



Willamette View Foundation

Financial Statements and Other Information
as of and for the Year Ended December 31, 2020
and Report of Independent Accountants

WILLAMETTE VIEW FOUNDATION

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REPORT OF INDEPENDENT ACCOUNTANTS

The Board of Directors

Willamette View Foundation:

We have audited the accompanying financial statements of the Willamette View Foundation, which comprise the statement of financial position as of December 31, 2020, and the related statements of operations, changes in net assets, 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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

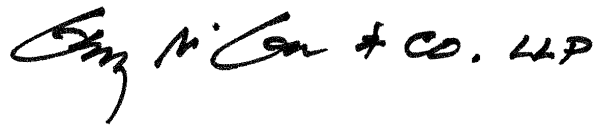
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Willamette View Foundation as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedule of changes in net assets by fund on pages 18 and 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Summarized Comparative Information

We have previously audited the Willamette View Foundation's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 21, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Amy McLean & Co. LLP". The signature is written in a cursive, flowing style.

April 29, 2021

WILLAMETTE VIEW FOUNDATION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2020

(WITH COMPARATIVE AMOUNTS FOR 2019)

	2020	2019
Assets:		
Cash and cash equivalents	\$ 80,747	105,532
Contributions receivable	114,500	–
Prepaid expenses and other assets	47,754	45,922
Investments (note 3)	21,631,923	18,690,497
Investments of assets associated with charitable gift annuity agreements (note 4)	631,987	638,505
Assets held in charitable trust (note 5)	984,597	950,658
Property and equipment (note 6)	–	–
Total assets	\$ 23,491,508	20,431,114
Liabilities:		
Accounts payable and accrued expenses	24,596	16,378
Liabilities associated with charitable gift annuity agreements (note 4)	220,633	239,429
Liabilities associated with charitable trust agreement (note 5)	763,793	742,783
Total liabilities	1,009,022	998,590
Net assets (note 7):		
Without donor restrictions:		
Designated by the Board for the Resident Assistance Fund	16,368,034	13,705,130
Undesignated – General Fund	4,735,490	4,257,342
Total without donor restrictions	21,103,524	17,962,472
With donor restrictions:		
<i>Charitable gift annuities and trusts held for the benefit of the:</i>		
Willamette View Community Projects Fund	254,125	245,238
General Fund	254,089	233,008
Resident Assistance Fund	23,391	27,497
<i>Other restricted net assets:</i>		
Resident Assistance Fund	847,357	964,309
Total with donor restrictions	1,378,962	1,470,052
Total net assets	22,482,486	19,432,524
Commitments and contingencies (notes 11, 12, and 13)		
Total liabilities and net assets	\$ 23,491,508	20,431,114

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2020
 (WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
Operating revenues and other support:		
Contributions without donor restrictions <i>(note 8)</i>	\$ 120,316	134,200
Interest and dividend income	–	14
Total operating revenues	120,316	134,214
Net assets released from restrictions <i>(note 9)</i>	126,197	377,819
Total operating revenues and other support	246,513	512,033
Grants and expenses <i>(note 10)</i>:		
Assistance to residents of Willamette View	126,852	379,129
Operating expenses	400,045	390,224
Total grants and expenses	526,897	769,353
Net operating results	\$ (280,384)	(257,320)

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020		Total	2019
	Without donor restrictions	With donor restrictions		
Revenues, gains, and other support:				
Revenues and other support without donor restrictions	\$ 120,316	–	120,316	134,214
Contributions with donor restrictions <i>(note 8)</i>	–	9,900	9,900	110,377
Net assets released from restrictions <i>(note 9)</i>	126,197	(126,197)	–	–
Total revenues, gains, and other support	246,513	(116,297)	130,216	244,591
Less grants and expenses	(526,897)	–	(526,897)	(769,353)
Decrease in net assets before non-operating transactions	(280,384)	(116,297)	(396,681)	(524,762)
Non-operating transactions:				
Net appreciation in the fair value of investments	3,421,436	–	3,421,436	2,937,444
Net appreciation in the actuarial value of charitable trust and gift annuity agreements	–	25,207	25,207	136,797
Increase (decrease) in net assets	3,141,052	(91,090)	3,049,962	2,549,479
Net assets at beginning of year	17,962,472	1,470,052	19,432,524	16,883,045
Net assets at end of year	\$ 21,103,524	1,378,962	22,482,486	19,432,524

