

HARRIS AND ELIZA KEMPNER FUND

COMBINING FINANCIAL STATEMENTS-MODIFIED CASH BASIS

**Years Ended December 31, 2017 and 2016
with Report of Independent Auditors**

HARRIS AND ELIZA KEMPNER FUND

Combining Financial Statements-Modified Cash Basis

Years Ended December 31, 2017 and 2016

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Harris and Eliza Kempner Fund

We have audited the accompanying combining financial statements of the Harris and Eliza Kempner Fund (a nonprofit organization), which comprise the combining statement of assets, liabilities, and fund balances-modified cash basis as of December 31, 2017, the related combining statement of revenues, expenses and changes in fund balances-modified cash basis, and the statement of cash flows-combined funds-modified cash basis for the year then ended, and the related notes to the combining financial statements-modified cash basis.

Management's Responsibility for the Combining Financial Statements

Management is responsible for the preparation and fair presentation of these combining financial statements in accordance with the modified cash basis of accounting as described in Note B; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the combining financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combining 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 combining 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 combining financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combining 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 combining 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 combining 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 combining financial statements referred to above present fairly, in all material respects, the financial position of the Harris and Eliza Kempner Fund as of December 31, 2017, and the changes in its fund balances and its cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note B.

Basis of Accounting

We draw attention to Note B of the combining financial statements, which describes the basis of accounting. The combining financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Report on Summarized Comparative Information

We have previously audited the Harris and Eliza Kempner Fund's combining financial statements as of and for the year ended December 31, 2016, we expressed an unmodified audit opinion on those audited financial statements in our report dated November 13, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited combining financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The schedule of program expenses-modified cash basis on page 14 and the schedule of general and administrative expenses-modified cash basis on page 15 are presented for purposes of additional analysis and are not a required part of the combining financial statements-modified cash basis. 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 combining financial statements-modified cash basis. The information has been subjected to the auditing procedures applied in the audit of the combining financial statements-modified cash basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining financial statements-modified cash basis or to the combining financial statements-modified cash basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combining financial statements-modified cash basis as a whole.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
October 30, 2018

HARRIS AND ELIZA KEMPNER FUND

COMBINING STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - MODIFIED CASH BASIS

December 31, 2017

(with comparative totals for December 31, 2016)

	<u>Main Fund</u>	<u>KCM Fixed Income Fund</u>	<u>J.B. Kempner Fund</u>	<u>Kempner Park Fund</u>	<u>Jennifer Ezell Fund</u>	<u>Student Loan Fund</u>	<u>2017</u>	<u>2016</u>
Assets								
Cash	\$ 201,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,370	\$ 255,520
Short-term investments	4,003,289	28,270	963,657	141,256	77,825	-	5,214,297	5,006,230
Investments, at cost								
Stocks	21,485,603	-	4,996,726	217,781	114,654	-	26,814,764	26,794,993
Bonds	4,487,290	687,436	875,845	-	-	-	6,050,571	5,965,770
Unlisted securities	6,478,754	-	-	-	20,562	-	6,499,316	6,149,813
Adjustment to fair market value	5,856,590	12,965	757,799	29,211	17,356	-	6,673,921	3,346,008
Program-related investments	22,753	-	-	-	-	-	22,753	76,968
Accounts receivable	8,461	-	-	-	-	-	8,461	-
Student loans	-	-	-	-	-	5,927	5,927	8,382
Other current assets	17,854	-	-	-	-	-	17,854	44,993
Total assets	<u>\$ 42,561,964</u>	<u>\$ 728,671</u>	<u>\$ 7,594,027</u>	<u>\$ 388,248</u>	<u>\$ 230,397</u>	<u>\$ 5,927</u>	<u>\$ 51,509,234</u>	<u>\$ 47,648,677</u>
Liabilities								
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commitments and contingencies								
Fund Balances								
Fund balances	<u>42,561,964</u>	<u>728,671</u>	<u>7,594,027</u>	<u>388,248</u>	<u>230,397</u>	<u>5,927</u>	<u>51,509,234</u>	<u>47,648,677</u>
Total fund balances	<u>42,561,964</u>	<u>728,671</u>	<u>7,594,027</u>	<u>388,248</u>	<u>230,397</u>	<u>5,927</u>	<u>51,509,234</u>	<u>47,648,677</u>
Total liabilities and fund balances	<u>\$ 42,561,964</u>	<u>\$ 728,671</u>	<u>\$ 7,594,027</u>	<u>\$ 388,248</u>	<u>\$ 230,397</u>	<u>\$ 5,927</u>	<u>\$ 51,509,234</u>	<u>\$ 47,648,677</u>

See accompanying notes to combining financial statements-modified cash basis.

