

TAHOE FUND

Tahoe City, California

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

March 31, 2021 and 2020

TAHOE FUND  
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# McCLINTOCK ACCOUNTANCY CORPORATION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Tahoe Fund

We have audited the accompanying financial statements of Tahoe Fund (a nonprofit organization), which comprise the statement of financial position as of March 31, 2021, 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.

### **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 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 Tahoe Fund as of March 31, 2021, 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.

## **Summarized Comparative Information**

Information for the year ended March 31, 2020 is presented for comparative purposes only and was extracted from the financial statements presented for that year, on which we expressed an unmodified opinion in our report dated October 9, 2020.

*McClintock Accountancy Corporation*

MCCLINTOCK ACCOUNTANCY CORPORATION

Tahoe City, California

August 4, 2021

## TAHOE FUND

Exhibit A

STATEMENTS OF FINANCIAL POSITION  
 March 31, 2021 (with comparative totals for 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 896,996	\$ 243,041	\$ 1,140,037	\$ 712,486
Beneficial interests in assets held at local community foundations (Note 4)	4,808,162	1,870,271	6,678,433	3,403,361
Contributions and pledges receivable, net (Note 5)	150,154	759,498	909,652	600,928
Prepaid expenses	13,328	-0-	13,328	7,450
Fixed assets, net (Note 6)	-0-	-0-	-0-	426
Total Assets	<u>\$ 5,868,640</u>	<u>\$ 2,872,810</u>	<u>\$ 8,741,450</u>	<u>\$ 4,724,651</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 309,834	\$ -0-	\$ 309,834	\$ 9,173
Accrued liabilities	30,309	-0-	30,309	14,902
Funds held for others	20,475	-0-	20,475	11,468
Total Liabilities	<u>360,618</u>	<u>-0-</u>	<u>360,618</u>	<u>35,543</u>
<b>NET ASSETS</b>				
Without Donor Restrictions	579,802	-0-	579,802	404,347
Without Donor Restrictions - Board designated (Note 8)	4,928,220	-0-	4,928,220	2,107,210
With Donor Restrictions (Note 9)	-0-	2,872,810	2,872,810	2,177,551
Total Net Assets	<u>5,508,022</u>	<u>2,872,810</u>	<u>8,380,832</u>	<u>4,689,108</u>
Total Liabilities and Net Assets	<u>\$ 5,868,640</u>	<u>\$ 2,872,810</u>	<u>\$ 8,741,450</u>	<u>\$ 4,724,651</u>

The accompanying notes are an integral part of these statements.

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## TAHOE FUND

Exhibit B

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
For the Year Ended March 31, 2021 (with comparative totals for 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>REVENUE</b>				
Contributions	\$ 2,742,335	\$ 1,545,997	\$ 4,288,332	\$ 2,281,376
Governmental grants	-0-	28,013	28,013	21,207
Contract income	870	-0-	870	1,942
Donated goods, services and facilities (Note 12)	22,354	-0-	22,354	30,054
Gross special events revenue	10,000	-0-	10,000	123,300
Less: Cost of events	(24,681)	-0-	(24,681)	(112,868)
Net special events revenue	(14,681)	-0-	(14,681)	10,432
Change in value of beneficial interests in assets held at local community foundations	1,094,711	18,812	1,113,523	(201,237)
Other income	997	-0-	997	1,749
Net assets released from restrictions:				
Satisfaction of time restrictions	321,948	(321,948)	-0-	-0-
Satisfaction of purpose restrictions	575,615	(575,615)	-0-	-0-
Total net assets released	897,563	(897,563)	-0-	-0-
Total Revenue (Note 11)	4,744,149	695,259	5,439,408	2,145,523
<b>EXPENSES</b>				
Program services	1,299,397	-0-	1,299,397	773,731
Supporting services				
General and administrative	259,394	-0-	259,394	282,566
Fundraising	188,893	-0-	188,893	142,467
Total supporting services	448,287	-0-	448,287	425,033
Total Expenses	1,747,684	-0-	1,747,684	1,198,764
Increase in Net Assets	2,996,465	695,259	3,691,724	946,759
Net Assets at Beginning of Year	2,511,557	2,177,551	4,689,108	3,742,349
Net Assets at End of Year	\$ 5,508,022	\$ 2,872,810	\$ 8,380,832	\$ 4,689,108

The accompanying notes are an integral part of these statements.

