

**GEORGETOWN BUSINESS  
IMPROVEMENT DISTRICT, INC.**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
SEPTEMBER 30, 2011 AND 2010**

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Board of Directors  
Georgetown Business Improvement District, Inc.

## Independent Auditors' Report

We have audited the accompanying statements of financial position of Georgetown Business Improvement District, Inc. (the Organization) as of September 30, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Georgetown Business Improvement District, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits for the years ended September 30, 2011 and 2010 in accordance with U.S. generally accepted auditing standards. These standards require that we plan and perform the audits 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 audits provide 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 Georgetown Business Improvement District, Inc. as of September 30, 2011 and 2010, and the results of its activities and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Georgetown Business Improvement District Inc. taken as a whole. The accompanying supplemental schedules of revenue and expenses by program have been presented for purposes of additional analysis and are 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.

*Secker & Associates, P.C.*

January 2, 2012  
Rockville, MD

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**September 30, 2011 and 2010**

|  | <b>2011</b>  | <b>2010</b>  |
|--|--------------|--------------|
| <u>ASSETS</u>                                  |              |              |
| Current assets:                                |              |              |
| Cash and equivalents                           | \$ 1,627,177 | \$ 1,349,414 |
| Investments                                    | 121,356      | 118,102      |
| Accounts receivable                            | 116,941      | 121,206      |
| Deposits in escrow                             | 745,621      | 802,766      |
| Prepaid expenses                               | 20,130       | 130,649      |
| Total current assets                           | 2,631,225    | 2,522,137    |
| Fixed assets:                                  |              |              |
| Leasehold improvements                         | -            | 4,437        |
| Office furniture and equipment                 | 71,048       | 42,327       |
| Project fixtures and equipment                 | 410,068      | 296,319      |
| Capitalized website costs                      | 33,222       | -            |
| Less accumulated depreciation and amortization | (334,021)    | (240,086)    |
| Net fixed assets                               | 180,317      | 102,997      |
| Total assets                                   | \$ 2,811,542 | \$ 2,625,134 |
| <u>LIABILITIES AND NET ASSETS</u>              |              |              |
| Liabilities:                                   |              |              |
| Current liabilities:                           |              |              |
| Accounts payable                               | \$ 188,023   | \$ 176,084   |
| Accrued vacation                               | 4,510        | 3,196        |
| Deferred revenue                               | 5,491        | 15,289       |
| Deferred rent credits                          | 36,472       | -            |
| Deferred BID tax assessments                   | 745,621      | 802,766      |
| Total liabilities                              | 980,117      | 997,335      |
| Net assets:                                    |              |              |
| Unrestricted                                   | 1,831,425    | 1,627,799    |
| Total liabilities and net assets               | \$ 2,811,542 | \$ 2,625,134 |

See accompanying notes and independent auditors' report.

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**

**STATEMENTS OF ACTIVITIES**

**For the Years Ended September 30, 2011 and 2010**

|                               | 2011         | 2010         |
|-------------------------------|--------------|--------------|
| Revenues:                     |              |              |
| Bid tax revenues              | \$ 3,177,475 | \$ 3,051,638 |
| Shuttle bus revenues          | -            | 1,592,238    |
| Investment income             | 20,046       | 18,569       |
| Events and other income       | 147,527      | 101,127      |
|                               | 3,345,048    | 4,763,572    |
| <br>Expenses:                 |              |              |
| Programs:                     |              |              |
| Marketing                     | 979,274      | 836,146      |
| Public Safety and Health      | 288,130      | 213,392      |
| Street Services               | 636,750      | 603,658      |
| Street Scape                  | 695,247      | 636,283      |
| Transportation                | -            | 1,527,511    |
| General BID Operations        | 447,085      | 290,503      |
|                               | 3,046,486    | 4,107,493    |
| Administration                | 94,936       | 98,975       |
|                               | 3,141,422    | 4,206,468    |
| Total expenses                |              |              |
|                               | 203,626      | 557,104      |
| Change in net assets          |              |              |
| Net assets, beginning of year | 1,627,799    | 1,070,695    |
| Net assets, end of year       | \$ 1,831,425 | \$ 1,627,799 |

See accompanying notes and independent auditors' report.

