

Central America Poultry Export Quota Inc.

2018 Annual Report



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MISSION STATEMENT

The Central America Poultry Export Quota, Inc. is a not-for-profit corporation established to manage on an open tender basis the tariff-rate quota (TRQ) for chicken leg quarters (CLQs) granted by El Salvador, Guatemala, Honduras, and Nicaragua to the United States under the terms of the United States-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA). CA-PEQ is also tasked with distributing the proceeds received from the aforementioned tender process for the benefit of the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua, and the United States to fund market development, educational, scientific, and technical projects. In this manner, CA-PEQ fosters the cooperation and integration of the poultry industries of its members.

* CA-PEQ's mission was established under the terms of an Export Trade Certificate of Review, issued by the U.S. Department of Commerce on January 20, 2006, and published in the Federal Register on February 9, 2006/ Vol. 71, No. 27.

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1. Chairman's Letter

In 2018, CA-PEQ generated \$1,637,392 in revenues from open-tenders for the allocation of tariff rate quota (TRQ) for chicken leg quarters (CLQs) granted by El Salvador, Honduras and Nicaragua to the United States under the Dominican Republic – Central America Free Trade Agreement (DR-CAFTA). These revenues represented a decrease of 27% compared to 2017.

Net proceeds from open tenders are used to fund market development, as well as educational, scientific, and technical projects to benefit the participating poultry associations in Central America and the United States (see Figure A for distribution of funds). Projects in 2018 amounted to \$2,316,100 and required the use of \$785,800 in accumulated funds strictly saved for these purposes. The following are highlights of new and existing funded programs:

- Continued technical and financial support for national poultry health programs (Honduras, El Salvador and Nicaragua);
- Relief for families affected by a volcanic eruption in Guatemala (United States);
- Consumer advertising campaign (El Salvador);
- Support for market access and technical regulation programs (Nicaragua); and
- Support for scientific research, communications, and marketing programs, including the Sub-Saharan Africa region (United States).

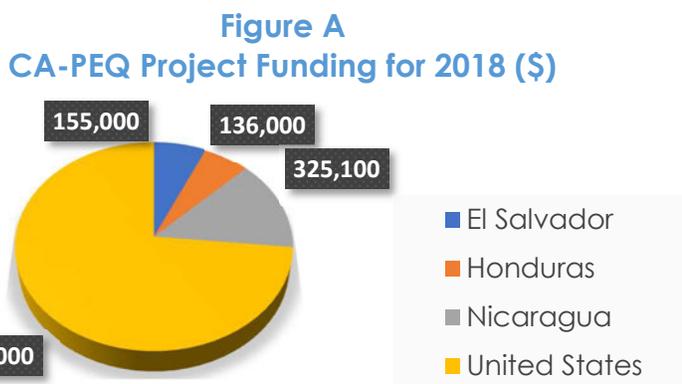
It is worth mentioning that CA-PEQ has made significant contributions through the implementation of projects, particularly in the areas of poultry health surveillance and food safety. I would also like to recognize Honduras for achieving country eligibility with the Food Safety Inspection Service (FSIS) to export poultry products to the United States.

I take this opportunity to thank the member poultry associations, and their respective governments for their continued support. Under my term as Chair in 2019, I look forward to continue developing and strengthening our respective industries and markets.

Sincerely,



Steve Anderson
CA-PEQ Chairman 2019



2. Directors and Officers

Pursuant to CA-PEQ's bylaws and the Export Trade Certificate of Review (ETCR) approved by the U.S. Department of Commerce, the members of CA-PEQ are the national trade associations representing the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua, and the United States. An eight-member Board of Directors appointed by these associations governs CA-PEQ.

