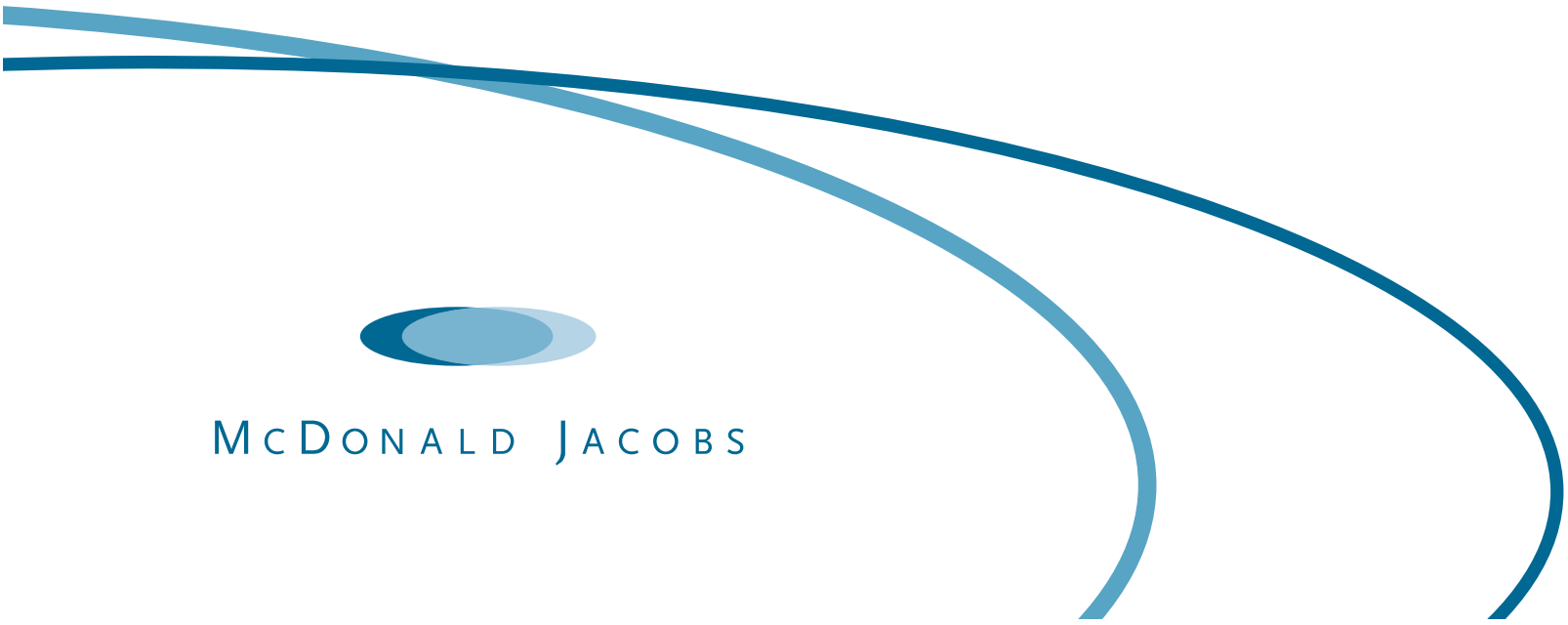
NORTHWEST PILOT PROJECT, INC.

Audited Financial Statements

For The Year Ended June 30, 2026



McDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Northwest Pilot Project, Inc.

Opinion

We have audited the accompanying financial statements of Northwest Pilot Project, Inc. (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2026, and the related statements of activities, functional expenses, 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 Northwest Pilot Project, Inc. as of June 30, 2026, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Northwest Pilot Project, Inc. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Northwest Pilot Project, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 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 Northwest Pilot Project, Inc.'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 Northwest Pilot Project, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Northwest Pilot Project, Inc.'s 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 22, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

McDonald Jacobs, P.C.

