Siena/Francis House
and Subsidiaries
Omaha, Nebraska

December 31, 2018 and 2017

Consolidated Financial Statements
and
Independent Auditor's Report

Siena/Francis House and Subsidiaries

Years ended December 31, 2018 and 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Siena/Francis House
Omaha, Nebraska

We have audited the accompanying consolidated financial statements of Siena/Francis House and Subsidiaries (Siena), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Siena/Francis House and subsidiaries as of December 31, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in the Supplemental Information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual entities, and it is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Frankel Zacharia LLC

September 17, 2019

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

	2018	2017
ASSETS		
Cash	$ 2,394,117	$ 2,523,350
Grants receivable (notes A and C)	293,548	279,114
Investments (notes A, D and F)	426,953	247,697
Prepaid expenses and other	48,571	62,491
Restricted cash (note B)	995,379	991,377
Property and equipment, net (notes A and E)	10,145,063	8,861,534
Other assets	7,202	9,081
Beneficial interest in assets held by others (notes D and Q)	19,226,797	790,216
TOTAL ASSETS	$ 33,537,630	$ 13,764,860
LIABILITIES		
Accounts payable and accrued expenses	$ 395,377	$ 312,956
AHP note payable (note G)	400,000	400,000
TOTAL LIABILITIES	795,377	712,956
NET ASSETS (notes A, H and I)		
Without donor restrictions		
Undesignated	5,595,230	7,117,210
Designated by board	1,127,472	1,119,228
Non-controlling interest in L.P	3,614,805	3,848,473
Total without donor restrictions	10,337,507	12,084,911
With donor restrictions	22,404,746	966,993
TOTAL NET ASSETS	32,742,253	13,051,904
TOTAL LIABILITIES AND NET ASSETS	$ 33,537,630	$ 13,764,860

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and other grants	$ 3,545,480	$22,180,019	$ 25,725,499
Government grants	521,186	110,601	631,787
Non-cash donations	3,459,501	-	3,459,501
Special events	79,867	-	79,867
Rental, net	120,773	-	120,773
Net investment income (loss)	(6,105)	(42,269)	(48,374)
Other	12,974	-	12,974
Net assets released from restrictions			
Satisfaction of program restrictions	810,598	(810,598)	-
TOTAL REVENUE AND SUPPORT	8,544,274	21,437,753	29,982,027
EXPENSES			
Program services	7,419,717	-	7,419,717
Management and general	740,823	-	740,823
Fundraising	886,670	-	886,670
TOTAL EXPENSES	9,047,210	-	9,047,210
Impairment of property and equipment	1,000,000	-	1,000,000
Loss on disposal of property and equipment	244,468	-	244,468
TOTAL LOSSES	1,244,468	-	1,244,468
TOTAL EXPENSES AND LOSSES	10,291,678	-	10,291,678
INCREASE (DECREASE) IN NET ASSETS	(1,747,404)	21,437,753	19,690,349
NET ASSETS, beginning of year	12,084,911	966,993	13,051,904
NET ASSETS, end of year	$ 10,337,507	$22,404,746	$ 32,742,253

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2017

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and other grants	$ 3,158,151	$ 1,116,018	$ 4,274,169
Government grants	397,768	159,604	557,372
Non-cash donations	3,756,226	-	3,756,226
Special events	92,150	-	92,150
Rental, net	125,142	-	125,142
Net investment income	929	47,874	48,803
Other	4,506	-	4,506
Net assets released from restrictions:			
Satisfaction of program restrictions	530,053	(530,053)	-
TOTAL REVENUE AND SUPPORT	8,064,925	793,443	8,858,368
EXPENSES			
Program services	7,269,365	-	7,269,365
Management and general	887,240	-	887,240
Fundraising	523,240	-	523,240
TOTAL EXPENSES	8,679,845	-	8,679,845
Loss on contribution receivable	26,057	123,943	150,000
TOTAL EXPENSES AND LOSSES	8,705,902	123,943	8,829,845
INCREASE (DECREASE) IN NET ASSETS	(640,977)	669,500	28,523
NET ASSETS, beginning of year	12,725,888	297,493	13,023,381
NET ASSETS, end of year	$ 12,084,911	$ 966,993	$ 13,051,904

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2018

	Permanent Supportive Housing Program Expenses	Siena/Francis House Program Expenses	Total Program Services
Salaries and wages	$ 31,134	$ 1,748,636	$ 1,779,770
Other employee expenses	-	82,283	82,283
Assistance to guests	-	2,508,013	2,508,013
Auto repair and gas	95	20,290	20,385
Depreciation and amortization	189,203	461,779	650,982
Employee benefits	1,522	284,143	285,665
Food	-	962,319	962,319
Insurance	21,310	80,044	101,354
Miscellaneous	1,523	30,031	31,554
Office supplies	11,659	24,711	36,370
Security	-	97,844	97,844
Program supplies	34,861	60,688	95,549
Information systems	-	43,766	43,766
Payroll taxes	2,110	128,011	130,121
Professional fees	23,100	-	23,100
Repairs and maintenance	11,569	145,484	157,053
Stipends	-	165,921	165,921
Telephone	5,547	46,472	52,019
Utilities	47,407	148,242	195,649
	$ 381,040	$ 7,038,677	$ 7,419,717

