

TAHOE FUND

Tahoe City, California

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

March 31, 2016 (Audited) and 2015 (Reviewed)

TAHOE FUND
TABLE OF CONTENTS

	Page
	1-2
Exhibit A	3
Exhibit B	4
Exhibit C	5
Exhibit D	6
	7-16

McCLINTOCK ACCOUNTANCY CORPORATION

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To the Board Directors
Tahoe Fund

We have audited the accompanying financial statements of the Tahoe Fund (a nonprofit organization), which comprise the statements of financial position as of March 31, 2016, and the related statements of activities and 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 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 Tahoe Fund as of March 31, 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.

Summarized Comparative Information

We previously reviewed Tahoe Fund's 2015 financial statements and in our conclusion dated August 3, 2015, stated that based on our review, we were not aware of any material modifications that should be made to the 2015 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the nine months ended March 31, 2016, for it to be consistent with the reviewed financial statements from which it has been derived.

McClintock Accountancy Corporation

McCLINTOCK ACCOUNTANCY CORPORATION
Tahoe City, CA
August 1, 2016

TAHOE FUND

Exhibit A

STATEMENTS OF FINANCIAL POSITION
March 31, 2016 (audited) and 2015 (reviewed)

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
ASSETS				
Cash and cash equivalents (Note 3)	\$ 185,415	\$ 88,035	\$ 273,450	\$ 166,373
Beneficial interests in assets held at community foundations (Note 4)	763,383	995,796	1,759,179	1,542,434
Contracts receivable (Note 5)	5,300	-0-	5,300	4,286
Contributions and pledges receivable, net (Note 6)	66,250	479,484	545,734	432,007
Prepaid expenses	6,225	-0-	6,225	1,864
Fixed assets, net (Note 7)	1,200	-0-	1,200	1,808
Total Assets	<u>\$ 1,027,773</u>	<u>\$ 1,563,315</u>	<u>\$ 2,591,088</u>	<u>\$ 2,148,772</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 2,441	\$ -0-	\$ 2,441	\$ 4,470
Accrued payroll liabilities	210	-0-	210	1,194
Funds held for others	30,278	-0-	30,278	19,546
Total Liabilities	<u>32,929</u>	<u>-0-</u>	<u>32,929</u>	<u>25,210</u>
NET ASSETS				
Unrestricted	920,321	-0-	920,321	653,914
Board designated endowment (Note 8)	74,523	-0-	74,523	78,818
Restricted (Note 9)	-0-	1,563,315	1,563,315	1,390,830
Total Net Assets	<u>994,844</u>	<u>1,563,315</u>	<u>2,558,159</u>	<u>2,123,562</u>
Total Liabilities and Net Assets	<u>\$ 1,027,773</u>	<u>\$ 1,563,315</u>	<u>\$ 2,591,088</u>	<u>\$ 2,148,772</u>

The accompanying notes are an integral part of these statements.

-3-

TAHOE FUND

Exhibit B

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended March 31, 2016 (audited)

(with summarized financial information for the nine months ended 2015 (reviewed))

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
REVENUE				
Contributions	\$ 476,640	\$ 435,020	\$ 911,660	\$ 1,774,322
Governmental grants	-0-	20,000	20,000	-0-
Contract income	5,300	-0-	5,300	55,405
Donated goods, services and facilities (Note 11)	18,155	-0-	18,155	30,028
Gross special events revenue	95,586	-0-	95,586	86,380
Less: cost of direct benefits to donors	(77,489)	-0-	(77,489)	(57,139)
Net special events revenue	18,097	-0-	18,097	29,241
Change in value of beneficial interests in assets held by others	(41,888)	-0-	(41,888)	(904)
Other income	285	-0-	285	847
Net assets released from restrictions:				
Satisfaction of time restrictions	212,489	(212,489)	-0-	-0-
Satisfaction of purpose restrictions	70,046	(70,046)	-0-	-0-
Total net assets released	282,535	(282,535)	-0-	-0-
Total Revenue (Note 10)	759,124	172,485	931,609	1,888,939
EXPENSES				
Program services	250,541	-0-	250,541	215,364
Supporting services				
General and administrative	110,465	-0-	110,465	109,072
Fundraising	136,006	-0-	136,006	119,227
Total supporting services	246,471	-0-	246,471	228,299
Total Expenses	497,012	-0-	497,012	443,663
Increase in Net Assets	262,112	172,485	434,597	1,445,276
Net Assets at Beginning of Year	732,732	1,390,830	2,123,562	678,286
Net Assets at End of Year	\$ 994,844	\$ 1,563,315	\$ 2,558,159	\$ 2,123,562

The accompanying notes are an integral part of these statements.

