

**OREGON NATURAL RESOURCES  
COUNCIL FUND dba**

**OREGON WILD**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2017**



**OREGON WILD**

**Mission Statement:**

**Founded in 1974, Oregon Wild  
works to protect and restore Oregon's wildlands, wildlife and waters  
as an enduring legacy for future generations.**

**OREGON NATURAL RESOURCES COUNCIL FUND, dba OREGON WILD**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2017**

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## **Executive Director's Message**

Fiscal year 2016-2017 began with a bang as the presidential election produced a result that surprised the pundits and signaled a massive shake-up in American politics, culture, and society. In a year filled with the unexpected – and at times deeply disturbing – Oregon Wild stood fast to our values and mission.

With the political shifts in Washington, D.C. we have seen numerous threats to environmental protections and policies. Here in Oregon, the Cascade Siskiyou National Monument was under attack, plans were afoot to upend national forest management, and wildlife took a back seat to industrial activity.

With mounting threats, Oregon Wild worked during the fiscal year to expand our reach and support. Staff were on the ground across the state responding to the huge surge in demand for grassroots action. With our “Wild Ones” citizen activist training already underway, we were well poised to help average Oregonians plug into the advocacy process and make their voices heard.

In addition to our grassroots outreach, our staff and board launched headlong into long overdue work to increase equity, diversity, and inclusivity at Oregon Wild. Working with the Center for Diversity and the Environment, our team underwent a two day, intensive training on racism, privilege, unconscious bias, and more. Following that training, a newly formed equity, diversity, and inclusion team began work to put these new ideas into practice with the long term goal of diversifying our movement and enhancing our effectiveness.

Now more than ever, our work to protect and restore Oregon's wildlands, wildlife, and waters takes endurance. And endurance requires the necessary resources to keep fuel in the organizational tank. The past fiscal year saw the continuation of a positive trend in our revenue model with an ever higher percentage of our total donations coming from individuals. This balance of individual versus foundation or corporate donations allows Oregon Wild to have more unrestricted funds and more flexibility to tackle the most pressing issues facing Oregon's environment.

While many of our efforts are built for the long haul, we made marked progress in several campaigns and celebrated clear victories in other efforts. Here is a snapshot of our accomplishments from the last year.

### **Protecting Special Places**

Decades of resource extraction and development have irrevocably changed large swaths of the Oregon landscape. Still, many special places untarnished by human activity remain. These pristine backcountry gems and free-flowing rivers represent our last, best hope for preserving a significant part of Oregon in its natural state. We are actively seeking to address our Wilderness imbalance (only 4% of Oregon is permanently protected while our neighbors – 15% in CA, 10% in WA, and 8% in ID – far surpass us) and mobilizing support to fight the growing threat posed by those who seek to privatize American public lands.

- Celebrated the expansion of the Cascade-Siskiyou National Monument in January and dug in with our coalition partners to defend the monument in court from attacks by the logging industry and Trump administration.
- Created a Crater Lake Wilderness campaign video and, with our coalition partners, delivered over 37,000 petitions supporting protections to Oregon's congressional delegation.
- Helped launch a formal process with Oregon State Parks to protect three new State Scenic Waterways including the South Umpqua, North Santiam, and Nehalem.
- Working with allies, secured a 20-year mining ban for 100,000 acres of the greater Kalmiopsis region, including the Smith River, Rough and Ready Creek, and the Chetco River.
- Worked with allies to pass legislation in Salem protecting all essential salmon rivers in Oregon from suction dredge mining.
- Started, organized and facilitated new group of advocates in Crook County.
- Promoted additional protections for the Ochoco Mountains during the Solar Eclipse frenzy while also rallying local support with a newly launched public lands advocacy group in Crook County.

## **Defending and Restoring Oregon's Forests and Waters**

Between the isolated remaining pockets of pristine wilderness lies the vast network of managed landscapes. These forests, watersheds, refuges, lakes, and wetlands are critical corridors for wildlife, sources of clean water, and important for our efforts to attain climate resilience. Protecting and restoring these landscapes for their ecological integrity is made more complicated by the fact that they are held in both public and private ownership. Rules and regulations governing the management of these lands are ever shifting. Oregon Wild is dedicated to holding management agencies accountable to the law and fighting for policy changes that ensure we restore landscapes to ecological health so that natural processes can dominate.

