

**NATIONAL ALLIANCE ON MENTAL  
ILLNESS OF NEW YORK CITY, INC.**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**JUNE 30, 2017 AND 2016**

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**TABLE OF CONTENTS**

|   | <b>Page</b> |
|---|-------------|
| Independent Auditors' Report .....                              | 1-2         |
| Financial Statements  |             |
| Statements of Financial Position .....                          | 3           |
| Statements of Activities .....                                  | 4           |
| Statements of Cash Flows .....                                  | 5           |
| Notes to Financial Statements .....                             | 6-11        |
| Supplementary Information                                       |             |
| Independent Auditors' Report on Supplementary Information ..... | 13          |
| Schedule of Functional Expenses .....                           | 14          |



## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
National Alliance on Mental Illness of New York City, Inc.

We have audited the accompanying financial statements of National Alliance on Mental Illness of New York City, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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.

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 National Alliance on Mental Illness of New York City, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Lotz + Carr, LLP*

New York, New York  
January 9, 2018

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**JUNE 30, 2017 AND 2016**

|  | <b>2017</b>        | <b>2016</b>        |
|--|--------------------|--------------------|
| <b>Assets</b>  |                    |                    |
| Cash (Notes 1b and 8)  | \$ 423,470         | \$ 625,116         |
| Investments and cash and cash equivalents held for investment (Notes 1d, 1e and 3) | 408,263            | 397,298            |
| Unconditional promises to give (Notes 1c and 4)                                    |                    |                    |
| Unrestricted   | 345,691            | 168,529            |
| Restricted for future programs   | 22,500             | -                  |
| Prepaid expenses and other assets  | 22,972             | 117,679            |
| Property and equipment, at cost, net of accumulated depreciation (Notes 1f and 5)  | 47,774             | 28,040             |
| Security deposit   | 4,775              | 4,775              |
| <br>   |                    |                    |
| <b>Total Assets</b>  | <b>\$1,275,445</b> | <b>\$1,341,437</b> |
| <br>   |                    |                    |
| <b>Liabilities and Net Assets</b>  |                    |                    |
| Liabilities  |                    |                    |
| Accounts payable and accrued expenses  | \$ 72,792          | \$ 42,306          |
| Deferred revenue (Note 1g)   | 16,500             | 15,000             |
| Total Liabilities  | 89,292             | 57,306             |
| <br>   |                    |                    |
| Commitments and Contingency (Notes 6 and 9)  |                    |                    |
| <br>   |                    |                    |
| Net Assets   |                    |                    |
| Unrestricted   |                    |                    |
| Other  | 696,059            | 800,565            |
| Board designated (Note 2a)   | 300,000            | 300,000            |
| Total Unrestricted   | 996,059            | 1,100,565          |
| Temporarily restricted (Note 2b)   | 190,094            | 183,566            |
| Total Net Assets   | 1,186,153          | 1,284,131          |
| <br>   |                    |                    |
| <b>Total Liabilities and Net Assets</b>  | <b>\$1,275,445</b> | <b>\$1,341,437</b> |

See notes to financial statements.

## NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.

## STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2017 AND 2016

|  | 2017              |                        |                    | 2016                |                        |                    |
|--|-------------------|------------------------|--------------------|---------------------|------------------------|--------------------|
|  | Unrestricted      | Temporarily Restricted | Total              | Unrestricted        | Temporarily Restricted | Total              |
| <b>Changes in Net Assets</b>   |                   |                        |                    |                     |                        |                    |
| Revenue and Public Support   |                   |                        |                    |                     |                        |                    |
| Grants and contributions (Note 1a)   | \$ 655,772        | \$ 82,500              | \$ 738,272         | \$ 742,802          | \$ 60,000              | \$ 802,802         |
| Special events (Note 7)  | 991,768           | -                      | 991,768            | 908,373             | -                      | 908,373            |
| Less: Direct expenses and revenue sharing                                    | (147,375)         | -                      | (147,375)          | (170,414)           | -                      | (170,414)          |
| Membership dues  | 2,893             | -                      | 2,893              | 2,432               | -                      | 2,432              |
| Investment income (Note 3)   | 1,943             | -                      | 1,943              | 118                 | -                      | 118                |
| Net assets released from restrictions  | 47,962            | (47,962)               | -                  | 10,028              | (10,028)               | -                  |
| <b>Total Revenue and Public Support</b>                                      | <b>1,552,963</b>  | <b>34,538</b>          | <b>1,587,501</b>   | <b>1,493,339</b>    | <b>49,972</b>          | <b>1,543,311</b>   |
| Expenses Before Special Projects   |                   |                        |                    |                     |                        |                    |
| Program Services   | 1,175,841         | -                      | 1,175,841          | 1,086,838           | -                      | 1,086,838          |
| Supporting Services  |                   |                        |                    |                     |                        |                    |
| Management and general   | 230,375           | -                      | 230,375            | 191,910             | -                      | 191,910            |
| Fundraising  | 250,726           | -                      | 250,726            | 227,517             | -                      | 227,517            |
| Total Supporting Services  | 481,101           | -                      | 481,101            | 419,427             | -                      | 419,427            |
| <b>Total Expenses Before Special Projects</b>                                | <b>1,656,942</b>  | <b>-</b>               | <b>1,656,942</b>   | <b>1,506,265</b>    | <b>-</b>               | <b>1,506,265</b>   |
| Increase (Decrease) in Net Assets Before Other Revenue, Support and Expenses | (103,979)         | 34,538                 | (69,441)           | (12,926)            | 49,972                 | 37,046             |
| Other Revenue, Support and Expenses  |                   |                        |                    |                     |                        |                    |
| Special Projects   |                   |                        |                    |                     |                        |                    |
| Grants and contributions   | -                 | -                      | -                  | 145,990             | 122,860                | 268,850            |
| Net assets released from restrictions  | 28,010            | (28,010)               | -                  | -                   | -                      | -                  |
| Expenses   | (28,537)          | -                      | (28,537)           | (115,446)           | -                      | (115,446)          |
| Grant - capital project  | -                 | -                      | -                  | 45,000              | -                      | 45,000             |
| Bequest from estate  | -                 | -                      | -                  | 91,010              | -                      | 91,010             |
| Increase (decrease) in net assets  | (104,506)         | 6,528                  | (97,978)           | 153,628             | 172,832                | 326,460            |
| Net assets, beginning of year  | 1,100,565         | 183,566                | 1,284,131          | 946,937             | 10,734                 | 957,671            |
| <b>Net Assets, End of Year</b>   | <b>\$ 996,059</b> | <b>\$ 190,094</b>      | <b>\$1,186,153</b> | <b>\$ 1,100,565</b> | <b>\$ 183,566</b>      | <b>\$1,284,131</b> |

See notes to financial statements.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2017 AND 2016**

|  | <b>2017</b>       | <b>2016</b>       |
|--|-------------------|-------------------|
| <b>Cash Flows From Operating Activities</b>  |                   |                   |
| Increase (decrease) in net assets  | \$ (97,978)       | \$ 326,460        |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: |                   |                   |
| Depreciation   | 25,266            | 10,168            |
| Net realized and unrealized gains on investments   | (616)             | (59)              |
| Grant - capital project  | -                 | (45,000)          |
| (Increase) decrease in:  |                   |                   |
| Unconditional promises to give   | (199,662)         | (57,999)          |
| Prepaid expenses and other assets  | 94,707            | (100,821)         |
| Increase (decrease) in:  |                   |                   |
| Accounts payable and accrued expenses  | 30,486            | (18,989)          |
| Deferred revenue   | 1,500             | 15,000            |
| Net Cash Provided (Used) By Operating Activities   | (146,297)         | 128,760           |
| <br><b>Cash Flows From Investing Activities</b>  |                   |                   |
| Purchases of investments   | (759,984)         | (250,000)         |
| Proceeds from sale of investments  | 749,635           | 249,941           |
| Purchases of property and equipment  | (45,000)          | -                 |
| Grant - capital project  | -                 | 45,000            |
| Net Cash Provided (Used) By Investing Activities   | (55,349)          | 44,941            |
| <br>Net increase (decrease) in cash  | (201,646)         | 173,701           |
| Cash, beginning of year  | 625,116           | 451,415           |
| <br><b>Cash, End of Year</b>   | <b>\$ 423,470</b> | <b>\$ 625,116</b> |

See notes to financial statements.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017 AND 2016****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

National Alliance on Mental Illness of New York City, Inc. (the "Organization") is a grassroots organization that provides support, education and advocacy for families and individuals of all ethnic and socio-economic backgrounds who live with mental illness. As one of the largest affiliates of the National Alliance on Mental Illness, it works collaboratively with state and national affiliates and other stakeholders in the community to educate the public, advocate for legislation, reduce stigma and improve the mental health system.

In 2017 and 2016, contributions of approximately 34% and 26%, respectively, of the total revenue and public support were received from the New York City Department of Health and Mental Hygiene.

**b - Cash**

For purposes of the statement of cash flows, the Organization considers all highly liquid debt investments, purchased with a maturity of 3 months or less to be cash equivalents, except for those short term investments managed as part of their long term investment strategies.

**c - Unconditional Promises to Give and Contributions**

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

**d - Investments and Cash and Cash Equivalents Held for Investment**

The Organization reflects investments at fair value in the statement of financial position.

Interest, dividends and gains and losses on investments are reflected in the statement of activities as increases and decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. Gains and other investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.



