FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

TABLE OF CONTENTS

Independent auditor's report i

Financial statements

Statements of financial position 1

Statements of activities 2

Statements of functional expenses 3

Statements of cash flows 5

Notes to financial statements 6

BiggsKofford

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Western Resource Advocates
Boulder, Colorado

Opinion

We have audited the accompanying financial statements of Western Resource Advocates (a Colorado nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Western Resource Advocates as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of Western Resource Advocates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with US GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Resource Advocates' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("US GAAS") will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Western Resource Advocates' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Resource Advocates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

BiggsKofford LLP

Denver, Colorado
May 28, 2026

WESTERN RESOURCE ADVOCATES

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Cash and equivalents	$ 7,121,478	$ 8,993,537
Other receivables	118,668	267,412
Grants receivable and promises to give, net	4,789,056	5,242,629
Prepaid expenses and other current assets	312,592	243,913
Investments	3,044,621	2,887,936
Investments - board-designated endowments	-	277,858
Operating lease right-of-use assets	622,863	364,721
Property and equipment, net	84,336	83,295
Total assets	$ 16,093,614	$ 18,361,301
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$ 286,146	$ 141,570
Accrued and other liabilities	398,831	373,587
Grant payable	150,000	-
Operating lease liability	634,370	367,331
Total liabilities	1,469,347	882,488
Net assets:		
Without donor restrictions:		
Operating	7,299,506	7,601,676
Board-designated	-	277,858
Total net assets without donor restrictions	7,299,506	7,879,534
With donor restrictions	7,324,761	9,599,279
Total net assets	14,624,267	17,478,813
Total liabilities and net assets	$ 16,093,614	$ 18,361,301

The accompanying notes and independent auditor's report should be read with these financial statements.

WESTERN RESOURCE ADVOCATES

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions	$ 1,033,156	$ 2,872,684	$ 3,905,840	$ 1,474,594	$ 1,420,762	$ 2,895,356
Grants	1,651,205	5,021,174	6,672,379	1,077,022	6,105,583	7,182,605
Employee Retention Credit income	1,102,275	-	1,102,275	-	-	-
In-kind contributions	34,193	-	34,193	62,439	-	62,439
Professional fees	303,807	-	303,807	168,038	-	168,038
Net investment income	165,582	-	165,582	107,618	-	107,618
Interest income	267,507	-	267,507	390,328	-	390,328
Miscellaneous revenue	21,550	-	21,550	25,300	-	25,300
Total support and revenue	4,579,275	7,893,858	12,473,133	3,305,339	7,526,345	10,831,684
Net assets released from restrictions	10,168,376	(10,168,376)	-	9,804,873	(9,804,873)	-
EXPENSES						
Program services:						
Clean Energy	7,424,387	-	7,424,387	6,368,486	-	6,368,486
Healthy Rivers	2,848,231	-	2,848,231	2,556,267	-	2,556,267
Western Lands	2,105,997	-	2,105,997	1,816,932	-	1,816,932
Total program services	12,378,615	-	12,378,615	10,741,685	-	10,741,685
Supporting activities:						
General and administrative	889,223	-	889,223	895,584	-	895,584
Fundraising	2,059,841	-	2,059,841	1,935,654	-	1,935,654
Total supporting services	2,949,064	-	2,949,064	2,831,238	-	2,831,238
Total expenses	15,327,679	-	15,327,679	13,572,923	-	13,572,923
Change in net assets	(580,028)	(2,274,518)	(2,854,546)	(462,711)	(2,278,528)	(2,741,239)
Net assets, beginning of year	7,879,534	9,599,279	17,478,813	8,342,245	11,877,807	20,220,052
Net assets, end of year	$ 7,299,506	$ 7,324,761	$ 14,624,267	$ 7,879,534	$ 9,599,279	$ 17,478,813

The accompanying notes and independent auditor's report should be read with these financial statements.