TAHOE FUND

Exhibit C

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended March 31, 2016 (audited)

(with summarized financial information for the nine months ended 2015 (Reviewed))

	2016				2015
	Program Services	General and Administrative	Fundraising	Total	Total
Expenses					
Salaries, wages, and related	\$ 143,225	\$ 39,678	\$ 73,962	\$ 256,865	\$ 155,775
Contracted services					
project expenses	53,076	-0-	-0-	53,076	27,890
accounting	-0-	20,724	-0-	20,724	23,079
marketing	732	7,395	11,084	19,211	25,998
community outreach	12,024	20	24	12,068	9,000
database management	-0-	2,180	-0-	2,180	2,400
marketing - plates program	1,400	-0-	-0-	1,400	46,103
other contract services	-0-	228	-0-	228	-0-
Grants	27,470	-0-	-0-	27,470	61,329
Unfulfilled pledges	-0-	-0-	20,500	20,500	5,500
Occupancy	5,340	7,120	5,340	17,800	13,268
Event expense	6,588	-0-	8,375	14,963	23,454
Printing, copying, and publications	-0-	1,020	6,998	8,018	8,801
Volunteer and donor appreciation	-0-	-0-	7,589	7,589	7,126
Travel and meetings	157	6,879	46	7,082	5,666
Other expenses	-0-	7,002	-0-	7,002	3,825
Bank and merchant card fees	-0-	4,230	-0-	4,230	9,640
Dues and subscriptions	5	2,325	1,296	3,626	4,385
Telephone and internet	-0-	3,449	-0-	3,449	1,108
Insurance	-0-	3,133	-0-	3,133	2,496
Postage and shipping	-0-	2,298	228	2,526	1,107
Supplies	250	2,171	15	2,436	1,498
Advertising and promotion	54	225	549	828	3,759
Depreciation expense	220	388	-0-	608	456
	<u>\$ 250,541</u>	<u>\$ 110,465</u>	<u>\$ 136,006</u>	<u>\$ 497,012</u>	<u>\$ 443,663</u>

The accompanying notes are an integral part of these statements.

TAHOE FUND

Exhibit D

STATEMENTS OF CASH FLOWS

For the Year Ended March 31, 2016 (audited)

(with summarized financial information for the nine months ended 2015 (reviewed))

	2016	2015
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ 434,597	\$ 1,445,276
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation expense	608	456
Change in receivables	(113,063)	(304,241)
Amortization of discount on promises to give	(1,678)	6,860
Change in beneficial interests in assets held by others	41,888	904
Change in prepaid expenses and other assets	(4,361)	2,036
Change in payables	(2,029)	(100,809)
Change in advance payments	-0-	(19,150)
Change in accrued liabilities and funds held for others	9,748	7,680
Total Adjustments	(68,887)	(406,264)
Net Cash Provided by Operating Activities	365,710	1,039,012
Cash Flows from Investing Activities:		
Transfer of funds to community foundations	(258,633)	(1,543,338)
Acquisition of property, furniture and equipment	-0-	(1,100)
Net Cash Used for Investing Activities	(258,633)	(1,544,438)
Net Increase (Decrease) in Cash	107,077	(505,426)
Cash, Beginning of the Year	166,373	671,799
Cash, End of the Year	\$ 273,450	\$ 166,373

The accompanying notes are an integral part of these statements.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

1. Form of Organization

Tahoe Fund was incorporated in April 2010 as a non-profit corporation in the States of Nevada and California. The purpose of Tahoe Fund is to build broad support and funding for environmental projects and programs around the Lake Tahoe Basin with an emphasis on recreation, conservation and education. Tahoe Fund is funded primarily by contributions from individuals, businesses, and foundations.

2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements of Tahoe Fund have been prepared on the accrual basis of accounting. Additionally, information regarding its financial position and activities are classified according to three classes of net assets based upon the existence or absence of donor-imposed restrictions, as follows:

Unrestricted net assets are resources currently available for various programs and administration of Tahoe Fund, board designated funds, or invested in property and equipment.

Temporarily restricted net assets consist of donor restricted contributions. Amounts restricted by the donor for a particular purpose or time period are reported as temporarily restricted revenue when received and such unexpended amounts are reported as temporarily restricted net assets at year end.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “net assets released from restrictions.”

Restrictions on gifts of fixed assets or contributions restricted for the purchase of fixed assets expire when the asset is placed in service, unless otherwise stipulated by the donor.