- Played a key role in a chorus of opposition that prevented the privatization of the Elliott State Forest and ultimately led to the decoupling of the Elliott from requirements to raise money for the Common School Fund.
- Held “Rally for Water and Wildlife” in Salem, partnering with statewide and rural groups to stand against clearcutting and aerial spray. Nearly 150 people attended with half of the participants coming from rural Oregon.
- Celebrated the first successful aerial spray ban passed by voters, which Oregon Wild endorsed and helped drive forward in Lincoln County.
- Continued the drive to modernize the Oregon Forest Practice Act while presenting to and working with dozens of local groups on the coast, students in the Eugene area, and advocates in the Coast Range.
- Convened a new coalition – the Oregon Public Lands Alliance – to help build broad public support for public lands. Through the Alliance, we organized a series of educational forums around the state about the various threats facing public lands.
- Filed litigation with our partners to halt the dangerous Summit OHV Trails System on the Ochoco National Forest.
- Rallied supporters to oppose the Bundy-inspired Crook County Natural Resource Plan.
- Through our forest watchdog program we:
  - Commented on a total of 95 projects that impact public lands; protested/objected to 36 projects that would have had unacceptable negative impacts; secured improvements on 12 of those projects.
  - Worked with local citizens to oppose illegal logging in the Wild and Scenic Lostine River Canyon, ultimately taking the Forest Service to court with our allies.
  - Protected old-growth forests on the Deschutes National Forest that were slated for logging in the West Bend project.
  - Worked with allies and the Forest Service to avoid destructive logging in sensitive roadless forests in the Tumalo watershed, Deschutes National Forest.

## **Helping Native Species Thrive**

For over four decades, Oregon Wild has led the charge to protect the most important public lands and waters needed by wildlife for survival. As we continue the effort to permanently safeguard our state's most important habitat, we are also expanding our efforts to ensure agency management of at-risk species allows for wildlife to thrive in these areas.

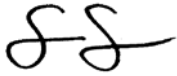
- Continued our work as the leading voice for wolf recovery in the state, driving turnout to wolf plan hearings and conducting extensive media and public accountability on ODFW management of wolves.
- Grew trail-cam program, documenting legal violations, grazing, and wolf movements while contributing photos to research conducted by Oregon State University.
- Through grassroots pressure, highlighted use of state tax dollars that were paying for Wildlife Services, ultimately securing restrictions on how that money can be used.
- Stopped a bill in the Oregon Legislature that would have allowed weaponized drones to fire bullets at wildlife.

**The Oregon Wild team**

The Oregon Wild staff is extremely dedicated and has knowledge of Oregon's political and ecological landscape that is unmatched. With our main offices in Portland, and three satellite offices (in Eugene, Bend, and Enterprise), we cover the whole state with deep experience in environmental policy, law, and organizing.

We are fortunate to have a volunteer Board of Directors that bring their diverse experience to the table in guiding our strategic direction. While they represent unique geographic corners of the state and bring distinct perspectives to the board, they share a passion for protecting Oregon.

Of course, the staff and board are only able to accomplish our mission with the steadfast support of thousands of donors, businesses, and foundations that give generously of their time and money.

**Sean Stevens**A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be 'SS'.**Executive Director**



**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Oregon Natural Resources Council Fund dba Oregon Wild  
Portland, Oregon

We have audited the accompanying financial statements of Oregon Natural Resources Council Fund dba Oregon Wild (a non-profit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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 Oregon Natural Resources Council Fund dba Oregon Wild as of September 30, 2017, 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 Matters***

***Report on Summarized Comparative Information***

We have previously audited the Oregon Natural Resources Council Fund dba Oregon Wild's September 30, 2016 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated March 6, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Kern & Thompson LLC*

Portland, Oregon  
January 17, 2018

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF FINANCIAL POSITION**

**September 30, 2017**

(With Comparative Totals as of September 30, 2016)

**ASSETS**

	<b>2017</b>	<b>2016</b>
Cash and cash equivalents	\$ 151,369	\$ 281,183
Investments	737,758	687,559
Accounts receivable	3,641	3,173
Inventory	6,829	7,497
Prepaid expenses and other assets	37,606	30,923
Property and equipment - net	285,939	302,726
<b>Total assets</b>	<b>\$ 1,223,142</b>	<b>\$ 1,313,061</b>

