

THE WILDERNESS LAND TRUST

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2016

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

THE WILDERNESS LAND TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

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



September 22, 2016

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Wilderness Land Trust
Basalt, 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, 2016, 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, 2016, 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, 2015, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 25, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, 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, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 373,147	\$ -	\$ 373,147	\$ 539,144
Accounts receivable	974	25,000	25,974	-
Grants receivable	-	-	-	40,000
Pledges receivable	-	-	-	11,000
Prepaid expenses	20,315	-	20,315	19,692
Earnest money deposits	-	1,000	1,000	1,000
Wilderness Opportunity Fund:				
Investments (Notes 3, 4)	18,605	993,214	1,011,819	1,209,908
Land available for sale or donation (Notes 4, 5)	-	6,906,472	6,906,472	3,121,023
Property and equipment, net (Note 6)	258	-	258	1,048
Total assets	<u>\$ 413,299</u>	<u>\$7,925,686</u>	<u>\$ 8,338,985</u>	<u>\$ 4,942,815</u>
<u>Liabilities and net assets</u>				
<u>Liabilities</u>				
Accounts payable	\$ 15,454	\$ -	\$ 15,454	\$ 15,102
Accrued interest expense	16,751	-	16,751	16,848
Wilderness Opportunity Fund:				
Investments held for others (Note 4)	-	538,645	538,645	785,568
Land held for others (Note 4)	-	3,321,873	3,321,873	25,603
Notes payable (Notes 4, 7)	-	2,619,000	2,619,000	2,455,000
Commitments and contingencies (Note 8)				
Total liabilities	<u>32,205</u>	<u>6,479,518</u>	<u>6,511,723</u>	<u>3,298,121</u>
<u>Net assets</u>				
<u>Unrestricted</u>				
Operating	380,836	-	380,836	526,886
Net investment in property and equipment	258	-	258	1,048
Temporarily restricted (Note 9)	-	1,446,168	1,446,168	1,116,760
Total net assets	<u>381,094</u>	<u>1,446,168</u>	<u>1,827,262</u>	<u>1,644,694</u>
Total liabilities and net assets	<u>\$ 413,299</u>	<u>\$7,925,686</u>	<u>\$ 8,338,985</u>	<u>\$ 4,942,815</u>

The accompanying notes are an integral part of these financial statements

THE WILDERNESS LAND TRUST
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
<u>Revenue and other support</u>				
Contributions	\$ 315,090	\$ 65,000	\$ 380,090	\$ 308,955
Grant revenues	203,000	-	203,000	174,428
Gains(losses) on property transfers	75,093	-	75,093	34,490
Investment income	(1,557)	-	(1,557)	507
Expense reimbursements	-	-	-	11,625
All other	8,204	-	8,204	7,175
Donated land - partial (Note 10)	-	296,100	296,100	-
In-kind contributions	853	-	853	3,498
Net assets released from restrictions (Note 11)	76,950	(76,950)	-	-
Total revenue and support	<u>677,633</u>	<u>284,150</u>	<u>961,783</u>	<u>540,678</u>
<u>Expense</u>				
Land contributions	511,127	-	511,127	481,161
Supporting services				
Management and general	109,235	-	109,235	101,756
Development	158,853	-	158,853	124,848
Total expense	<u>779,215</u>	<u>-</u>	<u>779,215</u>	<u>707,765</u>
Change in net assets	(101,582)	284,150	182,568	(167,087)
Reclassification of net assets (Note 9)	(45,258)	45,258	-	-
Net assets, beginning of year	<u>527,934</u>	<u>1,116,760</u>	<u>1,644,694</u>	<u>1,811,781</u>
Net assets, end of year	<u>\$ 381,094</u>	<u>\$ 1,446,168</u>	<u>\$ 1,827,262</u>	<u>\$1,644,694</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, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	<u>2016</u>	<u>2015</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 182,568	\$ (167,087)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Donated land - partial	(296,100)	-
Donated securities	(62,049)	(89,875)
Forgiveness of notes payable and interest	(27,087)	(25,000)
Depreciation	790	1,773
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in accounts receivable	(25,974)	-
(Increase)decrease in grants receivable	40,000	(40,000)
(Increase)decrease in pledges receivable	11,000	(11,000)
(Increase)decrease in prepaid expenses	(623)	(10,854)
(Increase)decrease in earnest money deposits	-	(1,000)
(Increase)decrease in land available for sale or donation	(3,489,349)	509,571
Increase(decrease) in accounts payable and accrued expenses	2,342	(7,551)
Increase(decrease) in deferred revenue	-	(9,562)
Increase(decrease) in investments held for others	(246,923)	26,531
Increase(decrease) in land held for others	3,296,270	(115,360)
Net cash provided(used) by operating activities	<u>(615,135)</u>	<u>60,586</u>
<u>Cash flows from investing activities</u>		
Sales of investments	865,579	883,224
(Purchases) of investments	(604,930)	(834,850)
(Reinvestment) of investment earnings	(511)	(136)
Net cash provided(used) by investing activities	<u>260,138</u>	<u>48,238</u>
<u>Cash flows from financing activities</u>		
Borrowings on notes payable	189,000	126,000
(Repayments) of notes payable	-	(199,000)
Net cash provided(used) by financing activities	<u>189,000</u>	<u>(73,000)</u>
Net increase(decrease) in cash	(165,997)	35,824
Cash and cash equivalents, beginning of year	<u>539,144</u>	<u>503,320</u>
Cash and cash equivalents, end of year	<u>\$ 373,147</u>	<u>\$ 539,144</u>
Supplemental disclosure of information:		
Cash paid during the period for interest	<u>\$ 26,505</u>	<u>\$ 26,669</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, 2016