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED

Year ended December 31, 2018

	Total Program Services	Management and General	Fund Raising	Total
Salaries and wages	$1,779,770	$ 438,385	$ 296,071	$ 2,514,226
Other employee expenses	82,283	13,783	8,354	104,420
Assistance to guests	2,508,013	-	-	2,508,013
Auto repair and gas	20,385	-	-	20,385
Depreciation and amortization	650,982	2,568	2,568	656,118
Employee benefits	285,665	51,543	11,391	348,599
Food	962,319	-	-	962,319
Direct mail appeals	-	-	275,187	275,187
Other fundraising	-	-	202,500	202,500
Special events	-	-	37,905	37,905
Administration	-	18,682	-	18,682
Insurance	101,354	6,019	2,325	109,698
Miscellaneous	31,554	6,507	3,944	42,005
Office supplies	36,370	4,139	2,509	43,018
Security	97,844	16,390	9,933	124,167
Program supplies	95,549	-	-	95,549
Information systems	43,766	7,331	4,443	55,540
Payroll taxes	130,121	34,432	23,189	187,742
Professional fees	23,100	93,442	-	116,542
Management fees	-	25,660	-	25,660
Compliance fees	-	12,524	-	12,524
Repairs and maintenance	157,053	809	809	158,671
Stipends	165,921	-	-	165,921
Telephone	52,019	7,785	4,718	64,522
Utilities	195,649	824	824	197,297
	$7,419,717	$ 740,823	$ 886,670	$ 9,047,210

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2017

	Permanent Supportive Housing Program Expenses	Siena/Francis House Program Expenses	Total Program Services
Salaries and wages	$ 26,233	$ 1,477,931	$ 1,504,164
Assistance to guests	-	2,879,077	2,879,077
Auto repair and gas	54	28,816	28,870
Depreciation and amortization	190,325	266,302	456,627
Employee benefits	2,211	288,588	290,799
Food	-	916,030	916,030
Insurance	23,505	65,216	88,721
Donation	-	100,620	100,620
Miscellaneous	2,131	46,556	48,687
Office supplies	12,183	49,455	61,638
Program supplies	31,167	64,476	95,643
Information systems	-	57,603	57,603
Payroll taxes	1,642	109,956	111,598
Professional fees	23,179	-	23,179
Repairs and maintenance	10,366	103,761	114,127
Stipends	-	231,708	231,708
Telephone	6,592	60,138	66,730
Utilities	44,749	148,795	193,544
	$ 374,337	$ 6,895,028	$ 7,269,365

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED

Year ended December 31, 2017

	Total Program Services	Management and General	Fund Raising	Total
Salaries and wages	$ 1,504,164	$ 396,420	$ 221,183	$ 2,121,767
Assistance to guests	2,879,077	-	-	2,879,077
Auto repair and gas	28,870	-	-	28,870
Depreciation and amortization	456,627	1,481	1,481	459,589
Employee benefits	290,799	39,664	7,065	337,528
Food	916,030	-	-	916,030
Direct mail appeals	-	-	222,999	222,999
Special events	-	-	35,758	35,758
Administration	-	11,732	-	11,732
Insurance	88,721	5,294	1,457	95,472
Donation	100,620	-	-	100,620
Miscellaneous	48,687	6,068	2,735	57,490
Office supplies	61,638	7,841	3,534	73,013
Program supplies	95,643	-	-	95,643
Information systems	57,603	9,133	4,117	70,853
Payroll taxes	111,598	30,965	17,209	159,772
Professional fees	23,179	330,015	-	353,194
Management fees	-	25,160	-	25,160
Compliance fees	-	12,528	-	12,528
Repairs and maintenance	114,127	577	577	115,281
Stipends	231,708	-	-	231,708
Telephone	66,730	9,535	4,298	80,563
Utilities	193,544	827	827	195,198
	$ 7,269,365	$ 887,240	$ 523,240	$ 8,679,845

See accompanying notes to financial statements.

Siena/Francis House and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31,

	2018	2017
Cash flows from operating activities:		
Increase in net assets	$ 19,690,349	$ 28,523
Adjustments to reconcile increase in net assets to net cash used by operating activities		
Depreciation and amortization	656,118	459,589
Contributions restricted for endowment	-	(742,342)
Loss on contribution receivable	-	150,000
Stock donations	(262,384)	-
Impairment of property and equipment	1,000,000	
Loss on asset disposals	244,468	-
Beneficial interest in Omaha Shelter for Homeless Trust	(21,503,438)	-
Beneficial interest in Omaha Community Foundation	42,269	(47,874)
Net investment loss (income)	6,105	(929)
Other	-	1,250
(Increase) decrease in assets		
Grants receivable	(14,434)	(10,321)
Other assets	7,846	1,830
Prepaid expenses and other	13,920	(47,075)
Donated items on hand	-	40,000
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	82,421	(349)
Net cash used by operating activities	(36,760)	(167,698)
Cash flows from investing activities		
Purchases of property and equipment	(157,647)	(79,227)
Purchases of investments	(184,355)	(247,500)
Transfer to endowment fund	-	(742,342)
Proceeds from sale of investments	259,498	4,987
Net withdrawals from (deposits to and interest retained in) restricted cash	(9,969)	1,148
Net cash used by investing activities	(92,473)	(1,062,934)
Cash flows from financing activities		
Contributions restricted for endowment	-	742,342
Net decrease in cash	(129,233)	(488,290)
Cash at beginning of year	2,523,350	3,011,640
Cash at end of year	$ 2,394,117	$ 2,523,350

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

Schedule of non-cash investing and financing activities:		
Activity with beneficial interest in Omaha Shelter for Homeless Trust:		
Pledges net of discount and allowance	$ 21,705,938	$ -
Construction in progress transferred to Siena	$ 3,024,589	$ -
Fundraising costs paid on behalf of Siena	$ 202,500	$ -

See accompanying notes to financial statements.