**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2017 AND 2016****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****e - Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-based measurement. Generally accepted accounting principles establish a framework for measuring fair value which maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those the market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset developed based on the best information available in the circumstances. Fair value measurements are categorized into three levels as follows:

- Level 1     Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2     Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3     Inputs that are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**f - Property and Equipment**

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets.

**g - Deferred Revenue**

Revenue received for a future special event has been reflected as deferred revenue.

**h - Financial Statement Presentation**

The Organization 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.

**i - Estimates**

The preparation of financial statements in conformity with 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.

NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**

j - Tax Status

The Organization is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

k - Subsequent Events

The Organization has evaluated subsequent events through January 9, 2018, the date that the financial statements are considered available to be issued.

**Note 2 - Restriction on Net Assets**

a - Board Designated

Certain unrestricted net assets have been designated by the Board of Directors for special purposes as follows:

|                             |                  |
|-----------------------------|------------------|
| Rent fund                   | \$100,000        |
| Emergency operating reserve | <u>200,000</u>   |
| Total                       | <u>\$300,000</u> |

b - Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for future periods and programs, as indicated by the donors.

**Note 3 - Investments and Cash and Cash Equivalents Held for Investment**

Investments and cash and cash equivalents held for investment are reflected at fair value and consist of the following:

|                           | <u>2017</u>      | <u>2016</u>      |
|---------------------------|------------------|------------------|
| Cash and cash equivalents | \$147,614        | \$147,263        |
| Certificates of deposit   | 249,963          | 250,305          |
| Equity funds              | <u>10,686</u>    | <u>-</u>         |
|                           | <u>\$408,263</u> | <u>\$397,568</u> |

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017 AND 2016**

**Note 3 - Investments and Cash and Cash Equivalents Held for Investment (continued)**

At June 30, 2017 and 2016, the cost of the investments approximated fair value. All investments are classified as level one of the fair value hierarchy.

Investment income consists of the following:

|                                   | <u>2017</u>    | <u>2016</u>  |
|-----------------------------------|----------------|--------------|
| Interest and dividends            | \$1,327        | \$ 59        |
| Net realized and unrealized gains | <u>616</u>     | <u>59</u>    |
|                                   | <u>\$1,943</u> | <u>\$118</u> |

**Note 4 - Unconditional Promises to Give**

Unconditional promises to give are due within one year. Uncollectible promises to give are expected to be insignificant.

**Note 5 - Property and Equipment**

Property and equipment consists of the following:

|                                | <u>Life</u> | <u>2017</u>      | <u>2016</u>      |
|--------------------------------|-------------|------------------|------------------|
| Computers and office equipment | 5 years     | \$ 60,055        | \$ 60,055        |
| Furniture and fixtures         | 7 years     | 25,797           | 25,797           |
| Leasehold improvements         | 5-7 years   | 79,441           | 79,441           |
| Database                       | 5 years     | 65,000           | 65,000           |
| Website                        | 3 years     | <u>45,000</u>    | <u>-</u>         |
|                                |             | 275,293          | 230,293          |
| Less: Accumulated depreciation |             | <u>(227,519)</u> | <u>(202,253)</u> |
| Net                            |             | <u>\$ 47,774</u> | <u>\$ 28,040</u> |

Depreciation expense for the years ended June 30, 2017 and 2016 was \$25,266 and \$10,168, respectively.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017 AND 2016**

**Note 6 - Commitment and Contingency**

a - The Organization occupies office space under a lease that provides for monthly payments through October 2018. Minimum future lease payments are as follows:

|                                      |          |
|--------------------------------------|----------|
| Year ending June 30, 2018            | \$93,121 |
| Thereafter, through October 31, 2018 | 31,295   |

Rent expense for the years ended June 30, 2017 and 2016 was \$90,850 and \$88,634, respectively.

b - Government grants are subject to audit by the appropriate granting agency.

c - The Organization's Board of Directors implemented a number of special projects in 2016 and 2017. The CEO Summit and Managed Care ended in 2016. The income and expenses relating to these special projects are outside the scope of the Organization's core projects and are reflected as other revenue, support and expenses on the statements of activities.

**Note 7 - Special Events**

Special events have been reflected net of direct expenses and revenue sharing as follows:

|   | <u>2017</u>      | <u>2016</u>      |
|---|------------------|------------------|
| Special events, including contributions and revenue | \$991,768        | \$908,373        |
| Less: Expenses directly benefiting donors           | (147,375)        | (157,799)        |
| Less: Revenue sharing with other organizations      | <u>-</u>         | <u>(12,615)</u>  |
|   | <u>\$844,393</u> | <u>\$737,959</u> |

**Note 8 - Concentration of Credit Risk**

The Organization maintains its cash balance in one financial institution located in New York. The account at this institution is insured up to the limits established by the Federal Deposit Insurance Corporation and other agencies.

**NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2017 AND 2016**

**Note 9 - Retirement Plan**

The Organization maintains a tax deferred annuity plan on behalf of its employees. The participating employees may contribute up to the statutory maximum. The amount of the Organization's contribution is discretionary and is to be determined by the Organization each year. The contributions made by the Organization for the years ended June 30, 2017 and 2016 were \$4,102 and \$3,234, respectively.

**Note 10 - Functional Allocation of Expenses**

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

**Note 11 - Expenses by Functional Classification**

Expenses by functional classification for fiscal 2017 and 2016 are as follows:

|                                  | <u>2017</u>        | <u>2016</u>        |
|----------------------------------|--------------------|--------------------|
| Expenses before special projects | \$1,656,942        | \$1,506,265        |
| Special Projects                 | <u>28,537</u>      | <u>115,446</u>     |
|                                  | <u>\$1,685,479</u> | <u>\$1,621,711</u> |
| <br>                             |                    |                    |
| Program Services                 | <u>\$1,204,378</u> | <u>\$1,202,284</u> |
| Supporting Services              |                    |                    |
| Management and general           | 230,375            | 191,910            |
| Fundraising                      | <u>250,726</u>     | <u>227,517</u>     |
| Total Supporting Services        | <u>481,101</u>     | <u>419,427</u>     |
| <br>                             |                    |                    |
| Total Expenses                   | <u>\$1,685,479</u> | <u>\$1,621,711</u> |

**SUPPLEMENTARY INFORMATION**



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**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors of  
National Alliance on Mental Illness of New York City, Inc.

We have audited the financial statements of National Alliance on Mental Illness of New York City, Inc. as of and for the years ended June 30, 2017 and 2016, and our report thereon dated January 9, 2018, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses for the year ended June 30, 2017 with comparative totals for 2016 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 audits 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.

*Lutz + Carr, LLP*

New York, New York  
January 9, 2018

## NATIONAL ALLIANCE ON MENTAL ILLNESS OF NEW YORK CITY, INC.

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2017 WITH COMPARATIVE TOTALS FOR 2016

|  | Program<br>Services | Supporting Services       |                   | 2017               | 2016               |
|--|---------------------|---------------------------|-------------------|--------------------|--------------------|
|  |                     | Management<br>and General | Fundraising       | Total<br>Expenses  | Total<br>Expenses  |
| Salaries                               | \$ 523,334          | \$ 61,686                 | \$ 45,706         | \$ 630,726         | \$ 611,731         |
| Payroll taxes and employee benefits    | 118,420             | 13,959                    | 10,343            | 142,722            | 127,175            |
|  | <u>641,754</u>      | <u>75,645</u>             | <u>56,049</u>     | <u>773,448</u>     | <u>738,906</u>     |
| Special events, indirect expenses      | 11,677              | -                         | 140,891           | 152,568            | 155,735            |
| Professional fees                      | 300,045             | 71,824                    | -                 | 371,869            | 276,095            |
| Equipment rental and maintenance       | 23,090              | 6,513                     | -                 | 29,603             | 27,496             |
| Supplies                               | 22,345              | 5,438                     | 2,185             | 29,968             | 31,951             |
| Occupancy                              | 95,305              | 26,169                    | -                 | 121,474            | 114,136            |
| Travel                                 | 8,417               | 1,814                     | 30                | 10,261             | 27,860             |
| Insurance                              | 12,356              | 3,083                     | -                 | 15,439             | 19,322             |
| Telephone and computer software        | 31,575              | 8,658                     | -                 | 40,233             | 54,542             |
| Postage                                | 6,832               | 1,654                     | 467               | 8,953              | 9,122              |
| Office expenses                        | 14,507              | 11,011                    | 41,716            | 67,234             | 37,521             |
| Payment to affiliates                  | -                   | -                         | -                 | -                  | 2,589              |
| Miscellaneous                          | 238                 | 1,000                     | 9,388             | 10,626             | 822                |
| Depreciation                           | 7,700               | 17,566                    | -                 | 25,266             | 10,168             |
| Total expenses before special projects | 1,175,841           | 230,375                   | 250,726           | 1,656,942          |                    |
| Special projects                       | 28,537              | -                         | -                 | 28,537             |                    |
| Total Expenses, 2017                   | <u>\$1,204,378</u>  | <u>\$ 230,375</u>         | <u>\$ 250,726</u> | <u>\$1,685,479</u> |                    |
| Total expenses before special projects | \$1,086,838         | \$ 191,910                | \$ 227,517        |                    | 1,506,265          |
| Special projects                       | 115,446             | -                         | -                 |                    | 115,446            |
| Total Expenses, 2016                   | <u>\$1,202,284</u>  | <u>\$ 191,910</u>         | <u>\$ 227,517</u> |                    | <u>\$1,621,711</u> |

See independent auditors' report on supplementary information.