ANIMAL RESCUE LEAGUE OF IOWA, INC.

FINANCIAL STATEMENTS
(With Independent Auditor's Report Thereon)

December 31, 2016 and 2015

ANIMAL RESCUE LEAGUE OF IOWA, INC.

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PITTMAN & COMPANY, LLP
Certified Public Accountants

James D. Pittman, CPA
John D. Pittman, CPA

Independent Auditor's Report

To the Board of Directors of
Animal Rescue League of Iowa, Inc.

We have audited the accompanying financial statements of Animal Rescue League of Iowa, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits 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 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 Animal Rescue League of Iowa, Inc. as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Pittman & Company, LLP

September 14, 2017

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ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Financial Position
December 31, 2016 and 2015

ASSETS	Operating	Foundation	Total 2016	Total 2015
Current Assets				
Cash and cash equivalents	$ 675,744	$ 39,749	$ 715,493	$ 683,017
Investments	-	10,794,657	10,794,657	10,830,529
Investments-deferred compensation	278,056	-	278,056	230,558
Receivables				
Accounts receivable	64,735	-	64,735	59,774
Capital Campaign pledges receivable	38,766	-	38,766	42,415
Inventory	62,709	-	62,709	42,555
Prepaid expenses	71,758	-	71,758	72,911
Total Current Assets	1,191,768	10,834,406	12,026,174	11,961,759
Restricted Assets				
Spay/Neuter Fund	96,126	-	96,126	95,620
Total Restricted Assets	96,126	-	96,126	95,620
Property and Equipment				
Property and equipment	12,160,833	-	12,160,833	11,954,585
Construction in Process	179,081	-	179,081	62,686
Total Property and Equipment	12,339,914	-	12,339,914	12,017,271
Less: accumulated depreciation and amortization	3,569,644	-	3,569,644	3,179,774
Net Property and Equipment	8,770,270	-	8,770,270	8,837,497
Total Assets	$ 10,058,164	$ 10,834,406	$ 20,892,570	$ 20,894,876

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Financial Position
December 31, 2016 and 2015

LIABILITIES AND NET ASSETS	Operating	Foundation	Total 2016	Total 2015
Current Liabilities				
Accounts payable and accrued expenses	$ 268,070	$ -	$ 268,070	$ 163,309
Accrued payroll and benefits	129,612	-	129,612	103,417
Deferred compensation	278,056	-	278,056	230,558
Total Current Liabilities	675,738	-	675,738	497,284
Total Liabilities	675,738	-	675,738	497,284
Net Assets				
Unrestricted				
Operating	9,188,005	-	9,188,005	9,230,095
Board designated	-	10,834,406	10,834,406	10,844,151
Temporarily restricted	101,713	-	101,713	230,638
Permanently restricted	92,708	-	92,708	92,708
Total Net Assets	9,382,426	10,834,406	20,216,832	20,397,592
Total Liabilities and Net Assets	$ 10,058,164	$ 10,834,406	$ 20,892,570	$ 20,894,876

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Activities

For the Years Ended December 31, 2016 and 2015

	Operating	Foundation	Total 2016	Total 2015
Public Support and Revenue				
Public Support				
Donations	$ 1,208,222	$ 32,981	$ 1,241,203	$ 2,422,812
Bequests and grants	727,441	-	727,441	1,138,154
Direct mail and newsletter	747,807	-	747,807	611,687
Special events	540,340	-	540,340	560,473
Program Revenues				
Adoptions and admissions	452,835	-	452,835	459,600
Animal control & housing contracts	831,891	-	831,891	796,728
Other supporting services	155,374	-	155,374	178,472
Other Income				
Merchandise sales	202,448	-	202,448	139,813
Financial income	5,423	1,050,255	1,055,678	(156,386)
Other income	11,584	-	11,584	8,396
Inter-fund transfers	1,050,000	(1,092,981)	(42,981)	(3,370)
Total Public Support and Revenue	5,933,365	(9,745)	5,923,620	6,156,379
Expenses				
Program services	4,517,098	-	4,517,098	4,180,904
Management and general	566,645	-	566,645	469,858
Fundraising	891,715	-	891,715	786,832
Total Expenses	5,975,458	-	5,975,458	5,437,594
Change in Unrestricted Net Assets	(42,093)	(9,745)	(51,838)	718,785

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Activities (cont.)
For the Years Ended December 31, 2016 and 2015