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
Cash flows from operating activities:		
Cash received from contributors and others	\$ 15,716	269,577
Investment earnings	–	14
Cash payments made on behalf of Willamette View residents	(126,852)	(379,129)
Cash paid to employees and suppliers	(393,659)	(433,297)
<hr/>		
Net cash used in operating activities	(504,795)	(542,835)
<hr/>		
Cash flows from investing activities:		
Purchases of investments	(275,900)	(7,897,869)
Proceeds from the sale of investments	860,414	8,439,696
<hr/>		
Net cash provided by investing activities	584,514	541,827
<hr/>		
Cash flows from financing activities:		
Distributions made under charitable trust and gift annuity agreements	(104,504)	(111,829)
<hr/>		
Net cash used in financing activities	(104,504)	(111,829)
<hr/>		
Net decrease in cash and cash equivalents	(24,785)	(112,837)
Cash and cash equivalents at beginning of year	105,532	218,369
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Cash and cash equivalents at end of year	\$ 80,747	105,532

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

1. Organization

The Willamette View Foundation is a nonprofit corporation organized in 1967 in accordance with the laws of the State of Oregon and governed by a volunteer Board of Directors. The Foundation provides financial assistance and other support to residents of Willamette View, a continuing care retirement community established in Portland, Oregon in 1955. Eligible residents of Willamette View may apply to the Foundation for assistance if their personal financial resources are no longer sufficient to pay their living expenses at Willamette View.

The Foundation also periodically makes grants to Willamette View, Inc. on a selective basis for projects that help satisfy the physical, emotional, recreational, social, religious, and health needs of residents. Finally, the Foundation provides financial management services to certain residents of Willamette View to assist them with many aspects of daily, monthly, and yearly tasks related to finances.

The funds to underwrite the Foundation's various services to residents are received through contributions from Willamette View residents, family members and friends, and investment return.

Independence of the Foundation

Although the Foundation's mission is to provide financial and other support to Willamette View residents, the Foundation and Willamette View, Inc. are independently governed and managed.

Fund Groups

The Foundation has established and administers four primary funds that receive donations to provide resident assistance, grants to Willamette View, Inc., and other donor-designated gifts in the following areas:

Resident Assistance Fund – Funds used to assist eligible residents who outlive their available financial resources or who otherwise no longer have the resources to fully meet their expenses at Willamette View due to illness or other unexpected events.

Willamette View Community Projects Fund – Funds available to be granted to Willamette View, Inc. for projects that the Foundation's Board of Directors determines are in the best interests of the entire Willamette View resident community.

Other Donor-Restricted Funds – Funds that have been restricted for specific purposes by individual donors.

General Fund – Funds that have no donor restrictions and can be used to fund the Foundation's general operating expenses and, as directed by the Board of Directors, to any other uses that are consistent with the Foundation's mission.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

Basis of Presentation – Net assets, revenues, gains and losses are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor-imposed stipulations. From time to time, the Board of Directors may designate a portion of these net assets for particular purposes and objectives.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time. These balances represent the unexpended portion of donor-restricted contributions and investment return to be used for specific programs and activities, as directed by the donor.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are also reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed 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.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of management, such differences, if any, would not be significant.

Contributions – Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the donor's commitment is received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions and grants received with donor stipulations that limit the use of the donated assets are reported as net assets with donor restrictions.

Unconditional promises to give with payments due in future periods, are recorded as increases in net assets with donor restrictions at the estimated present value of future cash flows using credit adjusted discount rates which articulate to the collection period of the respective pledge. Such discount rates are not subsequently revised. Amortization of the discount is recorded as additional contribution revenue in subsequent years in the appropriate net asset class.