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 13,661	\$ 18,849
Accrued payroll and related expenses	162,061	92,406
Deferred revenue	10,007	10,000
<b>Total liabilities</b>	<b>185,729</b>	<b>121,255</b>

**Net assets**

Unrestricted		
Special projects and reserve fund	250,000	250,000
Board-designated endowment	480,728	429,095
Invested in property and equipment	285,939	302,726
Available for operations	(34,489)	207,550
Total unrestricted net assets	982,178	1,189,371
Temporarily restricted	52,800	-
Permanently restricted - endowment	2,435	2,435
<b>Total net assets</b>	<b>1,037,413</b>	<b>1,191,806</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,223,142</b>	<b>\$ 1,313,061</b>

See notes to financial statements.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF ACTIVITIES**

**Year Ended September 30, 2017**

(With Comparative Totals for the Year Ended September 30, 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	
				<u>2017</u>	<u>2016</u>
<b>Revenues, gains and other support</b>					
Contributions and memberships	\$ 562,309	\$ 10,000	\$ -	\$ 572,309	\$ 535,496
Grants and contracts	179,000	238,800	-	417,800	340,700
In-kind contributions	55,701	-	-	55,701	44,568
Investment income	25,605	-	-	25,605	34,796
Realized/unrealized gain (loss) on investments	32,663	-	-	32,663	14,726
Other	82,455	-	-	82,455	72,906
	<u>937,733</u>	<u>248,800</u>	<u>-</u>	<u>1,186,533</u>	<u>1,043,192</u>
Net assets released from restrictions	<u>196,000</u>	<u>(196,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total revenues, gains and other support</b>	<b><u>1,133,733</u></b>	<b><u>52,800</u></b>	<b><u>-</u></b>	<b><u>1,186,533</u></b>	<b><u>1,043,192</u></b>
<b>Expenses</b>					
Program services					
Wildlands	831,116	-	-	831,116	730,540
Wildlife	156,532	-	-	156,532	156,237
Waters	94,440	-	-	94,440	69,762
Total program services	<u>1,082,088</u>	<u>-</u>	<u>-</u>	<u>1,082,088</u>	<u>956,539</u>
Supporting services					
Management and general	127,157	-	-	127,157	115,788
Fund-raising	131,681	-	-	131,681	118,450
<b>Total expenses</b>	<b><u>1,340,926</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,340,926</u></b>	<b><u>1,190,777</u></b>
<b>Change in net assets</b>	<b>(207,193)</b>	<b>52,800</b>	<b>-</b>	<b>(154,393)</b>	<b>(147,585)</b>
Net assets, beginning of year	<u>1,189,371</u>	<u>-</u>	<u>2,435</u>	<u>1,191,806</u>	<u>1,339,391</u>
<b>Net assets, end of year</b>	<b><u>\$ 982,178</u></b>	<b><u>\$ 52,800</u></b>	<b><u>\$ 2,435</u></b>	<b><u>\$ 1,037,413</u></b>	<b><u>\$ 1,191,806</u></b>

See notes to financial statements.



**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended September 30, 2017**

(With Comparative Totals for the Year Ended September 30, 2016)

	<b>PROGRAM SERVICES</b>				<b>SUPPORTING SERVICES</b>		<b>Total</b>	
	<b>Wildlands</b>	<b>Wildlife</b>	<b>Waters</b>	<b>Total</b>	<b>Management and General</b>	<b>Fund-Raising</b>	<b>2017</b>	<b>2016</b>
Salaries	\$ 538,182	\$ 101,370	\$ 53,753	\$ 693,305	\$ 75,393	\$ 46,998	\$ 815,696	\$ 695,133
Payroll taxes and benefits	91,696	17,324	9,203	118,223	12,837	7,961	139,021	123,618
Professional services	21,007	2,475	9,663	33,145	9,276	1,227	43,648	25,614
Telephone, website, and database	31,047	6,314	3,218	40,579	4,379	2,622	47,580	36,522
Occupancy	26,941	5,464	2,685	35,090	3,766	2,348	41,204	41,419
Oregon Wild Newsletter	10,208	1,706	905	12,819	1,269	981	15,069	14,550
Office supplies	3,525	1,371	176	5,072	698	212	5,982	4,197
Equipment	3,665	1,377	298	5,340	783	261	6,384	4,180
Insurance	7,897	840	445	9,182	3,640	859	13,681	11,758
Postage	6,310	1,234	622	8,166	880	1,313	10,359	3,677
Direct mail	2,626	257	136	3,019	191	4,163	7,373	11,011
Conferences, training and travel	23,477	6,195	2,645	32,317	667	603	33,587	60,491
Program expenses	44,252	7,398	8,512	60,162	1,807	40,320	102,289	108,280
Miscellaneous expenses	5,407	405	693	6,505	9,487	20,515	36,507	27,960
Depreciation	14,876	2,802	1,486	19,164	2,084	1,298	22,546	22,367
	<b>\$ 831,116</b>	<b>\$ 156,532</b>	<b>\$ 94,440</b>	<b>\$ 1,082,088</b>	<b>\$ 127,157</b>	<b>\$ 131,681</b>	<b>\$ 1,340,926</b>	<b>\$ 1,190,777</b>