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended September 30, 2011 and 2010**

|   | 2011         | 2010         |
|---|--------------|--------------|
| Cash flows from operating activities:   |              |              |
| Change in net assets  | \$ 203,626   | \$ 557,104   |
| Adjustments to reconcile change in net assets<br>to net cash provided (used) by operating activities: |              |              |
| Depreciation  | 106,830      | 69,097       |
| Loss on Disposal of assets  | 6,041        | -            |
| Accounts receivable   | 4,265        | (84,320)     |
| Deposits in escrow  | 57,145       | 297,289      |
| Prepaid expenses  | 110,519      | (61,222)     |
| Accounts payable  | 11,939       | (31,569)     |
| Accrued vacation  | 1,314        | (2,140)      |
| Deferred revenue  | (9,798)      | (1,813)      |
| Deferred rent credits   | 36,472       | -            |
| Deferred BID tax revenue  | (57,145)     | (297,289)    |
| Net cash provided by operating activities   | 471,208      | 445,137      |
| Cash flows provided (used) by investing activities:   |              |              |
| Purchase of fixed assets  | (190,191)    | (29,541)     |
| Sale of investments   | -            | 113,866      |
| Purchase of investments   | (3,254)      | (118,102)    |
| Total cash flows (used) by investing activities   | (193,445)    | (33,777)     |
| Cash flows (used) by financing activities:  |              |              |
| Note payable  | -            | (59,160)     |
| Net increase in cash  | 277,763      | 352,200      |
| Cash, beginning of year   | 1,349,414    | 997,214      |
| Cash, end of year   | \$ 1,627,177 | \$ 1,349,414 |

See accompanying notes and independent auditors' report.

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2011 AND 2010**

**1. DESCRIPTION OF THE ORGANIZATION**

Georgetown Business Improvement District, Inc. (the Organization), formerly incorporated as the Georgetown Partnership is a nonprofit organization incorporated in 1996 under the laws of the District of Columbia and pursuant to District of Columbia law 11-134 (the Business Improvements Districts Act of 1996). Effective February 1, 1999 the Organization received from the Government of the District of Columbia its registered status as a business improvement district under the laws of the District of Columbia. The registration period of the Organization as a business improvement district is currently effective through September 30, 2014.

Owners of real estate used for business purposes and located within the Organization are subject to an annual real estate tax BID tax, which is collected by the District of Columbia and remitted to the Organization each month as it is collected.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The Organization prepares its annual financial statements on the accrual basis of accounting. Accordingly, revenue is recognized when earned, and expenses are recognized when incurred.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses

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

Cash and equivalents

For purposes of the statements of cash flows, the Organization considers all securities with an original maturity of three months or less to be cash equivalents. Securities with a maturity of more than three months are reported separately on the statement of financial position.

Income tax status

The Organization qualifies as a tax-exempt Organization under Section 501(c)(6) of the Internal Revenue Code.

Deposits in escrow

The Organization records assessment deposits received by the Government of the District of Columbia and held in trust for the Organization as deposits in escrow. Amounts in the deposit in escrow account that are for the subsequent year are also reported as a deferred BID tax assessment liability.

Fixed assets

Furniture and equipment are reported at cost. Assets with a cost of \$1,000 and a useful life of more than one year are capitalized. Certain streetscape improvements which may have a useful life of more than one year are expensed since their useful life cannot be reasonably estimated. Assets and leasehold improvements are depreciated over an estimated useful life of 3 to 10 years under the straight line method. Depreciation expense for the year ended September 30, 2011 and 2010 was \$106,830 and \$69,097, respectively.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets consist of the following categories:

Unrestricted net assets

Unrestricted funds represent resources over which the Board of Directors has discretionary control and are used to carry out operations of the Organization in accordance with its bylaws. The Organization has elected to report contributions which are released from restriction in the year received as unrestricted contributions.

Temporarily restricted net assets

Temporarily restricted funds represent contributions which have been restricted by donors for specific programs or activities. Temporarily restricted funds are reduced when the restrictions which have been met by the passage of time or expenditure of funds has been incurred. As of September 30, 2011 and 2010 there were no temporarily restricted net assets.