	Operating	Foundation	Total 2016	Total 2015
Change in Temporarily Restricted Net Assets				
Hawkins Dogsnip	(9,763)	-	(9,763)	10,450
Uno Coyle Fund	(3,750)	-	(3,750)	(2,734)
Donor Restricted Public Assistance	(12)	-	(12)	(3,271)
Walmart Public Assistance	(332)	-	(332)	(182)
Reclaim Assistance	-	-	-	(6,300)
Paws on the Pavement	(23)	-	(23)	(14,447)
Renard Purr Project	915	-	915	-
Hawkins Dogsnip- Sen	(5,260)	-	(5,260)	(9,380)
HE Scholarships	(2,300)	-	(2,300)	2,300
Managed Admissions	(87,497)	-	(87,497)	87,497
Union Park	(56,590)	-	(56,590)	56,590
Purr Project	(4,083)	-	(4,083)	4,083
ER Vet Fund	1,694	-	1,694	(2,149)
Pet Therapy	(4,281)	-	(4,281)	12,880
Off-Site Adoption	(28,309)	-	(28,309)	28,309
Banfield Foundation	(7,789)	-	(7,789)	7,789
Animal Farm	(470)	-	(470)	470
Cat Cabin	-	-	-	5,000
Equine Rescue	(4,313)	-	(4,313)	4,313
No-Cost Purr Project- Principal	1,198	-	1,198	-
Prison Pets for Vets	11,873	-	11,873	-
Baker Grant	18,864	-	18,864	-
Petco Target Zone Grant	34,306	-	34,306	-
Windsor Charitable S/N	10,000	-	10,000	-
Hawkins Fund for Medical Care of Senior Pets	7,000	-	7,000	-
Change in Temporarily Restricted Net Assets	(128,922)	-	(128,922)	181,218
Change in Permanently Restricted Net Assets				
Spay/Neuter Fund	-	-	-	28,788
Change in Net Assets	(171,015)	(9,745)	(180,760)	928,791
Net Assets - Beginning of Year	9,553,441	10,844,151	20,397,592	19,468,801
Net Assets - End of Year	$ 9,382,426	$ 10,834,406	$ 20,216,832	$ 20,397,592

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2016

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 2,146,110	$ 253,058	$ 279,607	$ 2,678,775
Employee benefits	540,900	59,263	77,301	$ 677,464
Total Employee Costs	2,687,010	312,321	356,908	3,356,239
AP discounts	-	(767)	-	(767)
General insurance	66,938	-	-	66,938
Utilities	208,166	2,121	3,567	213,854
Supplies	47,027	13,610	8,026	68,663
Repairs and maintenance	161,864	-	-	161,864
Rental	6,582	-	-	6,582
Animal care	531,107	-	-	531,107
Shelter supplies	128,373	-	-	128,373
Auction goods	-	-	91,813	91,813
Other fundraising and marketing	-	-	70,138	70,138
Printing, postage, and shipping	40,393	94	220,009	260,496
Professional fees	-	164,421	-	164,421
Merchandise	115,659	-	-	115,659
Other expenses	86,972	66,967	61,341	215,280
Special events	-	-	78,360	78,360
Travel	18,551	7,878	1,553	27,982
Bad Debt	1,836	-	-	1,836
Total Before Depreciation and Amortization	4,100,478	566,645	891,715	5,558,838
Depreciation and amortization	416,620	-	-	416,620
Total Expenses	$ 4,517,098	$ 566,645	$ 891,715	$ 5,975,458

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2015

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 1,941,732	$ 187,045	$ 220,662	$ 2,349,439
Employee benefits	442,369	51,170	52,251	545,790
Total Employee Costs	2,384,101	238,215	272,913	2,895,229
AP discounts	-	(710)	-	(710)
General insurance	54,450	-	-	54,450
Utilities	215,352	-	-	215,352
Supplies	47,028	15,749	217	62,994
Repairs and maintenance	125,095	-	-	125,095
Rental	14,729	-	-	14,729
Animal care	492,534	-	-	492,534
Shelter supplies	152,277	-	-	152,277
Auction goods	-	-	89,831	89,831
Other fundraising and marketing	-	-	29,530	29,530
Printing, postage, and shipping	43,863	26	244,807	288,696
Professional fees	-	137,140	-	137,140
Merchandise	93,119	-	-	93,119
Other expenses	109,707	65,203	80,991	255,901
Special events	-	-	67,541	67,541
Travel	23,095	14,235	1,002	38,332
Bad Debt	1,822	-	-	1,822
Total Before Depreciation and Amortization	3,757,172	469,858	786,832	5,013,862
Depreciation and amortization	423,732	-	-	423,732
Total Expenses	$ 4,180,904	$ 469,858	$ 786,832	$ 5,437,594

