4,927,413
Alternative and real asset	471,729
Equity	<u>14,284,372</u>
	<u>19,683,514</u>
	<u><u>\$ 87,361,350</u></u>

7. PROPERTY, FURNITURE, AND EQUIPMENT

Property, furniture, and equipment in consisted of the following at December 31, 2016:

	Balance at 12/31/2015	Net Additions & Deletions	Balance at 12/31/2016
Office equipment and furniture	\$ 423,038	\$ 1,023	\$ 424,061
Leasehold improvements	1,220,088	-	1,220,088
	1,643,126	1,023	1,644,149
Less accumulated depreciation	<u>(660,499)</u>	<u>(108,409)</u>	<u>(768,908)</u>
Total property, furniture and equipment	<u>\$ 982,627</u>	<u>\$ (107,386)</u>	<u>\$ 875,241</u>

Depreciation expense was \$109,454 in 2016.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

8. CASH SURRENDER VALUE OF INSURANCE TRUST AND LIFE INSURANCE

The Foundation has a beneficial interest in the cash surrender value of four insurance policies. The cash surrender value was \$91,595 at December 31, 2016 and is recorded in other assets. During 2001, the Foundation was named beneficiary of a \$500,000 variable survivorship life insurance policy insuring the lives of the donors. The donors have designated distributions from this amount upon the death of the last surviving donor.

9. NOTE PAYABLE

The Foundation has a \$15 million revolving credit line agreement with UBS Bank that provides for fixed rate and variable rate advances. The credit line is due on demand and is secured by the Foundation's investment accounts at UBS Financial Services, of which the fair value totaled \$27,487,214 at December 31, 2016. Advances under the line of credit at December 31, 2016 were:

Fixed rate advance bearing interest at 2.69% through December 3, 2018. Interest payments due monthly.	\$ 8,000,000
Variable rate advance bearing interest at LIBOR+ 1% (1.716 % at December 31, 2016), interest payable monthly.	<u>2,998,523</u>
	<u>\$ 10,998,523</u>

The Foundation has drawn on the line of credit to fund a grant to the City of El Paso, Texas for purposes of construction and renovation of the Plaza Theatre Performing Arts Center, and to fund the Artspace El Paso project.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

10. RETIREMENT PLAN

El Paso Community Foundation Tax Deferred Annuity Plan (Plan) is a defined contribution retirement plan authorized under Internal Revenue Code Section 403(b). Eligible employees who wish to participate in the Plan may enter into a salary reduction agreement not to exceed the lesser of \$18,000 or 10% of compensation during any calendar year. The Foundation contributes a percentage of the eligible employees' annual compensation to the Plan. Contributions may not exceed \$53,000 for any one employee. All contributions made to the Plan are placed in a group annuity contract issued by Voya Retirement Insurance and Annuity Company. The Foundation contributed \$260,121 to the Plan and the employees contributed \$56,480 during the year ended December 31, 2016.

11. OPERATING LEASES

The Foundation is under obligation for rent relating to its office facilities, requiring initial monthly payments of \$17,098 beginning in 2011, increasing 1.5% each year, until its expiration in September 2026.

Minimum future lease payments are as follows:

<u>Year ended December 31,</u>	
2017	\$ 222,140
2018	225,471
2019	228,854
2020	232,287
2021	235,771
After December 31, 2021	<u>1,147,469</u>
	<u>\$ 2,291,992</u>

Rent expense charged to activities in 2016, including provisions for parking, was \$252,393.

The Foundation subscribes to remote information services for its accounting and reporting functions, requiring yearly subscription fees of \$44,797. The subscription term is noncancellable, is active for a period of five years ending December 2017, and automatically renews without written notice.

Minimum future lease payments of \$44,797 are due in 2017.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

12. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are available at December 31, 2016 for the following purposes:

Health/Disabilities	\$ 14,784,179
Human services	13,586,522
Education	6,711,143
Civic/Public affairs	952,798
Arts/Humanities	1,022,387
Environment/Animals	382,967
Project expenses	2,864,378
Passage of time	<u>59,889</u>
	<u>\$ 40,364,263</u>

Permanently restricted net assets are restricted to the following at December 31, 2016:

Health/Disabilities	\$ 284,439
Human services	1,360,772
Education	1,720,363
Arts/Humanities	21,881
Environment/Animals	45,975
Project expenses	<u>65,615</u>
	<u>\$ 3,499,045</u>

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

13. CHANGES IN ENDOWMENT NET ASSETS AND ENDOWMENT NET ASSET COMPOSITION

Below is a schedule of changes in endowment assets for the year ended December 31, 2016. The temporarily restricted portion of the endowment has been appropriated.

