

Reinvestment Fund, Inc. and Affiliates
Consolidated Statement of Financial Position
December 31, 2018

	12/31/2018	12/31/2017	\$ Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	68,444,548	12,714,292	55,730,256	438.3%
Grants and contributions receivable	6,054,817	655,423	5,399,394	823.8%
Investments in marketable securities	24,235,348	18,766,937	5,468,411	29.1%
Loans and leases	82,013,480	76,164,840	5,848,640	7.7%
Allowance for losses	(4,100,675)	(3,808,242)	(292,433)	7.7%
Other	4,929,346	3,909,875	1,019,471	26.1%
Restricted cash and cash equivalents	26,885,445	34,229,680	(7,344,235)	-21.5%
	<u>208,462,309</u>	<u>142,632,805</u>	<u>65,829,504</u>	<u>46.2%</u>
Noncurrent Assets				
Investments in marketable securities-Non Current	19,096,314	22,067,581	(2,971,267)	-13.5%
Program investments	271,610	271,610	-	0.0%
Loans and leases	372,008,366	313,124,118	58,884,248	18.8%
Allowance for losses	(18,600,418)	(15,656,206)	(2,944,212)	18.8%
Investment in limited partnerships & LLC's	438,941	341,654	97,287	28.5%
Equipment, leasehold improvements and software, net	680,959	1,132,532	(451,573)	-39.9%
Other	582,106	315,173	266,933	84.7%
	<u>374,477,878</u>	<u>321,596,462</u>	<u>52,881,416</u>	<u>16.4%</u>
Total Assets	<u>582,940,187</u>	<u>464,229,267</u>	<u>118,710,920</u>	<u>25.6%</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable and accrued expenses	2,348,722	2,300,948	47,774	2.1%
Escrow payable and due to third parties	7,934,887	3,889,269	4,045,618	104.0%
Deferred revenue	1,398,113	790,389	607,724	76.9%
Other	2,130,893	1,173,990	956,903	81.5%
Recoverable grants	8,687,600	5,195,800	3,491,800	67.2%
Loans payable, current portion	27,754,260	33,880,110	(6,125,850)	-18.1%
Loans payable, EQ2	11,708,000	-	11,708,000	100.0%
	<u>61,962,475</u>	<u>47,230,506</u>	<u>14,731,969</u>	<u>31.2%</u>
Noncurrent Liabilities				
Loans payable, less current maturities	326,745,834	227,588,233	99,157,601	43.6%
Loans payable, EQ2	7,750,000	18,708,000	(10,958,000)	-58.6%
Escrow payable and due to third parties	466,147	465,215	932	0.2%
Other	9,112,399	9,002,245	110,154	1.2%
	<u>344,074,380</u>	<u>255,763,693</u>	<u>88,310,687</u>	<u>34.5%</u>
Total Liabilities	<u>406,036,855</u>	<u>302,994,199</u>	<u>103,042,656</u>	<u>34.0%</u>
Commitments and Contingencies				
Net Assets				
Without Donor Restrictions	62,670,574	58,505,147	4,165,427	7.1%
Without Donor Restrictions - Contractually limited as to use	9,860,253	9,633,684	226,569	2.4%
Without Donor Restrictions - PolicyMap	(1,568,245)	(781,443)	(786,802)	0.0%
Non Controlling Interest	104,688	-	104,688	100.0%
Total Without Donor Restrictions	<u>71,067,270</u>	<u>67,357,388</u>	<u>3,709,882</u>	<u>5.5%</u>
With Donor Restrictions (Temporarily)	56,003,066	43,748,959	12,254,107	28.0%
With Donor Restrictions (Permanently)	49,832,996	50,128,721	(295,725)	-0.6%
Total With Donor Restrictions	<u>105,836,062</u>	<u>93,877,680</u>	<u>11,958,382</u>	<u>12.7%</u>
Total Net Assets	<u>176,903,332</u>	<u>161,235,068</u>	<u>15,668,264</u>	<u>9.7%</u>
Total Liabilities and Net Assets	<u>582,940,187</u>	<u>464,229,267</u>	<u>118,710,920</u>	<u>25.6%</u>

Reinvestment Fund, Inc. and Affiliates
Consolidated Statement of Activities
December 31, 2018