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

	Operating	Foundation	2016	2015
Cash Flows from Operating Activities				
Change in Net Assets	$ (171,015)	$ (9,745)	$ (180,760)	$ 928,791
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:				
Depreciation and amortization	416,620	-	416,620	423,732
Unrealized (gain) loss on investments	(7,622)	(935,305)	(942,927)	446,692
Realized gain (loss) on investments	-	(194,478)	(194,478)	(358,386)
Increase or decrease in:				
Accounts receivable	(4,961)	-	(4,961)	48,729
Capital Campaign pledges receivable	3,649	-	3,649	7,608
Inventory	(20,154)	-	(20,154)	6,116
Prepaid expenses	1,153	-	1,153	(24,485)
Construction in progress	(116,395)	-	(116,395)	(52,800)
Accounts payable and accrued expenses	104,761	-	104,761	60,616
Accrued payroll and benefits	26,195	-	26,195	25,431
Deferred compensation plan	47,498	-	47,498	23,736
Deferred revenue	-	-	-	(58,002)
Net Cash (Used) Provided by Operating Activities	279,729	(1,139,528)	(859,799)	1,477,778
Cash Flows from Investing Activities				
Capital expenditures	(232,997)	-	(232,997)	(147,416)
Proceeds from sale of investments	-	1,297,226	1,297,226	4,014,860
Purchase of investments	(39,876)	(131,571)	(171,447)	(5,275,432)
Change in Spay/Neuter Fund	(507)	-	(507)	(31,700)
Net Cash (Used) Provided by Investing Activities	(273,380)	1,165,655	892,275	(1,439,688)
Net Increase (Decrease) in Cash	6,349	26,127	32,476	38,090
Cash - Beginning of Year	669,395	13,622	683,017	644,927
Cash - End of Year	$ 675,744	$ 39,749	$ 715,493	$ 683,017

See accompanying notes to financial statements.

ANIMAL RESCUE LEAGUE OF IOWA, INC.

Statements of Cash Flows (continued)
For the Years Ended December 31, 2016 and 2015

	2016	2015
Supplemental Disclosures		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

See accompanying notes to financial statements.

Note 1. Nature of Organization and its Significant Accounting Policies

Nature of Organization
Animal Rescue League of Iowa, Inc., a nonprofit organization founded in 1926, is dedicated to the welfare of animals.

The Organization, which is the largest nonprofit animal shelter in Iowa, operates four adoption centers and two animal shelters in the Greater Des Moines area. The Organization operates the City of Des Moines animal shelter on a contractual basis. The majority of its funding is from adoption fees and charitable contributions.

Basis of Accounting
Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in FASB ASC 958-205, *Financial Statements for Not-for-Profit Organizations*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted - assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. The Organization's governing board may earmark portions of its unrestricted net assets as board-designated for various purposes.

Temporarily restricted - assets resulting from contributions and other inflows of assets whose use by the Organization is limited to donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Organization meeting the purpose of the restriction.

Permanently restricted - assets resulting from contributions which are permanently restricted by donors. Although such assets may not be expended, the investment income earned on them is to be expended for operating purposes.

Cash and Cash Equivalents
For purposes of the statements of cash flows, the Organization considers all demand deposit accounts and certificates of deposit with an initial maturity of three months or less to be cash equivalents.

Investments
In accordance with the Financial Accounting Standards Board, FASB ASC 820, Fair Value Measurements, assets are measured at fair value on a recurring basis using quoted prices in active markets for identical assets (Level 1), quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; modeling with inputs that have observable inputs (Level 2), and valuation generated from model-based techniques that use significant assumptions not observable in the market (Level 3).

Accounts Receivable
Accounts receivable at December 31, 2016 and 2015 consist mainly of amounts due from local governments under service contracts. All receivables are considered fully collectible; accordingly, no allowance for doubtful accounts is required.

Note 1. Nature of Organization and its Significant Accounting Policies (continued)

Promises to Give
Contributions are recognized when the donor makes a promise to the Organization that is, in substance, unconditional. The Organization uses the allowance method to determine uncollectible promises to give. The Organization considers all promises to give fully collectible and, therefore, an allowance has not been recorded.