The Siena/Francis House (Siena), located in Omaha, Nebraska, welcomes, shelters, and empowers individuals experiencing homelessness to navigate their own path to safe and appropriate housing.

Siena/Francis House Permanent Supportive Housing, Limited Partnership (the L.P.) consists of forty-eight apartment units which house homeless men and women who have a disabling condition and a community services facility, which contains offices for Siena employees and employees of partnering agencies, classrooms, meeting rooms and nursing stations, both located in Omaha, Nebraska.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting. The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Principles of Consolidation. The consolidated financial statements include the accounts of Siena, Siena/Francis General Partner LLC and Siena/Francis House Permanent Supportive Housing, L.P., a Nebraska limited partnership (the L.P.). Siena is the general partner of the L.P. It has been determined that the limited partner of the L.P. does not have substantive participating or protective rights. As such, Siena is presumed to control the L.P. and has consolidated the L.P.'s financial statements with its own financial statements. The limited partner's ownership interest in the L.P. has been presented as non-controlling interest in L.P. in the statement of financial position. All significant inter-entity transactions are eliminated from the consolidated financial statements.

Grants Receivable. Siena considers the grants receivable to be fully collectible. Accordingly, no allowance is deemed necessary.

Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statements of financial position. Realized and unrealized gains and losses are included in the consolidated statements of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

Fair Value Measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Siena utilizes a framework to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair Value Measurements - Continued.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Transfers between levels shall occur at the actual date of the event or change in circumstances that caused the transfer. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Property and Equipment and Depreciation. Property and equipment is carried at cost, if purchased and at fair value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed on the straight-line method. It is the Organization’s policy to capitalize property and equipment over $1,000. Lesser amounts are expensed. Property and equipment is depreciated over the following estimated useful lives:

Building	3 to 40 years
Equipment	3 to 7 years
Vehicles	5 years
Land improvements	15 years

Net Asset Classification. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Without donor restrictions. Net assets available for use in general operations and not subject to donor or grantor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Net Asset Classification - Continued.

With donor restrictions. Net assets subject to donor- or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue with donor restrictions. The restrictions are released when the assets are placed in service. Other donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both, and are reported in the statements of activities as net assets released from restrictions.

New Accounting Pronouncement. On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively for 2017 resulting in previously reported temporarily and permanently restricted net assets combined for presentation as net assets with donor restrictions.

Contributions. In accordance with FASB ASC 958, contributions received are being recorded as with donor restrictions and without donor restrictions support depending on the existence and/or nature of any donor restrictions.

From time to time, Siena receives contributions of marketable securities which are subsequently converted to cash. However, during the holding period, gains and losses are recognized and are considered unrestricted unless otherwise specified by the donor.

Promises to Give. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give that are expected to be collected or paid in more than one year are recognized at the present value of estimated future cash flows. Management estimates uncollectible amounts and records an allowance. The estimate of the uncollectible amounts will be assessed throughout the periods of scheduled receipts and adjusted accordingly. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Non-Cash Donations. Non-cash donations are recorded as contributions at their estimated fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would have otherwise been purchased by the Organization. A substantial number of volunteers contribute significant amounts of time to the activities of Siena, but these services do not meet the criteria for recognition.

Rental Revenue. Rental revenue reflects the gross rent potential based on the approved contract rent amounts less vacancy losses. Tenant rent is due on the first of the month for that month.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Advertising Costs. Siena expenses all advertising costs as incurred. Siena had $275,187 and $222,999 in direct mail expenses during the years ended December 31, 2018 and 2017, respectively.

Income Taxes. Siena/Francis House is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of their exempt purpose is not subject to income tax. Any income earned through activities not related to their exempt purpose is subject to income tax at normal corporate rates.

The L.P. is not a taxpaying entity for federal income tax purposes, and thus no income tax expense has been recorded in the statements. Income from the L.P. is taxed to the partners in their appropriate tax returns.

For the years ended December 31, 2018 and 2017, Siena had no tax liability on unrelated business activity. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

Use of Estimates. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications. Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

NOTE B - RESTRICTED CASH

Siena's restricted cash balance is comprised of the following at December 31, 2018 and 2017:

	2018	2017
Replacement Reserve	$ 36,151	$ 28,620
Operating Reserve	98,674	98,592
Supplemental Operating Reserve	348,645	347,673
Tenant Security Deposit Funds	6,462	12,429
Collateral Security Funds	505,447	504,063
	$ 995,379	$ 991,377

Replacement Reserve
The L.P. is required to maintain a reserve to fund repairs, capital expenditures and other costs approved by the Limited Partner. The replacement reserve is to be funded in the amount of $250 per apartment unit per year, and shall increase by ten percent on each fifth anniversary. At December 31, 2018 and 2017, all such required contributions had been made.