Contributions and grants receivable are reported net of an allowance for estimated uncollectible promises. Promises to give are written off when deemed uncollectible.

When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of operations, and changes in net assets, as net assets released from restrictions.

Contributions of capital assets without donor stipulations concerning the use of such long-lived assets are reported as revenues of the net assets without donor restrictions class. Contributions of cash or other assets to be used to acquire capital assets with such donor stipulations are reported as net assets with donor restrictions; the restrictions are considered to be released at the time of acquisition of such long-lived assets, in accordance with donor intent.

Outstanding Legacies – The Foundation is the beneficiary under various wills and trust agreements, the total realizable amounts of which are not presently determinable. The Foundation’s share of such bequests are recorded when the proceeds are measurable and, with respect to wills, when the probate court has declared the testamentary instrument valid.

In-Kind Contributions – Under generally accepted accounting principles, significant services received which create or enhance a non-financial asset or require specialized skills that the Foundation would have purchased if not donated are recognized in the statement of activities. During the year ended December 31, 2020, no contributed services were recorded.

In-kind contributions of land, buildings, equipment, and other materials are recorded when there is an objective basis upon which to value these contributions and when the contributions are an essential part of the Foundation’s activities. During the year ended December 31, 2020, no contributed land, buildings, equipment, or other materials were recorded.

Cash Equivalents – For purposes of the financial statements, the Foundation considers all liquid investments having initial maturities of three months or less to be cash. Only the balances held in the Foundation’s operating accounts are reported as cash. Cash and cash equivalents held as part of the Foundation’s investment portfolio, and where management’s intention is to use the cash to acquire investments to be held long-term, are classified as investments.

Investments – Investments in marketable securities with readily determinable fair values and all investments in debt securities are carried at their fair value in the statement of financial position. Whenever available, quotations from organized securities exchanges are used as the basis for fair value. For investments not traded on organized exchanges, fair value estimates are provided by investment managers. For applicable investments, manager-reported net asset value (“NAV”) is used as a practical expedient to estimate fair value. Valuations provided by fund managers consider variables such as the financial performance and sales of underlying investments and other pertinent information. The organization reviews valuations and assumptions provided by fund managers for reasonableness and believes that the carrying amounts of these financial instruments are reasonable estimates of fair value.

Net investment return, which includes both current yield (interest and dividend income) and net appreciation (decline) in the fair value of investments (both the realized gains or losses and the unrealized appreciation (decline) of those investments), is reported in the statement of activities, net of investment expenses. Interest income is accrued as earned. All security transactions are recorded on a trade date basis.

Capital Assets and Depreciation – Property and equipment are carried at cost, and initially at fair value when acquired by gift. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets, which is generally three to five years for furniture and equipment. Leasehold improvements are amortized over the lesser of the term of the lease or remaining useful life of the improvements, which is generally three years.

Beneficial Interest in Trusts – The Foundation receives contributions of property in which the donor or donor-designated beneficiary may retain a life interest. The assets are invested and administered by the Foundation as trustee, and distributions are made to the beneficiaries during the term of the agreement. These funds are generally invested in a mix of investments. The Foundation records its interest in these trusts at fair value based on estimated future cash receipts. Subsequent adjustments to the assets' carrying value are reported in the accompanying statement of changes in net assets as "net appreciation (decline) in the actuarial value of charitable trust and gift annuity agreements."

Obligations Under Split-Interest Agreements – Obligations under split-interest agreements, including charitable remainder trusts and charitable gift annuities, are recorded when incurred at the present value of the distributions to be made to the donor-designated beneficiaries. Distributions are paid over the lives of the beneficiaries or another specified period. Present values are determined using discount rates established by the Internal Revenue Service and actuarially-determined expected lives. Obligations under split-interest agreements are revalued annually at December 31 to reflect actual experience; the discount rate is not changed. The net revaluations, together with any remaining recorded obligations after all trust or gift obligations under terminated agreements have been satisfied, are reported in the accompanying financial statements as "net appreciation (decline) in the actuarial value of charitable trust and gift annuity agreements."

