FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2016

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2016

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working exclusively with nonprofit organizations

April 12, 2017

Independent Auditors' Report

Board of Directors WildEarth Guardians Santa Fe, New Mexico

We have audited the accompanying financial statements of **WildEarth Guardians**, (a New Mexico 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 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 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 WildEarth Guardians 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.

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 WildEarth Guardians' financial statements for the year ended December 31, 2015, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 19, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Taylor, Roth and Company, PLC

TAYLOR, ROTH AND COMPANY, PLAC

CERTIFIED PUBLIC ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

Acceta	· · · · · ·	2016	(1	2015 restated)
Assets Cash and cash equivalents - unrestricted	C	716 576	¢.	424 241
Cash and cash equivalents - timestricted Cash and cash equivalents - fiscal agent	\$	716,576	\$	434,241
		267,748		267,480
Cash and cash equivalents - temporarily restricted Accounts receivable		213,467		380,034
		76,002		124,997
Grants receivable - temporarily restricted		40,000		-
Donated lease receivable - temporarily restricted (Note 3)		30,349		65,347
Prepaid expenses		51,730		18,653
Investments (Note 4)		1,088,532		929,236
Property and equipment, net (Note 5)		1,675		2,684
Beneficial interests in assets held by others - permanently restricted (Note 6)		200,743		236,333
Total assets	\$	2,686,822	\$ 2	2,459,005
<u>Liabilities and net assets</u>				
Liabilities				
Accounts payable	\$	33,243	\$	111,547
Accrued payroll expenses		51,308		39,129
Fiscal agent (Note 7)		267,748		267,480
Capital lease payable		-		763
Total liabilities		352,299		418,919
Net assets Unrestricted				
Operating		655,947		164,109
Net investment in property and equipment		1,675		1,921
Board-designated reserve (Note 8)		1,192,342	1	1,192,342
Temporarily restricted (Note 9)		283,816		445,381
Permanently restricted (Note 6 and 10)		200,743		236,333
Total net assets		2,334,523		2,040,086
Total liabilities and net assets	\$	2,686,822	\$ 2	2,459,005

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

2015 2016 (restated) Temporarily Permanently Unrestricted Restricted Restricted Total Total Revenue and other support Grants \$ 334,716 \$ 989,500 \$ \$1,324,216 \$1,077,162 Individual donations 1,113,347 101,245 1,214,592 1,129,374 Government grants and contracts 486,954 486,954 484,736 Program service fees 468,600 468,600 195,824 Special events, net 182,314 182,314 168,070 Less: direct benefit to donors (95,342)(95,342)(109,360)Rental income 15,911 15,911 21,768 Investment income(loss) (Note 4) 2,560 2,560 (710)Other revenue 26,553 26,553 15,375 Distributions from and change in beneficial interests in assets held by others (Note 6) (35,590)(35,590)(10,494)In-kind contributions (Note 11) 117,462 3,338 119,132 120,800 Net assets released from restrictions (Note 12) 1,255,648 (1,255,648)Total revenue and other support 3,908,723 (161,565)(35,590)3,711,568 3,090,877 Expense 2,978,914 Program services 2,978,914 2,672,144 Supporting services Management and general 171,843 171,843 203,702 Fund-raising 266,374 266,374 237,303 Total expense 3,417,131 3,417,131 3,113,149 294,437 Change in net assets 491,592 (161,565)(35,590)(22,272)Net assets, beginning of year 1,402,882 456,122 181,082 2,040,086 2,062,358 Reclassification (Note 6) (44,510)(10,741)55,251 Net assets, beginning of year, restated 445,381 236,333 2,040,086 2,062,358 1,358,372 283,816 Net assets, end of year \$1,849,964 \$ 200,743 \$2,334,523 \$ 2,040,086