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 and Contributions

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. The Trust uses the allowance method to determine uncollectible pledges receivable. Management has determined that no allowance is necessary as of June 30, 2016.

6. Grants and Grants Receivable

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

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

7. 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.

8. 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.

9. Land Inholdings

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

10. 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. Reimbursements are recorded in the fiscal year in which payment is received.

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.

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).

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

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.

14. Functional Reporting of Expenses

For the year ended June 30, 2016, 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, 2015, from which the summarized information was derived.

16. Subsequent Events

Management has evaluated subsequent events through September 22, 2016, the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consist of cash and money market accounts held for restricted purposes. The value of the investments approximates cost.

NOTE 4 - THE WILDERNESS OPPORTUNITY FUND

The Trust acquires land from willing landowners and then conveys the land to public agencies for protection, usually within one to five years. When land is sold to public agencies, the funds used to acquire land are re-deposited and used for future land purchases. The land purchases are financed by what the Trust refers to as the "The Wilderness Opportunity Fund" (the Fund). The Fund is a revolving loan fund that includes all of the Trust's assets and liabilities restricted for land acquisition. The funding received by the Fund came from a variety of sources, including grants, contributions and loans from private foundations and individuals. Gains on land sales, if any, are recorded as unrestricted revenue of the Trust unless the agreement with the financing source stipulates otherwise.

As of June 30, 2016, one of the funding sources included in the Fund stipulates that the Trust has a legal obligation to transfer land purchased with these sources to agencies of the federal government. Therefore, the Trust considers assets held on account of this funding source to be assets held for third parties, and the Trust records offsetting liabilities for these amounts. As of June 30, 2016, assets held for third parties in the Fund include \$3,860,518 from the Wyss Foundation. In general, the Trust does not have an obligation to restore losses on land sales financed with these funds. However, the agreement with the Wyss Foundation stipulates that gains on sales of property financed by assets provided by the Wyss Foundation are unrestricted, but only if cumulative losses on land financed by the Wyss Foundation have been restored to the Fund. As of June 30, 2016, the Trust has incurred a total of \$89,349 in losses on land financed by the Wyss Foundation. This amount will be restored to the Fund if future land sales financed with this source result in gains.