Grants – Grants are made from available income and principal in accordance with restrictions imposed by donors and as approved by the Board of Directors. Grants are accrued when awarded and no longer conditional.

Operations – Results from operations are reported in the accompanying statement of operations as all transactions increasing or decreasing net assets without donor restrictions, except for the net unrealized appreciation (decline) in the fair value of long-term investments and changes associated with charitable trust and gift annuity agreements.

Income Taxes – The Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law, and has been classified as a public charity as defined in Sections 170(b)(1)(A)(vi) and 509(a)(1).

Concentrations of Credit Risk – The Foundation's financial instruments consist primarily of cash equivalents, various mutual funds, and investments in private equity funds, which may subject the organization to concentrations of credit risk as, from time to time, for example, cash balances may exceed amounts insured by the Federal Deposit Insurance Corporation ("FDIC"). In addition, the market value of securities is dependent on the ability of the issuer to honor its contractual commitments, and the investments are subject to changes in market values.

All checking and savings accounts, money market deposit accounts, and certificates of deposit are insured by the FDIC for up to \$250,000 for each depositor, for each insured bank, for each account ownership category.

Certain receivables also may, from time to time, subject the Foundation to concentrations of credit risk. To minimize its exposure to significant losses from customer or donor insolvencies, management evaluates the financial condition of its customers and donors, and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics. When necessary, receivables are reported net of an allowance for uncollectible accounts.

Subsequent Events – Subsequent events have been evaluated by management through April 29, 2021, which is the date the financial statements were available to be issued.

Summarized Financial Information for 2019 – The accompanying financial information as of and for the year ended December 31, 2019 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

Other Significant Accounting Policies – Other significant accounting policies are set forth in the financial statements and the following notes.

3. Investments

The following summarizes the investments held by the Foundation at December 31, 2020:

Interest in private equity partnerships:

Global equity fund	\$ 14,760,221
Absolute return fund	1,768,750
Diversified income fund	4,997,976
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	21,526,947
Cash sweep accounts	104,976
	<hr/>
	\$ 21,631,923

Investment performance is reviewed on a quarterly basis by the Investment Committee of the Foundation's Board of Directors.

4. Investments of Assets Associated with Charitable Gift Annuity Agreements

Having entered into 66 charitable gift annuity agreements since 1994, the Foundation held 8 charitable gift annuities at December 31, 2020. Under the terms of these gifts, the Foundation has agreed, in return for gifted assets, to make payments to gift beneficiaries for the balance of their lives. Upon the death of the beneficiary (and, in certain cases, the beneficiary's spouse), the Foundation will receive the balance of the remaining assets.

At December 31, 2020, the Foundation held \$631,987 in assets associated with these gift annuities, as follows:

Fixed income mutual funds:

Intermediate-bond fund	\$ 186,644
Short-term bond fund	55,513
Multi-sector bond fund	22,527
Core bond fund	12,551
High Yield bond fund	18,770
	<hr/>
	296,005

Equity mutual funds:

U.S. large blend	90,388
Foreign large growth	28,478
U.S. small-cap index	23,896
Emerging markets large blend	52,430
U.S. mid-cap index	39,773
U.S. large growth	74,018
World allocation large value	13,995
U.S. commodities	12,546
	<hr/>
	335,524
Cash sweep accounts	458
	<hr/>
	\$ 631,987

The Foundation also recorded a liability for these charitable gift annuities, representing the actuarially-determined present value of the estimated future payments to be made to the beneficiaries, using discount rates that range from 2.95% to 11.45%. The liability recorded at December 31, 2020 totaled \$220,633.

Section 731.038 of the Oregon Revised Statutes applies to all charitable organizations that issue charitable gift annuities. It requires that issuing organizations (1) have a minimum of \$300,000 in net assets, as shown by annual audited financial statements prepared by an independent certified public accountant; (2) have been in continuous operation for at least five years; and (3) maintain a separate and distinct trust fund as a reserve fund adequate to meet the future payments under all outstanding annuity agreements.

