Report of Independent Auditors and
Financial Statements with Supplementary Information

Fresno's Chaffee Zoo Corporation

December 31, 2019 with Summarized Comparative Information
for the Year Ended December 31, 2018

MOSSADAMS

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Report of Independent Auditors

The Board of Directors
Fresno's Chaffee Zoo Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Fresno's Chaffee Zoo Corporation (the "Corporation"), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation'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 Corporation'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 the Corporation as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Adjustment to Prior Period Financial Statements

The financial statements and supplementary information of the Corporation as of December 31, 2017, were audited by other auditors whose report dated June 13, 2018, expressed an unmodified opinion of those statements. As discussed in Note 2, the Corporation has restated its December 31, 2017 financial statements to record membership revenue in accordance with accounting principles generally accepted in the United States of America. The other auditors reported on the 2017 financial statements before the restatement. Our opinion is not modified in respect to this matter

As part of our audit of the 2018 financial statements, we also audited the adjustment described in Note 2 that was applied to restate the financial statements at December 31, 2017. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2017 financial statements of the Corporation other than with respect to the adjustment and, accordingly, we do not express an opinion or any other firm of assurance on the 2017 financial statements as a whole.

Adoption of New Accounting Pronouncements

As discussed in Note 1 to the financial statements, in 2019, the Corporation adopted Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers,* and Accounting Standards Update 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

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

Summarized Comparative Information

We have previously audited the Corporation's 2018 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated July 26, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Moss Adams LLP

Fresno, California
June 18, 2020

Financial Statements

Fresno's Chaffee Zoo Corporation
Statement of Financial Position
December 31, 2019
(with Summarized Financial Information as of December 31, 2018)

	Without donor restrictions	With donor restrictions	Total 2019	Total 2018
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 150,255	$ 985,858	$ 1,136,113	$ 1,500,880
Investments	12,198,441	69,938	12,268,379	10,170,371
Accounts receivable	1,346,404	-	1,346,404	1,367,283
Pledges receivable	-	60,000	60,000	-
Prepaid expenses	210,225	-	210,225	153,450
Total current assets	13,905,325	1,115,796	15,021,121	13,191,984
COLLECTIONS (Note 1)				
PLEDGES RECEIVABLE	-	105,157	105,157	-
EQUIPMENT AND FACILITIES, NET	70,845,925	-	70,845,925	70,655,467
OTHER ASSETS	103,829	-	103,829	115,366
Total assets	$ 84,855,079	$ 1,220,953	$ 86,076,032	$ 83,962,817
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	$ 1,154,416	$ -	$ 1,154,416	$ 1,744,615
Accrued expenses	1,098,120	-	1,098,120	741,344
Deferred revenue	929,029	-	929,029	691,250
Loans and contract payable	602,334	-	602,334	612,810
Total current liabilities	3,783,899	-	3,783,899	3,790,019
COMMITMENTS AND CONTINGENCIES (Note 12)				
NET ASSETS				
Without donor restrictions				
Undesignated	73,864,739	-	73,864,739	74,194,247
Board designated	7,206,441	-	7,206,441	4,949,657
Total without donor restrictions	81,071,180	-	81,071,180	79,143,904
With donor restrictions	-	1,220,953	1,220,953	1,028,894
Total net assets	81,071,180	1,220,953	82,292,133	80,172,798
Total liabilities and net assets	$ 84,855,079	$ 1,220,953	$ 86,076,032	$ 83,962,817

See accompanying notes.

Fresno's Chaffee Zoo Corporation
Statement of Activities
Year Ended December 31, 2019
(with Summarized Financial Information for the Year Ended December 31, 2018)

	Without donor restrictions	With donor restrictions	Total 2019	Total 2018
REVENUE, SUPPORT, AND GAINS				
REVENUE				
Admissions	$ 5,447,893	$ -	$ 5,447,893	$ 5,014,526
Merchandise, food, and beverage	1,875,885	-	1,875,885	1,810,230
Membership	1,782,001	-	1,782,001	1,418,912
Special events	717,595	-	717,595	837,751
Education	488,423	-	488,423	471,931
Other	166,500	-	166,500	34,500
Total revenue	10,478,297	-	10,478,297	9,587,850
SUPPORT				
Measure Z (for capital projects)	3,790,238	-	3,790,238	5,069,236
Measure Z (for facility operations)	5,085,421	-	5,085,421	4,405,689
Contributions	325,779	323,176	648,955	810,639
Total support	9,201,438	323,176	9,524,614	10,285,564
OTHER INCOME (EXPENSE)				
Investment income, net	564,417	3,350	567,767	514,495
Net investment gains (losses)	1,489,791	8,647	1,498,438	(1,207,857)
Other income	39,776	-	39,776	197,174
Total other income (expense)	2,093,984	11,997	2,105,981	(496,188)
TOTAL ASSETS RELEASED FROM RESTRICTIONS	143,114	(143,114)	-	-
Total revenue, support, and gains	21,916,833	192,059	22,108,892	19,377,226
EXPENSES				
Program services	16,989,675	-	16,989,675	15,712,436
Management and general	2,560,938	-	2,560,938	2,319,698
Fundraising	438,944	-	438,944	400,762
Total expenses	19,989,557	-	19,989,557	18,432,896
CHANGE IN NET ASSETS	$ 1,927,276	$ 192,059	$ 2,119,335	$ 944,330

See accompanying notes.

