

**THE WILDERNESS LAND TRUST**

FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2014

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

**THE WILDERNESS LAND TRUST**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**CONTENTS**

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Supplementary Information	
Schedule of Functional Expenses	14

October 1, 2014

INDEPENDENT AUDITORS' REPORT

Board of Directors  
The Wilderness Land Trust  
Carbondale, Colorado

We have audited the accompanying financial statements of **The Wilderness Land Trust**, (a Colorado nonprofit corporation), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Wilderness Land Trust as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements 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 financial statements as a whole.

***Report on Summarized Comparative Information***

We have previously audited The Wilderness Land Trusts' financial statements for the year ended June 30, 2013, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 24, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

  
TAYLOR, ROTH AND COMPANY PLLC  
CERTIFIED PUBLIC ACCOUNTANTS

**THE WILDERNESS LAND TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR 2013)**

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 392,397	\$ -	\$ 392,397	\$ 657,541
Accounts receivable	-	-	-	423
Pledge receivable	-	-	-	50,000
Prepaid expenses	8,838	-	8,838	12,541
Earnest money deposits	-	-	-	2,000
Investments (Note 3)	110,923	429,017	539,940	1,019,048
Investments - land acquisition revolving fund (Notes 3 and 5)	-	739,254	739,254	648,679
Land available for sale or donation (Note 6)	-	3,630,594	3,630,594	2,375,206
Property and equipment, net (Note 7)	2,821	-	2,821	3,487
<b>Total assets</b>	<b>\$ 514,979</b>	<b>\$ 4,798,865</b>	<b>\$ 5,313,844</b>	<b>\$ 4,768,925</b>
<u>Liabilities and net assets</u>				
<u>Liabilities</u>				
Accounts payable	\$ 19,414	\$ -	\$ 19,414	\$ 17,317
Accrued payroll expenses	34	-	34	-
Accrued interest expense	20,053	-	20,053	27,427
Deferred revenue	9,562	-	9,562	32,000
Land acquisition revolving fund (Note 5)	-	759,037	759,037	677,150
Assets held for third parties - non-cash (Note 8)	-	140,963	140,963	222,850
Notes payable (Note 9)	-	2,553,000	2,553,000	2,003,000
Commitments and contingencies (Note 10)	-	-	-	-
<b>Total liabilities</b>	<b>49,063</b>	<b>3,453,000</b>	<b>3,502,063</b>	<b>2,979,744</b>
<u>Net assets</u>				
<u>Unrestricted</u>				
Operating	463,095	-	463,095	555,290
Net investment in property and equipment	2,821	-	2,821	3,487
Temporarily restricted (Note 11)	-	1,345,865	1,345,865	1,230,404
<b>Total net assets</b>	<b>465,916</b>	<b>1,345,865</b>	<b>1,811,781</b>	<b>1,789,181</b>
<b>Total liabilities and net assets</b>	<b>\$ 514,979</b>	<b>\$ 4,798,865</b>	<b>\$ 5,313,844</b>	<b>\$ 4,768,925</b>

The accompanying notes are an integral part of these financial statements

**THE WILDERNESS LAND TRUST**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR 2013)**

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Total
<u>Revenue and other support</u>				
Grant revenues	\$ 60,000	\$ 347,438	\$ 407,438	\$ 142,400
Contributions	208,362	41,000	249,362	261,926
Gains(losses) on property transfers	154,651	-	154,651	199,811
Expense reimbursements	11,000	-	11,000	24,329
Investment income (Note 3)	526	-	526	890
Special event revenues (Note 12)	-	-	-	10,500
Less: direct expenses for events	-	-	-	(39,169)
Land donation	-	-	-	190,000
All other	3,000	-	3,000	-
Net assets released from restrictions (Note 13)	437,196	(437,196)	-	-
Total revenue and support	<u>874,735</u>	<u>(48,758)</u>	<u>825,977</u>	<u>790,687</u>
<u>Expense</u>				
Land contributions	525,908	-	525,908	585,428
Supporting services				
Management and general	164,059	-	164,059	138,482
Development	113,410	-	113,410	120,315
Total expense	<u>803,377</u>	<u>-</u>	<u>803,377</u>	<u>844,225</u>
Change in net assets	71,358	(48,758)	22,600	(53,538)
Reclassification (Note 11)	(164,219)	164,219	-	-
Net assets, beginning of year	<u>558,777</u>	<u>1,230,404</u>	<u>1,789,181</u>	<u>1,842,719</u>
Net assets, end of year	<u>\$ 465,916</u>	<u>\$ 1,345,865</u>	<u>\$ 1,811,781</u>	<u>\$1,789,181</u>