5. Assets Held in Charitable Trust

The Foundation is the trustee and the remainderman of a charitable remainder trust. The terms of the trust agreement require that the trust's current beneficiary be paid annually an amount equal to 5.0% of the fair value of the trust as of January 1 of each year. Upon the death of the beneficiary, 50% of the remaining assets will revert to the Foundation.

At December 31, 2020, charitable trust assets with a fair value totaling \$984,597 were held by the Foundation and invested as follows:

Fixed income mutual funds:

Intermediate-bond fund	\$	313,917
Short-term bond fund		77,793
Multi-sector bond fund		28,981
High Yield bond fund		29,158
		<hr/>
		449,849

Equity mutual funds:

U.S. large blend		138,372
Foreign large growth		48,067
U.S. small-cap index		34,500
Emerging markets large blend		98,445
U.S. mid-cap index		73,962
U.S. large growth		85,478
U.S. commodities		37,367
		<hr/>
		516,191

Cash sweep and checking accounts		18,557
		<hr/>
	\$	984,597

The Foundation has recorded a liability associated with this trust totaling \$763,793 at December 31, 2020. Of this total, \$542,992 represents the actuarially-determined present value of the estimated future payments to be made to the beneficiary using a discount rate of 6.725%. The balance of \$220,801 represents the estimated present value of the remainder portion of the trust that is payable to another organization.

6. Property and Equipment

A summary of property and equipment at December 31, 2020 is as follows:

Furniture and equipment	\$	39,830
Leasehold improvements		24,209
		<hr/>
		64,039
Less accumulated depreciation		(64,039)
		<hr/>
	\$	—

7. Net Asset Balances at December 31, 2020

At December 31, 2020, the Foundation's net assets totaled \$22,482,486 and were restricted by donors, designated by the Board, or undesignated, as follows:

Resident Assistance Fund	\$	17,238,782
General Fund		4,989,579
Willamette View Community Projects Fund		254,125
		<hr/>
	\$	22,482,486

8. Contributions

Contributions for the year ended December 31, 2020 are summarized as follows:

Contributions without donor restrictions:

Contributions	\$	2,200
Bequests and legacies		118,116
		<hr/>
		120,316

Contributions with donor restrictions:

Contributions		4,900
Bequests and legacies		5,000
		<hr/>
		9,900

Total 2020 contributions	\$	130,216
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9. Net Assets Released from Restrictions

During the year ended December 31, 2020, the Foundation incurred \$126,197 in expenses in satisfaction of the restricted purposes specified by the donors, or by occurrence of other events specified by donors.

10. Functional Expenses

The costs of operating the Foundation and overseeing its general activities and programs are reported as operating expenses.

Certain categories of expenses are attributable to one or more program or supporting functions of the Foundation and, therefore, require allocation on a reasonable basis that is consistently applied. Those expenses include salaries and related expenses, insurance, occupancy, office expenses, and depreciation, which are allocated on the basis of estimates of time and effort.

Expenses on a functional basis for the year ended December 31, 2020 are summarized as follows:

	Program services	Management and general	Fund-raising	Total
Assistance to residents	\$ 126,852	—	—	126,852
Salaries and related expenses	221,237	39,738	7,646	268,621
Professional services	89	26,704	—	26,793
Insurance	30,399	5,460	1,051	36,910
Occupancy	36,508	6,557	1,262	44,327
Office expenses	12,345	2,217	427	14,989
Promotion	—	3,643	—	3,643
Other	—	4,762	—	4,762
	300,578	89,081	10,386	400,045
	\$ 427,430	89,081	10,386	526,897

11. Operating Lease Commitments

The Foundation leases office space and certain office equipment under operating leases that expire in December 2021 and January of 2023, respectively. The Foundation's future annual lease commitments under these agreements are as follows:

Years ending December 31,	
2021	\$ 40,045
2022	5,305
2023	442
	\$ 45,792

Office lease and equipment rent expense for the year ended December 31, 2020 totaled \$39,508.