3. INVESTMENTS

Investments as of September 30, 2011 and 2010 were comprised of the following:

|   | <u>2011</u>       | <u>2010</u>       |
|---|-------------------|-------------------|
| Certificates of deposit, with a maturity date of more than three months | <u>\$ 121,356</u> | <u>\$ 118,102</u> |

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

4. DEFERRED REVENUE

Deferred revenue includes the following:

|  | <u>2011</u>       | <u>2010</u>       |
|--|-------------------|-------------------|
| Amounts received in advance for events                                 | \$ 5,491          | \$ 15,289         |
| Amounts received in advance for<br>subsequent year BID tax assessments | <u>745,621</u>    | <u>802,766</u>    |
| Total deferred revenue   | <u>\$ 751,112</u> | <u>\$ 818,055</u> |

5. OPERATING LEASES

In July 2009 the Organization extended its operating lease for office space. The lease required payments of \$2,536 per month and was terminated on August 31, 2011.

In July 2011 the Organization entered into an operating lease for office space. The lease requires payments of \$12,075 per month with an escalation of 2.5 percent each year thereafter plus a pro rata share of operating expenses and real estate taxes. The lease agreement also includes a rent abatement of the first six months rent. Accordingly, as of September 30, 2011 rent concession of \$36,472 has been recorded as rent expense and deferred rent credits.

In September 2009 the Organization entered into an operating lease for storage space beginning October 1, 2010. The lease required payments of \$860 per month and expired on September 30, 2011.

Total rent expense for office space and storage space for the years ended September 30, 2011 and 2010 were \$59,158 and \$32,429, respectively.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

5. OPERATING LEASES (CONTINUED)

In July 2009 the Organization entered into an operating lease for a copier. The agreement requires minimum monthly payments of \$291 for a period of 60 months beginning in July 2009.

Minimum future lease payments are as follows:

|                          |                     |
|--------------------------|---------------------|
| Year ended September 30, |                     |
| 2012                     | \$ 113,071          |
| 2013                     | 152,952             |
| 2014                     | 155,817             |
| 2015                     | 157,033             |
| 2016                     | 160,947             |
| 2017                     | 164,967             |
| 2018                     | <u>126,031</u>      |
| Total                    | <u>\$ 1,030,818</u> |

6. LINE OF CREDIT

In June 2011 the Organization renewed its line of credit in the amount of \$250,000 for a period of one year. Interest is charged at U.S. Prime with a minimum rate of 6%. The line of credit is collateralized by the assignment of a first lien on all business assets. During the years ended September 30, 2011 and 2010 no amounts were borrowed from the line of credit.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

7. COMMITMENTS

Landscape Services:

In April 2007 the Organization entered into an agreement to receive landscape management services. The agreement was for a period of three years. The total required payments are \$788,125 and were payable in installments every six months beginning in May 2007. Installment amounts began at \$125,000 and increase each year by five percent. In December 2009 the contract was terminated.

In January 2010 Organization entered into a new agreement to receive landscape management services. The agreement was for a period of 2 years. The agreement required monthly payments of \$14,311. The agreement terminated in December 2011.

The Organization has entered into an agreement to receive landscape services for a period of 24 months beginning in January 2012. The agreement requires total payments of \$382,000 over a period of 24 months.

Holiday Decorations:

In September 2008 the Organization entered into an agreement to receive holiday and winter decoration management services, including installation, removal and storage of lighting and landscape materials. The agreement was for a period of three years. Total required payments are \$742,968 and are payable in installments in July, October, and December of each year. The agreement was terminated in September 2011.

In November 2009 the Organization entered into a contract for the installation and take down of holiday trees. The agreement requires payments of \$24,000 and \$21,000 in fiscal years 2011 and 2010, respectively. The contract was renewed in November 2011 and requires payments of \$31,400 per year for a period of two years.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

7. COMMITMENTS (CONTINUED)

Holiday Decorations (Continued):

In October 2011 the Organization entered into an agreement to receive holiday and winter decoration management services, including installation, removal and storage of lighting and landscape materials. The agreement is for a period of one year and requires total payments of \$70,580.