Portland, Oregon
October 28, 2026

NORTHWEST PILOT PROJECT, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2026
(With comparative totals for 2025)

	2026	2025
ASSETS		
Cash and cash equivalents	$ 588,927	$ 296,251
Government grants receivable	411,738	256,774
Other grant receivable	24,069	40,000
Prepaid expenses	75,485	77,202
Right-of-use assets	561,033	752,920
Property and equipment, net	130,454	97,303
Investments	2,484,577	3,130,438
TOTAL ASSETS	$ 4,276,283	$ 4,650,888
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 152,903	$ 143,599
Accrued sabbatical benefit, net	142,411	152,923
Operating lease liabilities	632,293	838,704
Total liabilities	927,607	1,135,226
Net assets:		
Without donor restrictions:		
Undesignated	733,645	192,333
Board designated endowment	2,050,285	2,705,821
Net property and equipment	130,454	97,303
Total without donor restrictions	2,914,384	2,995,457
With donor restrictions	434,292	520,205
Total net assets	3,348,676	3,515,662
TOTAL LIABILITIES AND NET ASSETS	$ 4,276,283	$ 4,650,888

See notes to financial statements.

NORTHWEST PILOT PROJECT, INC.
STATEMENT OF ACTIVITIES
For the year ended June 30, 2026
(With comparative totals for 2025)

	2026			
	Without Donor Restrictions	With Donor Restrictions	Total	2025 Total
Support and revenue:				
Government grants	$ 3,880,916	$ -	$ 3,880,916	$ 3,119,011
Contributions and grants	746,389	109,050	855,439	938,518
Special events, net of direct costs of $21,897 for 2026 and $23,033 for 2025	120,373	-	120,373	131,006
Miscellaneous income	4,388	-	4,388	4,911
Net assets released from restrictions:				
Satisfaction of purpose restrictions	241,189	(241,189)	-	-
Total support and revenue	4,993,255	(132,139)	4,861,116	4,193,446
Expenses:				
Program services	4,788,151	-	4,788,151	4,501,506
Management and general	477,448	-	477,448	563,450
Fundraising	145,507	-	145,507	164,323
Total expenses	5,411,106	-	5,411,106	5,229,279
Change in net assets before investment income	(417,851)	(132,139)	(549,990)	(1,035,833)
Investment income, net	336,778	46,226	383,004	373,843
Change in net assets	(81,073)	(85,913)	(166,986)	(661,990)
Net assets:				
Beginning of year	2,995,457	520,205	3,515,662	4,177,652
End of year	$ 2,914,384	$ 434,292	$ 3,348,676	$ 3,515,662

See notes to financial statements.

NORTHWEST PILOT PROJECT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2026
(With comparative totals for 2025)

	Program Services						
	Housing	Advocacy	Total Program Services	Management and General	Fundraising	2026 Total	2025 Total
Personnel costs	$ 2,697,103	$ 137,937	$ 2,835,040	$ 402,922	$ 113,302	$ 3,351,264	$ 3,103,000
Emergency assistance	1,483,093	-	1,483,093	-	-	1,483,093	1,532,031
Occupancy	217,800	7,616	225,416	25,349	4,750	255,515	255,140
Professional services	62,682	2,168	64,850	30,931	4,634	100,415	108,998
Newsletter	12,851	-	12,851	-	5,292	18,143	16,780
Supplies	33,493	597	34,090	1,733	21,970	57,793	57,293
Insurance	22,950	810	23,760	4,918	506	29,184	25,614
Printing	513	-	513	-	661	1,174	10,548
Transportation	20,863	447	21,310	1,267	1,672	24,249	29,403
Telephone	20,844	696	21,540	2,316	434	24,290	19,617
Postage	3,955	138	4,093	480	5,699	10,272	7,415
Conferences and training	14,848	3,645	18,493	2,188	273	20,954	18,631
Miscellaneous	18,639	884	19,523	2,772	7,729	30,024	38,617
Depreciation and amortization	22,809	770	23,579	2,572	482	26,633	29,225
	4,632,443	155,708	4,788,151	477,448	167,404	5,433,003	5,252,312
Less special event direct benefit costs	-	-	-	-	(21,897)	(21,897)	(23,033)
Total expenses	$ 4,632,443	$ 155,708	$ 4,788,151	$ 477,448	$ 145,507	$ 5,411,106	$ 5,229,279

See notes to financial statements.