Fresno's Chaffee Zoo Corporation
Statement of Changes in Net Assets
Year Ended December 31, 2019
(with Summarized Financial Information for the Year Ended December 31, 2018)

	Without donor restrictions	With donor restrictions	Total	
			2019	2018
NET ASSETS, beginning of year (and as restated in 2018, see Note 2)	$ 79,143,904	$ 1,028,894	$ 80,172,798	$ 79,228,468
CHANGE IN NET ASSETS	1,927,276	192,059	2,119,335	944,330
NET ASSETS, end of year	$ 81,071,180	$ 1,220,953	$ 82,292,133	$ 80,172,798

See accompanying notes.

Fresno's Chaffee Zoo Corporation
Statement of Functional Expenses
Year Ended December 31, 2019
(with Summarized Financial Information for the Year Ended December 31, 2018)

	Program Services	Management and General	Fundraising	Total 2019	Total 2018
Advertising	$ 323,031	$ 60,569	$ 20,190	$ 403,790	$ 406,401
Animal services	533,569	-	-	533,569	543,928
Bank and credit card fees	119,021	22,317	7,439	148,777	193,766
Community support	-	-	-	-	25,500
Conservation	173,001	-	-	173,001	195,921
Contracted services	391,621	73,429	24,476	489,526	674,594
Depreciation and amortization	4,223,144	86,187	-	4,309,331	4,097,426
Dues and subscriptions	39,652	7,435	2,478	49,565	42,074
Equipment expense	663,054	124,323	41,441	828,818	239,104
Event expense	527,500	98,906	32,969	659,375	688,656
Fleet expense	30,675	5,752	1,917	38,344	26,605
Food and catering	23,680	4,440	1,480	29,600	30,953
Insurance	158,581	29,734	9,911	198,226	181,504
Interest	17,937	-	-	17,937	9,212
Information technology	79,455	14,898	4,966	99,319	85,543
Mileage, tolls and parking	1,531	287	96	1,914	1,036
Miscellaneous	7,770	1,457	486	9,713	11,621
Office supplies	13,192	2,473	824	16,489	19,899
Personnel	7,659,198	1,723,320	191,480	9,573,998	8,501,375
Postage	35,924	6,736	2,245	44,905	43,251
Printing	89,448	16,771	5,590	111,809	137,224
Professional services	213,391	40,011	13,337	266,739	260,086
Recognition	7,886	1,479	493	9,858	5,302
Recruiting	11,557	2,167	722	14,446	17,801
Repairs and maintenance	387,250	-	-	387,250	393,853
Signage	36,467	6,837	2,279	45,583	39,066
Specialized services	16,459	3,086	1,029	20,574	24,691
Staff development	60,230	13,552	1,506	75,288	127,468
Supplies	339,317	63,622	21,207	424,146	418,710
Telephone	37,280	6,990	2,330	46,600	50,013
Uniforms	25,667	4,812	1,604	32,083	44,825
Utilities	738,880	138,540	46,180	923,600	885,060
Other	4,307	808	269	5,384	10,428
Total expenses, year ended December 31, 2019	$ 16,989,675	$ 2,560,938	$ 438,944	$ 19,989,557	
Total expenses, year ended December 31, 2018	$ 15,712,436	$ 2,319,698	$ 400,762		$ 18,432,896

Fresno's Chaffee Zoo Corporation
Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,119,335	$ 944,330
Adjustments to reconcile change in net assets to net cash and cash equivalents from operating activities:		
Depreciation and amortization	4,309,331	4,097,426
Net investment (gains) losses	(1,498,438)	1,207,857
Changes in assets and liabilities:		
Accounts receivable	20,879	(654,144)
Pledges receivable	(165,157)	5,837
Prepaid expenses	(56,775)	(91,375)
Accounts payable	(590,199)	1,121,963
Accrued expenses	356,776	72,289
Deferred revenue	237,779	198,223
Net cash and cash equivalents from operating activities	4,733,531	6,902,406
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and facilities	(4,488,252)	(6,182,341)
Purchase of investments	(1,569,588)	(4,562,972)
Proceeds from sale of investments	970,018	4,668,585
Net cash and cash equivalents from investing activities	(5,087,822)	(6,076,728)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings under loans and contract	2,373,344	1,548,802
Principal payments on loans and contract	(2,383,820)	(1,462,613)
Net cash and cash equivalents from financing activities	(10,476)	86,189
NET CHANGE IN CASH AND CASH EQUIVALENTS	(364,767)	911,867
CASH AND CASH EQUIVALENTS, beginning of year	1,500,880	589,013
CASH AND CASH EQUIVALENTS, end of year	$ 1,136,113	$ 1,500,880
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ 17,937	$ 9,212
NON-CASH TRANSACTIONS:		
Donated materials and services	$ 65,359	$ 94,379
Purchase of equipment through assumption of contract payable	$ -	$ 276,166
Transfer of construction in progress to equipment and facilities	$ 5,888,530	$ 3,316,460

See accompanying notes.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fresno's Chaffee Zoo Corporation (the "Corporation") was formed as a not-for-profit public benefit corporation in 2005, under the laws of the State of California. The Fresno Chaffee Zoo (the "Zoo") is an animal exhibition and care facility located in Fresno, California. Pursuant to a lease agreement dated January 1, 2006, between the City of Fresno (the "City") and the Corporation, the City transferred management and financial responsibility for the Zoo to the Corporation. The Corporation operates and maintains the facility and operates the programs to support wildlife conservation, education, and professional animal management in the community.