DC Circulator Support:

In September 2011 and 2010 the Organization entered into an agreement to pay \$20,000 to the DC Circulator to support bus routes that run through the Georgetown BID area. As of September 30, 2011 and 2010 the remaining commitment was \$20,000 and \$20,000, respectively.

Street Services:

In December 2009 the Organization entered into a new contract to receive street services to clean and maintain the sidewalks and public areas in the Georgetown business district. The contract is for a period of two years. The contract requires a total payment of \$1,002,600 to be paid in 24 monthly installments.

Shuttle Bus Services:

In January 2009 the Organization entered into a new contract to receive bus service to and from the Georgetown business district for a period of 9 months, beginning in January 2009. As of September 30, 2009 the contract was renewable on a month to month basis. The contract required payments of \$133,933 per month. The contract was terminated as of August 31, 2010.

GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 AND 2010

7. COMMITMENTS (CONTINUED)

Pest Control Services:

In February 2010 the Organization entered into an agreement to receive pest control services. The agreement was renewed in for a period of 12 months 2011 and requires monthly payments of \$2,920.

Minimum payments for services for all commitments are as follows:

|                          |                   |
|--------------------------|-------------------|
| Year ended September 30, |                   |
| 2012                     | \$ 445,168        |
| 2013                     | 222,400           |
| 2014                     | <u>47,750</u>     |
| Total                    | <u>\$ 715,318</u> |

