



GaryMcGee & Co. LLP
CERTIFIED PUBLIC ACCOUNTANTS

Willamette View Foundation

Financial Statements and Other Information
as of and for the Year Ended December 31, 2023
and Report of Independent Accountants

WILLAMETTE VIEW FOUNDATION

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REPORT OF INDEPENDENT ACCOUNTANTS

*The Board of Directors
Willamette View Foundation:*

Opinion

We have audited the accompanying financial statements of the Willamette View Foundation, which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2023, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

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 through 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 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 29, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.



April 28, 2024

WILLAMETTE VIEW FOUNDATION
STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023
(WITH COMPARATIVE AMOUNTS FOR 2022)

	2023	2022
Assets:		
Cash and cash equivalents	\$ 67,155	38,413
Contributions receivable <i>(note 3)</i>	600,000	–
Prepaid expenses and other assets	50,965	50,454
Investments <i>(note 4)</i>	20,810,285	18,935,561
Investments of assets associated with charitable gift annuity agreements <i>(note 5)</i>	506,785	496,337
Assets held in charitable trust <i>(note 6)</i>	868,277	816,704
Right-of-use assets – operating leases <i>(note 12)</i>	44,839	90,030
Property and equipment <i>(note 7)</i>	–	–
Total assets	\$ 22,948,306	20,427,499
Liabilities:		
Accounts payable and accrued expenses	33,500	27,900
Lease liabilities – operating leases <i>(note 12)</i>	44,839	90,030
Liabilities associated with charitable gift annuity agreements <i>(note 5)</i>	124,429	154,506
Liabilities associated with charitable trust agreement <i>(note 6)</i>	659,091	624,724
Total liabilities	861,859	897,160
Net assets <i>(note 8)</i>:		
Without donor restrictions:		
Designated by the Board for the Resident Assistance Fund	17,356,272	14,987,184
Undesignated – General Fund	4,282,093	3,584,108
Total without donor restrictions	21,638,365	18,571,292
With donor restrictions:		
<i>Charitable gift annuities and trusts held for the benefit of the:</i>		
Willamette View Community Projects Fund	143,547	139,118
General Fund	209,183	191,977
Resident Assistance Fund	4,797	7,561
<i>Other restricted net assets:</i>		
Willamette View Community Projects Fund	66,511	36,586
Resident Assistance Fund	24,044	583,805
Total with donor restrictions	448,082	959,047
Total net assets	22,086,447	19,530,339
Commitments and contingencies <i>(note 13)</i>		
Total liabilities and net assets	\$ 22,948,306	20,427,499

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023		Total	2022
	Without donor restrictions	With donor restrictions		
Revenues, gains, and other support:				
Contributions (<i>note 9</i>)	\$ 601,603	244	601,847	5,615
Net investment return	2,939,735	–	2,939,735	(4,034,460)
Net appreciation (decline) in the actuarial value of charitable trust and gift annuity agreements	–	57,730	57,730	(164,770)
Total revenues and gain	3,541,338	57,974	3,599,312	(4,193,615)
Net assets released from restrictions (<i>note 10</i>)	568,939	(568,939)	–	–
Total revenues, gains, and other support	4,110,277	(510,965)	3,599,312	(4,193,615)
Grants and expenses (<i>note 11</i>):				
Assistance to residents of Willamette View	572,240	–	572,240	114,551
Operating expenses	470,964	–	470,964	427,641
Total grants and expenses	1,043,204	–	1,043,204	542,192
Increase (decrease) in net assets	3,067,073	(510,965)	2,556,108	(4,735,807)
Net assets at beginning of year	18,571,292	959,047	19,530,339	24,266,146
Net assets at end of year	\$ 21,638,365	448,082	22,086,447	19,530,339