NORTHWEST PILOT PROJECT, INC.
STATEMENT OF CASH FLOWS
For the year ended June 30, 2026
(With comparative totals for 2025)

	2026	2025
Cash flows from operating activities:		
Cash received from grantors and contributors	$ 4,743,980	$ 4,293,364
Interest and dividends received	60,395	95,098
Cash paid to suppliers and employees	(5,199,250)	(5,036,294)
Cash paid for operating leases	(239,009)	(230,855)
Net cash flows from operating activities	(633,884)	(878,687)
Cash flows from investing activities:		
Purchase of property and equipment	(59,784)	(14,520)
Proceeds from sale of investments	1,791,169	742,235
Purchases of investments	(804,825)	(94,319)
Net cash flows from investing activities	926,560	633,396
Net change in cash and cash equivalents	292,676	(245,291)
Cash and cash equivalents - beginning of year	296,251	541,542
Cash and cash equivalents - end of year	$ 588,927	$ 296,251
Supplemental disclosure of cash flow information:		
Non-cash investing and financing activities:		
Obtaining right-of-use assets in exchange for lease liabilities	$ 10,854	$ -

See notes to financial statements.

1. DESCRIPTION OF ORGANIZATION

Northwest Pilot Project, Inc. (the Organization) offers opportunities for a life of dignity and hope to very low-income seniors in Multnomah County by solving housing and transportation needs. The majority of the Organization's support and revenue is received from various governmental agencies, grants, and contributions.

Northwest Pilot Project, Inc.'s programs include:

Housing
The Housing Program is focused on helping low-income and very low-income seniors (age 55 and older) in Multnomah County who are capable of independent living secure rental housing that is safe, permanent, and affordable. The organization does not own or manage the housing. Instead, it leverages over 50 years of relationships with landlords, property managers, and community development partners to secure housing for those who are most vulnerable. Services include housing assessment, case management services, and housing retention services, including transportation, home visits, basic supplies, information, and referrals.

Advocacy
The Organization advocates for policies and resources that increase the supply, affordability, and accessibility of housing and expand senior-focused services and funding. Advocacy efforts are directed toward government entities, including the City of Portland, Multnomah County, the State of Oregon, and, through national partners, the federal government. The Organization also engages in advocacy and policy education with housing authorities, for-profit and nonprofit property owners and managers, and the media.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Assets
Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets 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 (or certain grantor) restrictions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Net Assets, Continued

- *Net Assets With Donor Restrictions* - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments without donor restrictions with initial maturities of three months or less at the date of purchase to be cash equivalents.

Grants Receivable

Government and other grants receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on an assessment of the credit history with those having outstanding balances and current relationships with them, management has concluded that realization losses on balances outstanding at year-end will be immaterial. Receivables are written off directly to the account balance when, in management's estimation, it is probable that the outstanding balance will not be collected.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Under FASB ASC 842, *Leases*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Leases, Continued
The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Property and Equipment
Acquisitions of property and equipment in excess of $2,500 are capitalized. Property and equipment purchased are recorded at cost. Donated assets are reflected as contributions at their estimated values on the date received. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the term of the lease.

Investments
Investments are carried at fair value. Investment income is reported as an increase in net assets without donor restrictions unless restricted by the donor in which case it is classified according to the nature of the restriction until appropriated for expenditure.

Sabbatical Leave
Beginning in 2023, the Organization implemented a sabbatical plan for long-time employees. Employees who have worked full-time for seven consecutive years are eligible for up to a 40 day sabbatical. Management accrues this benefit over time as eligible years of service are completed and applies a probability percentage to the potential liability based on years of service. The accrued liability is reported at present value and is approximately $142,000 and $153,000 at June 30, 2026 and June 30, 2025, respectively.

Revenue Recognition
Government grants are conditioned upon certain performance requirements and/or incurring allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization has been awarded cost-reimbursable grants of approximately $268,000 for the period through March 31, 2027 that have not been recognized at June 30, 2026 because qualifying expenditures have not yet been incurred.

Contributions and grants, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenue Recognition, Continued

Special events revenue is recognized based on the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Functional Expenses

The costs of providing various programs and other supporting activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include personnel, insurance, telephone, postage, professional services, supplies, printing, occupancy, depreciation and amortization, which are allocated based on full time equivalents. Also see Note 11 for allocation of joint costs relating to newsletter expenses.

Income Taxes

Northwest Pilot Project, Inc. is a nonprofit corporation exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and applicable state law. The Organization has no activities subject to unrelated business income tax. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC Topic 740 *Accounting for Uncertainty in Income Taxes.* Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this topic.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Summarized Financial Information for 2025

The financial information as of June 30, 2025 and for the year then ended is presented for comparative purposes and is not intended to be a complete financial statement presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subsequent Events
The Organization has evaluated all subsequent events through October 28, 2026, the date the financial statements were available to be issued.

3. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

Financial assets available for general expenditure consist of the following at June 30, 2026 and 2025:

	2026	2025
Cash and cash equivalents	$ 588,927	$ 296,251
Government grants receivable	411,738	256,774
Other grant receivable	24,069	40,000
Investments	2,484,577	3,130,438
	3,509,311	3,723,463
Less amounts unavailable for general expenditure:		
Board designations	(2,050,285)	(2,705,821)
Net assets with donor restrictions	(434,292)	(520,205)
Financial assets available for general expenditure	$ 1,024,734	$ 497,437

Board designated amounts are available for use by majority vote by the Board of Directors. See Note 8.

4. OPERATING LEASES

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms.

The Organization's operating leases consist of leases for office space and equipment with average remaining lease terms of approximately 2.6 years.

4. OPERATING LEASES, Continued

The office lease agreement includes provisions for variable rent payments and common area maintenance charges, which are adjusted periodically for inflation. These amounts are not included in operating lease costs. The Organization also has short-term leases for parking and storage.

The statement of financial position reflects the following right-of-use assets and liabilities at June 30, 2026 and 2025:

	2026	2025
Right-of-use-assets	$ 561,033	$ 752,920
Operating lease liabilities	$ 632,293	$ 838,704

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2026 and 2025:

	2026	2025
Weighted average remaining lease term	2.61	3.58
Weighted average discount rate	2.92%	2.91%

The maturities of operating lease liabilities as of June 30, 2026 are as follows:

Year ending June 30, 2027	$ 246,983
2028	254,171
2029	153,160
2030	2,376
2031	990
	657,680
Less discount/interest	(25,387)
Present value of lease liabilities	$ 632,293

The following summarizes the line items in the statement of functional expenses which include the components of lease expense for the years ended June 30, 2026 and 2025:

	2026	2025
Operating lease cost - occupancy	$ 218,120	$ 218,120
Operating lease cost - miscellaneous	6,365	4,979
Short-term lease cost - occupancy	37,390	36,960
	$ 261,875	$ 260,059

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2026 and 2025:

	2026	2025
Office furniture, equipment, and vehicles	$ 246,711	$ 184,314
Leasehold improvements	13,336	13,336
Website development	92,139	92,139
	352,186	289,789
Less accumulated depreciation and amortization	(221,732)	(192,486)
Net property and equipment	$ 130,454	$ 97,303

6. INVESTMENTS

Investments are stated at fair value and consist of the following at June 30, 2026 and 2025:

	2026	2025
Money market funds	$ 63,481	$ 82,355
Exchange-traded and mutual funds:		
Equity	1,741,814	2,426,016
Bond	679,282	622,067
Total investments	$ 2,484,577	$ 3,130,438
Board designated endowment	$ 2,050,285	$ 2,705,821
Donor restricted endowment	434,292	424,617
Total investments	$ 2,484,577	$ 3,130,438

7. CONTINGENCIES

Amounts received from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. It is management's belief that no significant amounts received will be required to be returned in the future.

The Organization's ERC filings approximating $261,000 remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2027. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.

8. BOARD DESIGNATED NET ASSETS

The "Board Designated Endowment" was established by the Board of Directors in the early 2000's to protect the Organization in the event of unexpected major expenses or shortages of income. The target minimum to be held in reserve for operating expenses in the event of a funding shortfall is six months. Income earned on the balance of this fund is added to the account. Action by the Board is required to use these funds. See Note 10, Endowment.

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2026 and 2025 consist of the following:

	2026	2025
Expiring restrictions:		
Endowment earnings (Note 10)	$ 231,396	$ 221,721
Program restricted:		
Continuum of care	-	65,588
Workforce retention	-	30,000
Total expiring restrictions	231,396	317,309
Perpetual restrictions-Endowment (Note 10)	202,896	202,896
Total net assets with donor restrictions	$ 434,292	$ 520,205

Net assets with perpetual donor restrictions at June 30, 2026 and 2025 consist of donor- restricted endowment funds described below. Also see Note 10, Endowment.

Volunteer Recognition Fund consists of a donor-restricted endowment of $15,000, with income earned to be used to recognize volunteers who work with the Organization.

Restricted Endowment Fund consists of a donor-restricted endowment of $187,896, with income earned restricted to program services.

