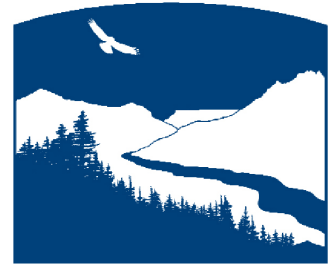


OREGON NATURAL RESOURCES
COUNCIL FUND dba

OREGON WILD

FINANCIAL STATEMENTS

Year Ended September 30, 2018



OREGON WILD

KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

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, 2018

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Executive Director's Message

Oregon Wild is a relatively small non-profit, but you wouldn't know it by how far-reaching our impact is and how often we act as a critical voice advocating for Oregon's environment. Sometimes it feels like we are everywhere at once – knowing that if we don't show up some part of Oregon's landscape will suffer. That vigilance has always been part of our DNA, and we know we need it regardless of the political landscape.

In our fiscal year 2017-2018 that political landscape continued to be a tumultuous one. The second year of the Trump Administration brought new threats to public lands and wildlife. The fate of Oregon's Cascade-Siskiyou National Monument hung in the balance. Climate disruption continued to wreak havoc across the globe with impacts felt here in Oregon.

Through it all, Oregon Wild has remained a steadfast advocate for our wildlands, wildlife, and waters. With our Wild Ones program, we have continued to provide expert training and an outlet for average Oregonians to channel their passion into effective advocacy. Our staff acts as a watchdog for nearly every government agency proposal that impacts public lands, often forcing critical changes to projects that save habitat and scenic values. We use our sophisticated communications megaphone to spread our message far and wide to create a broader chorus of support for conservation. And we hold decision makers accountable – sometimes in court and sometimes in the court of public opinion – when they stray from Oregon values that demand protection of our special places.

It is our use of every tool in the toolbox that is the hallmark of Oregon Wild success. Our state's ancient forests, imperiled wildlife, and wild rivers demand nothing short of our efforts to exhaust all options to protect them.

So much of our advocacy plays out over years and decades of hard work, but we did mark progress in several key areas this year. Here is a snapshot of our accomplishments from the last fiscal 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.

- Continued our campaign to permanently protect the Ochoco Mountains by:
 - Teaming up with our partners at Soul River to connect veterans and inner-city youth to the area and advocating in Washington, D.C. for its protection.
 - Successfully challenging a sprawling off highway vehicle proposal from the Forest Service that would have sliced almost 200 miles of new OHV trails into sensitive habitat.
- Moved the Nehalem River to the precipice of permanent protection as a State Scenic Waterway, along the way spurring more supportive comments for a proposal than Oregon Parks and Recreation Department had ever received on an issue.
- Continued our court fight with allies to keep the Cascade Siskiyou National Monument protections in place.
- Saw the reintroduction of the Oregon Wildlands Act by Senators Ron Wyden and Jeff Merkley to protect the Devil's Staircase Wilderness, expand the Wild Rogue Wilderness, and secure a National Recreation Area designation for the Molalla River area.

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.

- Published a new report, “Forest Defense is Climate Defense” to highlight new science outlining the critical role that improved forest management and protection can play in fighting climate change.
- Re-launched our “Clearcut Oregon” campaign with:
 - An 80-foot advertisement on the side of a TriMet MAX train for two months.
 - Extensive media coverage of Oregon’s outdated logging laws.
 - A massive petition effort aimed at pressuring the Governor to step up to protect people and the environment from industrial logging.
- Helped persuade Multnomah County to withdraw from the timber industry-friendly Association of O&C Counties, shining a light on how pro-clearcutting politicians use public funds to lobby stripping protections from public lands.
- Filed a lawsuit challenging industrial logging in the Lostine Wild & Scenic River corridor.
- Through our forest watchdog program we:
 - Commented on a total of 111 projects that impact public lands; protested/objected to 65 projects that would have had unacceptable negative impacts; secured improvements on 11 of those projects prior to litigation.
 - Helped get mature forests and red tree vole habitat dropped from Trout Creek Project near Sweet Home.
 - Forced BLM to withdraw first decision on the controversial Thurston Hills logging project due to public pressure, and to drop 50 acres of clearcutting.
 - Got improvements to the Lex Project in the Deschutes National Forest with 130 acres dropped and 7 miles of additional road decommissioning.
 - Reduced impacts to roofless areas and large trees in the Camp Lick Project on the Malheur National Forest.
 - Got important changes to grazing re-authorization in the Wallowa Whitman National Forest (March).

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 by:
 - Stopped ODFW from adopting an inadequate wolf plan that would have allowed for public hunting and a quicker trigger on killing wolves.
 - Garnering front page Oregonian and national stories on wolves, public lands grazing, and problems with the state’s compensation fund.
 - Testifying and generating public turnout to ODFW wolf hearings.
- Held a series of panel presentations and education events on the Oregon Coast about lost and imperiled species.
- Convinced the Fish and Wildlife Commission to increase protections for the Marbled Murrelet under the state Endangered Species Act. Filed litigation with our partners when the commission brazenly reversed their decision just months later under pressure from the logging industry.
- Expanded volunteer trail camera wildlife monitoring program throughout the state.