WESTERN RESOURCE ADVOCATES

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025

	Program Services				Supporting Activities		
	Clean Energy	Healthy Rivers	Western Lands	Total Program Services	General and Administrative	Fundraising	Total
Personnel expenses	$ 4,061,008	$ 1,485,690	$ 1,185,145	$ 6,731,843	$ 618,028	$ 1,370,094	$ 8,719,965
Marketing and communications	852,368	306,878	228,243	1,387,489	-	321,967	1,709,456
Government affairs	984,621	354,539	263,663	1,602,823	-	-	1,602,823
Consultants and professional fees	804,257	424,391	209,022	1,437,670	48,277	71,022	1,556,969
People, equity and culture	188,363	67,768	50,443	306,574	48,707	71,223	426,504
Conferences and meetings	147,143	52,008	31,771	230,922	44,859	32,792	308,573
Occupancy	136,620	45,372	32,967	214,959	57,165	42,441	314,565
Travel	80,606	26,722	25,988	133,316	15,688	44,031	193,035
Grants, contributions, and sponsorships	52,000	52,284	50,000	154,284	-	-	154,284
Supplies and technology	17,449	6,926	4,308	28,683	28,533	38,023	95,239
Printing and publications	44,629	9,158	11,000	64,787	1,107	12,135	78,029
Telecommunications	27,981	9,541	7,071	44,593	6,970	9,009	60,572
Depreciation	25,587	4,978	6,100	36,665	6,648	9,076	52,389
Events	-	-	-	-	-	27,518	27,518
Miscellaneous	1,155	1,907	222	3,284	12,553	4,383	20,220
Postage and delivery	600	69	54	723	688	6,127	7,538
Total expenses	$ 7,424,387	$ 2,848,231	$ 2,105,997	$ 12,378,615	$ 889,223	$ 2,059,841	$ 15,327,679
Percentage of total expenses	48%	19%	14%	81%	6%	13%	100%

The accompanying notes and independent auditor's report should be read with these financial statements.

WESTERN RESOURCE ADVOCATES

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

	Program Services				Supporting Activities		
	Clean Energy	Healthy Rivers	Western Lands	Total Program Services	General and Administrative	Fundraising	Total
Personnel expenses	$ 3,719,143	$ 1,453,317	$ 1,110,464	$ 6,282,924	$ 511,014	$ 1,354,473	$ 8,148,411
Marketing and communications	713,183	249,465	191,451	1,154,099	-	292,582	1,446,681
Government affairs	446,235	257,244	32,498	735,977	148,503	36,176	920,656
Consultants and professional fees	813,395	290,174	220,024	1,323,593	-	-	1,323,593
People, equity and culture	111,344	84,833	83,333	279,510	-	-	279,510
Conferences and meetings	79,342	47,934	37,366	164,642	54,288	30,494	249,424
Occupancy	118,703	41,441	29,745	189,889	39,835	40,205	269,929
Travel	79,287	36,122	36,244	151,653	15,414	38,386	205,453
Grants, contributions, and sponsorships	175,018	61,929	47,516	284,463	48,546	72,687	405,696
Supplies and technology	13,701	6,491	3,272	23,464	52,180	29,220	104,864
Printing and publications	38,998	9,257	10,536	58,791	2,323	10,149	71,263
Telecommunications	27,810	10,258	7,193	45,261	7,684	9,586	62,531
Depreciation	30,230	7,022	7,197	44,449	6,323	10,970	61,742
Events	-	-	-	-	-	4,614	4,614
Miscellaneous	1,127	652	-	1,779	8,878	3,429	14,086
Postage and delivery	970	128	93	1,191	596	2,683	4,470
Total expenses	$ 6,368,486	$ 2,556,267	$ 1,816,932	$ 10,741,685	$ 895,584	$ 1,935,654	$ 13,572,923
Percentage of total expenses	47%	19%	13%	79%	7%	14%	100%

The accompanying notes and independent auditor's report should be read with these financial statements.

WESTERN RESOURCE ADVOCATES
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (2,854,546)	$ (2,741,239)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Net realized and unrealized gains on investments	(83,048)	(31,709)
Depreciation	52,389	61,742
Amortization of operating lease right-of-use asset	250,295	183,207
(Increase) decrease in operating assets:		
Other receivables	148,744	(204,675)
Grants and pledges receivable	453,573	1,466,918
Prepaid expenses and other current assets	(68,679)	(88,071)
Increase (decrease) in operating liabilities:		
Accounts payable	144,576	(196,165)
Accrued and other liabilities	25,244	82,532
Grants payable	150,000	-
Funds held on behalf of others	-	(23,554)
Operating lease liabilities	(241,398)	(182,795)
Net cash flows from operating activities	(2,022,850)	(1,673,809)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(2,085,841)	(3,138,897)
Sales of investments	2,290,062	3,365,729
Purchases of property and equipment	(53,430)	(38,127)
Net cash flows from investing activities	150,791	188,705
Net change in cash and equivalents	(1,872,059)	(1,485,104)
Cash and equivalents, beginning of year	8,993,537	10,478,641
Cash and equivalents, end of year	$ 7,121,478	$ 8,993,537

The accompanying notes and independent auditor's report should be read with these financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Western Resource Advocates ("WRA") is a regional nonprofit advocacy organization fighting climate change and its impacts to sustain the environment, economy, and people of the West. As the region's go-to experts for more than three decades, WRA's on-the-ground work advances clean energy and protects air, land, water, and wildlife.