The Corporation's main revenue sources can be grouped into two categories: earned revenues (including revenue from the sale of admission tickets, entrance fees for special exhibits and animal feeding experiences, membership dues, commissions from food service and retail sales, special events income, and education program fees) and public support (including contributions made by donors, and support received from Measure Z, a transactions and use tax levied at the rate of 0.1%, collected in Fresno County).

Basis of accounting – The Corporation prepares its financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred regardless of the timing of cash flows.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of presentation – Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Without Donor Restrictions – Net assets not subject to use or time restrictions. A portion of these net assets may be designated by the Board of Directors for specific purposes.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Corporation. The donors of these assets permit the Corporation to use all of the income earned on related investments for general or specific purposes. Net assets with donor restrictions also include net assets subject to donor-imposed stipulations that may or will be met by actions of the Corporation and/or the passage of time.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

New accounting pronouncements – On January 1, 2018, the Corporation adopted ASU 2016-14 under ASC Topic 958, *Not-for-Profit Entities: Presentation of Financial Statements for Not-for-Profit Entities*. This standard is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses. The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the statement of financial position date, and expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions and underwater endowments. The adoption of this standard did not have a significant impact on the Corporation's financial position, results of operations, or cash flows. No changes were required to previously reported transactions as a result of the adoption.

On January 1, 2019, the Corporation adopted Accounting Standards Update (ASU) 2014-09 and other subsequently issued ASUs under Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*, which provides a single comprehensive accounting standard for revenue recognition for contracts with customers and supersedes current industry-specific guidance. The new standard requires companies to recognize revenue when control of promised goods or services is transferred to customers at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for the goods or services. The new model requires companies to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time for each of these obligations. The new standard also significantly expands disclosure requirements regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The standard is effective for annual periods beginning after December 15, 2018, and as such, the Corporation adopted the new standard effective January 1, 2019, using the full retrospective method. The adoption of this standard did not have a significant impact on the Corporation's financial position, results of operations, or cash flows. No changes were recorded to previously reported revenues as a result of the adoption.

On January 1, 2019, the Corporation adopted ASU 2018-08 under ASC Topic 958*, Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard is intended to improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this update assist an entity with evaluating whether transactions should be accounted for as contributions or exchange transactions, and determining whether a contribution is conditional. The standard is effective for annual periods beginning after December 15, 2018, and as such, the Corporation adopted the new standard effective January 1, 2019, under a modified prospective basis. The adoption of this standard did not have a significant impact on the Corporation's financial position, results of operations, or cash flows. No changes were recorded to previously reported transactions as a result of the adoption.

Revenue recognition – The Corporation recognizes revenue from ticket sales at the time of admission or, in the case of a special exhibit, when the ticket is used for entry into the exhibit.

Revenue from commissions on the sale of retail merchandise and food and beverage are recognized at the time of purchase by the customer. Special events revenue is recognized upon the event taking place.

Membership dues, which are nonrefundable, are comprised of several performance obligations provided to customers. The value of these performance obligations is deferred initially and recognized as the performance obligations are delivered, which is over the membership period. Membership dues received for future periods are reported as deferred revenue.

Club membership dues have an exchange element based on the value of benefits provided, and a contribution element for the difference between the total dues paid and the exchange element. The Corporation recognizes the exchange portion of club membership dues over the membership period, and the contribution portion immediately.

Revenue from educational programs, such as ZooCamp, are deferred initially and recognized as the performance obligations are delivered, which is ratably over the period of time the program is held. Tuition and fees received for future periods are reported as deferred revenue.

Realized and unrealized gains and losses and investment income derived from investment transactions are included as income in the year earned.

Measure Z – On November 2, 2004, the voters of Fresno County approved Measure Z, a transactions and use tax (sales tax) at the rate of 0.1% proposed by the Fresno County Zoo Authority (the "Zoo Authority"), to support the Zoo. On November 4, 2014, Measure Z was extended for another ten years.

The Fresno County tax ordinance requires at least 98% of Measure Z tax revenue to be allocated to the Corporation for the purpose of operations, maintenance and capital projects at the facility. The Zoo Authority, which is charged with the oversight of the administration of the Measure Z funds, is allocated up to 2% of the tax proceeds for the purpose of administration. The Corporation is subject to a budgeting process through which all proposed spending under Measure Z must be reviewed and approved by the Zoo Authority before costs are incurred. Once budgets are approved, documentation showing actual costs expended (referred to as a "claim") must be submitted for reimbursement. All claims submitted are subject to review and approval by the Zoo Authority.