Directors for 2018



Rodolfo Mercadal
Chairman
FEDAVIH - Honduras



James Sumner
Vice-Chairman
USAPEEC – United States



Alfredo Velez
Director
ANAPA - Nicaragua



Francisco Arriaza
Director
ANAVI - Guatemala



Agustin Martinez
Director
AVES – El Salvador



Nancy Haas
Director
USAPEEC – United States



Steven Anderson
Director
USAPEEC – United States



Reint Huizinga
Director
USAPEEC – United States

Officers for 2018

In addition to Mr. Rodolfo Mercadal who served as Chairman, and Mr. James Sumner who served as Vice-Chairman, Mateo Paz-Soldan and Violeta Gutierrez from DTB Associates, LLP, which serves as CA-PEQ's Administrator, served as Secretary and Treasurer, respectively.



Mateo Paz-Soldan
Secretary
DTB Associates, LLP



Violeta Gutierrez
Treasurer
DTB Associates, LLP

3. Open Tender Process and Results

Under the terms of the ETCR, CA-PEQ is tasked with managing the TRQ for CLQs established for each participating country on a yearly basis, as stipulated in the DR-CAFTA.¹ CA-PEQ administers these TRQs through an open tender process, or auction, with certificates for duty-free shipments of CLQs awarded to the highest bidders, pursuant to ETCR requirements. Notice of each open tender process is published in advance both in the United States and in the Central American country whose TRQ tranche is being auctioned. Bid specifications and contents are included in the notice and also published on the CA-PEQ website. Once the open tender period closes, results are audited and bidders are notified of the disposition of their bids. The complete results are sent to the governments and consolidated results are made available to the member poultry associations, and to the public on the CA-PEQ website. Open tender proceeds are then maintained in an interest-bearing bank account until funding requests of

¹ See General Notes and Appendix 1 – Tariff Rate Quotas, Annex 3.3 of the text of the DR-CAFTA.

participating member associations are approved by the CA-PEQ Board (see Section 4).

Table 1
CA-PEQ Open Tender Results for 2018

Country/Category	First Tranche	Second Tranche	Third Tranche	Total
Honduras	Nov 27 - Dec 8, 2017	Feb 26 - Mar 9, 2018	July 16 – 27, 2018	
Available Quota for Auction (MT)	1,826.00	1,826.00	1,825.00	5,477.00
Certificates Awarded (MT)	1,149.06	594.45	676.00	2,419.51
Average Successful Bid (\$/MT)	\$44.32	\$29.57	\$28.93	\$36.40
Lowest Successful Bid (\$/MT)	\$23.00	\$22.49	\$25.00	\$22.49
Auction Receipts (\$)	\$50,930.57	\$17,576.45	\$19,560.00	\$88,067.02
El Salvador	April 2 - 6, 2018	June 4 – 8, 2018	Sept 3 – 7, 2018	
Available Quota for Auction (MT)	1,620.00	1,619.00	1,619.00	4,858.00
Certificates Awarded (MT)	1,620.00	693.80	1,426.00	3,739.80
Average Successful Bid (\$/MT)	\$48.40	\$29.44	\$46.47	\$44.15
Lowest Successful Bid (\$/MT)	\$23.00	\$23.00	\$28.00	\$23.00
Auction Receipts (\$)	\$78,412.10	\$20,422.40	\$66,286.00	\$165,120.50
Nicaragua	De 11 – 15, 2017	Feb 26 – Mar 2, 2018		
Available Quota for Auction (MT)	1,791.00	1,791.00		3,582.00
Certificates Awarded (MT)	1,791.00	1,791.00		3,582.00
Average Successful Bid (\$/MT)	\$384.12	\$388.75		\$386.43
Lowest Successful Bid (\$/MT)	\$352.00	\$361.00		\$352.00
Auction Receipts (\$)	\$687,953.10	\$696,251.00		\$1,384,204.10
YEAR-TO-DATE RECEIPTS				\$1,637,391.62
YEAR-TO-DATE TRQ AWARDED				9,741.31
YEAR-TRQ (MT)				13,917.00

**Data compiled from CA-PEQ's audited financial statements and published information at www.ca-peq.org.

In 2018, open tender receipts for the right to import CLQs duty free into El Salvador, Honduras and Nicaragua totaled \$1,637,391.62. Total open tender revenues decreased 27% from 2017. The decrease in auction revenues is explained, in part, by market conditions and the fact that CA-PEQ no longer hold auctions in Guatemala. Tariffs on CLQs from the U.S. were eliminated by Guatemala on April 11, 2017, effectively ending Guatemala's participation in the open tender process.