	Without Donor Restrictions	Non-Controlling Interest	With Donor Restrictions	Total
FINANCIAL INCOME				
Interest income from:				
Investments	840,633	-	302,141	1,142,774
Loans and leases	23,807,168	-	531,936	24,339,104
Investment gains, net				
Marketable securities	294,792	-	180,790	475,582
Equity gains in limited partnerships	596,475	-	-	596,475
Loan and lease fees	252,275	-	-	252,275
Gain on sale of loans	990,406	-	-	990,406
Asset management fee	1,335,604	-	-	1,335,604
Total Financial Income	28,117,353	-	1,014,867	29,132,220
FINANCIAL EXPENSE				
Interest expense	10,854,176	-	-	10,854,176
Investment losses, net				
Marketable securities	416,872	-	29,771	446,643
Equity losses in limited partnerships	40,377	-	-	40,377
Provision for loan and lease losses	7,716,476	-	-	7,716,476
Total Financial Expense	19,027,901	-	29,771	19,057,672
Net Financial Income (Loss)	9,089,452	-	985,096	10,074,548
REVENUE AND SUPPORT				
Grants and contributions	350,949	-	20,855,148	21,206,097
Program services and fees	6,896,019	1,557	-	6,897,576
Other income	18,690	-	-	18,690
Net assets released from restriction	9,304,762	-	(9,304,762)	-
Total Revenue and Support	16,570,420	1,557	11,550,386	28,122,363
PROGRAM AND GENERAL EXPENSES AND OTHER DECREASES/(INCREASES)				
Program and General Expenses				
Program - Lending and Community Investing	12,605,150	-	-	12,605,150
Program - Policy Solutions	1,672,787	-	-	1,672,787
Program - PolicyMap	4,106,867	2,429	-	4,109,296
Management and general	4,007,840	-	-	4,007,840
Total Program and General Expenses	22,392,644	2,429	-	22,395,073
Other (Increases)/Decreases				
Charge-offs to revolving loan fund	-	-	-	-
Provision for Bad Debt-Prior Year	-	-	-	-
Charges related to revolving loan fund	-	-	105,514	105,514
Loss on disposition of intangible assets	253,669	418	-	254,087
Redesignation of restrictions	(423,986)	-	471,586	47,600
Provision for income taxes	(167,649)	(784)	-	(168,433)
Total Other (Increases)/Decreases	(337,966)	(366)	577,100	238,768
Total Expenses and Other (Increases)/Decreases	22,054,678	2,063	577,100	22,633,841
CHANGE IN NET ASSETS	3,605,194	(506)	11,958,382	15,563,070
PAID IN CAPITAL (DISTRIBUTIONS)	-	105,194	-	105,194
CHANGE IN NET ASSETS	3,605,194	104,688	11,958,382	15,668,264
NET ASSETS - BEGINNING	67,357,388	-	93,877,680	161,235,068
NET ASSETS - ENDING	70,962,582	104,688	105,836,062	176,903,332

Reinvestment Fund, Inc. and Affiliates
Statement of Cash Flows
December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 15,563,070
Adjustments to reconcile change in net assets before partners'	
Distribution to Net Cash Provided by (Used in) Operating Activities	
Provision for loan and lease losses	7,716,476
Provision for income taxes	(168,433)
Net charges related to revolving loan fund	107,399
Amortization of debt issuance costs	150,965
Disposition of intangible assets	254,087
Depreciation expense	434,572
Deferred loan and lease fees, net	(154,519)
Investment (gain)/losses in marketable securities, net	(28,940)
(Increase) decrease in equity earnings in other limited partnerships, net	(620,241)
(Gains)/Losses on sale of loans receivable	(990,406)
Non-cash grant support	(1,500)
(Increase) Decrease in:	
Grants and contributions receivable	(5,399,394)
Restricted cash and cash equivalents	7,344,235
Other assets	(3,865,654)
Increase (Decrease) in:	
Accounts payable and accrued expenses	47,774
Deferred revenue	607,724
Recoverable grant payable	3,491,800
Escrow payable and due to third parties	4,046,550
Other liabilities	1,067,057
Net Cash Provided by (Used in) Operating Activities	<u>29,602,622</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of marketable securities	(43,228,975)
Proceeds from maturities of marketable securities	40,760,771
Purchase of other limited partnerships	(78,246)
Distributions from equity method investments	601,200
Cash disbursements on loans receivable	(151,959,166)
Cash receipts on loans receivable	82,590,962
Forgiveness of loans receivable	223,343
Principal payments received under leases	67,351
Proceeds from sale of loans receivable	3,650,000
Purchases of equipment, leasehold improvements and software	(237,086)
Net Cash Provided by (Used in) Investing Activities	<u>(67,609,846)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of notes payable	168,632,985
Payments on notes payable	(74,424,066)
Reinvested interest on investors payable	138,274
Cash paid for debt issuance costs	(714,907)
Member contributions	105,194
Net Cash Provided by (Used in) Financing Activities	<u>93,737,480</u>

Net Increase (Decrease) in Cash and Cash Equivalents	55,730,256
Cash and Cash Equivalents - Beginning	<u>12,714,292</u>
Cash and Cash Equivalents - Ending	<u>\$ 68,444,548</u>