The accompanying notes are an integral part of these financial statements

**THE WILDERNESS LAND TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR 2013)**

	<u>2014</u>	<u>2013</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 22,600	\$ (53,538)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Donated securities	(48,411)	-
Depreciation	2,224	2,079
Forgiveness of notes payable	(25,000)	(34,000)
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in accounts receivable	423	53,469
(Increase)decrease in pledge receivable	50,000	(50,000)
(Increase)decrease in prepaid expenses	3,703	(5,880)
(Increase)decrease in earnest money deposits	2,000	(1,500)
(Increase)decrease in land available for sale or donation	(1,255,388)	(244,997)
Increase(decrease) in accounts payable and accrued expenses	(5,243)	(9,656)
Increase(decrease) in deferred revenue	(22,438)	32,000
Increase(decrease) in land acquisition revolving fund	81,887	103,064
Increase(decrease) in assets held for third parties - noncash	(81,887)	(103,064)
Net cash provided(used) by operating activities	<u>(1,275,530)</u>	<u>(312,023)</u>
<u>Cash flows from investing activities</u>		
Sales of investments	943,371	2,061,703
(Purchases) of investments	(506,375)	(2,452,693)
(Reinvestment) of investment earnings	(52)	(292)
(Purchases) of property and equipment	(1,558)	(1,626)
Net cash provided(used) by investing activities	<u>435,386</u>	<u>(392,908)</u>
<u>Cash flows from financing activities</u>		
Borrowings on notes payable	2,400,000	1,203,000
(Repayments) of notes payable	(1,825,000)	(650,000)
Net cash provided(used) by financing activities	<u>575,000</u>	<u>553,000</u>
Net increase(decrease) in cash	(265,144)	(151,931)
Cash and cash equivalents, beginning of year	<u>657,541</u>	<u>809,472</u>
Cash and cash equivalents, end of year	<u>\$ 392,397</u>	<u>\$ 657,541</u>
Supplemental disclosure of information:		
Cash paid during the period for interest	<u>\$ 26,189</u>	<u>\$ 48,408</u>
Donation of property	<u>\$ -</u>	<u>\$ 190,000</u>

The accompanying notes are an integral part of these financial statements

**THE WILDERNESS LAND TRUST**  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - DESCRIPTION OF THE ORGANIZATION

The Wilderness Land Trust, a Colorado nonprofit corporation (the Trust), was incorporated in 1992 for the purpose of acquiring private lands in current and potential wilderness areas from willing sellers and transferring those lands to public ownership so that all generations of Americans will enjoy an enduring source of wilderness. The Trust is supported primarily through foundation grants, contributions of cash and land, and gains on property transfers.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Trust have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The Trust is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

3. Restricted and Unrestricted Revenue

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

4. Cash and Cash Equivalents

Cash and cash equivalents are considered to be all unrestricted highly liquid investments held for operational purposes with an initial maturity of three months or less.

5. Pledges Receivable

Unconditional pledges receivable are recognized as revenues in the period received. Conditional pledges receivable are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivables is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

The Trust uses the allowance method to determine uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis of specific pledges received.



NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (continued)

6. Donations

The Trust reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Trust reports gifts of land, buildings, and equipment as unrestricted support unless the explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent donor stipulations regarding how long those long-lived assets must be maintained, the Trust reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

7. Capitalization and Depreciation

The Trust follows the practice of capitalizing all expenditures for land, buildings, and equipment of \$1,000 or more. The fair value of donated assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 3 to 7 years.