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

		2016	(2015 restated)
Cash flows from operating activities				
Change in net assets	\$	294,437	\$	(22,272)
Adjustment to reconcile change in net assets to net cash provided(used)				
by operating activities				
Change in donated lease receivable		34,998		30,730
Net (gains)losses on investments		(1,341)		1,853
Donated securities		(297,669)		(260,373)
Depreciation expense		1,009		9,946
Gain on disposal of assets		-		(8,099)
Changes in operating assets and liabilities				
(Increase)decrease in accounts receivable		48,995		(98,891)
(Increase)decrease in pledges receivable		=		1,860
(Increase)decrease in grants and contracts receivable		(40,000)		-
(Increase)decrease in prepaid expenses		(33,077)		(3,327)
(Increase)decrease in assets held by others		35,590		10,494
Increase(decrease) in accounts payable		(78,304)		68,100
Increase(decrease) in accrued payroll expenses		12,179		(4,732)
Increase(decrease) in fiscal agent		268		(4,265)
Net cash provided(used) by operating activities		(22,915)		(278,976)
Cash flows from investing activities				
(Purchases)sales of investments		(797,187)		(437,371)
Proceeds from sales of investments		936,901		715,657
Net cash provided(used) by investing activities	100000000000000000000000000000000000000	139,714		278,286
Cash flows from financing activities				
(Repayments) on capital lease		(763)		(2,842)
Proceeds from property and equipment dispositions		-		481,129
(Repayments) on notes payable		_		(407,202)
Net cash provided(used) by financing activities		(763)		71,085
Net change in cash		116,036		70,395
Cash and cash equivalents, beginning of year		1,081,755		1,011,360
Cash and cash equivalents, end of year	\$	1,197,791	\$	1,081,755
Supplemental disclosure of information:		=		_
Cash paid during the period for interest	\$	-	\$	5,500

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016

NOTE 1 - NATURE OF ACTIVITIES

WildEarth Guardians (the Organization) is a New Mexico nonprofit corporation, incorporated in 1992, that seeks to protect and restore wildlife, wild rivers, and wild places in the American West through fundamental reform of public policies and practices. The Organization operates the following major programs:

Wild Places - Halting logging projects; working for grazing reform on public lands; protecting national grasslands and prairies; and analyzing fire policy and management practices. In addition, WildEarth Guardians works to restore wounded landscapes by planting trees and removing roads.

Wildlife - Preventing extinction and promoting recovery of imperiled native plants and animals in the West.

Climate and Energy - Addressing the climate crisis by challenging fossil fuel extraction and use promoting energy efficiency, and promoting appropriate sustainable energy.

Wild Rivers - Focus is on advocating for clean, free-flowing rivers across the West including defending the Rio Grande's right to its own waters.

WildEarth Guardians' significant outreach activities include three newsletters, an annual report, various events designed to engage the community in our conservation programs, and an extensive website. The Organization is supported primarily by foundation grants, individual donations, government grants and contracts, and program service fees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

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

2. Basis of Presentation

The Organization 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

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

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

5. Accounts and Grants Receivable

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollected amounts through a provision for bad debt expense. No provision was deemed necessary at December 31, 2016.

6. Promises to Give

Unconditional promises to give are recognized as revenues in the period received. Conditional promises to give 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 receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

7. Capitalization and Depreciation

The Organization follows a practice of capitalizing all expenditures for property and equipment in excess of \$5,000. The fair value of donated assets is similarly capitalized. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

8. Donations

The Organization 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 Organization 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 Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

9. 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.

10. Fair Value Measurements

The Organization is subject to the provisions of the Fair Value Measurements and Disclosures accounting standard. This standard requires the 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)

11. Income Taxes

WildEarth Guardians has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). In accordance with the provisions associated with accounting for uncertainty in income taxes, management has analyzed its various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported. Additionally, management believes that no accruals for tax liabilities related to uncertain income tax positions are required.

12. Functional Reporting of Expenses

For the year ended December 31, 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.

13. 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 Organization's financial statements for the year ended December 31, 2015, from which the summarized information was derived.

14. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

15. Subsequent Events

Management has evaluated subsequent events through April 12, 2017, the date the financial statements were available to be issued.

NOTE 3 - DONATED LEASE RECEIVABLE

The Organization leases office space in Santa Fe from an unrelated party for \$1 per year. The lease is for the period of October 15, 2014, to October 15, 2017. The estimated value of the lease is \$38,336 per year. Unconditional promises to give are discounted at 6 percent.