CA-PEQ Central America Poultry Export Quota, Inc.

A combined quota of 9,741.31 metric tons (MT) or 70% of the 13,917.00 MT offered for auction was awarded. On a country-by-country basis, awarded certificates in MT corresponded to: El Salvador (38%); Honduras (25%); and Nicaragua (37%), while their respective open tender revenues amounted to 10%, 5%, and 85% of the total. The highest average successful bid was \$386.43/MT and the lowest successful bid \$22.49/MT. See Table 1 on page 6 and Table 2 on page 7 for more information.

Table 2
CA-PEQ Open-Tender Auction Receipts and Certificates Awarded for 2018

Country	Certificates Awarded (MT)		Auction Receipts	
El Salvador	3,739.80	38.39%	\$165,120.50	10.08%
Honduras	2,419.51	24.84%	\$88,067.02	5.38%
Nicaragua	3,582.00	36.77%	\$1,384,204.10	84.54%
Total	9,741.31	100.00%	\$1,637,391.62	100.00%

The list of winners in the open tenders held for 2018 are published on the CA-PEQ website. These winners were:

- Bassett Walker, Inc., Wilmington, DE
- Cargill Protein Group, Wichita, KS
- Lamex Foods, Bloomington, MN
- Intertrade Purchasing & Consulting, Inc., Miami, FL
- Merinter, Inc. - Miami, FL
- Micro Steps, Inc., Wesley Chapel, FL
- Oxford Services, Inc. - Miami, FL
- Quirch Foods. – Coral Gables, FL
- Ronald A. Chisholm (USA) Inc., Linden, MI

4. Reporting and Outreach

As established in CA-PEQ's ETCR, an important part of the corporation's responsibilities includes maintaining the governments of Central American countries and the United States informed of open-tender results, the dates selected for open tenders, and other key issues impacting the corporation. CA-PEQ must also comply with annual reporting requirements before the U.S. Department of Commerce and the U.S. Internal Revenue Service, and with requests for information by Central American or U.S. government authorities.

In addition, the Administrator meets government authorities from member countries periodically to provide updates and gather feedback with regard to TRQ management.

In January 2018, Mr. Paz-Soldan and Ms. Gutierrez, representing CA-PEQ, met with several government authorities in Managua, Nicaragua prior to CA-PEQ's Annual Meeting in Guacalito de la Isla, Nicaragua.

After a briefing on CA-PEQ's ETCR objectives and operations, Dr. Ricardo Somarriba, General Director, and staff of the Institute of Protection of Agricultural Health (IPSA) provided an overview of on-going activities supported by CA-PEQ's funds under the IPSA-ANAPA National Poultry Health Program. This program has been running for more than 10 years, based on goals stated in yearly agreements between ANAPA and IPSA.

CA-PEQ funds allocated to this program are administered by the Regional Animal Health Agency for Central America (OIRSA) for enhanced accountability, and to provide laboratory supplies with duty free entry into Nicaragua. Funds are used for capacity building activities aimed to strengthen epidemiology surveillance, such as technical training on biosafety and diagnostics techniques, and simulation exercises, among others.

Minister Orlando Solorzano and staff of the Ministry of Commerce and Finance (MIFIC) were also briefed on CA-PEQ operations to-date. The Minister emphasized the use of the quota in social programs.

Likewise, ANAPA and its marketing agency briefed the Administrator and Board on ANAPA's marketing strategy to promote poultry consumption in Nicaragua and its most recent advertising campaign under the motto "El pollo NICA tu mejor elección" (the Nicaraguan chicken is your best choice).

In March 2018, the Administrator met with an officer of the agricultural office of the U.S. Trade Representative and provided him with an update on CA-PEQ's operations and funding activities.