NOTE 4 - THE WILDERNESS OPPORTUNITY FUND (concluded)

As of June 30, 2016, the detail of the assets and liabilities of the Fund included:

<u>Assets</u>	<u>Amount</u>
Investments (by source):	
Wyss Foundation	\$ 538,645
Grants	325,877
Resource Legacy Foundation	54,400
Donors	44,292
Lenders	<u>30,000</u>
Investments, subtotal	993,214
Receivables	25,000
Earnest money deposits	1,000
Land	<u>6,906,472</u>
Total assets	<u><u>\$ 7,925,686</u></u>
 <u>Liabilities and Net Assets</u>	
Investments held for others	\$ 538,645
Land held for others	3,321,873
Notes payable (Note 7)	<u>2,619,000</u>
Total liabilities	<u>6,479,518</u>
Total net assets	<u>1,446,168</u>
Total liabilities and net assets	<u><u>\$ 7,925,686</u></u>

NOTE 5 - LAND AVAILABLE FOR SALE OR DONATION

As part of its normal operations, the Trust was involved in various stages of negotiation for the purchase of real property at June 30, 2016. 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.

All land held by the Organization is classified as temporarily restricted because of the inherent restrictions on the land and related financing sources.

NOTE 6 - PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of:

<u>Description</u>	<u>Amount</u>
Office equipment	\$ 10,573
Office furniture	4,297
Total	14,870
Less: accumulated depreciation	<u>(14,612)</u>
Net property and equipment	<u>\$ 258</u>

Depreciation expense for the year was \$790.

NOTE 7 - NOTES PAYABLE

Notes payable consisted of the following:

<u>Description</u>	<u>Amount</u>
David and Lucille Packard Foundation:	
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	\$ 2,325,000
Garcia/Trout Creek purchase funds: dated April 1, 2016; matures April 1, 2019, or upon sale of property; stated interest rate of 1.00%; interest paid annually; secured by first deed of trust	114,000
Subtotal, David and Lucille Packard Foundation	<u>2,439,000</u>
Access Fund:	
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	75,000
Individuals:	
Ryan: dated January 1, 2011; originally scheduled to mature December 31, 2012; subsequently modified to mature December 31, 2016; stated interest rate of 1.59%; unsecured	10,000
Hoover: dated January 20, 2011; originally schedule to mature September 30, 2011; subsequently modified to mature December 31, 2016; stated interest rate of 1.00%; unsecured	10,000

NOTE 7 - NOTES PAYABLE, concluded

<u>Description</u>	<u>Amount</u>
Individuals, concluded:	
Fisher: dated January 20, 2011; originally scheduled to mature September 30, 2011; subsequently modified to mature December 31, 2016; stated interest rate of 1.00%; unsecured	10,000
Hiatt: dated September 15, 2015; scheduled to mature November 1, 2017, or upon sale of property; stated interest rate of 2.00%; secured by first deed of trust	<u>75,000</u>
Subtotal, Individuals	<u>105,000</u>
Total	<u><u>\$ 2,619,000</u></u>

Interest expense related to notes payable for the year ended June 30, 2016, was \$26,408. Interest has been imputed for below-market rate loans. The future scheduled maturities for the years ending June 30th are:

<u>Year</u>	<u>Amount</u>
2017	\$ 30,000
2018	75,000
2019	<u>2,514,000</u>
Total	<u><u>\$ 2,619,000</u></u>

NOTE 8 - COMMITMENTS AND CONTINGENCIES

The Trust may be potentially responsible for restoration of properties prior to their conveyance to the federal government. The purpose of the restoration efforts is typically to remove structures or modify other features of the land to make the properties more consistent with a state of wilderness. The Trust considers these efforts a cost of sales, and management cannot estimate at this time the cost that may be incurred for all properties held as of June 30, 2016 because this will be negotiated in the future with purchasers. However, the cost to remediate the property held in the Sabinoso Wilderness of New Mexico (Rimrock Rose Ranch) has been estimated, and cost is expected to range from \$50,000 to \$70,000.