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Exhibit C

STATEMENTS OF FUNCTIONAL EXPENSES  
For the Year Ended March 31, 2021 (with comparative totals for 2020)

	2021				2020
	Program Services	Supporting Services		Total	Total
	Program & Facilities	General and Administrative	Fund Raising		
Expenses					
Salaries, wages and related	\$ 311,779	\$ 63,219	\$ 93,649	\$ 468,646	\$ 351,627
Contracted services					
Consulting	34,868	-0-	-0-	34,868	38,284
Project expenses	13,308	-0-	-0-	13,308	2,680
Marketing and promotion	2,347	49,127	60,245	111,719	61,413
Accounting and legal	-0-	38,004	-0-	38,004	36,164
Other contract services	-0-	26,048	1,000	27,048	22,322
Grants	766,804	-0-	-0-	766,804	420,056
Unfulfilled pledges	-0-	13,516	-0-	13,516	14,895
Events	20,700	-0-	-0-	20,700	12,077
Occupancy	10,869	2,717	3,397	16,983	26,183
Bank and merchant card fees	-0-	21,680	-0-	21,680	16,529
Other expenses	196	4,116	-0-	4,312	13,895
Printing, copying, and publications	-0-	3,301	13,848	17,149	20,929
Volunteer and donor appreciation	-0-	715	8,962	9,677	2,267
Travel	-0-	4,430	-0-	4,430	11,062
Dues and subscriptions	-0-	10,957	10	10,967	5,568
Insurance	-0-	3,560	-0-	3,560	3,387
Computer, software and supplies	61,957	9,340	33	71,330	99,627
Telephone and internet	-0-	6,390	-0-	6,390	4,374
Postage and shipping	-0-	1,849	7,699	9,548	4,969
Advertising and promotion	76,569	-0-	50	76,619	29,936
Depreciation expense	-0-	426	-0-	426	520
	<u>\$ 1,299,397</u>	<u>\$ 259,394</u>	<u>\$ 188,893</u>	<u>\$ 1,747,684</u>	<u>\$ 1,198,764</u>

The accompanying notes are an integral part of these statements.

## TAHOE FUND

Exhibit D

**STATEMENTS OF CASH FLOWS**  
For the Years Ended March 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
	<u>Total</u>	<u>Total</u>
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ 3,691,724	\$ 946,759
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:		
Depreciation expense	426	520
Unfulfilled pledges	13,516	14,895
Contributions restricted to endowment	(70,740)	(100,000)
Change in receivables	(339,218)	(57,427)
Amortization of discount on promises to give	16,980	(10,171)
Change in beneficial interests in assets at local community foundations	(3,277,031)	(1,001,148)
Change in prepaid expenses and other assets	(5,879)	(3,266)
Change in payables	300,662	(7,853)
Change in accrued liabilities and funds held for others	24,413	5,553
Total Adjustments	<u>(3,336,871)</u>	<u>(1,158,897)</u>
Net Cash Provided (Used) by Operating Activities	<u>354,853</u>	<u>(212,138)</u>
Cash Flows from Financing Activities:		
Proceeds from contributions restricted for:		
Investment in Tahoe Trails Endowment (Note 7)	70,740	100,000
Other financing activities:		
Interest and dividends restricted for reinvestment	<u>1,958</u>	<u>280</u>
Net Cash Provided for Financing Activities	<u>72,698</u>	<u>100,280</u>
Net Increase (Decrease) in Cash and Cash Equivalents	427,551	(111,858)
Cash and Cash Equivalents, Beginning of the Year	712,486	824,344
Cash and Cash Equivalents, End of the Year	<u><u>\$ 1,140,037</u></u>	<u><u>\$ 712,486</u></u>

The accompanying notes are an integral part of these statements.

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# TAHOE FUND

## NOTES TO FINANCIAL STATEMENTS

March 31, 2021 and 2020

### 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 lake clarity, sustainable recreation, forest health, transportation and stewardship. 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 two classes of net assets based upon the existence or absence of donor-imposed restrictions, as follows:

*Net Assets Without Donor Restrictions* are resources currently available for various programs and administration of Tahoe Fund, board designated funds, or invested in property and equipment.