The unconditional promise to give consists of the following:

Description	Amount
Receivable in less than one year Receivable in one to three years	\$ 30,349
Total	30,349
Less: discount to present value	
Net donated lease receivable	\$ 30,349

NOTE 4 - INVESTMENTS

At year-end, investments consisted of the following:

			Ur	nrealized
	Cost	Fair	App	reciation
Description	Basis	Value	(Dep	reciation)
Certificates of deposit	\$ 1,081,528	\$ 1,081,371	\$	(157)
Equities	7,161	7,161		
Total	\$ 1,088,689	\$ 1,088,532	\$	(157)

Investment returns are summarized as follows:

Description	Amount
Interest and dividends - investment and demand accounts	\$ 7,078
Unrealized gains(losses)	781
Realized gains(losses)	560
Fees	 (5,859)
Total	\$ 2,560

The Organization follows the Fair Value Measurements and Disclosures Topic of FASB ASC which requires enhanced disclosures about assets and liabilities that are measured and reported at fair value. The standard establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date. The Organization has investments in certificates of deposit and equities in this category.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. Fair value is determined through the use of models or other valuation methodologies. The Organization has no investments in this category.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The Organization has beneficial interests in assets held by others in this category.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

NOTE 4 - INVESTMENTS (concluded)

The following table presents assets measured at fair value on a recurring basis as of December 31, 2016:

Description	Total	Level 1	L	evel 2		Level 3
Certificates of deposit Beneficial interests in	\$1,081,371	\$1,081,371	\$	-	\$	-
assets held by others	200,743	4		-		200,743
Equities	7,161	7,161			_	
Total	\$1,289,275	\$1,088,532	\$		\$	200,743

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended December 31, 2016:

Description	-	Amount
Balance at December 31, 2015	\$	236,333
Purchases/contributions of investments		
Investment return, net		1,691
Distributions		(37,281)
Balance at December 31, 2016		200,743

NOTE 5 - PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following:

Description	Amount
Vehicles	\$ 31,496
Office furniture and equipment	29,423
River restoration equipment	8,841
Total	69,760
Less: accumulated depreciation	(68,085)
Net property and equipment	\$ 1,675

Depreciation expense for the year was \$1,009.

NOTE 6 - BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS

The Organization transferred funds to three different community foundations for the purposes of endowed funds: the Albuquerque Community Foundation, the Santa Fe Community Foundation and the New Mexico Community Foundation. The Organization has granted variance power to the foundations, and the funds are subject to the foundations' investment and spending policies which currently result in distributions to the Organization of up to 5 percent of the average value. The funds are held and invested by the community foundations for the benefit of the Organization, and the funds are reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities.

NOTE 6 - BENEFICIAL INTERESTS IN ASSETS HELD BY OTHERS (concluded)

Changes in these endowment assets for the year ended December 31, 2016, are as follows:

Description	Board- Designated	Temporarily Restricted	Permanently Restricted	Total Endowment
Description	Designated	Restricted	Restricted	Net Assets
Balance, beginning of year	\$ 44,510	\$ 10,741	\$ 181,082	\$ 236,333
Reclassification	(44,510)	(10,741)	55,251	
Balance, beginning of year, restated	-		236,333	236,333
Gifts and contributions	-	-	-	_
Share of appreciation	=		1,691	1,691
Distributions		-	(37,281)	(37,281)
Ending balance	\$ -	\$ -	\$ 200,743	\$ 200,743

During the year, all net assets held at community foundations were reclassified to permanently restricted net assets because the agreements limit the Organization's access to the endowment assets.

NOTE 7 - FISCAL AGENT

WildEarth Guardians and other environmental groups collectively won a case in 2005 to protect the silvery minnow habitat in the Rio Grande River. The settlement agreement required payment of \$225,000 from the Albuquerque Bernalillo County Water Utility Authority and \$25,000 from environmental groups, collectively, to be put into an escrow account. The funds held in escrow are to be used to purchase water rights. If the funds are not used, they may be returned to the contributing parties. The Organization is the fiscal agent of the funds. The original escrow agreement was for the period of January 18, 2007 to 2012, and during 2012, the parties negotiated an extension for an additional 5 years. Changes in the balance of these funds held for others includes interest earned on the original contributions, and as of December 31, 2016, the total amount held under this fiscal agency agreement was \$267,748.

NOTE 8 - BOARD-DESIGNATED RESERVE

It is the policy of the Board of Directors that the Organization work towards building a cash reserve fund that is a minimum of 4 months of expenses at any one time and when averaged over the 12 months of the year, a minimum average of 6 months of expenses. As of December 31, 2016, the minimum reserve was \$1,192,342.