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

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

<u>Description</u>	<u>Receivables and Investments</u>	<u>Land, net of notes payable</u>	<u>Total</u>
Wilderness Acquisition Funds	\$ 388,974	\$ 557,072	\$ 946,046
Land - below market purchase	-	296,100	296,100
RLFF Wilderness Acquisition Fund	54,400	14,197	68,597
Catto Foundation Fund	11,197	39,404	50,601
Unrestricted net assets, capitalized with land acquisitions	-	84,824	84,824
Total, Wilderness Opportunity Fund (Note 4)	<u>\$ 454,571</u>	<u>\$ 991,597</u>	<u>\$ 1,446,168</u>

Some acquisition costs of land held by the Wilderness Opportunity Fund were paid for with unrestricted assets, and these amounts are reclassified to unrestricted net assets when the land is sold or transferred. As of June 30, 2016, a total of \$84,824 of unrestricted net assets was capitalized with temporarily restricted land.

NOTE 10 - DONATED LAND - PARTIAL

During the year ended June 30, 2016, the Trust purchased a property for \$296,100 less than the appraised value. The difference between the appraised value and the purchase price was recorded by the Trust as an inkind donation and included in the capitalized cost of the land.

NOTE 11 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year ended June 30, 2016, net assets were released from restrictions by satisfying restricted program purposes as follows:

<u>Description</u>	<u>Amount</u>
Packard grant - fund development and strategic communications	\$ 40,000
Forgiveness of note payable - Wilderness Opportunity Fund	25,000
Contribution restricted for time - 2016 general operations	10,000
Other	1,950
Total	<u>\$ 76,950</u>

NOTE 12 - 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 \$41,928 to the plan.

NOTE 13 - SUBSEQUENT EVENT

The Trust is currently in the process of acquiring the Northwest Citizens for Wilderness Mining (the Corporation), which is a for-profit C corporation registered in the state of Montana. The Corporation's only assets are 42 unpatented mining claims located across approximately 400 acres in the proposed Scotchman Peaks Wilderness area in northwest Montana. The Corporation exists to hold the mining claims; the Corporation does not have any operational activities. The Corporation does not have any other assets other than the mining claims, nor does it have any liabilities. Once a year, the Corporation pays approximately \$6,500 for annual maintenance fees on the mining claims to the Bureau of Land Management. The acquisition will occur through the purchase of all 500 outstanding shares for a nominal price of \$50.

After acquisition of the Corporation, the Trust intends to continue to hold the mining claims within the Corporation and to develop the mining claims within the guidelines established by The Wilderness Act. If the federal government designates the Scotchman Peaks Wilderness as a designated, protected wilderness area, the Trust will consider abandoning the mining claims.

SUPPLEMENTARY INFORMATION

THE WILDERNESS LAND TRUST
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	2016				2015
	Land Contributions	Supporting Services		Total	Total
		Management and General	Development		
Salaries	\$ 210,283	\$ 24,032	\$ 66,089	\$ 300,404	\$ 292,689
Payroll taxes and benefits	47,845	5,468	15,037	68,350	66,514
Professional fees	66,456	-	39,328	105,784	78,578
Travel	23,122	29,717	7,267	60,106	60,517
Accounting	11,655	31,571	-	43,226	40,021
Land database	41,500	-	-	41,500	-
Appraisals and surveys	26,500	-	-	26,500	39,100
Interest	25,990	418	-	26,408	26,669
Closing fees	21,718	-	-	21,718	24,028
Marketing	-	4,316	17,264	21,580	18,607
Board expense (meetings)	-	8,286	-	8,286	11,341
Rehabilitation costs	6,623	-	-	6,623	-
Dues and subscriptions	4,497	514	1,413	6,424	6,665
Donor database	-	-	6,171	6,171	1,195
Insurance	4,274	488	1,343	6,105	7,442
Communication	3,610	412	1,135	5,157	5,387
Property taxes and fees	4,943	-	-	4,943	4,585
Office rent	3,268	373	1,027	4,668	4,438
Training and conferences	3,107	354	976	4,437	3,819
Office supplies	2,659	304	836	3,799	5,964
Postage	1,831	209	576	2,616	3,068
Information technology	692	79	217	988	2,085
All other	-	2,632	-	2,632	3,280
	510,573	109,173	158,679	778,425	705,992
Depreciation	554	62	174	790	1,773
Total expense	\$ 511,127	\$ 109,235	\$ 158,853	\$ 779,215	\$ 707,765

See independent auditors' report