## **SUPPLEMENTAL SCHEDULES**

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**  
**SUPPLEMENTAL STATEMENT OF ACTIVITIES BY PROGRAM**

For the Year Ended September 30, 2011

|                                | Marketing           | Public Safety & Health | Street Services     | Street Scape        | General BID Operations | Total Programs    | Administration     | Total             |
|--------------------------------|---------------------|------------------------|---------------------|---------------------|------------------------|-------------------|--------------------|-------------------|
| <b>Revenues:</b>               |                     |                        |                     |                     |                        |                   |                    |                   |
| BID Tax Revenues               | \$ -                | \$ -                   | \$ -                | \$ -                | \$ 3,177,475           | \$ 3,177,475      | \$ -               | \$ 3,177,475      |
| Investment income              | -                   | -                      | -                   | -                   | 20,046                 | 20,046            | -                  | 20,046            |
| Events and other income        | 147,527             | -                      | -                   | -                   | -                      | 147,527           | -                  | 147,527           |
| <b>Total revenues</b>          | <b>147,527</b>      | <b>-</b>               | <b>-</b>            | <b>-</b>            | <b>3,197,521</b>       | <b>3,345,048</b>  | <b>-</b>           | <b>3,345,048</b>  |
| <b>Expenses:</b>               |                     |                        |                     |                     |                        |                   |                    |                   |
| Direct Program Expenses        | 668,583             | 206,578                | 563,596             | 512,590             | 41,861                 | 1,993,208         | -                  | 1,993,208         |
| Labor, taxes, and fringe       | 307,000             | 81,552                 | 72,784              | 86,960              | 122,718                | 671,014           | 34,027             | 705,041           |
| Special events                 | -                   | -                      | -                   | -                   | 20,000                 | 20,000            | -                  | 20,000            |
| Annual meeting                 | -                   | -                      | -                   | -                   | -                      | -                 | 17,763             | 17,763            |
| Annual report                  | -                   | -                      | -                   | -                   | 11,805                 | 11,805            | -                  | 11,805            |
| Board & governance             | -                   | -                      | -                   | -                   | -                      | -                 | 4,781              | 4,781             |
| Bank charges                   | -                   | -                      | -                   | -                   | 95                     | 95                | 1,229              | 1,324             |
| Contract labor                 | -                   | -                      | -                   | -                   | 5,029                  | 5,029             | -                  | 5,029             |
| Depreciation                   | 3,691               | -                      | 370                 | 95,697              | 7,072                  | 106,830           | -                  | 106,830           |
| Downtown Circulator            | -                   | -                      | -                   | -                   | 20,000                 | 20,000            | -                  | 20,000            |
| Blue Bus transition            | -                   | -                      | -                   | -                   | 3,830                  | 3,830             | -                  | 3,830             |
| Dues and subscriptions         | -                   | -                      | -                   | -                   | 19,465                 | 19,465            | -                  | 19,465            |
| Equipment maintenance          | -                   | -                      | -                   | -                   | 16,005                 | 16,005            | -                  | 16,005            |
| Insurance                      | -                   | -                      | -                   | -                   | 3,997                  | 3,997             | 6,264              | 10,261            |
| Loss on equipment              | -                   | -                      | -                   | -                   | 6,041                  | 6,041             | -                  | 6,041             |
| Miscellaneous other            | -                   | -                      | -                   | -                   | 1,187                  | 1,187             | -                  | 1,187             |
| Office move                    | -                   | -                      | -                   | -                   | -                      | -                 | 15,995             | 15,995            |
| Office supplies                | -                   | -                      | -                   | -                   | 3,375                  | 3,375             | -                  | 3,375             |
| Postage                        | -                   | -                      | -                   | -                   | 3,642                  | 3,642             | -                  | 3,642             |
| Printing                       | -                   | -                      | -                   | -                   | 100                    | 100               | -                  | 100               |
| Professional development       | -                   | -                      | -                   | -                   | 9,476                  | 9,476             | -                  | 9,476             |
| Professional fees              | -                   | -                      | -                   | -                   | 55,245                 | 55,245            | -                  | 55,245            |
| Rent                           | -                   | -                      | -                   | -                   | 64,024                 | 64,024            | -                  | 64,024            |
| Staff meetings and conferences | -                   | -                      | -                   | -                   | 23,929                 | 23,929            | -                  | 23,929            |
| Telephone                      | -                   | -                      | -                   | -                   | 7,016                  | 7,016             | -                  | 7,016             |
| Travel                         | -                   | -                      | -                   | -                   | 1,173                  | 1,173             | -                  | 1,173             |
| <b>Total expenses</b>          | <b>979,274</b>      | <b>288,130</b>         | <b>636,750</b>      | <b>695,247</b>      | <b>447,085</b>         | <b>3,046,486</b>  | <b>94,936</b>      | <b>3,141,422</b>  |
| <b>Change in net assets</b>    | <b>\$ (831,747)</b> | <b>\$ (288,130)</b>    | <b>\$ (636,750)</b> | <b>\$ (695,247)</b> | <b>\$ 2,750,436</b>    | <b>\$ 298,562</b> | <b>\$ (94,936)</b> | <b>\$ 203,626</b> |

See accompanying notes and independent auditors' report.