HARRIS AND ELIZA KEMPNER FUND

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

For the Year Ended December 31, 2017
(with comparative totals for the Year Ended December 31, 2016)

	Main Fund	KCM Fixed Income Fund	J.B. Kempner Fund	Kempner Park Fund	Jennifer Ezell Fund	Student Loan Fund	2017	2016
Revenue, gains, and other support								
Dividends	\$ 876,423	\$ 845	\$ 191,088	\$ 7,717	\$ 4,863	\$ -	\$ 1,080,936	\$ 959,829
Interest	56,771	23,224	5,224	104	60	-	85,383	67,758
Net unrealized and realized gains	4,386,873	14,081	748,641	27,122	15,451	-	5,192,168	1,649,193
Other revenue	401,943	-	-	-	344	1,755	404,042	1,182,613
Total revenue, gains, and other support	<u>5,722,010</u>	<u>38,150</u>	<u>944,953</u>	<u>34,943</u>	<u>20,718</u>	<u>1,755</u>	<u>6,762,529</u>	<u>3,859,393</u>
Expenses								
Program expenses	2,059,041	5,529	311,636	30,036	69,046	-	2,475,288	2,298,200
General and administrative expenses	339,375	7,434	74,062	3,780	2,033	-	426,684	394,536
Total expenses	<u>2,398,416</u>	<u>12,963</u>	<u>385,698</u>	<u>33,816</u>	<u>71,079</u>	<u>-</u>	<u>2,901,972</u>	<u>2,692,736</u>
(Deficit) excess of revenue over expenses	3,323,594	25,187	559,255	1,127	(50,361)	1,755	3,860,557	1,166,657
Interfund transfers	646,610	(575,299)	(118,134)	(4,219)	55,252	(4,210)	-	-
Changes in fund balances	<u>3,970,204</u>	<u>(550,112)</u>	<u>441,121</u>	<u>(3,092)</u>	<u>4,891</u>	<u>(2,455)</u>	<u>3,860,557</u>	<u>1,166,657</u>
Fund balances at beginning of year	<u>38,591,760</u>	<u>1,278,783</u>	<u>7,152,906</u>	<u>391,340</u>	<u>225,506</u>	<u>8,382</u>	<u>47,648,677</u>	<u>46,482,020</u>
Fund balances at end of year	<u>\$ 42,561,964</u>	<u>\$ 728,671</u>	<u>\$ 7,594,027</u>	<u>\$ 388,248</u>	<u>\$ 230,397</u>	<u>\$ 5,927</u>	<u>\$ 51,509,234</u>	<u>\$ 47,648,677</u>

See accompanying notes to combining financial statements-modified cash basis.

HARRIS AND ELIZA KEMPNER FUND

STATEMENT OF CASH FLOWS - COMBINED FUNDS - MODIFIED CASH BASIS

	Year Ended December 31,	
	2017	2016
Cash flows from operating activities:		
Increase in fund balances	\$ 3,860,557	\$ 1,166,657
Adjustments to reconcile changes in fund balances to net cash used in operating activities:		
Realized gain on investments	(1,864,255)	(1,466,637)
Unrealized gain on investments	(3,327,913)	(182,556)
Changes in net assets and liabilities:		
Program related investments	54,215	162,190
Accounts receivable	(8,461)	33,507
Student loans	2,455	15,412
Other current assets	27,139	(24,639)
Net cash used in operating activities	(1,256,263)	(296,066)
Cash flows from investing activities:		
Proceeds from sales of stocks, bonds, and unlisted securities interests	8,871,165	14,585,484
Purchases of stocks, bonds, and unlisted securities	(4,647,449)	(14,747,654)
Net purchases of short term investments	(3,021,603)	(141,258)
Net cash provided by (used in) investing activities	1,202,113	(303,428)
Net decrease in cash and cash equivalents	(54,150)	(599,494)
Cash at beginning of year	255,520	855,014
Cash equivalents at end year	\$ 201,370	\$ 255,520
Supplemental disclosure of cash flow information:		
Excise taxes paid	\$ 15,000	\$ 49,090

See accompanying notes to combining financial statements-modified cash basis.