WRA develops, advocates for, and implements science-based policies informed by diverse communities and stakeholders to create a healthier and more equitable future for all Western communities. WRA creates transformational change by driving action at the state level to effectively address complex conservation problems in the West.

Basis of accounting

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash and equivalents

For purposes of the financial statements, WRA considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Other receivables

Other receivables are unsecured and reported at the amount management expects to collect. WRA maintains an allowance for credit losses resulting from the inability of its accounts to make required payments. Management considers the following factors when determining the collectability of specific accounts: creditworthiness, past transaction history, current economic industry trends, and changes in payment terms. If the financial conditions of WRA's accounts were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required.

Management considers accounts receivable to be fully collectable as of December 31, 2025 and 2024. Accordingly, no allowance for credit losses has been recorded.

Grants receivable and promises to give, net

Grants receivable and promises to give consist of unconditional contributions and are recorded at net realizable value. Grants receivable and promises to give expected to be collected beyond one year are initially recorded at fair value using present value techniques. The discount on those amounts are computed using estimated risk free-rates and amortization of the discount is included in contribution revenue in the accompanying statements of activities. WRA also maintains an allowance for uncollectable promises to give, determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Grants receivable and promises to give are written off when deemed uncollectable.

The discount for grants and promises to give totaled $43,444 and $8,697 as of December 31, 2025 and 2024, respectively.

Management considers grants receivable and promises to give to be fully collectable as of December 31, 2025. Accordingly, no allowance for uncollectable grants receivable and promises to give has been recorded.

Investments

Investments having a readily determinable fair value are carried at fair value. Interest and dividends are recorded on the accrual basis. Gains and losses are recognized when incurred and included in the statements of activities. Donated investments are recognized at the estimated fair value on the date of the donation.

The board of directors of WRA has restricted the use of a portion of the investments as a board-designated endowment (see Note 9) of $0 and $277,858 as of December 31, 2025 and 2024, respectively.

Property and equipment

Acquisitions of property and equipment with original cost of $1,000 or greater and useful lives exceeding one year are capitalized and recorded at cost, or fair value, if donated. Property and equipment are depreciated using the straight-line method over estimated useful lives, or in the case of capitalized leased assets or leasehold improvements, the shorter of the useful life of the assets or the lease term, as follows:

Computers and accessories	3 - 4 years
Website design improvements	5 years
Office furniture and equipment	5 years

Leases

Management determines if an arrangement is a lease at inception of the arrangement. Right-of-use assets represent the WRA's right to use an underlying asset for the lease term, and lease liabilities represent the WRA's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement of the lease based on the present value of lease payments over the lease term. The right-of-use assets also include any lease payments made and exclude lease incentives. The Organization's lease terms may include options to extend or terminate the lease at management's discretion. Such options are included in the calculation of the right-of-use asset and lease liability, and are included in the future maturities of lease liabilities, if management determines they are reasonably certain to exercise the options. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term.

For leases that do not state or imply an interest rate, WRA elected to use a risk-free rate based on asset composition.

WRA elected to account for all leases with original terms of 12 months or fewer as short-term leases, which are expensed over the term of the lease and do not require recognition of right-of-use assets or lease liabilities.

Net assets

The financial statements present information regarding the financial position and statements of activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions consist of resources available for use in operations, those resources invested in property and equipment, and resources restricted by the board of directors as to future use. Net assets with donor restrictions consist of resources restricted by donors as to purpose or by the passage of time.

Revenue recognition

In accordance with US GAAP, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of donor restrictions, if applicable. Contribution revenue is recognized when cash is received, when unconditional promises are made, or when ownership of contributed assets is transferred to the Organization. WRA reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Grant revenue received is considered a nonexchange transaction and is recognized as the conditions of the grants are met. Grant funding received in advance of the conditions being met is recorded as deferred revenue.

Professional fees and miscellaneous revenue are recognized as revenue when earned and when all conditions have been met.