The Corporation recognizes support from Measure Z based on the reimbursable costs incurred during the financial reporting period. Please refer to Note 3 for additional disclosures regarding Measure Z reimbursements.

Contributions – Contributions, including unconditional promises to give, are recognized initially at net realizable value as support in the year received. Net realizable value is estimated giving consideration to anticipated future cash receipts (after an allowance is made for uncollectible contributions, if necessary). Contributions to be received after one year are recorded at the present value of their estimated future cash flows.

Conditional promises to give are not included as support until the conditions are substantially met. Amounts received in advance of satisfying the donor-imposed conditions are reported as deferred revenue.

In-kind donations – Donated material and equipment are recorded as contributions at their estimated value on the date of receipt. The Corporation received and utilized donated goods and services primarily representing auction event items and professional services totaling $65,359 and $94,379 during the years ended December 31, 2019 and 2018, respectively. There amounts are included in contributions on the statement of activities.

The Corporation regularly utilizes the services of volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort has not been satisfied and no cash was collected or expenses were paid related to those transactions. However, a substantial number of volunteers have donated significant amounts of their time in the Corporation's operations.

Cash and cash equivalents – Cash and cash equivalents consist of checking, savings, and money market accounts. The Corporation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments – Marketable investments in equity and debt securities are carried at fair value based upon quoted market prices. The Corporation's Finance Committee is responsible for establishing investment criteria and overseeing the Corporation's investments.

The Corporation maintains master investment accounts that include its donor-restricted and board-designated endowments. Pooling endowment funds for investment purposes has many benefits, including but not limited to spreading the total risk of each endowment fund and making the risk equal for all funds invested in the master investment accounts, enhancing the investment performance relative to that of an individual fund; and reducing management fees. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of each endowment to the total fair value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Accounts receivable – Accounts receivable primarily consist of trade receivables and receivables due from the Zoo Authority for reimbursable costs incurred by the Corporation under Measure Z. Management provides for probable uncollectible amounts through provisions for bad debt expense based on its assessment for the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2019 and 2018, the Corporation considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

As of December 31, 2019 and 2018, the amounts due to the Corporation for reimbursable costs related to outstanding Measure Z claims were $1,205,616 and $1,299,900, respectively.

Pledges receivable – Unconditional promises to give that are expected to be collected within one year are recorded as pledges receivable at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. At December 31, 2019 and 2018, the Corporation considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

Collections – While the animal collection represents the Corporation's most cherished asset, in accordance with industry practice, the Corporation's collection of animals are not capitalized and recognized as assets on the statement of financial position. The Corporation holds its collections for public exhibition, education, and research rather than for financial gain and protects, cares for, preserves, and keeps its collections unencumbered. The animal collection has numerous attributes, including species, age, sex, relationship and value to other animals, endangered status, and breeding potential, whereby it is impracticable to assign value. In an ongoing commitment to enhance the worldwide reproduction and preservation of animals, the Corporation exchanges animals with other organizations, but consistent with industry practice, typically does not record any asset or liability when an animal is exchanged with another organization. Generally, expenditures related to animal acquisitions are expensed in the period of acquisition.

Equipment and facilities – Equipment and facilities are carried at cost less accumulated depreciation. Expenditures for major renewals and betterments in excess of $2,000 for furniture, fixtures, and equipment and $30,000 for facilities and improvements that extend the useful lives of property, plant, and equipment are capitalized. Expenditures for maintenance and repairs, including planned major maintenance activities, are charged to expense as incurred. When assets are retired or disposed, the asset's original cost and related accumulated depreciation are eliminated from the accounts and any gain or loss is reflected in the consolidated statement of operations. Amortization expense on leasehold improvements is included in depreciation expense, and is recorded over the shorter of the estimated useful life of the leasehold improvement or the lease terms that are reasonably assured.

Depreciation of equipment and facilities is provided using the straight-line method based on the following estimated useful lives:

	Years
Buildings, exhibits, and improvements	5 to 20
Furniture, fixtures, and equipment	5

Impairment of long-lived assets – Long-lived assets are reviewed for impairment when circumstances indicate the carrying value of an asset may not be recoverable. For assets that are held and used, an impairment is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value. Fair values are determined based on quoted market values, discounted cash flows, or internal and external appraisal, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value. No impairment losses were incurred during the years ended December 31, 2019 and 2018, respectively.

Advertising – The Corporation uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed the first time the advertising takes place. Advertising expense was $403,790 and $406,401 for the years ended December 31, 2019 and 2018, respectively.

Income taxes – The Corporation is a qualified organization exempt from federal income taxes and state franchise taxes under §501(c)(3) of the Internal Revenue Code ("IRC") and §23701d of the California Revenue and Taxation Code, respectively. The Corporation is subject to federal income taxes for any activities that are unrelated to its exempt purpose. Unrelated business income tax, if any, is insignificant and no provision for income taxes has been made.

U.S. GAAP requires Corporation management to evaluate tax positions taken by the Corporation and recognize a tax liability (or asset), if the Corporation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service.