See notes to financial statements.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF CASH FLOWS**

**Year Ended September 30, 2017**

(With Comparative Totals for the Year Ended September 30, 2016)

	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (154,393)	\$ (147,585)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	22,546	22,367
Realized and unrealized (gain) loss on investments	(32,663)	(14,726)
Changes in assets and liabilities:		
Accounts receivable	(468)	(864)
Inventory	668	(6,096)
Prepaid expenses and other assets	(6,683)	4,406
Accounts payable	(5,188)	(11,052)
Subgrants payable	-	(1,514)
Accrued payroll and related expenses	69,655	6,094
Deferred revenue	7	-
	<b>(106,519)</b>	<b>(148,970)</b>
<b>Cash flows from investing activities:</b>		
Net investments purchased	(17,536)	(32,573)
Purchase of property and equipment	(5,759)	(44,698)
	<b>(23,295)</b>	<b>(77,271)</b>
<b>Net cash provided by (used in) investing activities</b>	<b>(23,295)</b>	<b>(77,271)</b>
<b>Net change in cash and cash equivalents</b>	<b>(129,814)</b>	<b>(226,241)</b>
Cash and cash equivalents, beginning of year	281,183	507,424
<b>Cash and cash equivalents, end of year</b>	<b>\$ 151,369</b>	<b>\$ 281,183</b>

See notes to financial statements.

## OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

### NOTES TO FINANCIAL STATEMENTS

September 30, 2017

#### NOTE A – DESCRIPTION OF ORGANIZATION

Oregon Natural Resources Council Fund dba Oregon Wild (the Organization) is a Section 501(c)(3) nonprofit organization founded in 1974 to protect and restore Oregon's wildlands, wildlife, and waters as an enduring legacy for future generations. The Organization works to educate and activate the public regarding threats to our natural resources while seeking long term protections for our public lands. Support is provided to the Organization through contributions from individuals, grants, corporate partnerships, and other fees.

During the fiscal year, the Organization supported the following:

- **Wildlands** – Oregon Wild leads campaigns for the permanent protection of Wilderness areas and to restore and safeguard our public forests.
- **Wildlife** – Oregon Wild works to protect and recover native species such as gray wolves, northern spotted owls, and salmon that are critical to functioning ecosystems and an important part of our natural heritage.
- **Waters** – Oregon Wild works to protect and restore critical watersheds, rivers, and wetlands across the state with a focus on the Klamath Basin National Wildlife Refuges, reducing the impact of mining on Oregon's sensitive salmon streams, and advocating for traditional recreation in places like Waldo Lake.
- **Connecting People to Wild Places** – Oregon Wild leads numerous outdoor trips, hosts dozens of special events, and sponsors restoration-based service trips to foster an informed citizenry passionate about protecting public lands.

The Organization is affiliated with Oregon Wild Conservation Leaders Fund (OWCLF), a Section 501(c)(4) organization which mobilizes the public to permanently protect Wilderness and old-growth forests, lobbies elected officials to pass protection legislation, and supports or opposes candidates for public office.

#### NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of Presentation

Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets represent net assets not subject to donor-imposed stipulations.
- Temporarily restricted net assets represent net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.
- Permanently restricted net assets represent net assets subject to permanent donor-imposed stipulations.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2017**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

**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.

**Cash and Cash Equivalents**

The Organization considers all liquid investments having initial maturities of three months or less to be cash equivalents. Cash and cash equivalents held for long-term investment purposes are excluded from cash and cash equivalents and are included in investments.