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

At year-end, temporarily restricted net assets were available for the following purposes:

Description	Amount
Gila Bioregion and grazing permit retirement	\$ 230,514
In-kind rent for 2017	30,349
Wild Places	22,953
Total	\$ 283,816

NOTE 10 - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consisted of endowment funds established at the Albuquerque Community Foundation, the New Mexico Community Foundation and the Santa Fe Community Foundation as described in Note 6, Beneficial Interests in Assets Held by Others. The funds are to be held in perpetuity for the benefit of the Organization, with annual distributions of investment income made to the Organization based on the community foundations' investment and spending policies.

NOTE 11 - IN-KIND CONTRIBUTIONS

In-kind contributions are reflected in the accompanying statements at estimated values at date of receipt. The value of donated materials and services included in the financial statements and the corresponding expenses for the year are as follows:

Description	Amount
Google AdWords	\$ 117,462
Office rent	3,338
Total	\$ 120,800

WildEarth Guardians also received contributed services not requiring professional level specialized skills, valued at \$30,000, as follows:

Description	Hours_
River restoration	1,200
Administrative assistance	200
Total	1,400

NOTE 12 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the restricted program purposes:

Description	Amount
Wildlife/endangered species	\$ 389,000
Wild Places/rewilding	355,973
Climate and energy	281,878
Gila Bioregion	166,218
In-kind rent	38,334
Water/Wild Rivers	23,000
River restoration	1,245
Total	\$ 1,255,648

NOTE 13 - CONTINGENT PLEDGES RECEIVABLE

Gila Bioregion

The Organization has received a pledge of \$2 million that is restricted for the retirement of grazing permits in the greater Gila Bioregion. This pledge is contingent upon changes in federal legislation within two years, the status of which is currently uncertain. This pledge is considered a conditional promise to give, and therefore, it is not recorded in the financial statements. The pledge will be recognized as income in the period when the contingency is met.

Operations

The Organization has received a pledge of \$170,000 that is restricted for operating support during 2017 and 2018. This pledge is considered a conditional promise to give, and therefore, it is not recorded in the financial statements. The pledge will be recognized as income in the period when the contingencies are met.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

1. Office Leases

As discussed in Note 3, the Organization receives the use of in-kind office space for its Santa Fe location. The lease payment is \$1 per year. The lease expires on October 15, 2017.

During the year, the Organization also leased office space in Denver, Tucson, Salt Lake City, Portland, Seattle, and Missoula. The Salt Lake City office closed during 2016. The Denver, Seattle, and Tucson leases are on a month-to-month basis, with monthly rates ranging from \$290 to \$1,695.

The Missoula office is leased for \$1,984 a month, and the lease expires in September 2018. Three unrelated non-profit organizations sublet office space in Missoula, and these sub-lease agreements are on a month-to-month basis. The Portland office is leased for \$650 per month, and the lease expires August 31, 2017.

Total office rent expense for 2016, including in-kind rent in Santa Fe valued at \$38,336, was \$101,339.

NOTE 14 - COMMITMENTS AND CONTINGENCIES (concluded)

1. Office Leases (concluded)

The future minimum lease payments for the Portland and Missoula locations are:

Year		Amount
2017		\$ 29,168
2018		17,856
Total		\$ 47,024

2. Equipment Leases

The Organization rents equipment for river restoration work on a month-to-month basis. River restoration equipment lease expense totaled \$73,390 for 2016. In addition, a lease for a copier was initiated in January 2016 for a term of 48 months. The lease is an operating lease, and future minimum payments are:

Year				Amount	
2017			\$	3,296	
2018				3,296	
2019				3,296	
2020				3,296	
Total			_\$	13,184	

3. Conservation Easements

The Organization holds conservation easements on two properties located in New Mexico. The Organization is responsible for monitoring the easements to ensure that their conditions are being followed. If any conditions of the easements are not followed, legal action by WildEarth Guardians may be necessary.

NOTE 15 - PENSION PLAN

The Organization adopted a 403(b) retirement plan which includes an employer contribution of up to 3 percent of gross salary. Non-seasonal employees are eligible to participate in the plan on the first day of employment, and the employer match is effective after 12 months of employment. The amount contributed by the employee vests to the employee immediately, and the employer match is fully vested upon 24 months of employment. Retirement expense for the year ended December 31, 2016, was \$34,639.