The Corporation's evaluation for the years ended December 31, 2019 and 2018, respectively, revealed no tax positions that would have a material impact on the financial statements. The tax returns of the Corporation are subject to examination by federal and state taxing authorities. However, there are currently no examinations in progress or pending.

Financial instruments – Financial instruments which potentially subject the Corporation to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Corporation maintains its cash in various bank deposit accounts which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts. The Corporation attempts to limit its credit risk associated with cash equivalents and investments by utilizing outside investment managers to place the Corporation's investments with highly rated corporate and financial institutions. Management believes that the Corporation is not exposed to any significant credit risk related to concentrations.

Functional allocation of expenses – Expenses which apply to more than one functional category have been allocated among program services, management and general, and fundraising on a reasonable basis that is consistently applied. Most expenses of the Corporation are allocated based on overall usage estimates, with the exception of personnel and staff development, which are allocated on the basis of estimated time and effort, and depreciation and amortization, which is allocated using a direct identification methodology.

Summarized comparative information - The amounts shown for the year ended December 31, 2018, in the accompanying financial statements are included to provide a basis for comparison with 2019 and present summarized totals only. Accordingly, the 2018 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Corporation's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

Reclassification – Certain accounts in the 2018 financial statements have been reclassified to conform with 2019 presentation.

NOTE 2 – CORRECTION OF ERROR

Beginning net assets was decreased to account for the overstatement of membership revenue for the year ended December 31, 2017. The Corporation overstated membership revenue by recognizing the revenue when cash was received, as opposed to ratably recognizing it over the term of the membership.

The Corporation corrected its 2017 balances as follows:

	Restated 2017	Originally Reported 2017	Effect of Correction
Statement of Financial Position			
Deferred revenue	$ 493,027	$ 28,519	$ 464,508
Net assets	$ 79,228,468	$ 79,692,976	$ (464,508)
Statement of Activities			
Revenue	$ 849,620	$ 1,314,128	$ (464,508)
Change in net assets	$ 254,824	$ 719,332	$ (464,508)
Statement of Cash Flows			
Change in net assets	$ 254,824	$ 719,332	$ (464,508)
Change in deferred revenue	$ 291,280	$ (173,228)	$ 464,508

NOTE 3 – MEASURE Z

As disclosed in Note 1, the Corporation receives partial funding from Measure Z, a transactions and use tax collected in Fresno County. Pursuant to the bylaws of the Zoo Authority, a minimum of two-thirds of the tax revenue allocated to the Corporation must be used for capital projects, while the remaining amount may be used for facility operations, including maintenance.

The following table presents Measure Z reimbursable costs, by project name and purpose, incurred for capital projects for the years ended December 31, 2019 and 2018:

			Total	
	Design	Construction	2019	2018
Ambassador Animal Center	$ 65,230	$ -	$ 65,230	$ -
Infrastructure (SCIP)	11,937	1,503,486	1,515,423	1,369,643
Kingdoms of Asia	1,442,266	-	1,442,266	667,462
Miscellaneous	2,393	27,915	30,308	116,312
Warthog	-	371,205	371,205	2,475,440
Wilderness Falls	-	1,754	1,754	330,885
Zooplex Building	364,052	-	364,052	109,494
	$ 1,885,878	$ 1,904,360	$ 3,790,238	$ 5,069,236

The following table presents Measure Z reimbursable expenses, by expense line item, incurred for facility operations for the years ended December 31, 2019 and 2018:

	2019	2018
Personnel:		
Animal care	$ 3,410,000	$ 3,206,305
Veterinary services	410,000	345,112
Utilities	702,092	452,980
Animal services	448,877	401,172
Repairs and maintenance	114,332	-
Bank and credit card fees	120	120
	$ 5,085,421	$ 4,405,689

NOTE 4 – LEASE AGREEMENT WITH THE CITY OF FRESNO

According to the terms of the lease agreement (the "Agreement") between the City and the Corporation, dated January 1, 2006 (the "Commencement Date"), the City transferred management and financial responsibility for the Zoo to the Corporation. Under the Agreement, the City owns the Zoo grounds and structures existing at the Commencement Date, and the Corporation is, and will be, the owner of all the improvements constructed after the Commencement Date. As of the Commencement Date, the Corporation has assumed all obligations with respect to the animals cared for, exhibited, housed, or otherwise kept at the Zoo during the term of the Agreement.

The lease rate is $1 per year paid through the term of the Agreement. The lease expires January 1, 2036, with an option to extend for an additional 25-year period or two additional 10-year periods. Improvements and animals shall become the property of the City when the lease is terminated or expires.