	Board Designated Unrestricted	Donor Permanently Restricted	Total
Net assets, beginning of year	\$ 698,591	\$ 3,545,583	\$ 4,244,174
Interest and dividends	29,929	145,291	175,220
Net appreciation (depreciation)	11,174	122,276	133,450
Contributions	256,628	69,424	326,052
Amounts appropriated for expenditure	(4,678)	(201,830)	(206,508)
Other income	341	-	341
Net activity reclassified from temporarily restricted or unrestricted	-	(181,699)	(181,699)
Change in net assets	293,394	(46,538)	246,856
Endowment net assets, end of year	\$ 991,985	\$ 3,499,045	\$ 4,491,030

14. EMPLOYMENT AGREEMENTS

During 2008, the Foundation entered into an employment agreement with its former President. From 2009 to 2019 the former President will be employed full time as Senior Advisor to the President.

15. RELATED PARTY TRANSACTIONS

A member of the Board of Directors of the Foundation is a director of a local bank at which the Foundation and Affiliates maintain cash and investments comprising approximately 23% of the total combined cash and marketable securities balance at December 31, 2016. Investment manager fees paid by the Foundation and Affiliates to the bank were \$174,216 for the year ended December 31, 2016.

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

16. ASSETS HELD IN CHARITABLE REMAINDER TRUST

The Foundation was named remainder beneficiary of a charitable remainder unitrust in 2008. Under the terms of the split-interest agreement, the Foundation is designated as trustee, and will receive any remaining trust assets upon the death of the donors. In the interim, the Foundation is required to distribute to the donor-beneficiaries 7.5% of the fair market value of the trust's assets each year until death of the donors.

The trust assets are stated at their fair value at December 31, 2016 in the statement of financial position. The initial contribution in 2008 and the liability for future distributions were calculated using actuarial assumptions based upon the donor-beneficiaries' life expectancies and a 7.5% discount rate.

The change in the value of assets held in charitable remainder trust for 2016 is as follows:

Asset value at January 1, 2016	\$ 1,971,873
Increase in market value	118,882
Distributions to beneficiaries	<u>(147,890)</u>
Asset value at December 31, 2016	<u>\$ 1,942,865</u>

17. AGENCY FUNDS

From time to time, organizations provide funds to The Foundation for their own benefit. These transfers are considered reciprocal transactions under the accounting literature, and beginning in 2016 are recorded as a liability by the Foundation. The liability represents an obligation to pay specified future distributions. The Foundation's legal ownership of the funds is granted through variance power, and is governed by the gift instruments. The change in the agency liability for the year ended December 31, 2016 was:

Agency liability, beginning of year	\$ 1,686,302
Investment income, net	19,562
Gains, net	66,548
Distributions	<u>(67,359)</u>
Agency liability, end of year	<u>\$ 1,705,053</u>

(Continued)

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

NOTES TO COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2016

18. COMMITMENTS

The Burkitt Foundation entered into a Mediated Settlement Agreement dated September 17, 2009 which resolved, among other issues, an investigation of its activities by the Texas Attorney General. Pursuant to the Mediated Settlement Agreement, the Burkitt Foundation amended its Articles of Incorporation, Bylaws, Supporting Organization Agreement, Instrument of Gift and other documents as described therein. Pursuant to Section 5a of the Mediated Settlement Agreement, all Board members and directors of the Burkitt Foundation resigned effective October 13, 2009 and can never serve the Burkitt Foundation in any capacity again.

The present Burkitt Foundation directors and officers have no connection to the previous members, directors and officers and thus have no personal knowledge of the activities engaged in by the Burkitt Foundation prior to their respective appointment or election, and have not been made aware of any financial inaccuracies.

19. CONCENTRATIONS

The Foundation received a large contribution which comprised approximately 11% of total combined revenues for the year ended December 31, 2016.

20. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to reflect the effect of a cumulative agency fund liability of \$1,686,302 that should have been recorded in the statement of financial position at December 31, 2015.

21. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through September 20, 2017, the date on which the financial statements were available to be issued.