NOTE 16 - LEGAL FEES AND SETTLEMENTS

Legal fees and settlements are recorded for environmental lawsuits brought by WildEarth Guardians' program staff. Some of the litigation that WildEarth Guardians' program staff is involved in may result in financial settlements due to the Organization, or amounts due from the Organization. Due to uncertainties related to legal settlements, all revenue related to litigation is recorded as program service revenue in the period in which the settlement is finalized. In addition, expenses related to litigation are recorded as costs when incurred, or as soon as probable costs can be reasonably estimated.

NOTE 17 - CONCENTRATIONS OF CREDIT RISK

At December 31, 2016, the Organization had cash assets in two local banking institutions that exceeded the \$250,000 of coverage offered by the Federal Deposit Insurance Corporation. The uninsured bank balances at year-end were \$154,873 and \$17,747.



SCHEDULE OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

2015 2016 (restated)

	×						2016							(restated)
	Program Services Supporting Services													
		Publications								Total	Management			
		and	Wild			Climate	Wild			Program	and	Fund-		
	Restoration	Outreach	Places	Wildlife	Legal	and Energy	Rivers	Events	Lobbying	Services	General	raising	Total	Total
Salaries	\$ 337,697	\$ 100,332	\$ 273,800	\$ 243,962	\$ 210,408	\$ 172,844	\$ 59,921	\$ 17,062	\$ 3,419	\$1,419,445	\$ 97,608	\$143,801	\$1,660,854	\$1,472,384
Payroll taxes and benefits	58,716	22,288	63,794	56,305	48,004	40,290	13,745	4,020	814	307,976	26,948	32,314	367,238	342,780
Contract labor	205,208	17,303	8,406	27,876	4,584	24,705	1,278	280	53	289,693	2,526	20,993	313,212	279,943
Website development	129	190,284	441	470	397	685	4,618	49	13	197,086	239	250	197,575	94,087
Publications and media	144	132,233	956	6,325	474	6,196	720	43	9	147,100	267	1,696	149,063	203,537
Occupancy	5,212	9,095	23,110	20,402	17,115	14,574	4,987	1,295	224	96,014	13,138	12,601	121,753	123,508
Travel	34,531	2,875	20,804	15,320	6,014	18,796	3,602	5	884	102,831	28	6,094	108,953	118,260
Equipment leases	74,388	59	177	153	132	109	37	11	2	75,068	149	89	75,306	35,321
Legal services	559	1,291	2,700	2,250	42,989	1,549	6,511	78	-	57,927	853	1,555	60,335	132,677
Staff development and training	1,330	4,706	8,043	9,548	6,415	8,886	2,412	387	94	41,821	3,113	6,863	51,797	47,493
Supplies	38,392	-	459	55		-	55	= =	-	38,961	-		38,961	54,027
Printing	267	18,283	1,045	655	497	621	2,396	38	20	23,822	213	13,165	37,200	7,110
Office expense	4,197	2,080	5,745	5,005	4,356	3,672	1,201	394	83	26,733	2,420	3,337	32,490	27,064
Postage	327	3,186	2,548	1,365	1,238	5,681	383	80	15	14,823	494	15,688	31,005	11,136
Telephone	1,333	2,062	5,837	5,182	4,400	3,705	1,261	376	76	24,232	2,574	3,053	29,859	31,617
Insurance	5,691	1,625	5,175	4,370	3,816	3,060	1,069	300	63	25,169	2,155	2,495	29,819	22,008
Fees	2,194	1,770	2,919	3,246	4,616	1,632	607	139	27	17,150	6,860	1,353	25,363	18,620
Conferences and meetings	49	51	168	3,179	151	14,305	45	18	5	17,971	91	95	18,157	1,725
Dues and subscriptions	19	376	2,430	2,132	7,621	1,095	1,376	6	1	15,056	33	355	15,444	14,969
All other	17,896	415	7,350	10,786	365	1,291	973	42	9	39,127	12,034	577	51,738	64,937
	788,279	510,314	435,907	418,586	363,592	323,696	107,197	24,623	5,811	2,978,005	171,743	266,374	3,416,122	3,103,203
Depreciation	909		1 1 1						_	909	100	- 11	1,009	9,946
Total expenses	\$ 789,188	\$ 510,314	\$ 435,907	\$ 418,586	\$ 363,592	\$ 323,696	\$107,197	\$ 24,623	\$ 5,811	\$2,978,914	\$ 171,843	\$266,374	\$3,417,131	\$3,113,149
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