

**SOUTHERN OREGON LAND
CONSERVANCY, INC.**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

**WITH
INDEPENDENT AUDITOR'S REPORT**



A Kosmatka, Donnelly, and Piels Company
640 Superior Court, Medford, OR 97504

SOUTHERN OREGON LAND CONSERVANCY, INC.

For the Year Ended December 31, 2016

Table of Contents

	Page
Independent Auditor's Report	A-1 – A-2
Basic Financial Statements:	
Statement of Financial Position	1
Statement of Activities and Changes in Net Assets	2
Statement of Cash Flows	3
Notes to Basic Financial Statements	4 – 10
Supplementary Information:	
Schedule of Functional Expenses	11

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Southern Oregon Land Conservancy, Inc.
Ashland, Oregon

We have audited the accompanying financial statements of Southern Oregon Land Conservancy, Inc. (an Oregon nonprofit corporation), which comprise the statement of financial position as of December 31, 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 accounting 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.

Auditor's 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 from 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks 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 Southern Oregon Land Conservancy, Inc. as of December 31, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 11 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.

A handwritten signature in dark ink, appearing to read 'Mark E. Damon', with a stylized, flowing script.

Mark E. Damon CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
August 3, 2017

BASIC FINANCIAL STATEMENTS

SOUTHERN OREGON LAND CONSERVANCY, INC.

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2016

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 127,161
Investments	1,327,442
Pledges receivable	318,320

Total current assets 1,772,923

OTHER ASSETS:

Property and equipment, net of accumulated depreciation	8,185
Conservation lands	57,000
Conservation easements	3,321,700
Note receivable and associated accrued interest	12,242
Pledges receivable	78,269

Total other assets 3,477,396

TOTAL ASSETS \$ 5,250,319

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable	\$ 16,168
Accrued payroll taxes and benefits	20,561

Total current liabilities 36,729

NET ASSETS:

Unrestricted:	
Undesignated	53,464
Board designated	3,597,096

Total unrestricted 3,650,560

Temporarily restricted	1,484,520
Permanently restricted	78,510

Total net assets 5,213,590

TOTAL LIABILITIES AND NET ASSETS \$ 5,250,319

SOUTHERN OREGON LAND CONSERVANCY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES:				
Member dues	\$ 135,088	\$ -	\$ -	\$ 135,088
Contributions	66,257	947,673	9,217	1,023,147
Investment income, net of fees	12,473	-	1,186	13,659
Net realized and unrealized gains	15,679	-	2,903	18,582
Special events	30,356	-	-	30,356
Miscellaneous	4,725	-	-	4,725
Grants	-	77,059	-	77,059
Net assets released from restrictions	263,048	(263,048)	-	-
Total support and revenues	<u>527,626</u>	<u>761,684</u>	<u>13,306</u>	<u>1,302,616</u>
EXPENSES:				
Program expenses:				
Stewardship	88,622	-	-	88,622
Land protection	73,872	-	-	73,872
Outreach and education	95,091	-	-	95,091
Total program expenses	<u>257,585</u>	<u>-</u>	<u>-</u>	<u>257,585</u>
Support services expenses:				
Fundraising	118,636	-	-	118,636
Management and general	134,009	-	-	134,009
Total support services expense	<u>252,645</u>	<u>-</u>	<u>-</u>	<u>252,645</u>
Total expenses	<u>510,230</u>	<u>-</u>	<u>-</u>	<u>510,230</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	17,396	761,684	13,306	792,386
NET ASSETS - BEGINNING OF YEAR, AS RESTATED	3,633,164	722,836	65,204	4,421,204
NET ASSETS - END OF YEAR	<u>\$ 3,650,560</u>	<u>\$ 1,484,520</u>	<u>\$ 78,510</u>	<u>\$ 5,213,590</u>

SOUTHERN OREGON LAND CONSERVANCY, INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 792,386
Adjustments to reconcile change in net assets to to net cash applied to operating activities:	
Depreciation	1,268
Reinvested income on investments, net of fees	(13,659)
Realized and unrealized gains on investments	(18,582)
Increase in note receivable and associated interest	(1,500)
Increase in pledges receivable	(264,682)
Increase in accounts payable	10,587
Increase in accrued payroll taxes and benefits	2,034
Contributions restricted for long-term purposes	(9,217)