22. RISKS AND UNCERTAINTIES

Investments in marketable securities are subject to credit, interest and market risks. The Foundation's results of activities are materially affected by the U.S. and world economies. Economic factors such as inflation, energy costs, the cost and availability of credit, and the health of the U.S. mortgage market and U.S. real estate market affect the performance and marketability of marketable securities. The Foundation could incur significant losses during a prolonged market downturn.

SUPPLEMENTARY INFORMATION

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Independent Auditor's Report on Supplementary Information

To the Boards of Directors of
El Paso Community Foundation and Affiliates:

We have audited the combined financial statements of El Paso Community Foundation and Affiliates as of and for the year ended December 31, 2016, and have issued our report thereon dated September 20, 2017, which contained an unmodified opinion on those financial statements. We did not audit the financial statements of The Burkitt Foundation, a local affiliate, which statements reflect total assets of \$16,605,940 as of December 31, 2016 and total support and revenues of \$1,020,388 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Burkitt Foundation, is based solely on the report of the other auditors. Our audit was performed for the purpose of forming an opinion on the combined financial statements as a whole.

The following combining schedules are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gibson Ruddock Patterson LLC

El Paso, Texas,
September 20, 2017

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

ASSETS	El Paso Community Foundation	The Cardwell Foundation	The Burkitt Foundation	The J. Edward & Helen M.C. Stern Foundation	La Frontera Conservation Fund	El Paso Festivals, Inc.	Compañeros International	Border Art Residency	El Paso Museum of History Foundation	Love P.A.R.K. LLC	Eliminations	Combined
Current Assets:												
Cash and cash investments (including investment amounts held by custodians totaling \$ 4,607,667)	\$ 3,013,178	\$ 607,732	\$ 1,583,183	\$135,135	\$ 2,003	\$ 111,192	\$ 72,567	\$ 22,265	\$ 91,609	\$ 4,750	\$ -	\$ 5,643,614
Accounts receivable	46,855	-	18,916	-	-	1,000	-	-	-	-	(8,634)	58,137
Accrued interest and dividend receivable	174,812	43,668	30,586	13,363	-	-	-	-	-	-	-	262,429
Contributions receivable	512,500	-	-	-	-	-	29,114	-	-	-	(512,500)	29,114
Inventory	17,720	-	-	-	-	-	-	-	-	-	-	17,720
Other current assets	135,568	-	6,507	146	-	-	-	-	-	-	-	142,221
Total current assets	3,900,633	651,400	1,639,192	148,644	2,003	112,192	101,681	22,265	91,609	4,750	(521,134)	6,153,235
Noncurrent Assets:												
Investments - marketable securities	52,994,022	16,798,204	12,883,158	4,685,966	-	-	-	-	-	-	-	87,361,350
Investments in local businesses	145,833	-	-	-	-	-	-	-	-	-	-	145,833
Investment in land and mineral interests	-	-	2,083,590	-	1,262,115	-	-	-	-	-	-	3,345,705
Assets held in charitable remainder trust	1,942,865	-	-	-	-	-	-	-	-	-	-	1,942,865
Other investments	185,979	-	-	-	-	-	-	-	-	-	-	185,979
Contributions receivable	784,889	-	-	-	-	-	-	-	-	-	(725,000)	59,889
Property, furniture, and equipment (net of accumulated depreciation of \$768,908)	875,241	-	-	-	-	-	-	-	-	-	-	875,241
Other assets	158,012	-	-	-	-	-	-	-	-	-	-	158,012
Total noncurrent assets	57,086,841	16,798,204	14,966,748	4,685,966	1,262,115	-	-	-	-	-	(725,000)	94,074,874
Total assets	\$ 60,987,474	\$ 17,449,604	\$ 16,605,940	\$ 4,834,610	\$ 1,264,118	\$ 112,192	\$ 101,681	\$ 22,265	\$ 91,609	\$ 4,750	\$ (1,246,134)	\$ 100,228,109