5. Disposition of Proceeds

One of the main purposes of CA-PEQ under the ETCR is to distribute net proceeds generated by the open tenders to fund projects in export market development, educational, scientific, and technical categories for the benefit of the poultry industries of El Salvador, Guatemala, Honduras, Nicaragua and the United States. After paying operating expenses at the end of each year, the Administrator distributes the remaining proceeds to fund capacity building projects in the abovementioned categories. As established in the ETCR, proceeds are distributed between USAPEEC (50%) and the poultry industries of El Salvador, Guatemala, Honduras, and Nicaragua (50%), based on the TRQ allocated to each Central American country. The following is a country-by-country overview of how the proceeds were used in 2018.

EL SALVADOR

In 2018, the Poultry Association of El Salvador (AVES) received a total of \$155,000 from CA-PEQ to fund the following project: "Strengthening the Marketing and Communication strategy to increase poultry products consumption; and technical and financial cooperation to improve the National Poultry Health Surveillance Program; and the process of market access of poultry products to other countries in support of the Ministry of Agriculture and Livestock (MAG) (continuation)." Activities funded under this project are included in the following ETCR categories:

Market Development

1. **A new market promotion and media campaign** under the slogan "Chicken and egg: a thousand ways to say I love you." The campaign continued to emphasize the benefits of poultry products as the best source of protein and for health under AVES' four strategic pillars: 1. Nutrition and Healthy Eating; 2. Sports and Healthy Lifestyle; 3. Culinary Creativity; and 4. Family Economics. The campaign reached a large segment of the Salvadoran population through television, radio, magazines, billboards, sporting events, food festivals and health events. See Figure B.

Scientific and Technical

2. **Continued strengthening of the National Poultry Health and Food Safety Program**, in collaboration with the MAG. The project promoted food safety with the issuance of diagnostic tests and poultry health monitoring activities, training for technical personnel in associated areas, and support to MAG activities related to the process of admissibility of poultry products

to other markets, which includes the hiring of consultants to develop regulations and the strengthening of food safety laboratories.

Figure B
Market Development Activities

Pillar 1. Nutrition and Healthy Eating
Nutrition Workshops



Pillar 2. Sports and Healthy Lifestyle
Chicken Egg Run 2018



Pillar 3. Culinary Creativity



Pillar 4. Family Economics
Thanksgiving Dinner at Huizucar community



"Chicken and egg: a thousand ways to say I love you"
market promotion campaign



Source: AVES, and AVES via YouTube

HONDURAS

In 2018, the Poultry Federation of Honduras (FEDAVIH) received from CA-PEQ a total of \$136,000 to fund the following project: “Keep Honduras free from Newcastle and avian influenza diseases; comply with the U.S. Department of Agriculture (USDA) requirements to export poultry meat to the U.S. and other countries; educational programs for professionals in related fields (continuation), and study to identify, map, and develop a competitive analysis of chicken meat and egg value chains in Honduras.” Activities under this project are highlighted in the following ETCR categories:

Market Development

1. **A study on competitive analysis was prepared** to understand the operations, supporting services, and enabling environment of the value chains of eggs and chicken meat in Honduras.

Scientific and Technical

2. **An ongoing collaboration between FEDAVIH and SENASA-SAG**, the Honduran Ministry of Agriculture's sanitary and phytosanitary (SPS) agency, for the National Poultry Program, to keep Honduras free from avian diseases, and to comply with USDA requirements to access the U.S. market. In 2018, Honduras was working on being eligible to export poultry products to the United States by the Food Safety Inspection Service (FSIS). This recognition was achieved in May 2019 after many years of working on this process and support from CA-PEQ. In addition, funding helped to hold seminars, provide vaccinations, and other resources to veterinary doctors, among others. See Figure C.