12. Retirement Plan

The Foundation provides all employees with a defined contribution retirement savings plan, as described under Section 401(k) of the Internal Revenue Code. Participating employees may make voluntary contributions to the plan on a pre-tax basis, up to the limits allowed by law, from the first day of the month following one year of employment. The Foundation makes an annual safe harbor contribution equal to 3% of the annual compensation of each employee. Employees are fully vested in this contribution amount at all times. In addition, the Foundation makes an additional contribution of 2% of the annual compensation of each eligible employee. Employees vest in the 2% additional employer contribution at the rate of 20% annually, starting on the second year of service and are fully vested upon completion of the sixth year of service. Employees select from among several investment options. Foundation contributions to the plan totaled \$10,658 for the year ended December 31, 2020.

13. Financial Management Services

Consistent with its charitable purposes, the Foundation also provides certain financial management services for qualified residents of Willamette View who request such services. These funds of the residents: (i) totaled \$11,952,164 as of December 31, 2020, (ii) constitute neither assets nor liabilities of the Foundation, and (iii) consequently, are not included in the accompanying financial statements.

14. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure within one year of the statement of financial position date comprise the following at December 31, 2020:

Cash and cash equivalents	\$	80,747
Contributions receivable		114,500
Investments		21,631,923
		<hr/>
		21,827,170
Less financial assets restricted, designated, or appropriated for investment purposes, and not available for expenditure		(21,111,923)
	\$	<hr/>
		715,247

As part of its liquidity management, the Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In conjunction with this policy, and as a part of the annual budget process, each year the Board of Directors appropriates an amount of funds from the investment portfolio to meet the Foundation's cash needs in the coming year.

15. Fair Value Measurements

Included in the accompanying financial statements are certain financial instruments carried at fair value. These instruments include:

- Investments
- Investment of assets associated with gift annuities agreements
- Assets held in charitable trust

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale; similarly, the fair value of a liability is the amount at which the liability could be transferred in a current transaction between willing parties. Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality.

All financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined under generally accepted accounting principles. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Investments valued using the net asset value practical expedient are excluded from the fair value hierarchy.

At December 31, 2020, the Foundation's financial assets that are included in the fair value hierarchy consist of investments (see notes 3, 4, and 5), which are measured at fair value on a recurring basis using quoted prices for identical assets (i.e., Level 1). At December 31, 2020, investments measured at fair value on a recurring basis were as follows:

Investments held for charitable gift annuities and charitable trusts included in the fair value hierarchy (notes 4 and 5):

Fixed-income mutual funds	\$	745,854
Equity mutual funds		851,715

1,597,569

Investments measured at net asset value (note 3):

Investments in private equity partnerships ¹	21,526,947
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Total investments at fair value \$ 23,124,516

¹ The fair value of the Foundation's investment in private equity partnerships is based on the net asset value of the Foundation's ownership interest in the partner's capital, which includes assumptions and methods that are prepared by the general partners of the limited partnerships and were reviewed by the Foundation's management.

The following table provides additional information regarding the nature, characteristics, and risks of the investments measured at fair value using the net asset per share value at December 31, 2020:

	Redemption frequency	Redemption notice	Amount
Global equity	monthly	16 days	\$ 14,760,221
Absolute return Diversified	quarterly	90 days	1,768,750
Income	monthly	15 days	4,997,976
			\$ 21,526,947

There were no outstanding commitments to these funds at December 31, 2020.

16. Statement of Cash Flows Reconciliation

The following presents a reconciliation of the increase in net assets (as reported on the statement of changes in net assets) to net cash used in operating activities (as reported on the statement of cash flows):

Increase in net assets	\$ 3,049,962
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Adjustments to reconcile increase in net assets to net cash used in operating activities:

Net appreciation in the fair value of investments	(3,421,436)
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Net increase in the actuarial value of charitable trust and gift annuity agreements	(25,207)
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Net changes in:

Contributions receivable	(114,500)
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Prepaid expenses and other assets	(1,832)
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Accounts payable and accrued expenses	8,218
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Total adjustments	(3,554,757)
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Net cash used in operating activities	\$ (504,795)
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17. Coronavirus Pandemic

In March 2020, the World Health Organization characterized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. The COVID-19 pandemic has caused business disruption through mandated and voluntary closings of multiple businesses. It is anticipated that the effects of these events will continue for some time. At the present time, the ultimate future effects of these issues are unknown, however the Foundation does not expect these events to have any significant impact on its operations nor its ability to support its constituent.