**Financial Instruments With Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents. Interest bearing accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2017, all of the Organization's cash balances were fully insured.

**Interpretation of Relevant Law Over Endowments**

The Organization's endowment was established from donor-restricted and board designated gifts for the purpose of providing a steady stream of income for the operating budget. The Board of Directors of the Organization (the Board) has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the donor-restricted endowment funds, (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 the Organization, and (7) the Organization's investment policies.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2017**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Interpretation of Relevant Law Over Endowments (Continued)**

In general, investment returns on the Organization's permanently restricted endowment are available for retention or appropriation based on the same prudent standards and policies established by the Board of Directors and, therefore, are classified as temporarily restricted net assets until the returns are appropriated for expenditure by the Board of Directors and, if the use of the investment return is restricted by the donor, until the restriction has also been satisfied. Any investment return classified as permanently restricted net assets represents only those amounts required to be retained permanently as a result of explicit donor stipulations.

**Endowment Investment and Spending Policies**

The Board has adopted an investment policy that attempts to maintain and grow the purchasing power of the endowment assets over the long term while generating income. The assets are invested in a well-diversified asset mix with a focus on environmental and social responsibility.

The Organization may distribute up to 75% of the 3 year rolling average earnings for operating purposes.

**Inventory**

Inventory consists of t-shirts, tote bags, and water bottles held for sale as part of the Organization's fund-raising and campaign efforts. Inventory is recorded at the lower of cost (first-in, first-out) or market for purchased items and fair market value for donated items.

**Property and Equipment**

Property and equipment is recorded at cost. Donated equipment is recorded at fair market value at the date received. Depreciation is computed on the straight-line method over the following estimated useful lives:

Building and improvements	10 to 40 years
Office equipment	3 to 15 years

Maintenance and repairs are expensed when incurred. Betterments and renewals in excess of \$500 are capitalized.

**Revenue Recognition**

All contributions and grants are considered available for unrestricted use unless specifically restricted by a donor. Service revenues are recognized at the time services are provided and the revenues are earned. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Membership payments received from the Organization's members are considered equivalent to unrestricted contributions and are recognized as revenue when received. The Organization makes an annual determination of the adequacy of the allowance for grants and pledges receivable. Management believes no allowance is required as of September 30, 2017.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2017**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized in the Statement of Activities. Certain costs have been allocated among the programs and supporting services benefited.

**Income Taxes**

The Organization has been approved as a tax exempt organization under the Internal Revenue Code Section 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

**Prior Year Summarized Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or natural expense classification by function. 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 September 30, 2016, from which the summarized information was derived.

**NOTE C – INVESTMENTS**

Assets and liabilities recorded at fair value are measured under a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources, while unobservable inputs reflect estimates about market data.

Valuation techniques used to measure fair value are prioritized into the following hierarchy:

**Level 1** – Quoted prices in active markets for identical assets. Assets in this level typically include publicly traded equities, mutual fund investments, and exchange traded funds (ETF's).

**Level 2** – Quoted prices for similar assets in active or inactive markets, or inputs derived from observable market data such as published interest rates and yield curves, over-the-counter derivatives, market modeling, or other valuation methodologies.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2017

NOTE C – INVESTMENTS (CONTINUED)

**Level 3** – Unobservable inputs that reflect management's assumptions and best estimates based on available data.

Realized and unrealized gains and losses from investments are reported in the Statement of Activities as they occur. There have been no changes in valuation techniques and related inputs.

Fair value of assets measured on a recurring basis at September 30, 2017 were as follows:

	<u>Level 1</u>	<u>Total</u>
CD's and cash	\$ 10,234	\$ 10,234
Fixed income mutual funds and ETF's	336,247	336,247
Equity mutual funds and ETF's	<u>391,277</u>	<u>391,277</u>
	<u>\$ 737,758</u>	<u>\$ 737,758</u>

NOTE D – PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2017 is as follows:

Land and improvements	\$ 119,401
Building and improvements	429,531
Office equipment	<u>107,499</u>
	656,431
Less accumulated depreciation	<u>(370,492)</u>
	<u>\$ 285,939</u>

Depreciation expense for the year ended September 30, 2017 amounted to \$22,546.