Figure C
Seminar on Legislation Avian Epidemiological Surveillance
under the National Poultry Program



Source: Honduran Ministry of Agricultural and Livestock (SAG)

NICARAGUA

In 2018, the National Association of Egg, Poultry, and Animal Feed Producers of Nicaragua (ANAPA) received from CA-PEQ a total of \$325,100 to fund the following project: "legal and technical support for poultry-related regulatory affairs; provide coordination to the Latin American Chicken Institute; annual cooperation agreement between ANAPA and IPSA; ANAPA's participation in regional and international poultry associations/forums, technical meetings, and training events on poultry health; recognition of the Nicaraguan avian health status and authorization of national plants for chicken meat exports to the United States; support to the food security government program; and improvement of ANAPA's kitchen facilities for technical events." The activities funded are grouped into the following ETCR categories:

Scientific and Technical

- 1. For the tenth consecutive year, CA-PEQ funds helped finance the National Poultry Health and Surveillance Program**, a joint program between ANAPA and the Animal Health and Protection Agency (IPSA) of the Ministry of Agriculture and Forestry (MAG-FOR). This program aims to keep Nicaragua free of avian influenza, Newcastle disease, and avian infectious Laryngotracheitis in order to strengthen surveillance, food security and improve production in local and export markets. See Figure D.
- 2. The continued participation of ANAPA in regional forums**, including funds to cover membership dues, such as Latin American poultry forums and the International Poultry Council (IPC). ANAPA participates in the Avian Health Regional Technical Committee under the Regional and the International and Regional Organization for Plant and Animal Health (OIRSA), and the Central America Economic Integration Consulting Council (CCIE) of the Central American Customs Union. ANAPA is also part of the Avian Technical Committees in Latin American poultry forums, where the regional poultry sector explores relevant avian health and food safety issues.
- 3. The continued support to the office for technical regulations and standards**, by funding two full-time experts that are responsible for organizing the work of the National Avian Health Technical Commission, managing the national poultry program's funds, facilitating communication between government authorities and regional and international organizations, and proposing and reviewing technical and legal recommendations regarding avian health, food safety, environment, trade, among other matters.

4. **Provide coordination to the Latin American Chicken Institute** by hiring a professional to support the Latin American Avian Association (ALA) in the promotion of chicken meat consumption in Latin America.
5. **In support of ANAPA's market access strategy**, the continuous hiring of a consultant for the diagnosis of the national poultry inspection system and meat processing plants to comply with FSIS and APHIS requirements.
6. **Support for the food security government program**, by hiring a liaison between the private and public sectors. This program is run by the government to supply chicken meat to low-income consumers using quota imports.
7. **Improvement of ANAPA's kitchenette/dining room facilities for technical events**, due to an increase in the number of events and participation.

Figure D
Signing of IPSA-ANAPA Cooperation Agreement



Source: <https://www.nicaraguaaldia.com/tag/anapa/>

United States

In 2018, the United States Poultry & Egg Export Council (USAPEEC) received a total of \$1,700,000 from CA-PEQ to fund the following projects: 1) 2018 Guatemala Volcano Devastation Relief; 2) Sub-Saharan Africa Poultry Development Program; 3) Expansion of market for U.S. poultry & eggs in Cuba; and 4) Expansion of scientific/technical programs to counter trade barriers; expansion of communications services which will allow more outreach through web based and social media program; and expansion of market development activities in an effort to maintain, expand and open new markets for U.S. poultry & eggs, and upgrade of USAPEEC's program management systems (continuation). The activities funded are grouped into the following ETCR categories:

Market Development

- 1. Guatemala Volcano Devastation Relief efforts** for victims of the volcanic eruption of June 2018, with special emphasis on helping those associated with Guatemala's poultry industry. USAPEEC partnered with Techo Guatemala to build twelve permanent homes (under implementation), and with the Rotary Club Guatemala to build two pedestrian bridges over the Cenizas river in Escuintla. Both projects aim to benefit more than 2,000 affected families. See Figure E.
- 2. Continuation of the Sub-Saharan Africa Poultry Development Program**, aimed to undertake poultry market development activities in the region. Funds were used to carry out trade educational seminars as well as a reverse educational mission to the United States to further educate the targeted audiences on production, avian health, and marketing and management of poultry products. See Figure E.
- 3. Expansion of Market for U.S. Poultry & Eggs in Cuba**, by participating in a food show, scheduling trade visits to explore market opportunities and provide technical assistance with regards to biosecurity measures undertaken by the United States for avian influenza.
- 4. Continued support for the USAPEEC Communications Program** that focused on the planning, development, and implementation of internal and external communications efforts alike, with an emphasis on web-based programs and social media. This program aimed to educate targeted audiences worldwide on the safety, reliability, and versatility of U.S. poultry