Operating Reserve
The L.P. is required to fund an operating reserve of at least $98,333. Withdrawals must be approved by the Limited Partner. As of December 31, 2018 and 2017, the Operating Reserve had been fully funded.

NOTE B - RESTRICTED FUNDS - CONTINUED

Supplemental Operating Reserve
The L.P. is required to fund a supplemental operating reserve account of at least $346,047. Withdrawals must be approved by the Limited Partner and can only be used to supplement lost annual rental subsidy. As of December 31, 2018 and 2017, the Supplemental Operating Reserve has been fully funded.

Collateral Security Funds
In accordance with the limited partnership agreement, Siena is required to maintain a pledge account of at least $500,000 as collateral security for its obligations under the agreement. This account is for the benefit of the limited partner, and disbursements from and termination of the account requires the approval of the limited partner.

NOTE C - GRANTS RECEIVABLE

Siena receives grants from various entities. The detail of the grants receivable and the respective granting agency at December 31, 2018 and 2017 is listed below.

	2018	2017
United Way Grants	$ 99,300	$ 153,550
Emergency Solutions Grant Dept. of Housing and Urban Development	121,029	98,413
Veterans Affairs Grant - Dept. of Veterans' Affairs	14,918	17,217
Nebraska Homeless Assistance Program	32,074	-
Other	26,227	9,934
	$ 293,548	$ 279,114

Siena expects to collect all grants within the next year.

NOTE D - FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the years ended December 31, 2018 and 2017.

Mutual funds: Value determined by the closing price in the actively traded market.

Beneficial interest in assets held by others: Valued at the fair value of Siena’s share of the Omaha Community Foundation’s investment pool as of the measurement date as provided by Omaha Community Foundation.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Siena believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE D - FAIR VALUE MEASUREMENTS - CONTINUED

The following tables set forth the balances of assets and liabilities measured at fair value on a recurring basis as of December 31, 2018 and 2017.

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2018				
Mutual funds	$ 426,953	$ 426,953	$ -	$ -
Beneficial interest in assets held by others	747,947	-	-	747,947
	$ 1,174,900	$ 426,953	$ -	$ 747,947

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2017				
Mutual funds	$ 247,697	$ 247,697	$ -	$ -
Beneficial interest in assets held by others	790,216	-	-	790,216
	$ 1,037,913	$ 247,697	$ -	$ 790,216

There were no transfers between the levels during the year ended December 31, 2018.

The following table summarizes Siena's Level 3 beneficial interests in assets held by others during 2018:

Balance at December 31, 2017	$ 790,216
Share of depreciation of funds	(42,269)
Balance at December 31, 2018	$ 747,947

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment consists of:

	2018	2017
Land	$ 1,398,191	$ 1,398,191
Land improvements	106,792	44,427
Buildings	8,693,600	10,664,780
Construction in progress	3,203,846	179,257
Equipment	468,378	427,839
Vehicles	276,810	276,810
	14,147,617	12,991,304
Less accumulated depreciation	(4,002,554)	(4,129,770)
	$ 10,145,063	$ 8,861,534

NOTE E - PROPERTY AND EQUIPMENT - CONTINUED

The consolidated financial statements include depreciation expense of $654,239, and $457,709 and amortization expense of $1,879 and $1,880, for the years ended December 31, 2018 and 2017, respectively.

As disclosed in Note M, construction of a new campus shelter is underway. The $16,608,880 shelter is considered 16.72% complete as of December 31, 2018 and is expected to be fully completed and ready for use in December of 2019. The amount shown above as Construction in progress includes $3,024,589 of costs related to this shelter.

Siena reviews for the impairment of long-lived assets subject to depreciation, including property and equipment, whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. As part of the new campus expansion, the Day Services building was demolished in late 2018 and the remaining book value was written off and recorded as a loss on disposal of property and equipment of $244,468 in the statement of activities. In addition, given the anticipated demolition and renovation of other facilities in 2021, Siena recorded an impairment loss of $1,000,000 as it was determined that the net book value of the Baright building would not be fully recoverable. The remaining book value of the building was based on management's estimate of the value of the original structure that will remain after the renovation. The useful lives of other assets were also adjusted to align with the demolition plans, resulting in additional depreciation expense of approximately $185,000 in 2018.

NOTE F - INVESTMENTS

Investments consist of:

	2018		2017	
	Cost	Fair Market Value	Cost	Fair Market Value
Mutual funds	$ 443,752	$ 426,953	$ 247,974	$ 247,697
Gross unrealized gain (loss)		$ (16,799)		$ (277)

Investment income (loss) consist of:

	2018	2017
Net realized and unrealized gains (losses)	$ (14,967)	$ 550
Interest and dividends	11,413	474
Administrative fees	(2,551)	(95)
Change in beneficial interest in investments held by others	(42,269)	47,874
	$ (48,374)	$ 48,803

NOTE G - GRANT AND LOAN AGREEMENTS

Siena and the L.P. are parties to agreements with the U.S. Department of Housing and Urban Development (HUD) and the Federal Home Loan Bank of Topeka (the FHLB) related to the funding of the permanent supportive housing facilities.