HARRIS AND ELIZA KEMPNER FUND

NOTES TO COMBINING FINANCIAL STATEMENTS - MODIFIED CASH BASIS

December 31, 2017 and 2016

A. Nature of the Fund

The Harris and Eliza Kempner Fund (the “Fund”) is a non-profit corporation classified as a private foundation within the meaning of section 509(a) of the Internal Revenue Code. The Fund was originally known as the “Galveston Fund” when it was established on December 18, 1946. The Fund awards grants to qualifying organizations functioning in the broad areas of the arts, community development, education, health and human services. Revenues are derived primarily from dividends, interest, and other gains from investment activity.

B. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying combining financial statements have been prepared on the modified cash basis of accounting. This basis differs from accounting principles generally accepted in the United States of America primarily due to the Fund’s recognizing grants and other expenditures when paid rather than when incurred and recording investment revenues when received rather than when earned. Modifications to the cash basis of accounting include accruing student loan receivables, accounting for unrealized gains and losses on trading investments, and recording trading investments at fair market value.

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Fund, its accounts are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

Cash

The Fund considers only monies maintained in its checking account as cash. The Fund does not have cash equivalents, because in a departure from accounting principles generally accepted in the United States of America, cash does not include highly liquid short-term investments maintained in money market funds managed by investment managers as part of the investment portfolio.

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS *(continued)*

B. Summary of Significant Accounting Policies (continued)

Investments and 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. Fair value is determined using a three-tier hierarchy that identifies assets and liabilities measured at fair value. The hierarchy focuses on the inputs used to measure fair value and requires that the lowest level input be used. The three levels defined are as follows:

- Level 1 — observable inputs that are based upon quoted market prices for identical assets or liabilities within active markets.
- Level 2 — observable inputs other than Level 1 that are based upon quoted market prices for similar assets or liabilities, based upon quoted prices within inactive markets, or inputs other than quoted market prices that are observable through market data for substantially the full term of the asset or liability.
- Level 3 — inputs that are unobservable for the particular asset or liability due to little or no market activity and are significant to the fair value of the asset or liability. These inputs reflect assumptions that market participants would use when valuing the particular asset or liability.

The fair values of investments in marketable equity securities are based on Level 1 inputs, while the fair values of nonmarketable equity securities are based on Level 3 inputs provided by management of the partnerships. The fair values of investments in debt securities are measured based on Level 2 inputs. Unrealized gains and losses are included in the excess (deficit) of revenues over expenses in the accompanying statement of revenues, expenses, and changes in fund balances-modified cash basis.

Income Tax Status

The Internal Revenue Service has determined that the Fund is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code"). The Code imposes an excise tax of 2% (reduced to 1% if certain requirements are met) on net investment income of private foundations. Excise tax expense for the years ended December 31, 2017 and 2016 was \$27,139 and \$24,071, respectively.

Expense Allocation

The costs of providing various programs and other activities have been reflected on a functional basis in the combining financial statements. Program expenses are those that are directly attributable to a specific program. General and administrative expenses are indirect costs that are allocated to various programs on the basis of the fair market value of the program's investments.

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS *(continued)*

B. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of combining financial statements requires management to make estimates and assumptions that affect the reported amounts and accompanying disclosures in the combining financial statements. Actual results could differ from those estimates.

Prior Year Totals

The combining financial statements include certain prior year summarized comparative information in total but not by fund. Such information does not include sufficient detail of activities by fund. Accordingly, such information should be used in conjunction with the Fund's combining financial statements for the year ended December 31, 2016, from which the summarized information was derived.

New Accounting Standards

In August 2018, the FASB issued an Update (ASU 2018-13) to its guidance on "Fair Value Measurement (Topic 820)". This update modifies the disclosure requirements on fair value measurements. The following disclosure requirements were removed from Topic 820: (1) the policy for timing of transfers between levels; (2) the valuation processes for Level 3 fair value measurements; and (3) for nonpublic entities, the changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period. The following disclosure requirements were modified in Topic 820: (1) in lieu of a roll forward for Level 3 fair value measurements, a nonpublic entity is required to disclose transfers into and out of Level 3 of the fair value hierarchy and purchases and issues of Level 3 assets and liabilities and (2) the amendments clarify that the measurement uncertainty disclosure is to communicate information about the uncertainty in measurement as of the reporting date. The amendments in ASU No. 2018-13 are effective for all entities for fiscal years, beginning after December 15, 2019. Early adoption is permitted. An entity is permitted to early adopt any removed or modified disclosures upon issuance of ASU No. 2018-13 and delay adoption of the additional disclosures until their effective date.