and egg products, as well as the need of being proactive with global media to address issues affecting the exports of U.S. poultry and eggs.

- 5. Continued funding for USAPEEC Marketing programs** to maintain, expand, and open new markets throughout the world, including trade development and marketing research. The project included partial funding for USAPEEC's local and international offices and consultants.

Scientific and Technical

- 6. Sustained funding for the expansion of scientific research**, through USAPEEC's Technical Services Program, designed to identify non-tariff trade barriers and to promote educational outreach from foreign governmental officials regarding the U.S. health and inspection system for poultry and eggs and U.S. production systems.
- 7. Continued upgrade of management systems**, through an electronic document management system designed to minimize paperwork and increase efficiencies in the management of multiple programs.

Figure B
Market Development Activities

*Sub-Saharan region
educational seminar*



*Inauguration of Pedestrian Bridge in
Escuintla*



Source: USAPEEC via Youtube and <https://crnnoticias.com/usapeec-dona-250-mil-a-techo/> respectively

6. Audited Financial Statements

A. Statements of Financial Position / December 31, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 7,413,332	\$ 8,895,262
Accounts receivable	25,020	25,020
Prepaid expenses	3,467	3,311
Total Current Assets	<u>7,441,819</u>	<u>8,923,593</u>
TOTAL ASSETS	<u>\$ 7,441,819</u>	<u>\$ 8,923,593</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 3,840	\$ 6,357
Deferred auction revenue	45,781	739,238
Total Current Liabilities	<u>49,621</u>	<u>745,595</u>
Net Assets Without Restrictions	<u>7,392,198</u>	<u>8,177,998</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,441,819</u>	<u>\$ 8,923,593</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

B. Statement of Activities and Changes in Net Assets / Years ended December 31, 2018 and 2017, Including Operating Expenses

2018

	Net Assets Without Restrictions						Total
	General Operating Fund	Board Designated Funds					
		El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 165,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,121
Honduras	88,067	-	-	-	-	-	88,067
Nicaragua	1,384,204	-	-	-	-	-	1,384,204
Total Auction Revenues	1,637,392	-	-	-	-	-	1,637,392
Membership fees	25,000	-	-	-	-	-	25,000
Investment income	8,285	2,887	410	2,015	15,728	43,944	73,269
Total Revenues Collected	1,670,677	2,887	410	2,015	15,728	43,944	1,735,661
Expenses Paid							
Accounting and auditing	12,037	-	-	-	-	-	12,037
Advertising	21,098	-	-	-	-	-	21,098
Bank fees	759	-	-	-	-	-	759
Consulting and management fees	126,000	-	-	-	-	-	126,000
Insurance	6,300	-	-	-	-	-	6,300
Legal fees	3,207	-	-	-	-	-	3,207
Licenses and filing fees	561	-	-	-	-	-	561
Meetings	14,829	-	-	-	-	-	14,829
Office expense	35	-	-	-	-	-	35
Postage and delivery	2,942	-	-	-	-	-	2,942
Printing and reproduction	633	-	-	-	-	-	633
Project costs	-	155,000	-	136,000	325,100	1,700,000	2,316,100
Telephone	70	-	-	-	-	-	70
Travel	11,669	-	-	-	-	-	11,669
Website expenses	5,221	-	-	-	-	-	5,221
Total Expenses Paid	205,361	155,000	-	136,000	325,100	1,700,000	2,521,461
Change in Net Assets Without Restrictions	1,465,316	(152,113)	410	(133,985)	(309,372)	(1,656,056)	(785,800)
Transfer from general fund to board designated funds	(1,457,031)	43,414	296	15,862	657,339	740,120	-
Net Change After Transfer	8,285	(108,699)	706	(118,123)	347,967	(915,936)	(785,800)
Net Assets, Beginning of Year	7,617	388,115	288,215	365,132	2,005,943	5,122,976	8,177,998
Net Assets Without Restrictions, End of Year	<u>\$ 15,902</u>	<u>\$ 279,416</u>	<u>\$ 288,921</u>	<u>\$ 247,009</u>	<u>\$ 2,353,910</u>	<u>\$ 4,207,040</u>	<u>\$ 7,392,198</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