Net cash provided (used) by operating activities	<u>498,635</u>
--	----------------

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(8,231)
Purchase of investments	(690,226)
Proceeds from sales of investments	<u>197,692</u>

Net cash provided (used) by investing activities	<u>(500,765)</u>
--	------------------

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from contributions restricted for long-term investment	<u>9,217</u>
Net cash provided by financing activities	<u>9,217</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,087
---	--------------

CASH AND CASH EQUIVALENTS - Beginning of the year	<u>120,074</u>
--	-----------------------

CASH AND CASH EQUIVALENTS - End of the year	<u>\$ 127,161</u>
--	--------------------------

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The summary of significant accounting policies of Southern Oregon Land Conservancy, Inc. (the Conservancy) is presented to assist in understanding the Conservancy's financial statements. The financial statements and notes are representations of the Conservancy's management who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

Southern Oregon Land Conservancy, Inc. was formed in 1978 in the State of Oregon to work cooperatively with landowners, partners, and communities to protect high priority lands in the Rogue River Region for current and future generations. The Conservancy is dedicated to the permanent protection of forests, working farms and ranches, rivers, and streams in the Rogue River Region.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Boards (FASB) in its Accounting Standards Codification (ASC), under which the Conservancy 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.

Unrestricted net assets include resources that are not temporarily or permanently restricted by the donor and are available for operations of the Conservancy without limitation. Unrestricted net assets also include resources restricted by donor-imposed criteria for which the restrictions are met within the same time period as the funds are received. Unrestricted net assets which have been designated for specific uses by the Board of Directors will also be identified.

Temporarily restricted net assets include those resources restricted by donor / grantor-imposed criteria and which either expire with the passage of time (generally by usage of the funds for the designated purpose) or by actions of the Conservancy which fulfil the criteria.

Permanently restricted net assets include contributions subject to donor-imposed or other legal restrictions with requirements that the principal be invested in perpetuity and only the investment income is expended for designated purposes. In addition, the Conservancy entered into an Endowment Funding and Management Agreement in which distributions of investment income are only allowed once contributions reach a specified dollar amount.

Tax-Exempt Status

The Conservancy is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and received their latest determination letter from the IRS in July 1981 which extended their original status from September 1979. However, income from certain activities not directly related to the Conservancy's tax exempt purpose is subject to taxation as unrelated business income. The Conservancy qualifies for the charitable contribution deduction and has also been classified as an organization that is not a private foundation under Section 509(a).

The Conservancy's Federal Form 990, Return of Organization Exempt from Income Tax, and annual filings with the State of Oregon, are subject to examination by the respective taxing authorities, generally for three years after they were filed. The Conservancy has concluded no material uncertain tax positions have been taken on any open tax returns. For the current year, management believes all tax positions are fully supportable by existing Federal law and related interpretations and there are no uncertain tax positions to consider.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**Restatement of Prior Year Amounts**

During the fiscal year ended December 31, 2016, the Conservancy identified an issue related to prior periods. The issue is related to a lack of accrued vacation payable in the amount of \$8,170 and the discounting of pledges receivable related to temporarily restricted net assets for \$7,613. Additionally, two classification errors between net assets in which temporarily restricted net assets was understated by \$15,909, and unrestricted net assets was overstated by \$25,696.

This issue has been corrected by restating the January 1, 2016 beginning net assets as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets - beginning of year as previously reported	\$ 3,651,121	\$ 720,662	\$ 65,204	\$ 4,436,987
Correction of error	<u>(17,957)</u>	<u>2,174</u>	<u>-</u>	<u>(15,783)</u>
Net assets - beginning of year as restated	<u>\$ 3,633,164</u>	<u>\$ 722,836</u>	<u>\$ 65,204</u>	<u>\$ 4,421,204</u>

Contributions

Donations of assets are recorded at their estimated fair value at the date of donation. Assets whose estimated fair value cannot be reasonably determined are not recorded. Recorded donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Conservancy reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Conservancy reclassifies temporarily restricted net assets at that time.