NOTE E – RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

At September 30, 2017, \$250,000 of the Organization's unrestricted net assets have been designated by the Board as a reserve fund for operations, special needs and programs, and other needs as determined by the Board.

The Organization also holds assets in a permanent endowment fund created by the Board of Directors with the goal of providing stability of funding for future operations. As per Organization policy, the principal of the endowment fund shall be invested in perpetuity, and the earnings are unrestricted.

Endowment assets include unrestricted net assets designated by the board and permanently restricted net assets designated by the donor.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2017**

**NOTE E – RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES (CONTINUED)**

The endowment is funded with bequests, annuities, and planned gifts not designated by the donor for current operations or programs, as well as gifts specifically restricted to the endowment by the donor.

**NOTE F – RECONCILIATION OF ENDOWMENT NET ASSETS**

	Unrestricted, Board Designated	Permanently Restricted	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Endowment net assets, beginning of year</b>	\$ <b>429,095</b>	\$ <b>2,435</b>	\$ <b>431,530</b>
Interest and dividend	18,429	-	18,429
Investment gains/(losses) (realized and unrealized)	<u>38,168</u>	<u>-</u>	<u>38,168</u>
Total investment return	56,597	-	56,597
Other changes:			
Deposits	<u>(4,964)</u>	<u>-</u>	<u>(4,964)</u>
<b>Endowment net assets, end of year</b>	\$ <b><u>480,728</u></b>	\$ <b><u>2,435</u></b>	\$ <b><u>483,163</u></b>

**NOTE G – NET ASSETS RELEASED FROM RESTRICTIONS**

During the year ended September 30, 2017, the Organization incurred \$196,000 in expenses in satisfaction of the restricted purposes specified by donors, or satisfied the restrictions by the occurrence of other events. Accordingly, a corresponding amount is reported as a reclassification from temporarily restricted net assets.

**NOTE H – IN-KIND CONTRIBUTIONS**

A number of unpaid volunteers provide significant contributions of their time to develop and implement the Organization's programs. There were 1,748 volunteered hours during the year ended September 30, 2017. Amounts recognized on the statement of activities are limited to the significant services received which create or enhance a nonfinancial asset or require specialized skills that the Organization would have purchased if not donated. During the year ended September 30, 2017, the Organization recognized \$15,000 of contributed services and \$40,701 of contributed equipment and supplies.



**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2017**

**NOTE I – RELATED PARTY TRANSACTIONS**

The Organization has entered into a contract whereby OWCLF reimburses the Organization for allocated personnel and office operating costs that are shared by the two organizations. In addition, OWCLF pays the Organization an occupancy charge for use of the building, allocated in a manner comparable to the personnel and operating expenses charges. The net amount of shared expenses paid by OWCLF under this agreement for the year ended September 30, 2017 was \$4,089. The Organization also processed credit card contributions for OWCLF throughout the year totaling \$12,223. The net amount payable under the operating agreement and on behalf of the credit card contributions was \$4,194 at September 30, 2017.

**NOTE J – RETIREMENT PLAN**

The Organization sponsors a 403(b) plan for the benefit of its eligible employees. At the discretion of the Board of Directors, the Organization may make contributions to the plan. The Organization made no contribution to this plan for the year ended September 30, 2017.

**NOTE K – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through January 17, 2018, which is the date the financial statements were available to be issued.

## **OTHER INFORMATION**

**OREGON WILD**

**GOVERNING BOARD AND MANAGEMENT**

**Board of Directors**

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Vik Anantha  
*President*

Kate Blazar  
*Vice President*

Mellie Pullman  
*Secretary*

Nathan Kennedy  
*Treasurer*

Hillary Barbour  
Shawn Donnille  
Megan Gibb  
Danielle Grabiell  
Jared Kennedy  
Clara Soh  
Brett Sommermeyer

**Management**

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Sean Stevens  
*Executive Director*

Tony Mounts  
*Director of Finance*

Jonathan Jelen  
*Development Director*

Steve Pedery  
*Conservation Director*

**OREGON WILD**  
**INQUIRIES AND OTHER INFORMATION**

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**OREGON WILD**  
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(503) 283-0756 (FAX)

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