2017

	Net Assets Without Restrictions						Total
	General Operating Fund	Board Designated Funds					
		El Salvador	Guatemala	Honduras	Nicaragua	United States	
Revenues							
Auction revenues							
El Salvador	\$ 365,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,998
Guatemala	182,824	-	-	-	-	-	182,824
Honduras	318,234	-	-	-	-	-	318,234
Nicaragua	<u>1,389,479</u>	-	-	-	-	-	<u>1,389,479</u>
Total Auction Revenues	2,256,535	-	-	-	-	-	2,256,535
Membership fees	25,000	-	-	-	-	-	25,000
Investment income	<u>7,617</u>	<u>857</u>	<u>1,029</u>	<u>595</u>	<u>4,584</u>	<u>16,789</u>	<u>31,471</u>
Total Revenues Collected	<u>2,289,152</u>	<u>857</u>	<u>1,029</u>	<u>595</u>	<u>4,584</u>	<u>16,789</u>	<u>2,313,006</u>
Expenses Paid							
Accounting and auditing	10,815	-	-	-	-	-	10,815
Advertising	23,560	-	-	-	-	-	23,560
Bank fees	668	-	-	-	-	-	668
Consulting and management fees	153,020	-	-	-	-	-	153,020
Insurance	2,854	-	-	-	-	-	2,854
Legal fees	5,230	-	-	-	-	-	5,230
Licenses and filing fees	80	-	-	-	-	-	80
Meetings	12,193	-	-	-	-	-	12,193
Office expense	64	-	-	-	-	-	64
Postage and delivery	2,095	-	-	-	-	-	2,095
Printing and reproduction	1,075	-	-	-	-	-	1,075
Project costs	-	404,040	250,500	718,000	350,000	1,449,960	3,172,500
Telephone	295	-	-	-	-	-	295
Travel	12,013	-	-	-	-	-	12,013
Website expenses	<u>7,014</u>	-	-	-	-	-	<u>7,014</u>
Total Expenses Paid	<u>230,976</u>	<u>404,040</u>	<u>250,500</u>	<u>718,000</u>	<u>350,000</u>	<u>1,449,960</u>	<u>3,403,476</u>
Change in Net Assets Without Restrictions	2,058,176	(403,183)	(249,471)	(717,405)	(345,416)	(1,433,171)	(1,090,470)
Transfer from general fund to board designated funds	<u>(2,050,559)</u>	<u>156,358</u>	<u>58,050</u>	<u>135,546</u>	<u>663,778</u>	<u>1,036,827</u>	<u>-</u>
Net Change After Transfer	7,617	(246,825)	(191,421)	(581,859)	318,362	(396,344)	(1,090,470)
Net Assets, Beginning of Year	-	<u>634,940</u>	<u>479,636</u>	<u>946,991</u>	<u>1,687,581</u>	<u>5,519,320</u>	<u>9,268,468</u>
Net Assets Without Restrictions, End of Year	<u>\$ 7,617</u>	<u>\$ 388,115</u>	<u>\$ 288,215</u>	<u>\$ 365,132</u>	<u>\$ 2,005,943</u>	<u>\$ 5,122,976</u>	<u>\$ 8,177,998</u>

*Information in this annual report is compiled from CA-PEQ's audited financial statements.

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