<u>Supportive Housing Program (SHP) Loan Agreements</u>
The SHP loan agreement is between Siena, as the lender, and the L.P., as the borrower. The interest rate is 3.45% per annum. Annual payments are based on available cash flow, with all unpaid principal and interest due on October 31, 2057. This note has been eliminated upon consolidation.

The loan amount of $640,117 was funded by two grants awarded in 2011 to Siena from HUD. Siena has provided HUD a deed restriction to secure HUD’s repayment of the grants if a default of the grant agreements should occur. The L.P. has provided Siena a second deed of trust on the property.

<u>Affordable Housing Program (AHP) Loan Agreement</u>
The agreements with FHLB consist of: (1) an AHP Loan Agreement; (2) two separate promissory notes between Siena and the L.P. totaling $400,000; and (3) two separate promissory notes between Siena and American National Bank (ANB) totaling $400,000. The loan agreement indicates that ANB is the member bank for the FHLB, the L.P. is the owner and Siena is the sponsor. Siena loaned an additional $400,000 to the L.P. under the same terms after expected AHP funding changed.

The promissory notes between Siena and the L.P. are non-interest bearing. The notes are due upon the date which the property is sold or refinanced; or, December 31, 2058. These notes are eliminated upon consolidation.

The promissory notes between Siena and ANB state that Siena promises to pay ANB the principal sum without interest, except upon an event of default. If no default occurs, the notes shall be forgiven if the FHLB’s AHP requirements are met upon the 15-year anniversary (October 24, 2027). The notes are secured by a deed of trust on the related property.

The carrying value of the buildings funded by these loans was approximately $4.7 million at December 31, 2018.

NOTE H - NET ASSETS

Without Donor Restrictions

The Board of Directors has designated funds for an operating reserve with the annual income available for current operations. The balance at December 31, 2018 and 2017, was $1,127,472 and $1,119,228, respectively.

With Donor Restrictions

Donor-imposed restrictions on net assets are as follows at December 31, 2018 and 2017:

	2018	2017
Purpose restrictions	$ 21,536,019	$ 23,227
Time restrictions	120,780	153,550
Beneficial interest restricted in perpetuity	747,947	790,216
	$ 22,404,746	$ 966,993

Net assets were released from donor restrictions during 2018 and 2017 by incurring expenses satisfying donor restrictions as follows:

	2018	2017
Purpose restrictions:		
Day facility	$ 128,000	$ 255,500
Omaha Shelter for Homeless Trust	202,500	-
Supportive Housing Project A	60,601	59,604
Other	166,647	61,399
	557,748	376,503
Time restrictions:		
Day services center	252,850	153,550
	$ 810,598	$ 530,053

NOTE I - CHANGES IN NET ASSETS

Per FASB ASC 958-810-50-4 and 50-5, consolidated financial statements are required to provide a schedule of changes in consolidated net assets reconciling beginning and ending balances attributable to the parent and to the non-controlling interest.

The detail of the changes in net assets at December 31, 2018 for Siena and the non-controlling interest in the L.P. are as follows:

	Siena	Non-Controlling Interest in L.P.	Total
Net assets without donor restrictions at December 31, 2017	$ 8,236,438	$ 3,848,473	$ 12,084,911
Increase (decrease) in net assets	(1,513,736)	(233,668)	(1,747,404)
Net assets without donor restrictions at December 31, 2018	6,722,702	3,614,805	10,337,507
Net assets with donor restrictions at December 31, 2017	966,993	-	966,993
Increase (decrease) in net assets	21,437,753	-	21,437,753
Net assets with donor restrictions at December 31, 2018	22,404,746	-	22,404,746
Total net assets at December 31, 2018	$ 29,127,448	$ 3,614,805	$ 32,742,253

The detail of the changes in net assets at December 31, 2017 for Siena and the non-controlling interest in the L.P. are as follows:

	Siena	Non-Controlling Interest in L.P.	Total
Net assets without donor restrictions at December 31, 2016	$ 8,649,669	$ 4,076,219	$ 12,725,888
Decrease in net assets	(413,231)	(227,746)	(640,977)
Net assets without donor restrictions at December 31, 2017	8,236,438	3,848,473	12,084,911
Net assets with donor restrictions at December 31, 2016	297,493	-	297,493
Increase in net assets	669,500	-	669,500
Net assets with donor restrictions at December 31, 2017	966,993	-	966,993
Total net assets at December 31, 2017	$ 9,203,431	$ 3,848,473	$ 13,051,904

NOTE J - FUNCTIONAL ALLOCATION OF EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

NOTE K - CONCENTRATIONS

Siena maintains cash in demand deposit and money market accounts with federally insured banks. At times, the balances in these accounts may be in excess of federally insured limits as detailed in the following table. Siena also maintains cash in money market funds at a brokerage firm that is a member of the SIPC (Securities Investor Protection Corporation). These accounts are insured subject to applicable limits which includes "excess SIPC" insurance. The balance in excess of FDIC and SIPC limits was $2,071,415 at December 31, 2018.