Donated services are recognized as contributions in accordance with the FASB ASC. If the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Conservancy. Volunteers may provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under the ASC are not met, or the valuation of such services cannot be reasonably determined. No amounts have been reflected in the financial statements for donated services for the year ended December 31, 2016.

Advertising

The Conservancy expenses advertising costs as incurred. Advertising expense for the year ended December 31, 2016 was \$30,479.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical methods.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Functional Allocation of Expenses (Continued)

Program services include expenses directly related to the exempt purpose of the Conservancy. Currently, there are three program focuses. Stewardship focuses on monitoring property with easements and fee title to ensure terms are being upheld and provide information to landholders. Land protection focuses on working with and networking with Federal, State, and local interested organizations and agencies, and landowners to build a portfolio of land through ownership or easements. Outreach and education focuses on broadcasting and enhancing the mission of the Conservancy to the community. Fund-raising activities provide the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations. Management and General activities include the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Conservancy's program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Conservancy.

Cash and Cash Equivalents

Cash and cash equivalents include cash, money market accounts and other securities with maturities of three months or less at date of acquisition that are not otherwise held by an investment advisor.

Investments

Investments are stated at fair value based on quoted market prices. Investments acquired by gift are recorded at fair value on the date received. Investments in marketable securities are adjusted to fair value through recognition of unrealized gains and losses in operating income as they are classified as trading securities. Gains or losses are calculated based on specific identification of the investments. Dividends, interest and other investment income are recorded net of related custodial and advisory fees; which were \$6,064 for the year ended December 31, 2016.

Endowment Investment and Spending Policies

The Conservancy's Endowment includes both donor-restricted endowment funds and the Wildlands Endowment Fund which are funds received in connection with an Endowment Funding and Management Agreement (Funding Agreement). Income earned on the principal from the Funding Agreement can only be used to manage, maintain and monitor a specific property and the income must be reinvested until contributions have reach a specified dollar amount.

Property and Equipment

Property and equipment are carried at cost. Depreciation and amortization is provided using the straight-line method for all depreciable assets over the estimated useful lives of the assets, which range from 5 to 10 years.

Depreciation expense was \$1,268 in 2016.

Conservation Lands and Easements

The Conservancy records land and land interests at cost if purchased or at fair value at the date of acquisition, if all or part of the land was received as a donation. Fair value is generally determined by appraisal at the time of acquisition and is not subsequently adjusted. Upon sale or gift, the book value of the land or land interest is reported as a program expense and the related proceeds, if any, are reported as revenue in the consolidated statement of activities.

Conservation land is real property with significant ecological value. These properties are either managed in an effort to protect the natural biological diversity of the property, or transferred to other organizations who will manage the lands in a similar fashion.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**Conservation Lands and Easements (Continued)**

Conservation easements are comprised of listed rights and/or restrictions over the owned property that are conveyed by a property owner to the Conservancy, almost always in perpetuity, in order to protect the owned property as a significant natural area, as defined in federal tax regulations. These intangible assets may be sold or transferred to others so long as the assignee agrees to carry out, in perpetuity, the conservation purposes intended by the original grantor. Conservation easements, by their very nature, do not generate material amounts of cash inflow annually.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates.

NOTE 2 - CASH AND CASH EQUIVALENTS:

The Conservancy maintains its cash balances and money market funds in two national institutions with offices located in Southern Oregon. At December 31, 2016 all deposit accounts were guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. The Conservancy had no uninsured deposits at December 31, 2016.

NOTE 3 – INVESTMENTS:

The Conservancy maintains its investments in a national institution with offices located in Southern Oregon. At December 31, 2016, securities were insured up to \$500,000 by the Securities Investor Protection Corporation (SIPC) and cash accounts, such as a money market fund, were insured up to a maximum of \$250,000. The Conservancy's uninsured investments were \$827,442 at December 31, 2016. The Conservancy did not have any uninsured cash accounts held by investment advisors at December 31, 2016.