8. Land Inholdings

Parcels of privately owned lands contained within federally-designated wildernesses are termed land inholdings.

9. Land Acquisition Costs and Reimbursements

Costs related to land acquisitions are incurred routinely for land that may or not be acquired by the Trust. Due to the uncertainty related to these expenses, the Trust capitalizes all land acquisition related expenses if the land purchase is completed during the same fiscal year or within 30 days of the fiscal year-end. All other costs are expensed as incurred. In addition, some acquisition expenses may be reimbursed to the Trust as a part of the purchase agreement. All reimbursements are recorded in the fiscal year in which payment is received.

10. Grants

The Trust receives grants from private organizations to be used for the purchase of land inholdings and general operating expenses.

11. Estimates

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (concluded)

12. Fair Value Measurements

The Trust follows the provisions of the *Fair Value Measurements and Disclosures* Topic of FASB ASC, which require use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices in active markets for identical assets and liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for the asset or liability (Level 3).

13. Income Taxes

The Trust is exempt from federal and state income taxes under the provisions of Internal Revenue Code Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements. The Trust's federal *Return of Organization Exempt from Income Tax* (Form 990) is subject to examination by the IRS, generally for three years.

14. Functional Reporting of Expenses

For the year ended June 30, 2014, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

15. Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Trust's financial statements for the year ended June 30, 2013 from which the summarized information was derived.

16. Subsequent Events

Management has evaluated subsequent events through October 1, 2014, the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consisted of cash and money market accounts. Market value approximates cost. Investment income for the year consisted of interest and dividends.

NOTE 4 - INVESTMENT IN WHOLLY OWNED FOR-PROFIT SUBSIDIARY

During the year ended June 30, 2009, the Trust purchased all of the stock of Avawatz Acquisition Corporation, a C corporation, for \$2,000. Avawatz Acquisition Corporation was formed for the sole purpose of acquisition and conveyance of the land inholdings of an unrelated corporation. The conveyance of the land occurred in August 2011. The corporation was dissolved in fiscal year 2012. Accounting for the dissolution was completed in fiscal year 2013 with the Trust recording a loss on disposition of \$1,600.

NOTE 5 - LAND ACQUISITION REVOLVING FUND

Land Acquisition Revolving Fund (the Fund) represents funds received from the Wyss Foundation and the Resources Legacy Foundation Fund, to be used for the purpose of additional land acquisitions. The original amount of the Wyss Foundation land acquisitions grant was \$1 million. Funds in the amount of \$200,000 have been released to date for general operating expenses, leaving \$800,000 for land acquisitions. Additionally, \$100,000 from the Resources Legacy Foundation Fund is also included in the Fund. Proceeds from the sales of properties to public agencies are re-deposited and used for future purchases.

NOTE 6 - LAND AVAILABLE FOR SALE OR DONATION

The Trust acquires land from willing landowners and then conveys the land inholdings to public agencies for protection. The land is valued at the lower of cost or market.

As part of its normal operations, the Trust was involved in various stages of negotiation for the purchase of real property at June 30, 2014. Purchase and sale agreements were executed with various contingencies for inspection period, seller requirements, etc. Some of these negotiations will result in completed acquisitions in the following fiscal year.

The Trust receives foundation grants for land acquisitions and operating expenses. The grant documents state that the lands must be re-conveyed to the federal government. The re-conveyance normally occurs within 1 to 5 years after the Trust's acquisition of the land. The Trust does not recognize any revenue or expenses for the land acquisition portion of the grants. Proceeds received from the sale of inholdings may be used for the purchase of additional high-priority inholdings consistent with the applicable grant agreements.

NOTE 7 - PROPERTY AND EQUIPMENT, NET

Property and equipment consist of:

<u>Description</u>	<u>Amount</u>
Office equipment	\$ 10,573
Office furniture	<u>4,298</u>
Total	14,871
Less: accumulated depreciation	<u>(12,050)</u>
Net property and equipment	<u>\$ 2,821</u>

Depreciation expense for the year was \$2,224.