Permanently restricted net assets consist of donor-restricted contributions which are required to be held in perpetuity. Income from the assets held is available for either general operations or specific purposes, in accordance with donor stipulations. Tahoe Fund has no permanently restricted net assets.

Contributions

Contributions are recorded at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are recorded as restricted support. Conditional contributions are recognized when the conditions are substantially met.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

Donated Goods, Facilities, and Services

Donations of goods and facilities (which may include securities, equipment, and use of office space) are recorded at fair value at the date of the gift and reported as unrestricted gifts unless the donor has stipulated how long the asset must be used or has restricted the item(s) for a specific purpose.

Many individuals volunteer their time and perform a variety of tasks that assist Tahoe Fund. Contributions of services are recognized at fair value if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing these skills and would typically need to be purchased if not provided by donation.

Functional Expenses

Expenses are charged to program, administrative, or fundraising based on a combination of specific identification and allocation by management. Functional expenses are determined as follows:

Program service expenses are the direct and indirect costs related to providing the Fund's programs, that is, the costs of the activities for which purpose the Fund exists.

Supporting services expenses are expenses for activities not directly related to the purpose for which the Fund exists. Supporting services are categorized below.

General and administrative expenses relate to the overall direction of the Fund and include expenses for activities of the governing board, business management, general recordkeeping, budgeting, disseminating information to inform the public about the Fund's stewardship of contributions, making announcements about appointments and producing the annual report. General and administrative expenses include all other management and administrative expenses except for direct conduct of program services or fundraising activities.

Fundraising expenses are costs of all activities that constitute an appeal for financial support, that is, costs incurred to induce others to contribute money, time, materials, or facilities to the Fund. Fundraising expenses include expenses such as costs of personnel, professional consultants, rent, printing, postage, direct mail lists, direct contact solicitations and unsolicited merchandise sent to encourage contributions.

The fundraising expenses of the organization are much higher on a percentage basis of total expenses than most non-profit organizations because the mission of the organization is to raise funds for projects that restore and enhance Lake Tahoe.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported and disclosed. Actual results could differ from those estimates.

Liquidity Presentation

In order to provide information about liquidity, assets have been sequenced according to their nearness to conversion to cash and liabilities have been sequenced according to the nearness of their maturity and resulting use of cash.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is created when an account's collectability is uncertain. Tahoe Fund estimates doubtful accounts based on factors related to the specific payer's ability to pay and current economic trends. The allowance for doubtful accounts is \$3,000 and \$0 for March 31, 2016 and 2015, respectively.

Cash and Cash Equivalents

For the purposes of the statement of cash flow, cash is defined as highly liquid investments with remaining maturities of three months or less at the time of purchase.

Fair Value Measurements

Fair value is a market-based measurement not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For others, market transactions or information might not be available. However, the objective of a fair value measurement in both cases is the same - to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs, as defined by generally accepted accounting principles (GAAP), is used.

Level 1 Inputs	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
Level 2 Inputs	Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.
Level 3 Inputs	Unobservable inputs for the assets or liabilities (that is, inputs supported by little or no market activity).

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2016 (audited) and 2015 (reviewed)

The carrying amounts of financial instruments, including cash, accounts receivable and accounts payable approximate their fair value due to the short term maturities of these instruments.

Fixed Assets

Property, furniture, equipment and related costs are capitalized individually at \$1,000 and above and stated at cost; the fair market value of donated fixed assets are similarly capitalized.

Depreciation is computed on the straight-line basis over the useful lives of the assets. When items are disposed of, the cost and accumulated depreciation are eliminated from the records of account.

Funds Held for Others

Funds held for others are monies received from organizations participating in the Green Bucks program (a contribution program with area resorts, hotels and restaurants) which are to be paid out to the Truckee River Watershed Council, another recipient of Green Bucks program contributions.

Income Taxes

Tahoe Fund is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3), and a similar exemption for California purposes. Tahoe Fund is not classified as a private foundation. Unrelated business income, if any, is taxed at regular corporate tax rates.

Management believes Tahoe Fund has met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax, therefore, no provision for taxes has been provided in these financial statements. Tahoe Fund's Federal tax returns for the past three years and State tax returns for the past four years are subject to examination by tax authorities.

Comparative Financial Information and Reclassifications

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the nine months ended March 31, 2015 from which the summarized information was derived.

Effective the fiscal year beginning July 1, 2014, the organization changed from a fiscal year end of June 30 to March 31. As such the prior period summarized information reflects a nine month fiscal period July 1, 2014 - March 31, 2015.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

3. Concentrations of Credit Risk

Tahoe Fund maintains an account at a local bank. The balance in this account may, at times, exceed federally insured limits.