*Net Assets With Donor Restrictions* consist of donor restricted contributions. Amounts restricted by the donor for a particular purpose or time period are reported as revenue with donor restrictions when received and such unexpended amounts are reported as net assets with donor restrictions at year end.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions 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.

#### 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 support with donor restrictions. Conditional contributions are recognized when the conditions are substantially met.

#### 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 gifts without donor restrictions unless the donor has stipulated how long the asset must be used or has restricted the item(s) for a specific purpose.

# TAHOE FUND

## NOTES TO FINANCIAL STATEMENTS

March 31, 2021 and 2020

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

Tahoe Fund's expenses are recorded into the functional expense categories of program and facilities, general and administrative, and fund raising based on a combination of direct identification and, when significant, allocation.

To the extent possible, expenses are recorded in the functional category that receives the most benefit. Expenses requiring allocation are allocated based on a reasonable basis that is consistently applied. Wages and benefits are allocated on the basis of estimates for time and effort. Occupancy expenses are allocated based on a combination of square footage and an estimate of time and effort of the employees that occupy the square footage of each office. Insignificant indirect expenses, such as, office supplies and telephone are recorded as general and administrative.

### 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 Unfulfilled Pledges

An allowance for unfulfilled pledges is created when an pledge's collectability is uncertain. Tahoe Fund estimates unfulfilled pledges based on factors related to the specific payer's ability to pay and current economic trends. As of March 31, 2021 and 2020, the allowance for unfulfilled pledges was \$13,516 and \$14,895, 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

## TAHOE FUND

### NOTES TO FINANCIAL STATEMENTS

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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).

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 \$5,000 and above and stated at cost.

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 last four years are subject to examination by tax authorities.

# TAHOE FUND

## NOTES TO FINANCIAL STATEMENTS

March 31, 2021 and 2020

### Reclassification

Certain amounts in the 2020 financial statements have been reclassified to conform to the presentation in the 2021 financial statements. The reclassifications have no impact on the financial position or results of operations for 2021.

### COVID-19

The COVID-19 outbreak in the United States has caused varying degrees of disruption across substantially all businesses. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. It is at least possible that Tahoe Fund may experience adverse effects from the outbreak. If Tahoe Fund were to experience adverse effects, the related financial impact to Tahoe Fund is unknown at this time, and therefore no provisions have been reflected in the accompanying financial statements. It should be noted that the Fund maintains substantial operating reserves for events and circumstances of this nature as further disclosed in Note 8.

### 3. Concentrations of Credit Risk

Tahoe Fund maintains accounts at local banks. The balance in these accounts may, at times, exceed federally insured limits.

Tahoe Fund has a beneficial interest in assets held at local community foundations (Note 4). The funds are held at Parasol Foundation and Tahoe Truckee Community Foundation (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 local community 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 local community foundations are prudent for long-term growth.

Tahoe Fund minimizes credit risk by periodically evaluating the credit quality of its financial institutions and local community 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

Tahoe Fund has contracted with local community foundations for investment management with Tahoe Fund as the beneficiary. The funds consisted of project funds with donor restrictions, a board designated endowment (Note 8), the Tahoe Trails Endowment (Note 7), and operating reserves. Distributions from the accounts can be made at any time at the written request of Tahoe Fund and in accordance with the policies of the local community foundations

Tahoe Fund granted variance power to the local community foundations. Variance power protects funds from obsolescence. Should the purposes for which Tahoe Fund was created

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March 31, 2021 and 2020

become obsolete, incapable of fulfillment or inconsistent with the charitable needs of the community served, it is the local community foundation's Board of Directors responsibility, after contacting and being advised by Tahoe Fund, to revise the charitable intent of remaining funds to use for a purpose as similar as possible to those set forth in the Tahoe Fund agreement.