In-kind contributions are recorded at the respective fair values of the goods or services received at the date of donation. In addition to in-kind contributions, volunteers may contribute amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by US GAAP.

Employee Retention Credit income is recognized when the payment is received, which is the date the refund check is issued or deposited. In January 2024, WRA claimed the Employee Retention Credit under the Coronavirus Aid, Relief, and Economic Security ("Cares") Act. The Organization received payments of $1,102,275, including interest of $150,575, which is presented in the accompanying statements of activities for the year ended December 31, 2025. The IRS has disallowed $492,547 of the total amount claimed. The disallowed amount is excluded from the accompanying statements of activities for the year ended December 31, 2025.

Functional expenses

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities and functional expenses. These expenses require allocation on a reasonable basis that is consistently applied. Any costs that could be directly assigned to a specific function are allocated to that function. The expenses that are allocated include personnel expenses, which are allocated based on an estimate of time and effort spent, and occupancy expenses, which are allocated based on building usage. For the purposes of the statements of functional expenses, WRA reclassifies portions of personnel expenses and other expenses to more applicable natural classifications to better represent the true costs for specific natural classifications such as marketing and communications, people, equity and culture, and government affairs.

Income taxes

WRA is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code ("Code") and is not a private foundation under Section 509(a)(2) of the Code. The Organization evaluates the effect of uncertain tax positions, if any, and provides for those positions in accordance with the provisions of FASB ASC Topic 450, *Contingencies*. No tax accrual for uncertain tax positions has been recorded as management believes there are no uncertain tax positions for WRA.

Reclassifications

Certain prior-year balances and amounts within the liquidity disclosure (see Note 2) have been reclassified to conform to the current-year presentation. These reclassifications had no effect on previously reported net assets or the change in net assets.

Subsequent events

Management has evaluated subsequent events through the date of the independent auditor's report, the date on which the financial statements were available to be issued.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available to meet cash needs for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date comprise the following as of December 31,:

	2025	2024
Financial assets at year end:		
Cash and equivalents	$ 7,121,478	$ 8,993,537
Other receivables	118,668	267,412
Grants receivable and promises to give, current	4,257,500	5,141,326
Investments	3,044,621	2,887,936
Investments - board-designated endowments	-	277,858
Total financial assets at year end	14,542,267	17,568,069
Less amounts unavailable for general expenditures within one year due to:		
Net assets with donor purpose restrictions	(4,700,705)	(5,696,851)
Board-designated net assets	-	(277,858)
Financial assets available to meet cash needs for general expenditures within one year	$ 9,841,562	$ 11,593,360

WRA is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, WRA must maintain sufficient resources to meet those responsibilities to its donors.

As part of WRA's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

4. GRANTS RECEIVABLE AND PROMISES TO GIVE, NET

Grants receivable and promises to give consist of the following as of December 31,:

	2025	2024
Within one year	$ 4,257,500	$ 5,141,326
In two to five years	575,000	110,000
	4,832,500	5,251,326
Less discount on grants receivable and promises to give	(43,444)	(8,697)
Grants receivable and promises to give, net	$ 4,789,056	$ 5,242,629

5. INVESTMENTS AND FAIR VALUE MEASUREMENT

US GAAP defines fair value and establishes a framework for measuring fair value and disclosure regarding fair value measurements.

Fair value is defined 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. Therefore, the term "price" refers to the exit price as opposed to the entry price, which is the price paid to acquire the asset or received to assume the liability. US GAAP also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value.

US GAAP 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 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities that are based on inputs not quoted in active markets that can be corroborated by observable market data

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy:

The fair value of equities, exchange traded funds, and mutual funds is based on quoted market prices and other relevant information generated by market transactions.

The fair value of fixed income securities is based on their face value, time to maturity, and the current interest rate environment.