NOTE 4 - PLEDGES RECEIVABLE:

Pledges receivable consisted of the following at December 31, 2016:

The Conservancy receives pledges, grants and contracts from various individuals and organizations. The Conservancy had \$396,589 in net pledges receivable at December 31, 2016. An allowance for doubtful accounts has not been recorded by management for these balances as they estimate any uncollectible amount to be insignificant based on historical reference.

NOTE 4 - PLEDGES RECEIVABLE (Continued):

As of December 31, 2016, the Conservancy pledges receivable consisted of the following:

Due within one year	\$ 318,320
Due in one to five years	9,000
More than five years	<u>77,500</u>
	404,820
Less unamortized discount	<u>8,231</u>
	<u><u>\$ 396,589</u></u>

Discount rate of 1.53 percent was used for pledges due in future periods.

NOTE 5 – NOTE RECEIVABLE AND ASSOCIATED ACCRUED INTEREST:

The Conservancy holds a pledge in the form of a promissory note in the amount of \$7,500 which is secured by real property located in Jackson County, Oregon. The note requires compliance with a Conservation Easement on the secured property. The entire note balance, including accrued interest computed at 5%, becomes due on the maturity date of June 30, 2040. If the property is sold, there is a violation of the underlying Conservation Easement, or the grantor dies before the maturity date, the entire unpaid balance of the note becomes due and payable. Both the principal and accrued interest of \$4,742 are included in note receivable and associated accrued interest at December 31, 2016.

NOTE 6 – LEASES:

The Conservancy has a lease contract for its office space through April 30, 2020 for \$550 per month. Total lease expense under this contract for the year ended December 31, 2016 was \$6,600.

Future minimum lease payments under current contracts are as follows:

Year ended December 31:	<u>Amount</u>
2017	\$ 6,600
2018	6,600
2019	6,600
2020	2,200
2021	<u>-</u>
	<u><u>\$ 22,000</u></u>

NOTE 7 - NET ASSETS:**Unrestricted net assets**

Unrestricted and Board designated net assets consist of the following at December 31, 2016:

Unrestricted net assets	
Undesignated	<u>\$ 53,464</u>
Board designated:	
Property and equipment	65,185
Conservation easements	3,323,700
Land protection fund	70,000
Rogue River preserve	15,000
Operating reserves	<u>123,211</u>
Total board designated	<u>3,597,096</u>
Total unrestricted net assets	<u><u>\$ 3,650,560</u></u>

Temporarily restricted net assets

Temporarily restricted net assets consist of the following at December 31, 2016:

Temporarily restricted net assets:	
Stewardship fund	\$ 502,511
Rogue River preserve fund	954,459
Eagle Mill Farm	12,025
Other restricted funds	<u>15,525</u>
	<u><u>\$ 1,484,520</u></u>

Permanently restricted net assets

Permanently restricted net assets consist of the following at December 31, 2016:

Permanently restricted net assets:	
Wildlands Endowment Fund	\$ 73,510
Southern Oregon Land	
Conservancy Endowment Fund	<u>5,000</u>
	<u><u>\$ 78,510</u></u>

NOTE 8 - FAIR VALUE OF FINANCIAL INSTRUMENTS:

ASC Topic 820, *Fair Value Measurements and Disclosures* defines fair value as 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. ASC Topic 820 also establishes fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC Topic 820 describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs, other than the quoted price in active markets, that are observable either directly or indirectly.

Level 3 – Unobservable inputs based on our own assumptions.