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS (continued)

C. Investments and Fair Value Measurements

Fair values of assets measured on a recurring basis at December 31, 2017 are as follows:

	Cost	Fair Values			
		Level 1	Level 2	Level 3	Total
Money market investments	\$ 5,214,297	\$ 5,214,297	\$ -	\$ -	\$ 5,214,297
Total short-term investments	5,214,297	5,214,297	-	-	5,214,297
Corporate stocks	26,814,764	32,512,977	-	-	32,512,977
Corporate bonds and government obligations	6,050,571	-	6,058,800	-	6,058,800
Unlisted securities	6,499,316	-	-	7,466,795	7,466,795
Total other investments	39,364,651	32,512,977	6,058,800	7,466,795	46,038,572
Total investments	<u>\$ 44,578,948</u>	<u>\$ 37,727,274</u>	<u>\$ 6,058,800</u>	<u>\$ 7,466,795</u>	<u>\$ 51,252,869</u>

The following table presents the changes in Level 3 instruments measured on a recurring basis for the year ended December 31, 2017:

January 1, 2017	\$ 6,813,865
Unrealized gains included in earnings	<u>652,930</u>
December 31, 2017	<u>\$ 7,466,795</u>

Investments in corporate stocks by fund are as follows:

	Cost	Fair Value
Main Fund	\$ 21,485,603	\$ 26,377,192
J.B. Kempner Fund	4,996,726	5,757,912
Kempner Park Fund	217,781	246,992
Jennifer Ezell Fund	114,654	130,881
	<u>\$ 26,814,764</u>	<u>\$ 32,512,977</u>

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS (continued)

C. Investments and Fair Value Measurements (continued)

The relationship between carrying values and fair values of investments is as follows:

	Cost	Fair Value	Excess of Fair Value over Cost
Balance, end of year	\$44,578,948	\$51,252,869	\$ 6,673,921
Balance, beginning of year	43,916,806	47,262,814	3,346,008
Increase in unrealized gain			3,327,913
Net realized gain			1,864,255
 Total net unrealized and realized gains			 \$ 5,192,168

D. Program-Related Investments

The Fund has disbursed monies in the form of program-related investments within and surrounding the local community including organizations like the Galveston Opera House, Galveston Arts Center, and Galveston Historical Foundation among others. The investments are carried at the face value of the investment less repayments made. The carrying values of the investments approximate the fair market values of the investments as a result of their short investment periods. The investments at December 31, 2017 are as follows:

Organization	Carrying Value	Period	Interest Rate
The Grand 1894 Opera House	\$ 22,753	2 years	1.5%

E. Grants Commitments

The Fund, as a result of adopting the modified cash basis of accounting, does not record grants commitments in its combining financial statements. Grants are expensed when paid. However, the following is a summary of grant activity for the year ended December 31, 2017:

Grants payable at January 1, 2017	\$ 331,461
Grants approved in 2017	2,385,147
Grants paid in 2017	(1,781,108)
Grants payable at December 31, 2017	<u>\$ 935,500</u>

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS *(continued)*

F. Related Party Transactions

Investment and management fees of approximately \$59,000 were paid to Kempner Capital Management for the management of a substantial portion of the Fund's investment portfolio during the year ended December 31, 2017. Mr. Harris L. Kempner, Jr., President of Kempner Capital Management is a Kempner family member.

Approximately 14% of the Fund's holdings are managed by the Directors rather than by the investment managers. These assets are in Kempner family related investments and include Black Stone Minerals LP, Kempner Securities LP, and Galveston Finale LP.

G. Money Purchase Pension Plan

On April 1, 1994, the Fund initiated a noncontributory money purchase pension plan covering all employees (excluding non-resident aliens) whose employment is not governed by a collective bargaining agreement and who have completed one year of service. Employer contributions are discretionary and are allocated to all participants eligible to share in the allocations in the same proportion that each participant's compensation bears to the total compensation of all participants for such year. Amounts paid totaled \$22,595 and \$21,763 during the year ended December 31, 2017 and 2016, respectively.

H. Concentration of Market Risk

The Fund has significant investments in mutual funds and in equity and debt securities and is therefore subject to market risk. Investments are managed by investment advisors who are supervised by the Board of Directors. Though the market value of investments is subject to fluctuations on a year to year basis, the Board of Directors believe that the investment policy is prudent for the long-term welfare of the Fund.