Fair value of assets measured on a recurring basis is as follows as of December 31,:

	2025		
	Level 1	**Level 2**	**Total**
Domestic equities	$ -	$ -	$ -
Mutual funds:			
Bond mutual funds	1,440,373	-	1,440,373
Exchange traded funds	1,518	-	1,518
Fixed income securities:			
Corporate bonds	-	-	-
Municipal bonds	-	1,572,685	1,572,685
Agency securities	-	-	-
Total investments, at fair value	$ 1,441,891	$ 1,572,685	3,014,576
Cash, cash equivalents, and money market funds held in investments			30,045
Total investments			$ 3,044,621

	2024		
	Level 1	Level 2	Total
Domestic equities	$ 886	$ -	$ 886
Mutual funds:			
Bond mutual funds	1,640,749	-	1,640,749
Real estate funds	-	-	-
Fixed income securities:			
Corporate bonds	-	49,701	49,701
Municipal bonds	-	1,185,307	1,185,307
Agency securities	-	19,943	19,943
Total investments, at fair value	$ 1,641,635	$ 1,254,951	2,896,586
Cash, cash equivalents, and money market funds held in investments			269,208
Total investments			$ 3,165,794

Total investment income consists of the following for the years ended December 31,:

	2025	2024
Interest and dividends	$ 110,174	$ 104,979
Net realized and unrealized gains (losses)	83,048	31,709
Investment fees	(27,640)	(29,070)
Investment income, net	$ 165,582	$ 107,618

Interest income on the statements of activities consists of interest earned from cash and cash equivalents and their respective bank accounts and was $267,507 and $390,328 for the years ended December 31, 2025 and 2024, respectively.

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31,:

	2025	2024
Computers and accessories	$ 325,068	$ 311,412
Website design improvements	24,650	24,650
Office furniture and equipment	-	7,080
	349,718	343,142
Accumulated depreciation	(265,382)	(259,847)
Property and equipment, net	$ 84,336	$ 83,295

Depreciation expense related to property and equipment totaled $52,389 and $61,742 for the years ended December 31, 2025 and 2024, respectively.

7. LEASES

WRA leases office facilities and equipment under long-term, non-cancelable operating lease agreements. The leases expire on various dates through 2028. The lease agreements require monthly payments ranging from $3,187 to $7,000.

Operating lease expense is included in occupancy in the accompanying statement of functional expenses and totaled $275,862 and $193,251 for the years ended December 31, 2025 and 2024, respectively.

Short-term lease expense totaled $24,790 and $122,457 for the years ended December 31, 2025 and 2024, respectively.

Future maturities of lease liabilities are as follows for the years ending:

December 31,	
2026	$ 308,517
2026	301,045
2027	51,104
Total minimum lease payments	660,666
Less amount representing interest	(26,296)
Present value of operating lease liabilities	$ 634,370

Other information with respect to leases is as follows as of and for the years ended December 31,:

	2025	2024
Right-of-use assets obtained in exchange for new lease liabilities	$ 589,546	$ 298,313
Weighted-average remaining lease term (years)	2.13	2.26
Weighted-average discount rate	3.96%	3.92%

8. NET ASSETS

Net assets without donor restrictions consist of the following as of December 31,:

	2025	2024
Undesignated net assets	$ 7,299,506	$ 7,601,676
Board-designated net assets - reserve endowment	-	277,858
Total net assets without donor restrictions	$ 7,299,506	$ 7,879,534

Net assets with donor restrictions consist of the following as of December 31,:

	2025	2024
Net assets with purpose restrictions:		
Clean Energy	$ 2,256,427	$ 4,375,691
Healthy Rivers	1,839,779	821,995
Western Lands	604,499	499,165
Total net assets with purpose restrictions	4,700,705	5,696,851
Net assets with implied time restrictions	2,624,056	3,902,428
Total net assets with donor restrictions	$ 7,324,761	$ 9,599,279

9. ENDOWMENTS

WRA’s endowment consisted of a donor-restricted quasi-endowment fund and a board-designated endowment fund. Quasi-endowments are purpose-restricted gifts that WRA's board has designated to function as endowments. Net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Board-designated endowment

During the year ended December 31, 2005, WRA's board established an endowment committee to manage net assets without donor restrictions received from an estate. The committee may distribute five percent of the fund annually unless otherwise approved by a two-thirds vote of the board.

During the year ended December 31, 2025, WRA's board appropriated the remaining funds and closed the board-designated endowment.

Donor-restricted quasi-endowment

WRA established a reserve endowment that would also be managed by the endowment committee. The reserve endowment was set up with purpose-restricted funds received from a donor. The committee may distribute 0 percent of the fund annually unless otherwise approved by a two-thirds vote of the board.

During the year ended December 31, 2024, WRA's board approved the distribution of remaining funds and closed the donor-restricted quasi-endowment.

Interpretation of relevant law

Effective September 1, 2008, Uniform Prudent Management of Institutional Funds Act ("UPMIFA") provides statutory guidance for management, investment, and expenditures of endowment funds held by nonprofit organizations.