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

	El Paso Community Foundation	The Cardwell Foundation	The Burkitt Foundation	The J. Edward & Helen M.C. Stern Foundation	La Frontera Conservation Fund	El Paso Festivals, Inc.	Compañeros International	Border Art Residency	El Paso Museum of History Foundation	Love P.A.R.K. LLC	Eliminations	Combined
LIABILITIES AND NET ASSETS												
Current Liabilities:												
Accounts payable and accrued liabilities	\$ 124,700	\$ -	\$ 3,392	\$ 4,040	\$ 8,402	\$ 232	\$ -	\$ -	\$ -	\$ -	\$ (8,634)	\$ 132,132
Note payable	10,998,523	-	-	-	-	-	-	-	-	-	-	10,998,523
Liability under charitable remainder trust - current portion	145,715	-	-	-	-	-	-	-	-	-	-	145,715
Grants payable - current portion	642,387	512,500	-	-	-	-	-	-	-	-	(512,500)	642,387
Total current liabilities	11,911,325	512,500	3,392	4,040	8,402	232	-	-	-	-	(521,134)	11,918,757
Noncurrent Liabilities:												
Deferred compensation	185,979	-	-	-	-	-	-	-	-	-	-	185,979
Liability under charitable remainder trust	1,171,211	-	-	-	-	-	-	-	-	-	-	1,171,211
Agency funds	1,705,053	-	-	-	-	-	-	-	-	-	-	1,705,053
Grants payable	625,000	725,000	-	-	-	-	-	-	-	-	(725,000)	625,000
Total noncurrent liabilities	3,687,243	725,000	-	-	-	-	-	-	-	-	(725,000)	3,687,243
Total liabilities	15,598,568	1,237,500	3,392	4,040	8,402	232	-	-	-	-	(1,246,134)	15,606,000
Net Assets:												
Unrestricted	1,579,605	16,212,104	16,602,548	4,830,570	1,255,716	63,433	101,681	22,265	86,129	4,750	-	40,758,801
Temporarily restricted	40,310,256	-	-	-	-	48,527	-	-	5,480	-	-	40,364,263
Permanently restricted	3,499,045	-	-	-	-	-	-	-	-	-	-	3,499,045
Total net assets	45,388,906	16,212,104	16,602,548	4,830,570	1,255,716	111,960	101,681	22,265	91,609	4,750	-	84,622,109
Total liabilities and net assets	\$ 60,987,474	\$ 17,449,604	\$ 16,605,940	\$ 4,834,610	\$ 1,264,118	\$ 112,192	\$ 101,681	\$ 22,265	\$ 91,609	\$ 4,750	\$ (1,246,134)	\$ 100,228,109

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	El Paso Community Foundation	The Cardwell Foundation	The Burkitt Foundation	The Walter Hightower Foundation	The J. Edward and Helen M.C. Stern Foundation	La Frontera Conservation Fund	El Paso Festivals, Inc.	Compañeros International	Border Art Residency	El Paso Museum of History Foundation	Love P.A.R.K., LLC	Newspaper Tree Corp.	Eliminations	Combined
Changes in unrestricted net assets:														
Revenues and support														
Contributions, gifts, and bequests	\$ 2,271,908	\$ -	\$ -	\$ -	\$ 8,053	\$ -	\$ 150,250	\$ 75,357	\$ 24,000	\$ -	\$ -	\$ -	\$ (2,128,026)	\$ 401,542
Non-cash contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income														
(net of trust administrative expenses)	264,418	284,678	217,976	66,490	108,140	-	-	-	-	84	-	-	-	941,786
Leases, rentals and royalty income	12,775	-	161,025	-	-	-	-	-	-	-	-	-	-	173,800
Realized gain (loss) on investments	378,649	177,548	14,457	619,714	(12,896)	-	-	-	-	-	-	-	-	1,177,472
Unrealized gain/(loss) on investments	167,562	494,573	626,930	(352,982)	115,546	-	-	-	-	-	-	-	-	1,051,629
Administrative fees	90,645	-	-	-	-	-	-	-	-	-	-	-	(50,000)	40,645
Project and other income	18,315	-	-	-	-	-	135,704	-	-	-	-	-	-	154,019
Net assets released from restrictions and reclassifications	3,102,697	-	-	-	-	-	50,099	-	-	76,529	-	-	(10,162,712)	(6,933,387)
Total revenues and support	6,306,969	956,799	1,020,388	333,222	218,843	-	336,053	75,357	24,000	76,613	-	-	(12,340,738)	(2,992,494)
Expenses														
Grants, awards and scholarships	3,748,260	1,511,602	732,132	10,877,014	202,500	-	150,000	75,357	6,000	-	246	1,709	(13,705,540)	3,599,280
Program expenses	3,177,331	15,125	20,114	29,300	4,443	398	122,620	320	17,590	78,103	-	1,010	(30,000)	3,436,354
Administrative expenses	659,425	-	68,439	-	-	-	-	-	-	-	-	-	(20,000)	707,864
Fundraising expenses	346,031	-	-	-	-	-	-	-	-	-	-	-	-	346,031
Total expenses	7,931,047	1,526,727	820,685	10,906,314	206,943	398	272,620	75,677	23,590	78,103	246	2,719	(13,755,540)	8,089,529
Change in unrestricted net assets	(1,624,078)	(569,928)	199,703	(10,573,092)	11,900	(398)	63,433	(320)	410	(1,490)	(246)	(2,719)	1,414,802	(11,082,023)
Changes in temporarily restricted net assets:														
Revenues and support														
Contributions, gifts, and bequests	3,855,923	-	-	-	-	-	98,626	-	-	66,488	-	-	(1,370,731)	2,650,306
Non-cash contributions	10,242,357	-	-	-	-	-	-	-	-	7,000	-	-	(10,206,783)	42,574
Investment income														
(net of trust administrative expenses)	707,278	-	-	-	-	-	-	-	-	-	-	-	-	707,278
Leases, rentals and royalty income	4	-	-	-	-	-	-	-	-	-	-	-	-	4
Realized gain (loss) on investments	624,848	-	-	-	-	-	-	-	-	-	-	-	-	624,848
Unrealized gain (loss) on investments	1,012,067	-	-	-	-	-	-	-	-	-	-	-	-	1,012,067
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project and other income	153,950	-	-	-	-	-	-	-	-	8,521	-	-	-	162,471
Net assets released from restrictions and reclassifications	(3,100,197)	-	-	-	-	-	(50,099)	-	-	(76,529)	-	-	10,315,399	7,088,574
Change in temporarily restricted net assets	13,496,230	-	-	-	-	-	48,527	-	-	5,480	-	-	(1,262,115)	12,288,122