The Fund's cash and investment accounts held in financial institutions and brokerage firms are insured by the Securities Investor Protection Corporation ("SIPC"). The SIPC provides coverage for customers of failed brokerage firms. This coverage does not apply to losses due to market rate risk.

I. Concentration of Credit Risk

The Fund's non-interest bearing cash and deposit accounts are insured up to \$250,000 by the Federal Depository Insurance Corporation ("FDIC") at each financial institution. While the Fund's cash on hand at December 31, 2017 exceeded the FDIC limit, the Fund did not experience any losses related to amounts in excess of the FDIC limit.

HARRIS AND ELIZA KEMPNER FUND

NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS *(continued)*

J. Other Revenue

Other revenue primarily consists of royalties and other miscellaneous income. Non-deductible expenses are netted against miscellaneous income in the accompanying statement of revenues, expenses, and changes in fund balances-modified cash basis.

K. Commitments and Contingencies

The Fund is a party to a Memorandum of Understanding (“MOU”) with the Galveston County Recovery Fund. The Fund committed to provide \$50,000 in the event of a federally declared disaster in Galveston or Galveston County. The funds are pledged, but not paid until a disaster has been declared and the fund has resumed operations. The MOU and commitment of funds renews annually.

L. Subsequent Events

In preparing the Fund’s combining financial statements, management has evaluated all subsequent events and transactions for potential recognition or disclosure through October 30, 2018, the date the combining financial statements were available for issuance.

SUPPLEMENTAL INFORMATION

HARRIS AND ELIZA KEMPNER FUND

SCHEDULE OF PROGRAM EXPENSES - MODIFIED CASH BASIS

For the Year Ended December 31, 2017

(with comparative totals for the Year Ended December 31, 2016)

	<u>Main Fund</u>	<u>KCM Fixed Income Fund</u>	<u>J.B. Kempner Fund</u>	<u>Kempner Park Fund</u>	<u>Jennifer Ezell Fund</u>	<u>2017</u>	<u>2016</u>
Program Expenses							
Collection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 484
Foreign taxes	10,484	-	2,595	173	101	13,353	15,700
Grants	1,465,350	-	278,963	28,000	8,795	1,781,108	1,669,428
Investment and management	268,304	5,529	30,078	1,863	60,150	365,924	327,848
Matching gift program	314,903	-	-	-	-	314,903	284,740
Total Program Expenses	<u>\$ 2,059,041</u>	<u>\$ 5,529</u>	<u>\$ 311,636</u>	<u>\$ 30,036</u>	<u>\$ 69,046</u>	<u>\$ 2,475,288</u>	<u>\$ 2,298,200</u>

HARRIS AND ELIZA KEMPNER FUND

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES - MODIFIED CASH BASIS

For the Year Ended December 31, 2017

(with comparative totals for the Year Ended December 31, 2016)

	Main Fund	KCM Fixed Income Fund	J.B. Kempner Fund	Kempner Park Fund	Jennifer Ezell Fund	2017	2016
General and Administrative Expenses:							
Accounting and audit	\$ 34,114	\$ 747	\$ 7,445	\$ 380	\$ 204	\$ 42,890	\$ 50,634
Entertainment	671	15	146	7	4	843	1,606
Excise and other tax	41,398	907	9,034	461	248	52,048	24,071
Insurance	36,782	806	8,027	410	220	46,245	41,557
Memberships	3,022	66	660	34	18	3,800	4,867
Miscellaneous	848	19	185	9	5	1,066	311
Office equipment	2,668	58	582	30	16	3,354	3,636
Office rent	10,967	240	2,393	122	66	13,788	11,489
Office supplies	574	13	125	6	3	721	1,415
Payroll expenses	154,905	3,393	33,806	1,726	928	194,758	191,161
Payroll taxes	11,955	262	2,609	133	72	15,031	14,735
Parking	1,503	33	328	17	9	1,890	1,329
Retirement plan and profit sharing	17,971	394	3,922	200	108	22,595	21,763
Registration	2,439	53	532	27	15	3,066	6,788
Computer software and services	10,118	222	2,208	113	61	12,722	9,169
Printed material	68	1	15	1	-	85	169
Kempner paper preservation	730	16	159	8	4	917	2,490
Travel	8,642	189	1,886	96	52	10,865	7,346
Total General and Administrative Expenses	<u>\$ 339,375</u>	<u>\$ 7,434</u>	<u>\$ 74,062</u>	<u>\$ 3,780</u>	<u>\$ 2,033</u>	<u>\$ 426,684</u>	<u>\$ 394,536</u>