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
Cash flows from operating activities:		
Cash received from contributors and others	\$ 1,847	25,615
Cash payments made on behalf of Willamette View residents	(572,240)	(114,551)
Cash paid to employees and suppliers	(419,921)	(381,613)
Cash paid for amounts included in the measurement of operating lease liabilities	(45,954)	(44,329)
Net cash used in operating activities	(1,036,268)	(514,878)
Cash flows from investing activities:		
Proceeds from the sale of investments	1,153,848	607,153
Net cash provided by investing activities	1,153,848	607,153
Cash flows from financing activities:		
Distributions made under charitable trust and gift annuity agreements	(88,838)	(102,144)
Net cash used in financing activities	(88,838)	(102,144)
Net increase (decrease) in cash and cash equivalents	28,742	(9,869)
Cash and cash equivalents at beginning of year	38,413	48,282
Cash and cash equivalents at end of year	\$ 67,155	38,413

See accompanying notes to financial statements.

WILLAMETTE VIEW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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 Life Plan Community, also known as 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, 2023, 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, 2023, no contributed land, buildings, equipment, or other materials were recorded.

Cash Equivalents – For purposes of the financial statements, all liquid investments held in the Foundation's operating accounts with initial maturities of three months or less are reported as cash and cash equivalents. 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 Foundation 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.

Right-of-Use Asset and Lease Liability – The Foundation recognizes a right-of-use asset and a lease liability, initially measured at the present value of the lease payments for operating leases not classified as short-term leases. The obligations associated with the leases are recognized as a liability based on the discounted future lease payments using the risk-free rate of return. Lease terms may include options to extend or terminate certain leases which are included in the lease valuation if it is reasonably certain that management will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the term of the lease.

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.

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 28, 2024, which is the date the financial statements were available to be issued.

Summarized Financial Information for 2022 – The accompanying financial information as of and for the year ended December 31, 2022 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. Contributions Receivable

Contributions receivable at December 31, 2023, represent unconditional promises expected to be collected within one year totaling \$600,000.

4. Investments

The following summarizes the investments held by the Foundation at December 31, 2023:

Fixed Income:

U.S. Treasury bills	\$ 1,152,747
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Equity Mutual Funds:

U.S. large blend	2,321,592
Foreign large blend	1,460,592

3,782,184

Interest in Angeles Funds:

Global equity fund	10,667,621
Diversified income fund	4,465,447
Absolute return fund	702,192

15,835,260

Cash sweep accounts	40,094
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\$ 20,810,285

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

5. Investments of Assets Associated with Charitable Gift Annuity Agreements

The Foundation held four charitable gift annuities at December 31, 2023. 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, 2023, the Foundation held assets associated with these gift annuities, as follows:

Fixed income mutual funds:

Intermediate bond fund	\$ 150,339
Multi-sector bond fund	23,251
U.S. government	38,810

212,400

Equity mutual funds:

U.S. large blend	115,509
U.S. large growth	70,878
U.S. mid-cap index	31,859
U.S. small-cap index	27,705
Foreign large blend	23,941
U.S. commodities	23,371

293,263

Cash sweep accounts	1,122
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\$ 506,785

The Foundation also recorded a liability for these charitable gift annuities, representing the 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, 2023 totaled \$124,429.

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.

6. 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, 2023, charitable trust assets were held by the Foundation and invested as follows:

Fixed income mutual funds:

Intermediate bond fund	\$	226,555
Multi-sector bond fund		25,415
U.S. government		127,701
		<hr/>
		379,671

Equity mutual funds:

U.S. large blend		184,987
U.S. mid-cap index		83,513
U.S. large growth		79,975
U.S. small-cap index		38,245
U.S. commodities		34,047
Foreign large blend		56,612
		<hr/>
		477,379
		<hr/>
Cash sweep and checking accounts		11,227
		<hr/>
	\$	868,277

The Foundation has recorded a liability associated with this trust totaling \$659,091 at December 31, 2023. Of this total, \$449,905 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 \$209,186 represents the estimated present value of the remainder portion of the trust that is payable to another organization.