See accompanying notes to financial statements.

EL PASO COMMUNITY FOUNDATION AND AFFILIATES

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	El Paso Community Foundation	The Cardwell Foundation	The Burkitt Foundation	The Walter Hightower Foundation	The J. Edward and Helen M.C. Stern Foundation	La Frontera Conservation Fund	El Paso Festivals, Inc.	Compañeros International	Border Art Residency	El Paso Museum of History Foundation	Love P.A.R.K., LLC	Newspaper Tree Corp.	Eliminations	Combined
Changes in permanently restricted net assets:														
Revenues and support														
Contributions, gifts, and bequests	69,424	-	-	-	-	-	-	-	-	-	-	-	-	69,424
Non-cash contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income (net of trust administrative expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leases, rentals and royalty income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Realized gain (loss) on investments and sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project and other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net reclassifications and transfers	(2,500)	-	-	-	-	-	-	-	-	-	-	-	(152,687)	(155,187)
Change in permanently restricted net assets	66,924	-	-	-	-	-	-	-	-	-	-	-	(152,687)	(85,763)
Total change in net assets	\$ 11,939,076	\$ (569,928)	\$ 199,703	\$ (10,573,092)	\$ 11,900	\$ (398)	\$ 111,960	\$ (320)	\$ 410	\$ 3,990	\$ (246)	\$ (2,719)	\$ -	\$ 1,120,336
Net assets at December 31, 2015	\$ 35,136,132	\$ 16,782,032	\$ 16,402,845	\$ 10,573,092	\$ 4,818,670	\$ 1,256,114	\$ -	\$ 102,001	\$ 21,855	\$ -	\$ 4,996	\$ 2,719	\$ -	\$ 85,100,456
Prior period adjustment	(1,686,302)	-	-	-	-	-	-	-	-	-	-	-	-	(1,686,302)
Net assets at December 31, 2015, restated	33,449,830	16,782,032	16,402,845	10,573,092	4,818,670	1,256,114	-	102,001	21,855	-	4,996	2,719	-	83,414,154
Cumulative prior net assets of affiliate	-	-	-	-	-	-	-	-	-	87,619	-	-	-	87,619
Current total change in net assets	11,939,076	(569,928)	199,703	(10,573,092)	11,900	(398)	111,960	(320)	410	3,990	(246)	(2,719)	-	1,120,336
Net assets at December 31, 2016	\$ 45,388,906	\$ 16,212,104	\$ 16,602,548	\$ -	\$ 4,830,570	\$ 1,255,716	\$ 111,960	\$ 101,681	\$ 22,265	\$ 91,609	\$ 4,750	\$ -	\$ -	\$ 84,622,109

See accompanying notes to financial statements.