NOTE 5 – INVESTMENTS

Investments, at fair value, for the years ended December 31, 2019 and 2018, are as follows:

	Without donor restrictions	With donor restrictions	Total 2019	Total 2018
Investment type:				
Equities	$ 72,962	$ -	$ 72,962	$ -
Mutual funds	12,125,479	69,938	12,195,417	10,166,600
Exchange-traded funds	-	-	-	3,771
	$ 12,198,441	$ 69,938	$ 12,268,379	$ 10,170,371

The components of investment return for the years ended December 31, 2019 and 2018, are as follows:

	Without donor restrictions	With donor restrictions	Total 2019	Total 2018
Investment income	$ 619,301	$ 3,661	$ 622,962	$ 579,991
External and direct internal fees	(54,884)	(311)	(55,195)	(65,496)
Investment income, net	564,417	3,350	567,767	514,495
Net investment gain (loss)	1,489,791	8,647	1,498,438	(1,207,857)
Total investment return	$ 2,054,208	$ 11,997	$ 2,066,205	$ (693,362)

The Corporation's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy that gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). The levels of the fair value hierarchy are as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities that the entity has the ability to access at the measurement date.

Level 2 – Observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability that are not corroborated by market data.

An asset or a liability's classification is based on the lowest level input that is significant to its 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 assets measured at fair value. There have been no changes in the methodologies used for the years ended December 31, 2019 and 2018, respectively.

Equities – Valued at the closing price reported on the active market on which the individual securities are traded.

Registered investment companies (mutual funds and exchange-traded funds) – Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV), and mutual funds are required to transact at that price. The funds held by the Corporation are deemed to be actively traded. Mutual funds held by the Corporation are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission.

The following table provides information about the Corporation's financial assets measured at fair value on a recurring basis as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Investment type:				
Equities	$ 72,962	$ -	$ -	$ 72,962
Mutual funds	12,195,417	-	-	12,195,417
Total	$ 12,268,379	$ -	$ -	$ 12,268,379

The following table provides information about the Corporation's financial assets measured at fair value on a recurring basis as of December 31, 2018:

	Level 1	Level 2	Level 3	Total
Investment type:				
Mutual funds	$ 10,166,600	$ -	$ -	$ 10,166,600
Exchange-traded funds	3,771	-	-	3,771
Total	$ 10,170,371	$ -	$ -	$ 10,170,371

There were no transfers between levels of the fair value hierarchy during the years ended December 31, 2019 and 2018, respectively.

NOTE 6 – EQUIPMENT AND FACILITIES

Equipment and facilities consisted of the following at December 31, 2019 and 2018:

	2019	2018
Buildings, exhibits, and improvements	$ 85,439,177	$ 79,092,252
Furniture, fixtures, and equipment	2,341,616	2,208,766
	87,780,793	81,301,018
Less: accumulated depreciation and amortization	(21,297,830)	(16,995,290)
	66,482,963	64,305,728
Land	705,450	705,450
Construction in progress	3,657,512	5,644,289
Total	$ 70,845,925	$ 70,655,467

Total depreciation and amortization expense for the years ended December 31, 2019 and 2018, was $4,309,331 and $4,097,426, respectively.

NOTE 7 – NET ASSETS

Net assets consisted of the following at December 31, 2019 and 2018:

	2019	2018
Without donor restrictions:		
Undesignated	$ 73,864,739	$ 74,194,247
Board designated - specific purposes	1,692,030	355,384
Board designated - endowment	5,514,411	4,594,273
Total without donor restrictions	81,071,180	79,143,904
With donor restrictions:		
Donor restricted - specific purposes	1,151,015	970,953
Donor restricted - endowment	69,938	57,941
Total with donor restrictions	1,220,953	1,028,894
Total net assets	$ 82,292,133	$ 80,172,798

A portion of net assets are designated by the Board of Directors for specific purposes related to the mission and purpose of the Corporation. The following table presents activity in board designated net assets for specific purposes for the year ended December 31, 2019:

	December 31, 2018	Increases	Decreases	December 31, 2019
Development	$ -	$ 1,500,000	$ -	$ 1,500,000
Infrastructure - exhibits	318,855	208,566	(366,497)	160,924
Sponsorship	36,529	-	(5,423)	31,106
Total	$ 355,384	$ 1,708,566	$ (371,920)	$ 1,692,030

A portion of net assets are restricted by donors for specific purposes related to the mission and purpose of the Corporation. The following table presents activity in donor restricted net assets for specific purposes for the year ended December 31, 2019:

	December 31, 2018	Increases	Decreases	December 31, 2019
Conservation and enrichment	$ 26,224	$ 33,217	$ (16,924)	$ 42,517
Education	13,019	8,588	-	21,607
Infrastructure - exhibits	317,539	276,371	(56,433)	537,477
Infrastructure - public	603,171	-	(53,757)	549,414
Sponsorship	11,000	5,000	(16,000)	-
Total	$ 970,953	$ 323,176	$ (143,114)	$ 1,151,015

NOTE 8 – LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Corporation's financial assets as of December 31, 2019, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when not convertible to cash within one year, or when subject to other considerations such as donor restrictions or board designations.

Financial assets as of December 31, 2019 are as follows:

Cash and cash equivalents	$ 1,136,113
Investments	12,268,379
Current portion of pledges receivable	60,000
Financial assets as of December 31, 2019	13,464,492
Less those assets unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Donor restricted - specific purposes	1,151,015
Donor restricted - endowment	69,938
Capital project funds retained in money market account	84,349
Board designations:	
Board designated - specific purposes	1,692,030
Board designated - endowment	5,514,411
Loans and contract payable	602,334
	9,114,077
Financial assets available to meet cash needs for general expenditures within one year	$ 4,350,415

The Corporation's spending policy is to structure its financial assets to be available for operations, capital projects, and opportunities to enhance the Corporation's mission.