	Bank Balance	Insured Amount Unrestricted	Amount of Uninsured Bank Balance
American National Bank	$ 953,068	$ 250,000	$ 703,068
Security National Bank	251,958	250,000	1,958
Mutual of Omaha Bank	1,127,472	250,000	877,472
TD Ameritrade	59,998	59,998	-
Great Western Bank	19,701	19,701	-
	2,412,197	829,699	1,582,498
US Bank, restricted cash	988,917	500,000	488,917
Great Western Bank, restricted cash	6,462	6,462	-
	$ 3,407,576	$ 1,336,161	$ 2,071,415

Management does not believe that Siena is exposed to any significant credit risk related to these balances.

Siena recorded contributions of approximately $11.3 million for the Omaha Shelter for Homeless Trust from three donors, of which approximately $7 million is scheduled to be received in future periods from two donors.

NOTE L - CONTINGENCIES

Siena participates in federal grant programs that are subject to review and audit by the grantor agency. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditures of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of Siena.

The L.P. has received an allocation from the Nebraska Investment Finance Authority (NIFA) anticipated to generate $6,262,300 of low-income housing tax credits. Generally, these tax credits become available for use by its partners, pro-rata, over a ten-year period that began in 2013. Because these tax credits are subject to complying with federal and state regulatory requirements, there can be no assurance that the aggregate amount of the tax credits will be realized. Failure to meet all requirements may result in generating a lesser amount of tax credits than the expected amount. Also, failure to maintain compliance with occupant eligibility conditions, unit gross rent conditions, or corrections to noncompliance could result in recapture of previously taken tax credits plus interest. Repayment of the tax credit is not considered probable therefore no liability has been reflected in the Statements of Financial Position.

NOTE L – CONTINGENCIES - CONTINUED

A Declaration of Restrictive Covenants between the United States Department of Housing and Urban Development (HUD) and Siena binds Siena to use the L.P. project for supportive housing for low-income persons for 20 years. If the project fails to comply within 10 years, Siena is obligated to repay HUD up to the $753,426 of assistance it received from the Supportive Housing Grants. After the initial ten-year period, HUD shall reduce the percentage required to be repaid by 10 percentage points for each year Siena is in compliance.

A portion of the L.P.'s land was acquired by Siena from the City of Omaha (the City). Siena transferred this property to the L.P. The City restricted the use of the land for five years. The property must be used for multi-residential buildings for low income individuals and a community service facility for the homeless or other uses that are in substantial conformance with defined redevelopment plans. If Siena fails to comply, either the property is to be deeded to the City or the City is to be compensated in amounts up to $100,000. The restriction was released February 2018 at the expiration of the five-year period.

NOTE M - COMMITMENT

In November 2015, Siena purchased a parcel of land for $957,963 to be used for the expansion of its homeless shelter. Demolition of buildings and trees on this land was completed in 2016 at a cost of $179,257, which is included in construction in progress at December 31, 2018 and 2017.

NOTE N - AFFILIATED ORGANIZATION

On December 31, 2016, Siena partnered with Restored Hope, a not for profit organization that provides sanctuary, advancement, and community to single mothers and their children in abusive environments, and a private foundation under a Memorandum of Understanding (MOU). The goal of the MOU is to sustain the Restored Hope program. Under the MOU, Restored Hope approved three employees of Siena as new members of the Restored Hope board of directors. In addition, Siena agreed to provide supervision to the current staff of Restored Hope and assist with fundraising efforts, and provide operational funds of up to $100,000, during the period covered by the MOU. The MOU provided for the assumption of Restored Hope by Siena after a twelve-month transitional period ending on December 31, 2017, if approved by Siena.

At the conclusion of the transitional period, Siena determined that Restored Hope would not fit within the umbrella of services provided by Siena. The existing MOU with the private foundation was allowed to expire on December 31, 2017. Effective February 1, 2018, board members that were affiliated with Siena/Francis House or Restored Hope resigned leaving only the recently elected board members affiliated with another non-profit corporation on the Board for Restored Hope. On February 2, 2018, a new MOU was executed which recognized 1) the transfer of management and administration of the Restored Hope operation from Siena to another non-profit corporation, 2) the resignation of Siena's administrators serving on the board of directors for Restored Hope and 3) that the original MOU was expired and will be treated as if it never existed. Transition and indemnification agreements were signed effective December 7, 2018; one between Siena and the other non-profit corporation, and one between Siena and Restored Hope.

NOTE O - RETIREMENT PLAN

Siena sponsors a SIMPLE IRA plan for all employees who meet plan criteria. Employees may contribute up to $12,500 for 2018. Employees age 50 or over may also make catch-up contributions. Siena is required to make matching contributions up to 3% of employee compensation for eligible participants. Siena's contributions were $37,106 in 2018 and $41,129 in 2017. These amounts are included in employee benefits expense on the Statement of Functional Expenses.

NOTE P - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2018	2017
Cash	$ 2,394,117	$ 2,523,350
Grants receivable	293,548	279,114
Operating investments	426,953	247,697
Distributions from beneficial interest in assets held by others	35,560	-
Total financial assets available for general expenditure	$ 3,150,178	$ 3,050,161

As of December 31, 2018, a $1,127,472 balance in the Mutual of Omaha Bank account was designated as an operating reserve by the Board of Directors. This balance is included above as it could be accessed with board approval if needed.

The organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures for the respective programs. The organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged

NOTE Q - BENEFICIAL INTERESTS

Omaha Shelter for Homeless Trust

During 2018, Siena signed a development agreement (the agreement) with the Omaha Shelter for Homeless Trust (the Trust), a 501(c)(3) organization, whereby the Trust will assist Siena in the development of new shelters on Siena's campus (the Project). The agreement between the parties indicates the Project is owned by Siena and calls for the Trust to raise funds, manage construction and perform other duties required to complete the shelters.

The donor pledges shown as beneficial interest to Siena represent the amounts pledged that will inure to the benefit of Siena. These pledges are commitments that have been obtained by the Trust. The beneficial interest that will be transferred to Siena is $18,478,850, as of December 31, 2018, and is recorded at an amount that reflects adjustments for the present value of the total amounts pledged using a discount rate of 3%, which approximates an appropriate risk-free rate.

The Project's estimated costs to complete the current facility under construction (Phase I of the Project) are approximately $16.7 million. At December 31, 2018, the construction in progress costs related to Phase I are $3,024,589. Phase I is considered 17% complete. The $3,024,589 has been transferred from the original amount of the beneficial interest and included in the amounts shown in Property and Equipment-Construction in progress.

The Trust incurred fundraising costs of $202,500 prior to December 31, 2018. These fundraising costs have reduced the original amount of the beneficial interest and are recorded as an expense by Siena.

The beneficial interest recorded by Siena, in excess of the cost of the shelter currently under construction and the fundraising expenses, will be used for additional enhancements to Siena's campus.

The donor pledges presented as beneficial interest in trust, net of the transfer to construction in progress and fundraising expenses, are scheduled to be received in the following periods:

Years ended December 31,	
2018	$ 7,959,341
2019	6,704,784
2020	2,922,060
2021	366,040
2022	310,975
2023	215,650
	$ 18,478,850

NOTE Q - BENEFICIAL INTERESTS - CONTINUED

The Omaha Community Foundation

In 2017, Siena transferred $742,342 to the Omaha Community Foundation (OCF) under an Agency Endowment Agreement (Agreement) to establish the Siena Francis House Endowment Fund (the Fund) to support the charitable purpose of Siena. At the time of the transfer, Siena granted variance power to OCF. That power gives OCF the right to distribute the assets of the Fund and investment income to another not-for-profit entity of its choice if Siena ceases to exist or if the governing board of OCF votes that support for Siena (a) is no longer necessary or (b) is inconsistent with the needs of OCF. Under the terms of the Agreement, Siena may request distributions from the Fund in an amount not to exceed the current OCF endowment annual fund net asset spending percentage. The annual spending percentage is set from time to time by the board of directors of OCF. The current annual spending percentage is 4.5%. At December 31, 2018 and 2017 the Fund had a value of $747,947 and $790,216, respectively, which is reported in the Statement of Financial Position as beneficial interest in assets held by others.

Summary of Beneficial Interests

	2018	2017
Omaha Shelter for Homeless Trust	$ 18,478,850	$ -
Omaha Community Foundation	747,947	790,216
Total	$ 19,226,797	$ 790,216

NOTE R - CONDITIONAL PROMISES TO GIVE

In 2018, Siena received approximately $6,000,000 in conditional promises to give from donors. These conditional promises to give were related to the development agreement with the Omaha Shelter for Homeless Trust described in Note Q. The donors will disburse funds in fulfillment of the promises to give after phases of the Project are completed and specified certifications are issued. These conditional promises to give have not been recorded by Siena and are not reflected in these financial statements.

NOTE S - SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 17, 2019, the date the consolidated financial statements were available to be issued. There were no material transactions or events in the subsequent period requiring disclosure or recognition in the statements.

SUPPLEMENTAL INFORMATION

Siena/Francis House and Subsidiaries

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2018

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
ASSETS				
Cash	$ 2,374,405	$ 19,712	$ -	$ 2,394,117
Grants receivable	293,548	-	-	293,548
Investments	426,953	-	-	426,953
Prepaid expenses and other	39,421	12,159	(3,009)	48,571
Restricted cash	505,447	489,932	-	995,379
Property and equipment, net	5,756,046	4,740,501	(351,484)	10,145,063
Due from Siena/Francis House L.P.	1,621,381	-	(1,621,381)	-
Investment in limited partnership	361	-	(361)	-
Other assets	-	33,273	(26,071)	7,202
Beneficial interest in assets held by others	19,226,797	-	-	19,226,797
TOTAL ASSETS	$ 30,244,359	$ 5,295,577	$ (2,002,306)	$ 33,537,630
LIABILITIES				
Accounts payable and accrued expense	$ 365,427	$ 59,030	$ (29,080)	$ 395,377
Due to Siena/Francis House	-	1,621,381	(1,621,381)	-
AHP note payable	400,000	-	-	400,000
TOTAL LIABILITIES	765,427	1,680,411	(1,650,461)	795,377
NET ASSETS				
Without donor restrictions				
Undesignated	5,946,714	-	(351,484)	5,595,230
Designated by board	1,127,472	-	-	1,127,472
Non-controlling interest in L.P.	-	3,615,166	(361)	3,614,805
Total without donor restrictions	7,074,186	3,615,166	(351,845)	10,337,507
With donor restrictions	22,404,746	-	-	22,404,746
TOTAL NET ASSETS	29,478,932	3,615,166	(351,845)	32,742,253
TOTAL LIABILITIES AND NET ASSETS	$ 30,244,359	$ 5,295,577	$ (2,002,306)	$ 33,537,630