WRA has interpreted the state of Colorado's UPMIFA as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As of December 31, 2025, there were no such donor stipulations. As a result of this interpretation, WRA retains in perpetuity (a) the original value of initial and subsequent gift amounts donated or designated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added or the applicable board designations and spending policies. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by WRA in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, WRA considers the following factors in making a determination to appropriate or accumulate endowment funds:

1) The duration and preservation of the fund
2) The purpose of WRA and the donor-restricted endowment fund
3) General economic conditions
4) The possible effect of inflation and deflation
5) The expected total return from income and the appreciation of investments
6) Other resources of WRA
7) The investment policies of WRA

The Organization has adopted investment and spending policies for the endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the endowment investments. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

As required by US GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment net asset composition by type and changes in endowment assets are as follows for the years ended December 31,:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets, December 31, 2024	$ 277,858	$ -	$ 277,858
Investment return, net	11,090	-	11,090
Appropriated for expenditure	(288,948)	-	(288,948)
Endowment assets, December 31, 2025	$ -	$ -	$ -

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets, December 31, 2023	$ 406,194	$ 141,043	$ 547,237
Investment return, net	31,673	2,277	33,950
Appropriated for expenditure	(160,009)	(143,320)	(303,329)
Endowment assets, December 31, 2024	$ 277,858	$ -	$ 277,858

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). WRA has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of December 31, 2025 and 2024, there were no funds with deficiencies.

10. CONCENTRATIONS

Cash and equivalents

WRA maintains its cash and equivalents in bank deposit accounts in which the deposits are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At certain times during the year WRA had deposits in excess of FDIC limits. This risk is managed by maintaining deposits with high-quality financial institutions. WRA does not anticipate nonperformance by these institutions.

Grants receivable and promises to give, net

Four donors accounted for 83% of grants receivable and promises to give as of December 31, 2025. Six donors accounted for 84% of grants receivable and promises to give as of December 31, 2024.

Contributions and grants

Two donors accounted for 29% of contributions and grants for the year ended December 31, 2025. Three donors accounted for 52% of contributions and grants for the year ended December 31, 2024.

11. RETIREMENT PLAN

WRA sponsors a 401(k) retirement plan ("Plan") covering all eligible employees. Employees may make contributions to the Plan up to the maximum allowed by the Internal Revenue Code and WRA matches up to 5% of employee contributions. WRA's contributions to the Plan totaled $415,732 and $369,266 for the years ended December 31, 2025 and 2024, respectively.

12. RELATED PARTIES

During the year ended December 31, 2025, WRA paid a Board member $15,000 for contracted professional services.

Environmental Center of the Rockies

Environmental Center of the Rockies ("ECR") is a supporting organization of WRA. ECR shared a common board member through November 2024. This board member represented a minority of the ECR board, and WRA does not have an economic interest in ECR; therefore, ECR is not consolidated with WRA.

WRA paid for $55 and $2,085 of ECR's expenses during the year ended December 31, 2025 and 2024, respectively, which were billed to ECR for payment. WRA received a grant from ECR in the amount of $2,880,000 during the year ended December 31, 2023.

WRA Action Fund

WRA Action Fund ("WRA-AF") is a 501(c)(4) organization with the mission of advancing solutions to climate change and its impact. Though WRA-AF shares a common board member, this board member represents a minority of the WRA-AF board, and WRA does not have an economic interest in WRA-AF; therefore, WRA-AF is not consolidated with WRA.

In April 2022, WRA and WRA-AF entered into an allocation of costs and reimbursement of expenses agreement for the purpose of sharing certain common expenses, primarily personnel, equipment, and facilities costs. Under this agreement, WRA paid for $186,716 and $268,930 of WRA-AF's expenses during the year ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, $98,861 and $230,547 of that amount is owed to WRA from WRA-AF, respectively and is included in other receivables on the statement of financial position as of December 31, 2025. Subsequent to year end, WRA received $93,102 from WRA-AF, with the remaining balance still outstanding.

WRA granted funds to WRA-AF in the amount of $150,000 and $250,000 during the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025, $150,000 of the grant awarded was payable and is included in grant payable on the statements of financial position. The award letter included language that while it was a general support grant, it had to be used to "fund activities under guidelines for organizations under 501(c)(3) of the Internal Revenue Code and may not be used to intervene in any election in support of or opposition to any political party or candidate for public office, or other partisan political activity."

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