**GEORGETOWN BUSINESS IMPROVEMENT DISTRICT, INC.**  
**SUPPLEMENTAL STATEMENT OF ACTIVITIES BY PROGRAM**

For the Year Ended September 30, 2010

|                             | Marketing           | Public Safety & Health | Street Services     | Street Scape        | Transportation   | General BID Operations | Total Programs    | Administration     | Total             |
|-----------------------------|---------------------|------------------------|---------------------|---------------------|------------------|------------------------|-------------------|--------------------|-------------------|
| <b>Revenues:</b>            |                     |                        |                     |                     |                  |                        |                   |                    |                   |
| BID Tax Revenues            | \$ -                | \$ -                   | \$ -                | \$ -                | \$ -             | \$ 3,051,638           | \$ 3,051,638      | \$ -               | \$ 3,051,638      |
| Shuttle Bus Revenues        | -                   | -                      | -                   | -                   | 1,592,238        | -                      | 1,592,238         | -                  | 1,592,238         |
| Investment income           | -                   | -                      | -                   | -                   | -                | 18,569                 | 18,569            | -                  | 18,569            |
| Events and other income     | 101,127             | -                      | -                   | -                   | -                | -                      | 101,127           | -                  | 101,127           |
| <b>Total revenues</b>       | <b>101,127</b>      | <b>-</b>               | <b>-</b>            | <b>-</b>            | <b>1,592,238</b> | <b>3,070,207</b>       | <b>4,763,572</b>  | <b>-</b>           | <b>4,763,572</b>  |
| <b>Expenses:</b>            |                     |                        |                     |                     |                  |                        |                   |                    |                   |
| Direct Program Expenses     | 191,592             | 140,271                | 536,270             | 573,563             | 1,472,376        | 270                    | 2,914,342         | -                  | 2,914,342         |
| Labor, taxes, and fringe    | 306,102             | 73,121                 | 67,388              | 62,720              | 55,135           | 65,090                 | 629,556           | 24,408             | 653,964           |
| Special events              | 276,504             | -                      | -                   | -                   | -                | -                      | 276,504           | -                  | 276,504           |
| Annual Meeting              | -                   | -                      | -                   | -                   | -                | -                      | -                 | 27,824             | 27,824            |
| Bad debt expense            | -                   | -                      | -                   | -                   | -                | 3,300                  | 3,300             | -                  | 3,300             |
| Board & Governance          | -                   | -                      | -                   | -                   | -                | -                      | -                 | 6,554              | 6,554             |
| Bank charges                | -                   | -                      | -                   | -                   | -                | 608                    | 608               | -                  | 608               |
| Contract labor              | -                   | -                      | -                   | -                   | -                | 2,165                  | 2,165             | -                  | 2,165             |
| Depreciation                | 61,948              | -                      | -                   | -                   | -                | 7,149                  | 69,097            | -                  | 69,097            |
| Downtown Circulator         | -                   | -                      | -                   | -                   | -                | 20,000                 | 20,000            | -                  | 20,000            |
| Dues and subscriptions      | -                   | -                      | -                   | -                   | -                | 11,293                 | 11,293            | -                  | 11,293            |
| Equipment maintenance       | -                   | -                      | -                   | -                   | -                | 16,580                 | 16,580            | -                  | 16,580            |
| Hospitality                 | -                   | -                      | -                   | -                   | -                | 5,924                  | 5,924             | -                  | 5,924             |
| Insurance                   | -                   | -                      | -                   | -                   | -                | 1,899                  | 1,899             | 6,158              | 8,057             |
| Miscellaneous other         | -                   | -                      | -                   | -                   | -                | 51,114                 | 51,114            | -                  | 51,114            |
| Office Supplies             | -                   | -                      | -                   | -                   | -                | 4,297                  | 4,297             | -                  | 4,297             |
| Postage                     | -                   | -                      | -                   | -                   | -                | 4,290                  | 4,290             | -                  | 4,290             |
| Printing                    | -                   | -                      | -                   | -                   | -                | 1,104                  | 1,104             | -                  | 1,104             |
| Professional development    | -                   | -                      | -                   | -                   | -                | 1,676                  | 1,676             | -                  | 1,676             |
| Professional fees           | -                   | -                      | -                   | -                   | -                | 50,390                 | 50,390            | 34,131             | 84,521            |
| Rent                        | -                   | -                      | -                   | -                   | -                | 35,873                 | 35,873            | (100)              | 35,873            |
| Taxes                       | -                   | -                      | -                   | -                   | -                | -                      | -                 | -                  | (100)             |
| Telephone                   | -                   | -                      | -                   | -                   | -                | 6,495                  | 6,495             | -                  | 6,495             |
| Travel                      | -                   | -                      | -                   | -                   | -                | 986                    | 986               | -                  | 986               |
| <b>Total expenses</b>       | <b>836,146</b>      | <b>213,392</b>         | <b>603,658</b>      | <b>636,283</b>      | <b>1,527,511</b> | <b>290,503</b>         | <b>4,107,493</b>  | <b>98,975</b>      | <b>4,206,468</b>  |
| <b>Change in net assets</b> | <b>\$ (735,019)</b> | <b>\$ (213,392)</b>    | <b>\$ (603,658)</b> | <b>\$ (636,283)</b> | <b>\$ 64,727</b> | <b>\$ 2,779,704</b>    | <b>\$ 656,079</b> | <b>\$ (98,975)</b> | <b>\$ 557,104</b> |

See accompanying notes and independent auditors' report.