Siena/Francis House and Subsidiaries

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

December 31, 2017

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
ASSETS				
Cash	$ 2,507,326	$ 16,024	$ -	$ 2,523,350
Grants receivable	279,114	-	-	279,114
Investments	247,697	-	-	247,697
Prepaid expenses and other	53,503	8,988	-	62,491
Restricted cash	504,063	487,314	-	991,377
Property and equipment, net	4,289,915	4,935,786	(364,167)	8,861,534
Due from Siena/Francis House L.P.	1,580,803	-	(1,580,803)	-
Investment in limited partnership	385	-	(385)	-
Other assets	-	32,269	(23,188)	9,081
Beneficial interest in assets held by others	790,216	-	-	790,216
TOTAL ASSETS	$ 10,253,022	$ 5,480,381	$ (1,968,543)	$ 13,764,860
LIABILITIES				
Accounts payable and accrued expense	$ 285,424	$ 50,720	$ (23,188)	$ 312,956
Due to Siena/Francis House	-	1,580,803	(1,580,803)	-
AHP note payable	400,000	-	-	400,000
TOTAL LIABILITIES	685,424	1,631,523	(1,603,991)	712,956
NET ASSETS				
Without donor restrictions				
Undesignated	7,481,377	-	(364,167)	7,117,210
Designated by board	1,119,228	-	-	1,119,228
Non-controlling interest in L.P.	-	3,848,858	(385)	3,848,473
Total without donor restrictions	8,600,605	3,848,858	(364,552)	12,084,911
With donor restrictions	966,993	-	-	966,993
TOTAL NET ASSETS	9,567,598	3,848,858	(364,552)	13,051,904
TOTAL LIABILITIES AND NET ASSETS	$ 10,253,022	$ 5,480,381	$ (1,968,543)	$ 13,764,860

Siena/Francis House and Subsidiaries

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended December 31, 2018

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
REVENUE AND SUPPORT				
Contributions and other grants	$ 25,725,499	$ -	$ -	$25,725,499
Government grants	581,787	50,000	-	631,787
Non-cash donations	3,459,501	-	-	3,459,501
Special events	79,867	-	-	79,867
Rental, net	-	134,484	(13,711)	120,773
Net investment loss	(48,374)	-	-	(48,374)
Other	38,230	40,809	(66,065)	12,974
Income from L.P.	(23)	-	23	-
TOTAL REVENUE AND SUPPORT	29,836,487	225,293	(79,753)	29,982,027
EXPENSES				
Program services	7,091,376	420,801	(92,460)	7,419,717
Management and general	702,639	38,184	-	740,823
Fundraising	886,670	-	-	886,670
TOTAL EXPENSES	8,680,685	458,985	(92,460)	9,047,210
Impairment of property and equipment	1,000,000	-	-	1,000,000
Loss on disposal of property and equipment	244,468	-	-	244,468
TOTAL LOSSES	1,244,468	-	-	1,244,468
TOTAL EXPENSES AND LOSSES	9,925,153	458,985	(92,460)	10,291,678
INCREASE (DECREASE) IN NET ASSETS	19,911,334	(233,692)	12,707	19,690,349
NET ASSETS, beginning of year	9,567,598	3,848,858	(364,552)	13,051,904
NET ASSETS, end of year	$ 29,478,932	$ 3,615,166	$ (351,845)	$32,742,253

Siena/Francis House and Subsidiaries

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended December 31, 2017

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
REVENUE AND SUPPORT				
Contributions and other grants	$ 4,274,169	$ -	$ -	$ 4,274,169
Government grants	507,372	50,000	-	557,372
Non-cash donations	3,756,226	-	-	3,756,226
Special events	92,150	-	-	92,150
Rental, net	-	133,397	(8,255)	125,142
Net investment income	48,803	-	-	48,803
Other	29,951	39,705	(65,150)	4,506
Income from L.P.	(23)	-	23	-
TOTAL REVENUE AND SUPPORT	8,708,648	223,102	(73,382)	8,858,368
EXPENSES				
Program services	6,942,268	413,183	(86,086)	7,269,365
Management and general	849,552	37,688	-	887,240
Fundraising	523,240	-	-	523,240
TOTAL EXPENSES	8,315,060	450,871	(86,086)	8,679,845
Loss on contribution receivable	150,000	-	-	150,000
TOTAL EXPENSES AND LOSSES	8,465,060	450,871	(86,086)	8,829,845
INCREASE (DECREASE) IN NET ASSETS	243,588	(227,769)	12,704	28,523
NET ASSETS, beginning of year	9,324,010	4,076,627	(377,256)	13,023,381
NET ASSETS, end of year	$ 9,567,598	$ 3,848,858	$ (364,552)	$13,051,904