The following table presents the fair value hierarchy for those assets measured at fair value on a recurring basis at December 31, 2016:

	Level 1	Level 2	Level 3	Total
Equity ETF	\$ 319,009	\$ -	\$ -	\$ 319,009
Fixed Income ETF	43,364	-	-	43,364
REIT ETF	34,828	-	-	34,828
Equity Mutual Funds	90,003	-	-	90,003
Fixed Income Mutual Funds	179,993	-	-	179,993
Bonds	-	3,932	-	3,932
Cash & Cash Alternatives	656,313	-	-	656,313
	<u>\$ 1,323,510</u>	<u>\$ 3,932</u>	<u>\$ -</u>	<u>\$ 1,327,442</u>

NOTE 9 - RETIREMENT PLAN:

In September 2003, the Conservancy instituted a Savings Incentive Match Plan (SIMPLE) IRA retirement plan covering all eligible employees. Employees who participate may elect to make salary deferral contributions to the Plan up to 100% of the employees' eligible payroll subject to annual Internal Revenue Code maximum limitations. The Conservancy may make a discretionary contribution to the entire qualified employee pool, in accordance with the Plan. For the year ended December 31, 2016 there was \$8,142 of contributions made by the Conservancy to the SIMPLE plan.

NOTE 10 – RELATED PARTY TRANSACTIONS:

The Conservancy recorded approximately \$23,000 in contribution revenue from Board members in fiscal year ended December 31, 2016. Additionally, the Conservancy has \$11,000 in pledges receivables that are from Board members at December 31, 2016.

NOTE 11 – CONCENTRATIONS:

Approximately 34.5 percent of all contributions were received from 2 donors in fiscal year 2016.

NOTE 12 - SUBSEQUENT EVENTS:

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Conservancy recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that did not exist at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. The Conservancy's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the balance sheet date but arose after the balance sheet date and before financial statements are available to be issued.

The Conservancy has evaluated subsequent events through August 3, 2017 which is the date the financial statements were available to be issued.

The Conservancy received three grants in June 2017 totaling approximately \$2.4 million for the purpose of purchasing the land along the Rogue River Rogue River Preserve property. These consisted of approximately \$1.4 million from the Oregon Watershed Enhancement Board, \$500,000 from U.S. Fish and Wildlife, and \$500,000 from the Doris Duke Foundation through the Nature Conservancy. On June 27, 2017, the Conservancy completed the purchase of land for a total cost of approximately \$2.4 million.

SUPPLEMENTARY INFORMATION

SOUTHERN OREGON LAND CONSERVANCY, INC.

SCHEDULE OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016

	Programs				Support Services			Total
	Stewardship	Land Protection	Outreach and Education	Subtotal	Fundraising	Management and General	Subtotal	
OPERATING EXPENSES:								
Salaries	\$ 76,097	\$ 43,601	\$ 66,923	\$ 186,621	\$ 58,033	\$ 50,213	\$ 108,246	\$ 294,867
Payroll benefits and taxes	10,151	5,770	9,190	25,111	7,877	6,585	14,462	39,573
	86,248	49,371	76,113	211,732	65,910	56,798	122,708	334,440
Professional services	-	-	-	-	13,374	288	13,662	13,662
Training	-	13	-	13	175	10,966	11,141	11,154
Advertising	-	278	17,500	17,778	12,701	-	12,701	30,479
Technology	-	-	-	-	-	7,190	7,190	7,190
Printing and postage	-	-	1,478	1,478	5,983	5,158	11,141	12,619
Special events	-	-	-	-	20,475	-	20,475	20,475
Bank charges	-	-	-	-	-	9,397	9,397	9,397
Miscellaneous	1,269	19,595	-	20,864	-	2,809	2,809	23,673
Accounting	-	-	-	-	-	22,668	22,668	22,668
Travel	899	4,565	-	5,464	18	418	436	5,900
Insurance	-	-	-	-	-	5,053	5,053	5,053
Occupancy	-	-	-	-	-	6,600	6,600	6,600
Utilities & telecommunications	-	-	-	-	-	3,673	3,673	3,673
Supplies	-	50	-	50	-	1,723	1,723	1,773
Property taxes	206	-	-	206	-	-	-	206
Depreciation expense	-	-	-	-	-	1,268	1,268	1,268
TOTAL EXPENSES	<u>\$ 88,622</u>	<u>\$ 73,872</u>	<u>\$ 95,091</u>	<u>\$ 257,585</u>	<u>\$ 118,636</u>	<u>\$ 134,009</u>	<u>\$ 252,645</u>	<u>\$ 510,230</u>