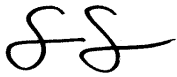
The Oregon Wild team

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, 2018, 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, 2018, 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 Oregon Natural Resources Council Fund dba Oregon Wild's 2017 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated January 17, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Portland, Oregon
January 8, 2019

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

STATEMENT OF FINANCIAL POSITION

September 30, 2018

(With Comparative Totals as of September 30, 2017)

ASSETS

	2018	2017
Cash and cash equivalents	\$ 105,252	\$ 151,369
Investments	807,583	737,758
Accounts receivable	3,994	3,641
Inventory	6,829	6,829
Prepaid expenses and other assets	23,709	37,606
Property and equipment - net	274,999	285,939
Total assets	\$ 1,222,366	\$ 1,223,142

LIABILITIES AND NET ASSETS

Accounts payable	\$ 12,547	\$ 13,661
Accrued payroll and related expenses	151,389	162,061
Deferred revenue	11,120	10,007
Total liabilities	175,056	185,729
Net assets		
Unrestricted		
Special projects and reserve fund	175,619	250,000
Board-designated endowment	629,529	480,728
Available for operations	237,523	251,450
Total unrestricted net assets	1,042,671	982,178
Temporarily restricted	2,204	52,800
Permanently restricted - endowment	2,435	2,435
Total net assets	1,047,310	1,037,413
Total liabilities and net assets	\$ 1,222,366	\$ 1,223,142

See notes to financial statements.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

STATEMENT OF ACTIVITIES

Year Ended September 30, 2018

(With Comparative Totals for the Year Ended September 30, 2017)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	
				<u>2018</u>	<u>2017</u>
Revenues, gains and other support					
Contributions and memberships	\$ 609,670	\$ 115,499	\$ -	\$ 725,169	\$ 572,309
Grants and contracts	196,000	113,000	-	309,000	417,800
Bequests	115,637	-	-	115,637	-
In-kind contributions	31,156	-	-	31,156	55,701
Investment income	30,274	-	-	30,274	25,605
Realized/unrealized gain (loss) on investments	21,787	-	-	21,787	32,663
Other	77,277	-	-	77,277	82,455
	<u>1,081,801</u>	<u>228,499</u>	<u>-</u>	<u>1,310,300</u>	<u>1,186,533</u>
Net assets released from restrictions	<u>279,095</u>	<u>(279,095)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues, gains and other support	<u>1,360,896</u>	<u>(50,596)</u>	<u>-</u>	<u>1,310,300</u>	<u>1,186,533</u>
Expenses					
Program services					
Protecting Special Places	320,747	-	-	320,747	396,306
Helping Native Species Thrive	150,625	-	-	150,625	156,906
Defending and Restoring Oregon's Forests and Waters	552,405	-	-	552,405	528,876
Total program services	<u>1,023,777</u>	<u>-</u>	<u>-</u>	<u>1,023,777</u>	<u>1,082,088</u>
Supporting services					
Management and general	110,330	-	-	110,330	127,157
Fundraising	166,296	-	-	166,296	131,681
Total expenses	<u>1,300,403</u>	<u>-</u>	<u>-</u>	<u>1,300,403</u>	<u>1,340,926</u>
Change in net assets	60,493	(50,596)	-	9,897	(154,393)
Net assets, beginning of year	<u>982,178</u>	<u>52,800</u>	<u>2,435</u>	<u>1,037,413</u>	<u>1,191,806</u>
Net assets, end of year	<u>\$ 1,042,671</u>	<u>\$ 2,204</u>	<u>\$ 2,435</u>	<u>\$ 1,047,310</u>	<u>\$ 1,037,413</u>

See notes to financial statements.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2018

(With Comparative Totals for the Year Ended September 30, 2017)

	PROGRAM SERVICES				SUPPORTING SERVICES		Total	
	Protecting Special Places	Helping Native Species Thrive	Defending and Restoring Oregon's Forests and Waters	Total	Management and General	Fund- Raising	2018	2017
Salaries	\$ 164,026	\$ 97,048	\$ 331,547	\$ 592,621	\$ 55,794	\$ 64,209	\$ 712,624	\$ 815,696
Payroll taxes and benefits	31,191	18,581	63,493	113,265	10,841	12,135	136,241	139,021
Professional services	69,609	1,945	63,919	135,473	9,781	540	145,794	43,648
Telephone, website, and database	8,641	5,451	16,553	30,645	6,972	3,482	41,099	47,580
Occupancy	6,680	3,952	13,502	24,134	2,272	2,615	29,021	41,204
Oregon Wild Newsletter	4,123	2,270	7,756	14,149	1,305	1,502	16,956	15,069
Office supplies	483	638	976	2,097	233	185	2,515	5,982
Equipment	1,630	2,567	3,779	7,976	492	782	9,250	6,384
Insurance	5,496	1,099	3,896	10,491	7,656	727	18,874	13,681
Postage	875	546	1,792	3,213	307	1,320	4,840	10,359
Direct mail	-	-	179	179	-	8,836	9,015	7,373
Conferences, training and travel	7,621	7,224	11,106	25,951	376	696	27,023	33,587
Program expenses	13,946	5,656	21,458	41,060	855	51,096	93,011	102,289
Miscellaneous expenses	1,388	667	2,266	4,321	11,732	16,199	32,252	36,507
Depreciation	5,038	2,981	10,183	18,202	1,714	1,972	21,888	22,546
	\$ 320,747	\$ 150,625	\$ 552,405	\$ 1,023,777	\$ 110,330	\$ 166,296	\$ 1,300,403	\$ 1,340,926