Tahoe Fund has a beneficial interest in assets held by others (Note 4). The funds are held at local community foundations and invested in equities, bonds and other alternative investments which fluctuate with market conditions. Tahoe Fund has evaluated the guidelines established by the foundations relative to diversification and maturities that target certain safety and liquidity measures and believe that, although the value of these assets are subject to fluctuations on a year-to-year basis, the investment policies of the foundations are prudent for long-term growth.

Tahoe Fund minimizes credit risk by periodically evaluating the credit quality of its financial institutions and foundations. Additionally, no material losses have been experienced on any such accounts and management believes Tahoe Fund is not exposed to any significant credit risk.

4. Beneficial Interest in Assets Held at Community Foundations

For the year ended March 31, 2016 and the nine months ended March 31, 2015, Tahoe Fund transferred \$258,633 and \$1,543,338, respectively, to local community foundations for investment management with Tahoe Fund as the beneficiary. Funds consist of restricted project funds, a board designated endowment (Note 8), and operating reserves. Distributions from the accounts will be made at the written request of Tahoe Fund and in accordance with the policies of the community foundations.

Tahoe Fund granted variance power to the Foundations. Variance power protects funds from obsolescence. Should the purposes for which the non-profit fund was created become obsolete, incapable of fulfillment or inconsistent with the charitable needs of the community served, it is the Community Foundation's Board of Directors responsibility, after contacting and being advised by the non-profit, to revise the charitable intent of remaining funds to use for a purpose as similar as possible to those set forth in the non-profit fund agreement.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 2016 (audited) and 2015 (reviewed)

At March 31, 2016 and 2015, the funds have the following values and are reported in the statement of financial position at fair value as a beneficial interest in assets held by others:

	2016	2015
Parasol Foundation	\$ 1,745,762	\$ 1,528,523
Tahoe Truckee Community Foundation	13,417	13,911
	\$ 1,759,179	\$ 1,542,434

The beneficial interest is valued at the proportional share of pooled funds as reported to Tahoe Fund by the foundations and is included within level 3 of the fair value hierarchy (Note 2). As required by generally accepted accounting principles, net assets associated with these funds are classified and reported based on the existence or absence of donor-imposed restrictions.

	Level 1	Level 2	Level 3	Total
2016	-0-	-0-	\$ 1,759,179	\$ 1,759,179
2015	-0-	-0-	\$ 1,542,434	\$ 1,542,434

The following tables provide a summary of changes in fair value of Tahoe Fund's Level 3 financial assets for the year ended March 31, 2016 and nine months ended March 31, 2015:

	2016	2015
Beginning Balance	\$ 1,542,434	\$ -0-
Additions	258,633	1,543,338
Change in beneficial interest	(41,888)	(904)
Ending Balance	\$ 1,759,179	\$ 1,542,434

The following schedule summarizes the change in beneficial interest and its classification in the statements of activities for the year ended March 31, 2016 and the nine months ended March 31, 2015:

	Unrestricted	
	2016	2015
Interest and dividends	\$ 25,696	\$ 1,510
Realized gain (loss)	10,897	(812)
Unrealized gain (loss)	(62,531)	-0-
Investment fees	(15,950)	(1,602)
Total	\$ (41,888)	\$ (904)

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 2016 (audited) and 2015 (reviewed)

5. Contracts Receivable

Contracts receivable represent amounts owed for reimbursement of contract related expenses. It may include both billed and un-billed receivables. Tahoe Fund does not receive interest on old balances. Receivables are stated at the amount management expects to collect from outstanding balances.

6. Contributions Receivable

Contributions, including promises to give, are recognized at their estimated fair value, on a nonrecurring basis, at the time the contribution or promise is made. Fair value is determined by calculating the net present value of estimated future cash flows. The discount rate used in determining the net present value of contributions receivable was 3.25% at March 31, 2016 and 2015. The receivables are included within level 3 of the fair value hierarchy because determination of the net present value of future cash flows is based on little or no market data and requires management to develop their own assumptions.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2016	<u>-0-</u>	<u>-0-</u>	<u>\$ 545,734</u>	<u>\$ 545,734</u>
2015	<u>-0-</u>	<u>-0-</u>	<u>\$ 432,007</u>	<u>\$ 432,007</u>

Contributions receivable consist of the following:

	<u>2016</u>	<u>2015</u>
Less than 1 year	\$ 413,134	\$ 239,150
1-5 years	143,000	201,935
Total contributions receivable	<u>556,134</u>	<u>441,085</u>
Less: unamortized discount	(7,400)	(9,078)
Less: allowance for doubtful accounts	(3,000)	(0)
	<u>\$ 545,734</u>	<u>\$ 432,007</u>

7. Property, Furniture and Equipment

Property, furniture and equipment consist of the following:

	<u>2016</u>	<u>2015</u>
Equipment	\$ 3,040	\$ 3,040
Less: accumulated depreciation	(1,840)	(1,232)
	<u>\$ 1,200</u>	<u>\$ 1,808</u>

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS
March 31, 2016 (audited) and 2015 (reviewed)

8. Board Designated Endowment

During the nine months ended March 31, 2015, Tahoe Fund established an endowment fund from its unrestricted net assets (quasi-endowment) to support the operating expenses of Tahoe Fund. The Organization's goal is to build the fund to \$1,000,000 with re-investment earnings and future restricted and unrestricted donations. Appropriations will not be made from the endowment until this goal is met.

The funds are held at local community foundations (Note 4) in long term funds that are expected to provide an average annual rate of return sufficient to preserve the capital of the fund while providing an annual stream of funding sufficient to support the endowments' purposes.

	Unrestricted	
	2016	2015
Beginning of year	\$ 78,818	\$ -0-
Contributions	-0-	79,068
Investment income	1,894	(250)
Unrealized gain (loss)	(6,189)	-0-
End of year	\$ 74,523	\$ 78,818

9. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	2016	2015
Bikeways	\$ 1,029,212	\$ 944,759
AIS	50,045	50,000
Conservation	1,102	476
Recreation & other	300	300
Take Care	3,172	-0-
Time restricted pledges	479,484	395,295
	\$ 1,563,315	\$ 1,390,830

Interest income generated by temporarily restricted funds is available for appropriation by the Board of Directors.

10. Sources of Revenue

For the year ended March 31, 2016 and the nine months ended March 31, 2015, all sources of revenue were individually 8% or less of current revenue and not considered by management to be individually significant to overall operations.

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

11. Donated Goods, Services and Facilities

The following amounts are recognized in the financial statements:

	2016	2015	
Use of facilities/meeting rooms	\$ 6,179	\$ 4,661	Administrative
Use of facilities/meeting rooms	5,340	3,496	Fundraising
Use of facilities/meeting rooms	5,340	3,496	Program
Database subscriptions	1,296	3,375	Fundraising
Wine	0	5,000	Special events
Wine	0	10,000	Pledge receivable
Total	\$ 18,155	\$ 30,028	

Tahoe Fund has an annual grant from the Parasol Foundation for office and meeting space. The Parasol Foundation contributes 70% of the market value for furnished office space and Tahoe Fund pays the remaining 30%. Additionally, the Parasol Foundation provides meeting space and storage. The value of facilities donated by the Parasol Foundation for the year ended March 31, 2016 was \$3,771 for office space, \$12,788 for meeting space, and \$300 for storage space for a total of \$16,859. The amounts for the nine months ended March 31, 2015 was \$2,828 for office space, \$8,600 for meeting space, and \$225 for storage space for a total of \$11,653. These amounts were allocated by functional expense as noted above.

12. Related Parties

For the year ended March 31, 2016 and the nine months ended March 31, 2015, marketing and website services were provided by an entity owned by the spouse of a board member. Tahoe Fund also provided services to this same company for management and execution of the CTC plates contract.

For the fiscal year ended March 31, 2016, the related expense for the services received was \$9,868 and \$0 was owed. The related revenue for services provided was \$5,300, all of which is a receivable.

For the nine months ended March 31, 2015, the related expense for the services received was \$63,225 and \$628 was owed. The related revenue for services provided was \$4,285, all of which was a receivable.

13. Commitments

Tahoe Fund entered into a services agreement for assistance with mission planning for a Tahoe environmental/science/visitor center work plan. The term of the contract is from February 20 - July 15, 2016 and provides for the payment of four (4) \$20,000 installments, payable as work progresses, for a total fee of \$80,000. Cancellation of the contract is

TAHOE FUND

NOTES TO FINANCIAL STATEMENTS March 31, 2016 (audited) and 2015 (reviewed)

allowable in the event of material breach of contract or delay, insolvency of either party, or acts of God beyond the reasonable control of the service provider. As of March 31, 2016, one installment had been paid and \$60,000 remained on the contract. Tahoe Fund secured a grant from the California Tahoe Conservancy to support this effort.

14. Subsequent Events

Subsequent events have been evaluated through August 1, 2016, the date that the statements were available for issuance.