7. Property and Equipment

A summary of property and equipment at December 31, 2023 is as follows:

Furniture and equipment	\$	36,939
Leasehold improvements		24,209
		<hr/>
		61,148
Less accumulated depreciation		(61,148)
		<hr/>
	\$	—

8. Net Assets at Year-End

At December 31, 2023, the Foundation's net assets were restricted by donors, designated by the Board, or undesignated, as follows:

Resident Assistance Fund	\$	17,385,113
General Fund		4,491,276
Willamette View Community Projects Fund		210,058
		<hr/>
	\$	22,086,447

9. Contributions

Contributions for the year ended December 31, 2023 are summarized as follows:

Contributions without donor restrictions:

Bequests and legacies	\$	600,103
Contributions		1,500
		<hr/>
		601,603

Contributions with donor restrictions:

Contributions		244
		<hr/>
		244
		<hr/>
Total 2023 contributions	\$	601,847

10. Net Assets Released from Restrictions

During the year ended December 31, 2023, the Foundation incurred \$568,939 in expenses in satisfaction of the restricted purposes specified by the donors, or by the occurrence of other events specified by donors.

11. Grants and 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, 2023 are summarized as follows:

	Program services	Management and general	Fund-raising	Total
Assistance to residents	\$ 572,240	–	–	572,240
Salaries and related expenses	240,472	49,945	8,712	299,129
Professional services	12,917	31,838	–	44,755
Insurance	32,924	6,838	1,193	40,955
Occupancy	39,442	8,192	1,429	49,063
Office expenses	13,398	2,783	485	16,666
Promotion	–	13,732	–	13,732
Other	–	6,664	–	6,664
	339,153	119,992	11,819	470,964
	\$ 911,393	119,992	11,819	1,043,204

12. Operating leases

The Foundation leases office space and certain office equipment under operating leases agreements that expire in December 2024 and January of 2025, respectively. Right-of-use assets and associated operating lease liabilities totaling \$44,839 have been recorded for these leases in accordance with Topic 842.

Future Lease Payments

At December 31, 2023, the Foundation's aggregate annual lease commitments under noncancelable operating leases with terms of one year or more are as follows:

<i>Years ending December 31,</i>	
2024	\$ 46,889
2025	712
	47,601
Less present value discount	(2,762)
Total lease liability	\$ 44,839

Lease expense related to these operating leases totaled \$45,954 for the year ended December 31, 2023.

13. 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 eligible 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. Foundation contributions to the plan totaled \$12,046 for the year ended December 31, 2023.

14. 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 \$5,753,181 as of December 31, 2023, (ii) constitute neither assets nor liabilities of the Foundation, and (iii) consequently, are not included in the accompanying financial statements.

15. 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, 2023:

Cash and cash equivalents	\$ 67,155
Contributions receivables	600,000
Investments	20,810,285
	<hr/>
	21,477,440
Less financial assets restricted, designated, or appropriated for investment purposes, and not available for expenditure	(20,650,285)
	<hr/>
	\$ 827,155
	<hr/>

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.

16. 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, 2023, the Foundation's financial assets that are included in the fair value hierarchy consist of investments (see notes 4, 5, and 6), which are measured at fair value on a recurring basis using quoted prices for identical assets (i.e., Level 1).

At December 31, 2023, investments measured at fair value on a recurring basis were as follows:

<i>Investment included in the fair value hierarchy (notes 4, 5, and 6)</i>	
U.S. Treasury bills	1,152,747
Fixed-income mutual funds	592,071
Equity mutual funds	4,552,826
	6,297,644
<i>Investments measured at net asset value (note 4):</i>	
Interest in Angeles Funds ¹	15,835,260
Total investments at fair value	\$ 22,132,904

¹ The fair value of the Foundation's investment in Angeles Funds is based on the net asset value of the Foundation's ownership interest in the funds' capital, which includes assumptions and methods that are prepared by the general partners of the funds 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, 2023:

	Redemption frequency	Redemption notice	Amount
Global equity	monthly	16 days	\$ 10,667,621
Diversified income	monthly	15 days	4,465,447
Absolute return	quarterly	90 days	702,192
			\$ 15,835,260

There were no outstanding commitments to these funds at December 31, 2023.