Inventories
Inventories are carried at the lower of cost or market value, utilizing the first-in, first-out (FIFO) flow assumption.

Property, Equipment, and Depreciation
Property and equipment is valued at cost and depreciated using straight-line and accelerated methods over the estimated useful lives, as follows:

Vehicles	5 years
Equipment	2-20 years
Buildings	40 years

Property and equipment contributed to the Organization is recorded at the fair market value on the date of the contribution. Maintenance costs are expensed when incurred.

Compensated Absences
The cost of compensated vacation time to employees is accrued in the period in which it vests.

Contributions
Contributions which have donor restrictions expiring in the current year are reported as increases in unrestricted net assets. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Donated Assets and Services
Donated property or equipment is generally reflected as a contribution in the financial statements at its estimated fair value at the date of receipt. If the item is determined to be one that should be capitalized, it is recorded as part of property and equipment and depreciated accordingly.

A number of volunteers donate a significant amount of time to various functions of the Organization. Only amounts that have a determinable basis and are in connection with specialized skills are recorded.

Donations of property consisted mainly of supplies totaling $178,916 and $242,761 in 2016 and 2015, respectively. In addition, the Organization received $86,867 and $87,229 of donated goods for the benefit auction in 2016 and 2015, respectively.

Allocation of Functional Expenses
The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting service benefited.

Note 1. Nature of Organization and its Significant Accounting Policies (continued)

Concentration of Credit Risk
The Organization maintains checking accounts at financial institutions, which are insured by FDIC up to $250,000. The Organization did not have funds that exceeded this limit at December 31, 2016.

Income Taxes
The Animal Rescue League of Iowa, Inc. and the Animal Rescue League Foundation are exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. No unrelated business income was earned by the Organization. Further, the Organization and related Foundation have been designated as organizations which are not a private foundation as defined in Section 509(a) of the Internal Revenue Code.

The Organization has adopted the provisions of FASB ACS 740-10, which requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include (or reflect) any uncertain tax positions. The Organization is no longer subject to examinations by federal or state authorities for years ending before December 31, 2012 nor has the Organization been notified of any impending examinations and no examinations are currently in process.

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. Fair Value Measurements

The Organization has adopted the provisions of FASB ASC 820, Fair Value Measurements and Disclosure, which defines fair value to be 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 and emphasizes that fair value hierarchy and expands disclosures about fair value measurements in both interim and annual periods.

Professional standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

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

Level 2 – quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; modeling with inputs that have observable inputs (i.e. interest rates observable at commonly quoted intervals).

Level 3 – valuation is generated from model-based techniques that use significant assumptions not observable in the market.

Note 2. Fair Value Measurements (continued)

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table presents financial instruments that are measured at fair value on a recurring basis as of December 31, 2016:

	Fair Value	Level 1	Level 2	Level 3
Community Foundation of Greater Des Moines	$ 96,126	$ 96,126	$ -	$ -
Foundation money market funds	39,749	39,749	-	-
Foundation mutual funds	3,490,555	3,490,555	-	-
Foundation equity securities	6,948,873	6,948,873	-	-
Foundation bond funds	355,229	355,229	-	-
Capital Campaign pledges receivable	40,750	-	-	40,750
Total	$10,971,282	$10,930,532	$ -	$ 40,750

Changes in assets are measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as follows:

	Pledges Receivable
Fair value —December 31, 2015	$ 44,230
Additional pledges	-
Payments received	(3,648)
Change in present value discount	168
Fair value — December 31, 2016	$ 40,750

Note 2. Fair Value Measurements (continued)

The following table presents financial instruments that are measured at fair value on a recurring basis as of December 31, 2015:

	Fair Value	Level 1	Level 2	Level 3
Community Foundation of Greater Des Moines	$ 95,620	$ 95,620	$ -	$ --
Foundation money market funds	13,622	13,622	-	-
Foundation mutual funds	4,616,935	4,616,935	-	-
Foundation equity securities	5,733,858	5,733,858	-	-
Foundation bond funds	479,739	479,739	-	-
Capital Campaign pledges receivable	44,230	-	-	44,230
Total	$10,984,004	$ 10,984,004	$ -	$ 44,230

Changes in assets are measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as follows:

	Pledges Receivable
Fair value — December 31, 2014	$ 55,556
Additional pledges	-
Payments received	(7,608)
Change in present value discount	(3,718)
Fair value — December 31, 2015	$ 44,230

Note 3. Property and Equipment

Components of property and equipment at December 31, 2016 and 2015 are as follows:

	2016	2015
Land	$ 34,637	$ 34,637
Buildings	10,592,694	10,533,502
Furniture and equipment	1,032,573	980,914
Vehicles	432,233	343,836
Web site design	68,696	61,696
	12,160,833	11,954,585
Construction in Process	179,081	62,686
	12,339,914	12,017,271
Accumulated depreciation and amortization	(3,569,644)	(3,179,774)
Net Property and Equipment	$ 8,770,270	$ 8,837,497

Note 4. Investments

At December 31, 2016, the Organization had the following investments:

	Cost	Gain (Loss)	Total
Foundation			
Unrestricted (board designated)			
Money market funds	$39,749	$ -	$ 39,749
Bonds	355,538	(309)	355,229
Mutual funds	3,525,615	(35,060)	3,490,555
Equity securities	6,083,824	865,049	6,948,873
Total Investments	10,004,726	$ 829,680	$10,834,406

At December 31, 2015, the Organization had the following investments:

	Cost	Gain (Loss)	Total
Foundation			
Unrestricted (board designated)			
Money market funds	$ 13,622	$ -	$ 13,622
Bonds	485,098	(5,362)	479,736
Mutual funds	5,019,658	(402,723)	4,616,935
Equity securities	5,431,398	302,460	5,733,858
Total Investments	$ 10,949,776	$ (105,625)	$ 10,844,151

Note 5. Financial Income

At December 31, 2016, financial income consisted of the following:

	Operating Unrestricted	Operating Restricted	Operating Total	Foundation
Interest and dividend income	$ 9,876	$2,186	$ 12,062	$ 307,658
Unrealized gain (loss)	7,622	(807)	6,815	935,305
Realized gain (loss)	-	4,044	4,044	(113,180)
Trust fees	-	(472)	(472)	(79,528)
Total	$ 17,498	$ 4,951	$22,449	$1,050,255

At December 31, 2015, financial income consisted of the following:

	Operating Unrestricted	Operating Restricted	Operating Total	Foundation
Interest and dividend income	$ 12,385	$ 1,652	$ 14,037	$ 296,446
Unrealized gain (loss)	(13,649)	(7,731)	(21,380)	(469,476)
Realized gains (loss)	-	696	696	98,372
Trust fees	-	(402)	(402)	(87,252)
Total	$ (1,264)	$ (5,785)	$(7,049)	$(161,910)

Note 6. Unrestricted Net Assets

Unrestricted net assets consist of assets available for operating purposes and amounts designated by the Board of Directors for a specific purpose. Board designated amounts are not legally restricted, but require Board action to be expended. The Foundation has board designated amounts at December 31, 2016 and 2015, of $10,834,406 and $10,844,151, respectively, whose earnings are designated for operating purposes.

Note 7. Temporarily Restricted Net Assets

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

Restricted Purpose	Balance 12/31/15	Additional Revenue	Released From Restrictions	Balance 12/31/16
Animal Farm	470	2,772	3,242	-
Baker Grant	-	30,500	11,636	18,864
Banfield Foundation	7,789	-	7,789	-
Cat Cabin	5,000	-	-	5,000
Chardonnay Foundation	-	2,148	2,148	-
Donor Restricted Public Assistance	476	-	11	465
Equine Rescue	4,313	2,475	6,788	-
ER Vet Fund	(2,149)	10,905	9,211	(455)
Hawkins Dogsnip	10,450	220	9,983	687
Hawkins Dogsnip-Sen	5,281	4,375	9,636	20
Hawkins Fund for Medical Care of Senior Pets	-	7,000	-	7,000
HE Scholarships	2,300	-	2,300	-
Help A Horse Day	-	1,568	1,568	-
Incline Rescue Equipment	-	3,156	3,156	-
Iowa Hay	100	-	-	100
Low Cost S/N	-	290	290	-
Madison County	104	-	-	104
Managed Admissions	87,497	1,141	88,638	-
No-Cost Purr Project- Principal	-	5,000	3,803	1,197
Off-Site Adoption	28,309	5,635	33,944	-
Paws on the Pavement	23	-	23	-
Pet Therapy	12,880	49,311	53,592	8,599
Petco Target Zone Grant	-	35,000	695	34,305
Prison Pets for Vets	-	22,686	10,813	11,873
Purr Project	4,083	2,432	6,515	-
Renard Purr Project	805	1,000	85	1,720
Share the Love Adoption Event	-	2,000	2,000	-
Union Park	56,591	500	57,091	-
Uno Coyle Fund	5,688	-	3,750	1,938
Walmart Pub. Assist.	628	2,500	2,832	296
Windsor Charitable S/N	-	10,000	-	10,000
Total	$ 230,638	$ 202,614	$ 331,539	$ 101,713