At March 31, 2021 and 2020, 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:

	2021	2020
Parasol Foundation	\$ 6,660,201	\$ 3,389,450
Tahoe Truckee Community Foundation	18,232	13,911
	\$ 6,678,433	\$ 3,403,361

The beneficial interest is valued at the proportional share of pooled funds as reported to Tahoe Fund by the local community foundations and is included within Level 3 of the fair value hierarchy (Note 2). As of March 31, 2021, the local community foundation's investments are composed approximately of 45.4% domestic equities and equity funds, 5.3% international equity funds, 43% bonds, and 6.3% alternate investment and money market funds. As of March 31, 2020, the local community foundation's investments are composed approximately of 43.9% domestic equities and equity funds, 5.9% international equity funds, 43.5% bonds, and 6.7% alternate investment and money market funds. 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
2021	\$ -0-	\$ -0-	\$ 6,678,433	\$ 6,678,433
2020	\$ -0-	\$ -0-	\$ 3,403,361	\$ 3,403,361

The following table provides a summary of changes in fair value of Tahoe Fund's Level 3 financial assets for the year ended March 31:

	2021	2020
Beginning Balance	\$ 3,403,361	\$ 2,402,492
Additions	2,452,195	1,323,260
Distributions	(290,645)	(121,154)
Change value of beneficial interest	1,113,522	(201,237)
Ending Value of Balance	\$ 6,678,433	\$ 3,403,361

5. 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

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## NOTES TO FINANCIAL STATEMENTS

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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, 2021 and 2020. 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>
2021	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>909,652</u>	\$ <u>909,652</u>
2020	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>600,928</u>	\$ <u>600,928</u>

Contributions receivable consist of the following at March 31:

	<u>2021</u>	<u>2020</u>
Less than 1 year	\$ 163,670	\$ 192,460
1-5 years	795,541	442,427
Total contributions receivable	<u>959,211</u>	<u>634,887</u>
Less: unamortized discount	(36,042)	(19,064)
Less: allowance for unfulfilled pledges	(13,516)	(14,895)
	<u>\$ 909,652</u>	<u>\$ 600,928</u>

### 6. Property, Furniture and Equipment

Property, furniture and equipment consist of the following at March 31:

	<u>2021</u>	<u>2020</u>
Equipment	\$ 3,425	\$ 3,425
Less: accumulated depreciation	(3,425)	(2,999)
	<u>\$ -0-</u>	<u>\$ 426</u>

### 7. Tahoe Trails Endowment

During 2020, Tahoe Fund received a donation with a donor restriction to setup a trails endowment fund to support trail improvements around the Tahoe region. During 2021, Tahoe Fund contributed board designated funds into the endowment. Tahoe Fund's goal is to grow the fund to \$3,000,000 over time. Earnings from this fund are available for use immediately to support the endowment's purpose.

The funds are held at a local bank and a local community foundation (Note 4). When contributions with donor restrictions are received, they are held at a local bank and periodically transferred to the local community foundation. The funds held at the local community foundation are invested in funds that are expected to provide an average annual

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rate of return sufficient to preserve the capital of the fund while providing an annual stream of funding sufficient to support the endowment's purposes.

	2021		
	With Donor Restrictions	Board Designated	Total
Beginning of year	\$ 89,657	\$ -0-	\$ 89,657
Contributions	70,740	500,000	570,740
Investment income	1,958	4,407	6,365
Unrealized gain (loss)	16,854	37,929	54,783
End of year	\$ 179,209	\$ 542,336	\$721,545
	2020		
	With Donor Restrictions	Board Designated	Total
Beginning of year	\$ -0-	\$ -0-	\$ -0-
Contributions	100,000	-0-	100,000
Investment income	280	-0-	280
Unrealized gain (loss)	(10,623)	-0-	(10,623)
End of year	\$ 89,657	\$ -0-	\$ 89,657

8. Board Designated

The board of directors established funds for future projects and priorities consistent with the strategic plan.

Board designations consist of the following at March 31:

	2021	2020
Designated for particular purpose or project	\$ 1,820,758	\$ 563,374
Operating reserves	1,336,114	1,038,687
Operating endowment (see below)	1,229,012	505,149
Tahoe Trails Endowment (Note 7)	542,336	-0-
	\$ 4,928,220	\$ 2,107,210

Operating Endowment:

During 2015, Tahoe Fund established an endowment fund from its net assets without donor restrictions, known as a quasi-endowment, to support the operating expenses of Tahoe Fund. Tahoe Fund's goal is to build the fund to a minimum of \$1,000,000 with re-investment earnings and future donations with and without donor restrictions. Appropriations will not be made from the endowment until this goal is met.

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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.