17. 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	\$ 2,556,108
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<i>Adjustments to reconcile increase in net assets to net cash used in operating activities:</i>	
Net appreciation in the fair value of investments	(2,939,735)
Net appreciation in the actuarial value of charitable trust and gift annuity agreements	(57,730)
Amortization of ROU assets	45,191
<i>Net changes in:</i>	
Contributions receivable	(600,000)
Prepaid expenses and other assets	(511)
Accounts payable and accrued expenses	5,600
Lease liabilities – operating leases	(45,191)
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Total adjustments	(3,592,376)
<hr/>	
Net cash used in operating activities	\$ (1,036,268)
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WILLAMETTE VIEW FOUNDATION
SCHEDULE OF CHANGES IN NET ASSETS BY FUND

YEAR ENDED DECEMBER 31, 2023

	Without donor restrictions			With donor restrictions						Total with donor restrictions	Total all funds
	Undesignated General Fund	Designated by Board for Resident Assistance Fund	Total without donor restrictions	Restricted by donors		Charitable trust and gift annuity agreements					
				Resident Assistance Fund	Willamette View Community Projects Fund	General Fund	Resident Assistance Fund	Willamette View Community Projects Fund			
Net assets at January 1, 2023	\$ 3,584,108	14,987,184	18,571,292	583,805	36,586	191,977	7,561	139,118	959,047	19,530,339	
Revenues:											
Contributions	601,603	–	601,603	244	–	–	–	–	244	601,847	
Net investment return	567,346	2,372,389	2,939,735	–	–	–	–	–	–	2,939,735	
Net appreciation in the actuarial value of charitable trust and gift annuity agreements	–	–	–	–	–	17,206	6,170	34,354	57,730	57,730	
Total revenues and gains	1,168,949	2,372,389	3,541,338	244	–	17,206	6,170	34,354	57,974	3,599,312	
Net transfer upon termination of charitable gift annuities	–	(3,301)	(3,301)	12,235	29,925	–	(8,934)	(29,925)	3,301	–	
Total revenues, gains, and other support	1,168,949	2,369,088	3,538,037	12,479	29,925	17,206	(2,764)	4,429	61,275	3,599,312	
Expenses:											
Assistance to residents, grants and other distributions	–	–	–	(572,240)	–	–	–	–	(572,240)	(572,240)	
Operating expenses	(470,964)	–	(470,964)	–	–	–	–	–	–	(470,964)	
Total expenses	(470,964)	–	(470,964)	(572,240)	–	–	–	–	(572,240)	(1,043,204)	
Increase (decrease) in net assets	697,985	2,369,088	3,067,073	(559,761)	29,925	17,206	(2,764)	4,429	(510,965)	2,556,108	
Net assets at December 31, 2023	\$ 4,282,093	17,356,272	21,638,365	24,044	66,511	209,183	4,797	143,547	448,082	22,086,447	

WILLAMETTE VIEW FOUNDATION

GOVERNING BOARD, MANAGEMENT, AND ADVISORS

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Greg Dufault, *Vice-President*
Ron Gustafson, *Secretary/Treasurer*
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Diane M. Wernli
Executive Director

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Hathaway Larson, LLP

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Investment Officer
Wells Fargo Advisors

Aaron Azelton
Managing Director, Partner
Angeles Investments

INDEPENDENT ACCOUNTANTS

Gary McGee & Co. LLP

WILLAMETTE VIEW FOUNDATION
INQUIRIES AND OTHER INFORMATION

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