Note 7. Temporarily Restricted Net Assets (continued)

Temporarily restricted net assets consisted of the following at December 31, 2015:

Restricted Purpose	Balance 12/31/14	Additional Revenue	Released From Restrictions	Balance 12/31/15
Animal Farm	-	2,522	2,052	470
Banfield Foundation	-	10,000	2,211	7,789
Cat Cabin	-	5,000	-	5,000
Donor Restricted Public Assistance	3,747	560	3,831	476
Equine Rescue	-	6,670	2,357	4,313
ER Vet Fund	-	7,288	9,437	(2,149)
Hawkins Dogsnip	-	10,450	-	10,450
Hawkins Dogsnip-Sen	14,661	140	9,520	5,281
IIF Scholarships	-	2,300	-	2,300
Iowa Hay	100	-	-	100
Low Cost S/N	-	5,194	5,194	-
Madison County	104	-	-	104
Managed Admissions	-	106,141	18,644	87,497
Off-Site Adoption	-	37,052	8,743	28,309
Paws on the Pavement	14,470	120	14,567	23
Pets for Life	-	4,600	4,600	-
Pet Therapy	-	44,221	31,341	12,880
Purr Project	-	10,250	6,167	4,083
Reclaim Assistance	6,300	80	6,380	-
Renard Purr Project	805	-	-	805
Union Park	-	84,000	27,409	56,591
Uno Coyle Fund	8,422	-	2,734	5,688
Walmart Pub. Assist.	812	2,802	2,986	628
Total	$ 49,421	$ 339,390	$ 158,173	$ 230,638

Note 8. Permanently Restricted Net Assets

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

Restricted Purpose	Balance 12/31/15	Additional Revenue	Released From Restrictions	Balance 12/31/16
Spay/Neuter Fund	$ 92,708	$ -	$ -	$ 92,708

Permanently restricted net assets consisted of the following at December 31, 2015:

Restricted Purpose	Balance 12/31/14	Additional Revenue	Released From Restrictions	Balance 12/31/15
Spay/Neuter Fund	$ 63,920	$ 28,788	$ -	$ 92,708

Note 9. Capital Campaign

During September 2002, the Organization began a capital campaign to finance the construction of a new facility. As of December 31, 2016, approximately $8,800,000 had been raised. The promises to give are collectible over several years; therefore, the amount shown at December 31, 2016 is the present value using an interest rate of 5%. Promises to give consist of the following at December 31, 2016 and 2015:

	2016	2015
Past due	$ 20,000	$ 21,230
Receivable in less than one year	20,750	13,000
Receivable in two to five years	-	10,000
Gross promises to give	40,750	44,230
Less: Unamortized discount	(1,984)	(1,815)
Net Promises to Give	$ 38,766	$ 42,415

Note 10. Related Parties

A senior member of management is related to a member of the Board of Directors and Executive Committee. The board member abstains from any discussions and/or voting related to the employee's performance review and salary negotiations.

Note 11. Deferred Compensation Plan

In 2007, the Organization funded a non-qualified deferred compensation plan under the terms of Section 457(e) (15) of the Internal Revenue Code. Only employees designated by the Board are eligible to participate, and as of December 31, 2016, only one member of management was participating. The plan calls for discretionary employer contributions, which vest based on years of services.

As of December 31, 2016, the employer has contributed $200,000 to the plan. At December 31, 2016 and 2015, the plan had gains of $17,498 and losses of $1,264, respectively. At December 31, 2016 and 2015, the plan was fully vested with a balance of $278,056 and $230,558, respectively.

Note 12. Risks and Uncertainties

The Organization invests in various investments as described in Note 4 to the financial statements. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and those changes could materially affect the value of investments reported on the statement of financial position.

Note 13. Reclassifications

Certain balances in prior year financial statements have been reclassified for comparative purposes in order to conform to the current year classifications. The reclassifications have no effect on reported changes in net assets.

Note 14. Subsequent Events

Management has reviewed and evaluated material subsequent events from the Statement of Financial Position date of December 31, 2016 through the financial statements issue date of September 14, 2017. All appropriate subsequent event disclosures, if any, have been made to the financial statements.