NOTE 9 – LOANS AND CONTRACT PAYABLE

Loans and contract payable consisted of the following at December 31, 2019 and 2018:

Margin loan

Effective July 24, 2014, the Corporation added a margin feature to its investment agreement with Charles Schwab. The feature allows the Corporation to borrow against the value of certain marginable investments held with Charles Schwab. Interest is calculated on the borrowings at the daily margin interest rate (3.30% and 4.05% at December 31, 2019 and 2018, respectively). At December 31, 2019 and 2018, the outstanding balance on the margin loan was $602,334 and $336,644, respectively. Maximum borrowings on the margin loan were not to exceed $2,001,681 and $1,669,484 at December 31, 2019 and 2018, respectively.

Contract payable

Contract with an individual dated December 21, 2018, in the original amount of $276,166. One half of the original amount was due and payable on January 1, 2019, and the remaining half was due and payable on June 1, 2019. As of December 31, 2018, the amount outstanding on this contract was $276,166. This contract was paid in full during the year ended December 31, 2019.

Promissory note

Note with a financial institution dated March 28, 2019, in the original amount of $500,000. The note calls for 12 monthly interest-only payments beginning April 28, 2019, then 59 monthly payments of principal payments in the amount of $9,383, plus accrued interest at rates ranging from 5.50% - 6.00% per annum, beginning April 28, 2020. One payment of principal and interest is due on March 28, 2025 when the note matures. The only advance under this facility, in the amount of $75,962, was made to the Organization on May 22, 2019. Monthly payments of interest were made until the outstanding principal amount of $75,962 was paid in full on December 27, 2019. The note did not have an outstanding balance at December 31, 2019 and 2018.

NOTE 10 – ENDOWMENT

The Corporation's endowment assets include both donor-restricted endowment funds as well as funds without donor restrictions designated for long-term investment by the Board of Directors, which are funds functioning as endowment. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Corporation has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") 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 Corporation classifies net assets with donor restrictions as: (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.

In accordance with SPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the various funds, (b) the purposes of the donor-restricted endowment funds, (c) general economic conditions, (d) the possible effect of inflation and deflation, (e) the expected total return from income and the appreciation of investments, (f) other resources of the Corporation, and (g) the Corporation's investment policies.

Investment return objectives, risk parameters, and strategies – The Corporation has an Investment Policy Statement ("IPS"), which is approved by the Corporation's Finance Committee and Board of Directors. The IPS specifies investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds if possible. Therefore, the Corporation expects its endowment assets, over time, to produce an average nominal rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending policy – The Corporation has a policy of appropriating for distribution an amount of up to 5% of its endowment fund's average fair value for the prior twelve quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Corporation considered the long-term expected return on its investment assets to be approximately 8%, offset by estimated inflation of 3%, which is consistent with the Corporation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Directors of the Corporation has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

Endowment net asset composition by type of fund as of December 31, 2019 and 2018, is as follows:

	Without donor restrictions	With donor restrictions	Total 2019	Total 2018
Donor-restricted endowment funds	$ -	$ 69,938	$ 69,938	$ 57,941
Board-designated endowment funds	5,514,411	-	5,514,411	4,594,273
	$ 5,514,411	$ 69,938	$ 5,584,349	$ 4,652,214

Changes in endowment net assets for the years ended December 31, 2019 and 2018, respectively, were as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets as of December 31, 2017	$ 5,247,404	$ 61,498	$ 5,308,902
Investment return:			
Investment income, net	246,854	2,893	249,747
Net investment gains (losses), realized and unrealized	(550,320)	(6,450)	- (556,770)
Total investment return	(303,466)	(3,557)	(307,023)
Contributions	194,651	-	194,651
Appropriation of endowment assets for expenditure	(544,316)	-	(544,316)
Endowment net assets as of December 31, 2018	$ 4,594,273	$ 57,941	$ 4,652,214
Investment return:			
Investment income, net	265,611	3,350	268,961
Net investment gains (losses), realized and unrealized	685,612	8,647	694,259
Total investment return	951,223	11,997	963,220
Contributions	145,000	-	145,000
Appropriation of endowment assets for expenditure	(176,085)	-	(176,085)
Endowment net assets as of December 31, 2019	$ 5,514,411	$ 69,938	$ 5,584,349

NOTE 11 – EMPLOYEE BENEFIT PLAN

The Corporation maintains a 401(k) defined contribution plan (the "Plan") for its employees. The Plan is available to all employees on the first day of the month following their hire date, provided they are at least 21 years of age. Employees are automatically enrolled in the Plan at a 1% pre-tax contribution rate unless they opt out. The Plan provides an employer match to employees that have completed at least 1,000 hours and twelve months of service. The Plan provides an employer match of 100% for the first 3% of the employee contribution and a 50% match for the next 2% of the employee contribution, up to a maximum employer match of 4% of pay. Total contributions made to the Plan for the years ended December 31, 2019 and 2018, were $140,104 and 135,821, respectively.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Claims and legal actions – The Corporation is subject to claims and legal actions arising in the ordinary course of business. In the opinion of management, based in part upon the advice of legal counsel, these matters are of such a nature that unfavorable disposition would not have a material adverse effect on the financial position, results of operations, or cash flows of the Corporation.