See notes to financial statements.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

STATEMENT OF CASH FLOWS

Year Ended September 30, 2018

(With Comparative Totals for the Year Ended September 30, 2017)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ 9,897	\$ (154,393)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	21,888	22,546
Gain (loss), reinvestment of interest and dividends from investments	(43,188)	(32,663)
Changes in assets and liabilities:		
Accounts receivable	(353)	(468)
Inventory	-	668
Prepaid expenses and other assets	13,897	(6,683)
Accounts payable	(1,114)	(5,188)
Accrued payroll and related expenses	(10,671)	69,655
Deferred revenue	1,112	7
Net cash provided by (used in) operating activities	<u>(8,532)</u>	<u>(106,519)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	89,000	(17,536)
Purchase of investments	(115,637)	-
Purchase of property and equipment	(10,948)	(5,759)
Net cash provided by (used in) investing activities	<u>(37,585)</u>	<u>(23,295)</u>
Net change in cash and cash equivalents	<u>(46,117)</u>	<u>(129,814)</u>
Cash and cash equivalents, beginning of year	151,369	281,183
Cash and cash equivalents, end of year	<u><u>\$ 105,252</u></u>	<u><u>\$ 151,369</u></u>

See notes to financial statements.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

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:

- **Protecting Special Places** – Oregon Wild leads campaigns for the permanent protection of Wilderness areas, Wild & Scenic Rivers, National Recreation Areas, and other protective designations to safeguard our public forests and waters.
- **Protecting and Restoring Oregon's Forests and Waters** – Oregon Wild works to protect and restore public and private forests, critical watersheds, rivers, and wetlands across the state with a focus on ancient forests, the Klamath Basin National Wildlife Refuges, and wildlife corridors.
- **Helping Native Species Thrive** – 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.
- **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, 2018

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, 2018, 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, 2018

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, 2018.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2018

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, 2018, 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, 2018

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, 2018 were as follows:

	<u>Level 1</u>	<u>Total</u>
CD's and cash	\$ 10,358	\$ 10,358
Fixed income mutual funds and ETF's	284,716	284,716
Equity mutual funds and ETF's	<u>512,509</u>	<u>512,509</u>
	<u>\$ 807,583</u>	<u>\$ 807,583</u>

NOTE D – PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2018 is as follows:

Land and improvements	\$ 119,401
Building and improvements	438,231
Office equipment	<u>109,747</u>
	667,379
Less accumulated depreciation	<u>(392,380)</u>
	<u>\$ 274,999</u>

Depreciation expense for the year ended September 30, 2018 amounted to \$21,888.

NOTE E – RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

At September 30, 2018, \$175,619 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, 2018

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>
Endowment net assets, beginning of year	\$ 480,730	\$ 2,435	\$ 483,165
Interest and dividend	23,388	-	23,388
Investment gains/(losses) (realized and unrealized)	<u>29,693</u>	<u>-</u>	<u>29,693</u>
Total investment return	53,081	-	53,081
Other changes:			
Contributions	115,637	-	115,637
Distributions	(14,000)	-	(14,000)
Fees	<u>(5,919)</u>	<u>-</u>	<u>(5,919)</u>
	<u>95,718</u>	<u>-</u>	<u>95,718</u>
Endowment net assets, end of year	\$ <u>629,529</u>	\$ <u>2,435</u>	\$ <u>631,964</u>

NOTE G – NET ASSETS RELEASED FROM RESTRICTIONS

During the year ended September 30, 2018, the Organization incurred \$279,095 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 approximately 1,800 volunteered hours during the year ended September 30, 2018. 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, 2018, the Organization recognized \$31,156 of contributed services.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2018

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, 2018 was \$3,963. The Organization also processed credit card contributions for OWCLF throughout the year totaling \$2,502. The net amount payable under the operating agreement and on behalf of the credit card contributions was \$2,736 at September 30, 2018.

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, 2018.

NOTE K – SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 8, 2019, which is the date the financial statements were available to be issued.

OTHER INFORMATION

OREGON WILD

GOVERNING BOARD AND MANAGEMENT

Board of Directors

Vik Anantha
President

Kate Blazar
Vice President

Nathan Kennedy
Treasurer

Mellie Pullman
Secretary

Hillary Barbour
Naila Bhatri
Lisa Billings
Megan Gibb
Danielle Grabel
Jared Kennedy
Clara Soh
Brett Sommermeyer

Management

Sean Stevens
Executive Director

Tony Mounts
Director of Finance

Jonathan Jelen
Development Director

Steve Pedery
Conservation Director

INQUIRIES AND OTHER INFORMATION

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