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WILLAMETTE VIEW FOUNDATION
SCHEDULE OF CHANGES IN NET ASSETS BY FUND

YEAR ENDED DECEMBER 31, 2020

	Without donor restrictions			Restricted by donors	With donor restrictions				Total all funds
	Undesignated General Fund	Designated by Board for Resident Assistance Fund	Total without donor restrictions		Charitable trust and gift annuity agreements			Total with donor restrictions	
				Resident Assistance Fund	General Fund	Resident Assistance Fund	Willamette View Community Projects Fund		
Net assets at January 1, 2020	\$ 4,257,342	13,705,130	17,962,472	964,309	233,008	27,497	245,238	1,470,052	19,432,524
Revenues:									
Contributions	120,316	–	120,316	9,900	–	–	–	9,900	130,216
Net appreciation in the fair value of investments	758,532	2,662,904	3,421,436	–	–	–	–	–	3,421,436
Net increase in the actuarial value of charitable trust and gift annuity agreements	–	–	–	–	20,426	(4,106)	8,887	25,207	25,207
Total revenues and gains	878,848	2,662,904	3,541,752	9,900	20,426	(4,106)	8,887	35,107	3,576,859
Transfer to fund charitable gift annuities fund	(655)	–	(655)	–	655	–	–	655	–
Total revenues, gains, and other support	878,193	2,662,904	3,541,097	9,900	21,081	(4,106)	8,887	35,762	3,576,859
Expenses:									
Assistance to residents, grants and other distributions	–	–	–	(126,852)	–	–	–	(126,852)	(126,852)
Operating expenses	(400,045)	–	(400,045)	–	–	–	–	–	(400,045)
Total expenses	(400,045)	–	(400,045)	(126,852)	–	–	–	(126,852)	(526,897)
Increase (decrease) in net assets	478,148	2,662,904	3,141,052	(116,952)	21,081	(4,106)	8,887	(91,090)	3,049,962
Net assets at December 31, 2020	\$ 4,735,490	16,368,034	21,103,524	847,357	254,089	23,391	254,125	1,378,962	22,482,486

WILLAMETTE VIEW FOUNDATION

GOVERNING BOARD, MANAGEMENT, AND ADVISORS

BOARD OF DIRECTORS AND OFFICERS

Christie Geiger, *President*
Mike Gallagher, *Vice-President*
Ron Gustafson, *Secretary/Treasurer*
Carol Cameron
Jonathan Enz
Elise Meyers

INVESTMENT COMMITTEE

Christie Geiger, *Chair*
Greg Default
Dennis Braun
Michael Gallagher
Jonathan Enz

EXECUTIVE MANAGEMENT

Diane M. Wernli
Executive Director

ATTORNEYS

Michael Licurse, *Attorney-at-Law*
Wyse Kadish, *LLP*

INVESTMENT ADVISORS

Adam J. Dale
Senior Vice President
Investment Officer
Wells Fargo Advisors, LLC

Aaron Azelton
Managing Director, Partner
Angeles Investment Advisors, LLC

INDEPENDENT ACCOUNTANTS

Gary McGee & Co. *LLP*

WILLAMETTE VIEW FOUNDATION

INQUIRIES AND OTHER INFORMATION

For more information, please call or write:

WILLAMETTE VIEW FOUNDATION

11226 S.E. 21st Avenue
Portland, Oregon 97222

(971) 233-8956

(971) 233-8960 Fax

E-mail:

diane@willametteviewfoundation.org

Web:

www.willametteviewfoundation.org