NOTE 8 - ASSETS HELD FOR THIRD PARTIES – NON-CASH

The account "Assets Held for Third Parties – Non-cash" represents land inholdings that the Trust is legally obligated to re-convey to the federal government.

NOTE 9 - NOTES PAYABLE

Notes payable consisted of the following:

<u>Description</u>	<u>Amount</u>
<b>David and Lucille Packard Foundation:</b>	
Castle-Crags purchase funds: dated December 2, 2013; matures December 6, 2018 or upon sale of property; stated interest rate of 1.00%; interest paid annually; secured by first deed of trust	<u>\$ 2,325,000</u>
<b>Access Fund:</b>	
Castle-Crags purchase funds: dated December 2, 2013; matures December 6, 2018 or upon sale of property; stated interest rate of 1.00%; interest due at maturity of loan; secured by deed of trust subordinate to Packard Foundation loan	<u>75,000</u>
<b>Sorensen Purchase Funds:</b>	
John Hiatt: dated May 23, 2013; matures May 23, 2015 or upon sale of property; stated interest rate of 2.00%; secured by deed of trust	58,000
Shaaron Netherton: dated May 23, 2013; matures May 23, 2015 or upon sale of property; stated interest rate of 2.00%; secured by deed of trust	<u>10,000</u>
Subtotal, Sorensen Purchase Funds	<u>68,000</u>

NOTE 9 - NOTES PAYABLE (concluded)

<u>Description</u>	<u>Amount</u>
<b>Wilderness Opportunity Fund:</b>	
Walker: dated December 6, 2010; matured September 1, 2013; currently negotiating renewal; stated interest rate of 0.00%; imputed rate of 1.00%; unsecured	\$ 25,000
Blumenthal: dated September 1, 2006; matured October 28, 2010; modified to mature on September 1, 2015; stated interest rate of 0.00%; imputed rate of 1.00%; unsecured	25,000
Ryan: dated January 1, 2011; matured December 31, 2012; modified to mature on December 31, 2014; stated interest rate of 1.59%; unsecured	10,000
Hoover: dated January 20, 2011; matured September 30, 2011; modified to mature on December 31, 2014; stated interest rate of 1.00%; unsecured	10,000
Fisher: dated January 20, 2011; matured September 30, 2011; modified to mature on December 31, 2014; stated interest rate of 1.00%; unsecured	10,000
Ingram: dated March 31, 2012; matured March 31, 2014; modified to mature on September 30, 2015; stated interest rate of 1.00%; unsecured	5,000
Subtotal, Wilderness Opportunity Fund	<u>85,000</u>
Total	<u><u>\$ 2,553,000</u></u>

Interest expense related to notes payable for the year ended June 30, 2014 was \$23,657. Interest has been imputed for below-market rate loans.

The future scheduled maturities for the years ending June 30<sup>th</sup> are:

<u>Year</u>	<u>Amount</u>
2015	\$ 123,000
2016	30,000
2017	-
2018	<u>2,400,000</u>
Total	<u><u>\$ 2,553,000</u></u>

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Occupancy

The Trust leased office space under a non-cancelable operating sublease which expired June 30, 2014. Monthly rent under the sublease ranged from \$500 to \$580, and rent expense was \$6,560 for the year ended June 30, 2014.

Environmental Remediation

The Trust may be potentially responsible for clean-up costs of certain properties prior to their conveyance to the federal government. Although a loss is probable, it is not possible to reasonably estimate the amount of any obligation for remediation that would be material to the Trust's financial statements at June 30, 2014.

NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS

At year-end, temporarily restricted net assets include the following:

<u>Description</u>	<u>Investments</u>	<u>Land, net of notes payable</u>	<u>Total</u>
Wilderness Opportunity Fund	\$ 340,941	\$ 683,105	\$ 1,024,046
RLFF Wilderness Acquisition Fund	37,475	69,524	106,999
Catto Foundation Fund	50,601	-	50,601
Cumulative net transfers from unrestricted net assets, capitalized with land acquisitions	-	164,219	164,219
Total	<u>\$ 429,017</u>	<u>\$ 916,848</u>	<u>\$ 1,345,865</u>

The Wilderness Opportunity Fund, RLFF Wilderness Acquisition Fund, and Catto Foundation Fund represent donor-restricted funds held for land acquisition projects in or adjacent to designated and proposed wilderness areas. Some acquisition costs of land held by these temporarily restricted funds were paid for with unrestricted assets. In addition, all land held by the Organization is classified as temporarily restricted because of the inherent restrictions on the land held by the Organization. All unrestricted net assets used to purchase land will be reclassified to unrestricted net assets when the land is sold or transferred. This amount totals \$164,219 at June 30, 2014.

NOTE 12 - SPECIAL EVENTS

During the fiscal year ended June 30, 2013, the Trust sponsored a 20<sup>th</sup> Anniversary celebration. Donations were received to help underwrite the event.

NOTE 13 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year ended June 30, 2014, net assets were released from restrictions by satisfying restricted program purposes as follows:

<u>Description</u>	<u>Amount</u>
Catto Foundation Fund - land acquisitions	\$ 149,208
RLFF Wilderness Acquisition Program	122,015
Wyss Foundation - time restrictions	100,000
Conservation Alliance - Castle Crag acquisition	23,535
RLFF - Land acquisition	22,438
New-Land Foundation - Land inventory	15,000
Wilderness Opportunity Fund - land acquisitions	<u>5,000</u>
Total	<u>\$ 437,196</u>

NOTE 14 - PENSION PLAN

The Trust sponsors a Simplified Employee Pension (SEP) deferred compensation plan. The Trust matches employee contributions up to 15 percent of eligible employees' annual compensation. During the year, the Trust contributed \$25,908 to the plan.

## **SUPPLEMENTARY INFORMATION**



**THE WILDERNESS LAND TRUST**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
**(WITH COMPARATIVE TOTALS FOR 2013)**

	2014				2013
	Supporting Services			Total	Total
	Land Contributions	Management and General	Development		
Salaries	\$ 177,226	\$ 20,254	\$ 55,700	\$ 253,180	\$ 193,433
Payroll taxes and benefits	49,049	5,605	15,416	70,070	68,065
Professional fees	122,259	50,720	1,000	173,979	211,911
Travel	39,581	25,097	12,440	77,118	60,207
Appraisals and surveys	40,975	-	-	40,975	69,787
Accounting	9,960	28,794	-	38,754	45,229
Interest	22,612	1,045	-	23,657	34,714
Board expense (meetings)	-	22,758	-	22,758	25,344
Marketing	-	3,574	14,296	17,870	20,678
Land database	15,750	-	-	15,750	3,750
Dues and subscriptions	7,331	838	2,304	10,473	8,051
Training and conferences	6,571	750	2,065	9,386	4,965
Insurance	5,959	681	1,873	8,513	5,477
Closing fees	7,339	-	-	7,339	13,244
Office rent	4,592	525	1,443	6,560	5,600
Communication	4,292	491	1,349	6,132	7,533
Rehabilitation costs	4,502	-	-	4,502	35,990
Office supplies	2,884	330	906	4,120	7,362
Donor database	-	-	3,368	3,368	3,558
Postage	1,641	187	516	2,344	3,435
Information technology	781	89	245	1,115	2,588
Property taxes and fees	1,046	-	-	1,046	7,807
All other	-	2,144	-	2,144	3,418
	<u>524,350</u>	<u>163,882</u>	<u>112,921</u>	<u>801,153</u>	<u>842,146</u>
Depreciation	1,558	177	489	2,224	2,079
Total expense	<u>\$ 525,908</u>	<u>\$ 164,059</u>	<u>\$ 113,410</u>	<u>\$ 803,377</u>	<u>\$ 844,225</u>

See independent auditors' report