Lease agreements - As disclosed in Note 1 and Note 4, the Corporation entered into an agreement to lease the Zoo premises from the City effective January 1, 2006.

The Corporation is obligated under several noncancelable operating leases for its equipment.

The following is a schedule of minimum lease commitments for the years ending December 31:

For the Years Ended December 31,	Amount
2020	$ 30,672
2021	20,292
2022	6,952
2023	5,140
2024	5,140
Thereafter	868
	$ 69,064

Lease expense for the years ended December 31, 2019 and 2018, was $30,580 and $23,115, respectively.

Construction commitments - As of December 31, 2019, the Corporation had an outstanding commitment for future capital expenditures of $479,270.

Food service and retail commitments - Effective July 25, 2011, the Corporation entered into an agreement with Service Systems Associates ("SSA") to conduct food service and retail merchandising operations, which has been amended subsequent to its effective date. Under the agreement, the Corporation receives monthly license fees from SSA based on gross receipts of food and merchandise sold that vary between 15% and 33% depending on the type and level of receipts. SSA also contributes to capital improvements in the food service and retail facilities. As of December 31, 2019, the agreement's term was through October 31, 2020, and the amount committed for capital improvements was $711,000.

NOTE 13 – SUBSEQUENT EVENTS

Effective January 16, 2020, the agreement with the Corporation's food service and retail merchandising operations vendor, SSA, was extended through October 31, 2030. As part of the extension, the capital improvement commitment was increased to $2,711,000, with $500,000 of this amount reserved for improvements occurring after October 31, 2025.

On January 30, 2020, the World Health Organization declared the novel coronavirus ("COVID-19") outbreak a public health emergency. Effective March 15, 2020, after consultation with the City of Fresno and in consideration of state and federal COVID-19 guidelines, the Corporation temporarily closed its facilities to the public. As a result, individuals or families holding memberships were granted an extension to their membership term equal to the period of time the facilities were closed. For those renewing their memberships during the facility closure, the membership term for those renewals began when the facility reopened.

On May 1, 2020, the Corporation received a Paycheck Protection Program ("PPP") loan of $1,702,700. The PPP program was authorized by the Coronavirus Aid Relief, and Economic Security Act ("CARES Act") and is administered by the Small Business Administration ("SBA") under section 7(a)(36) of the Small Business Act. The loan bears interest at 1% with no payments for the first 6 months. Monthly payments of principal and interest of $95,824 begin on December 1, 2020 and continue through maturity on May 1, 2022, if required. The loan may be partially or fully forgiven if the Corporation uses all proceeds for eligible purposes, including meeting certain employment and compensation requirements as specified in the CARES Act and the PPP Flexibility Act; and in accordance with SBA rules and guidance.

On June 12, 2020, the Corporation began to reopen its facilities to the public, but with substantial health and safety modifications to its operations in response to COVID-19. The extent of the impact of COVID-19 on the Corporation's operational and financial performance remains uncertain and an estimate of the impact on the Corporation's financial condition or results of operations cannot be made at this time.

At June 18, 2020, the outstanding balance on the Corporation's margin loan was $1,377,185.

In preparing the financial statements, the Corporation evaluated subsequent events through June 18, 2020, the date that these financial statements were available to be issued.

Supplementary Information

Fresno's Chaffee Zoo Corporation
Inventory of Capital Assets Purchased with Measure Z Funds
December 31, 2019

	December 31, 2018	Increases	Decreases	Transfers	December 31, 2019
African Adventure	$ 57,242,620	$ -	$ -	$ -	$ 57,242,620
Birds of Prey	44,944	-	-	-	44,944
Dino Dig	70,000	-	-	-	70,000
Giraffe	57,600	-	-	-	57,600
Hospital-Radiology Unit	49,363	-	-	-	49,363
Infrastructure (SCIP)	-	-	-	2,885,065	2,885,065
Malayan Tiger	35,731	-	-	-	35,731
Reptile House	1,022,168	-	-	-	1,022,168
Safari Café	54,235	-	-	-	54,235
Sea Lion Cove	10,496,712	-	-	-	10,496,712
Spot-Necked Otter/Pelican	200,000	-	-	-	200,000
Stingray Bay	69,474	-	-	-	69,474
Tropical Treasures	35,062	-	-	-	35,062
Utilities	2,153,937	-	-	-	2,153,937
Warthog	-	-	-	2,846,645	2,846,645
Wilderness Falls	3,316,460	-	-	-	3,316,460
	74,848,306	-	-	5,731,710	80,580,016
Construction in progress	5,015,270	3,790,238	-	(5,731,710)	3,073,798
Total	$ 79,863,576	$ 3,790,238	$ -	$ -	$ 83,653,814

See accompanying notes.

MOSSADAMS