	<b>Operating Endowment</b>	
	<b>2021</b>	<b>2020</b>
Beginning of year	\$ 505,149	\$ 345,077
Contributions	500,000	209,224
Investment income	13,611	4,715
Unrealized gain (loss)	210,252	(53,867)
End of year	\$ 1,229,012	\$ 505,149

#### 9. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

	<b>2021</b>	<b>2020</b>
Bikeways	\$ 1,586,355	\$ 1,178,415
Conservation	152,352	457
Environmental Venture Trust	76,774	73,767
Forest Health	1,762	14,243
Recreation & other	79,273	378,585
Tahoe Trails Endowment (Note 7)	179,209	89,657
Stewardship	37,587	-0-
Time restricted pledges	759,498	442,427
	\$ 2,872,810	\$ 2,177,551

Earnings generated by funds with donor restrictions is available for appropriation by the Board of Directors with the exception of earnings generated by the Tahoe Trails Endowment funds with donor restrictions.

#### 10. Liquidity and Availability of Resources

Tahoe Fund's goal is to cover general expenditures through donations received without donor restrictions. This is done through various fundraising campaigns, such as the Green Bucks program, Stewardship circle (a 3-year annual commitment), and general donations from individuals and foundations. Although largely waived in recent years, 10% of donations received with donor restrictions are also available for general expenditures.

Tahoe Fund also has a policy to maintain an operating reserve adequate to cover 24 months of general expenditures, approximately \$1,200,000, and operates with a balanced budget. As



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### NOTES TO FINANCIAL STATEMENTS

March 31, 2021 and 2020

part of its liquidity plan, excess cash is invested in a combination of intermediate and short-term investments.

General expenditures include all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation. The calculation of average monthly expenses also excludes project expenses.

Project expenses have largely been covered by donations received with donor restrictions. However, board designated and other donations received without donor restrictions are also used. At the discretion of the board of directors, amounts that are board designated can be reallocated and used to meet general expenditures as needed.

At March 31, the following financial assets were available to meet general expenditures over the next twelve months:

Financial Assets at Year End	2021	2020
Cash	\$1,140,037	\$ 712,486
Beneficial Interests	6,678,433	3,403,361
Contributions Receivable, net	909,652	600,928
Total financial assets	8,728,122	4,716,775
 Adjustments:		
Less: Net assets with donor restrictions (See Note 9)	(2,872,810)	(2,177,551)
Plus: Time restrictions to be met during fiscal year ending March 31, 2022 and 2021, respectively	453,928	293,166
Less: Board Designated (See Note 8)	(4,928,220)	(2,107,210)
Plus: Board Designated for Operating Reserves	1,336,114	1,038,687
	(6,010,988)	(2,952,908)
Financial Assets Available	\$2,717,134	\$1,763,847

#### 11. Sources of Revenue

For the years ended March 31, 2021 and 2020, all sources of revenue were individually 9% 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, 2021 and 2020

12. Donated Goods, Services and Facilities

The following amounts are recognized in the financial statements for the year ending March 31:

	2021	2020	
Use of facilities/meeting rooms	\$ 5,342	\$ 9,022	Administrative
Use of facilities/meeting rooms	4,006	6,766	Fundraising
Use of facilities/meeting rooms	4,006	6,766	Program
Database subscriptions	9,000	4,500	Fundraising
Mountain bike	-0-	2,000	Administrative
Laptop	-0-	1,000	Administrative
Total	\$ 22,354	\$ 30,054	

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, 2021 was \$8,469 for office space, \$4,075 for meeting space, and \$810 for storage space for a total of \$13,354. The value of facilities donated by the Parasol Foundation for the year ended March 31, 2020 was \$8,469 for office space, \$13,275 for meeting space, and \$810 for storage space for a total of \$22,554. These amounts were allocated by functional expense as noted above.

13. Related Parties

For the years ended March 31, 2021 and 2020, marketing and website services were provided by an entity owned by the spouse of a board member. For the year ended March 31, 2021, the related expense for the services was \$11,124 and as of March 31, 2021, \$-0- was payable. For the year ended March 31, 2020, the related expense for the services was \$19,614 and as of March 31, 2020, \$1,063 was payable.

14. Subsequent Events

Subsequent events have been evaluated by management through August 4, 2021 the date that the statements were available for issuance, and no events material to the financial statements were identified.