10. ENDOWMENT

Northwest Pilot Project, Inc.'s endowment consists of both donor-restricted endowment funds and funds designated by the Board of Directors to function as an endowment. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of Northwest Pilot Project, Inc. has interpreted Oregon's enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA or the Act) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with perpetual restrictions, (a) the original value of gifts donated to the perpetual endowment (b) the original value of subsequent gifts to the perpetual endowment and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified as net assets with perpetual restrictions, is classified as net assets with expiring restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the Act.

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 Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and investment appreciation
(6) Other resources of the Organization
(7) The investment policies of the Organization

Investment Return Objectives, Risk Parameters and Strategies

The Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to fund cash flow needs.

10. ENDOWMENT, Continued

Spending Policies

The Organization adopted the following spending policies for endowment funds:

Board Designated Endowment (Investment Fund) - Appropriations not to exceed 10% of the average market value for the trailing three-year period. The Board appropriated additional amounts in 2025 and 2026 to fund programmatic needs.

Volunteer Recognition Fund - Annual appropriations up to $5,000 while maintaining corpus of $15,000.

Donor Restricted Endowment Fund - Appropriations not to exceed 4% of the average market value for the trailing three-year period.

Composition of endowment net assets at June 30, 2026 and 2025 is as follows:

June 30, 2026	Without Restrictions	Expiring Restrictions	Perpetual Restrictions	Total
Donor restricted	$ -	$ 231,396	$ 202,896	$ 434,292
Board designated	2,050,285	-	-	2,050,285
	$ 2,050,285	$ 231,396	$ 202,896	$ 2,484,577
June 30, 2025				
Donor restricted	$ -	$ 221,721	$ 202,896	$ 424,617
Board designated	2,705,821	-	-	2,705,821
	$ 2,705,821	$ 221,721	$ 202,896	$ 3,130,438

Changes in endowment net assets for the years ended June 30, 2026 and 2025 are as follows:

	Without Restrictions	Expiring Restrictions	Perpetual Restrictions	Total
Balance at June 30, 2024	$ 3,096,927	$ 178,375	$ 202,896	3,478,198
Contributions	-	-	-	-
Investment income, net of fees	60,422	12,434	-	72,856
Net realized/unrealized gain	269,298	30,912	-	300,210
Transfer (appropriation)	(720,826)	-	-	(720,826)
Balance at June 30, 2025	2,705,821	221,721	202,896	3,130,438
Contributions	3,064	-	-	3,064
Investment income, net of fees	29,346	11,972	-	41,318
Net realized/unrealized gain	306,227	34,254	-	340,481
Transfer (appropriation)	(994,173)	(36,551)	-	(1,030,724)
Balance at June 30, 2026	$ 2,050,285	$ 231,396	$ 202,896	$ 2,484,577

11. JOINT COST ALLOCATION

The Organization achieves some of its programmatic and fundraising goals through published newsletters. The costs of this activity included joint costs of $18,143 for 2026 and $16,780 for 2025 that are not directly attributable to either the program or the fundraising component of the activity. The joint costs were allocated based on content of pages as follows:

	2026	2025
Programs	$ 12,851	$ 8,390
Fundraising	5,292	8,390
Total	$ 18,143	$ 16,780

12. RETIREMENT PLAN

The Organization has a deferred compensation plan (the plan) qualified under Section 403(b) of the Internal Revenue Code which is available to all employees of the Organization. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. Employees' elective contributions may be made as either traditional pre-tax elective contributions, post-tax Roth contributions or some combination thereof. The Organization matches employee contributions up to 3% of eligible compensation. The Organization contributed approximately $49,600 and $44,300 to the plan during the years ended June 30, 2026 and June 30, 2025, respectively.

13. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in two financial institutions located in Portland, Oregon. The balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The balances, at times, may exceed the federally insured limit. Balances in excess of insured limits were approximately $422,000 and $129,000 as of June 30, 2026 and 2025, respectively.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Approximately 60% of the Organization's 2026 total revenue is from two government agencies (52% from one government agency during 2025). Approximately 80% of outstanding receivable balances at June 30, 2026 are due from two government agencies (74% from one government agency at June 30, 2025).

14. FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. The inputs are categorized by different levels as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis at June 30, 2026 and 2025 are as follows:

	Fair Value	Level 1
June 30, 2026		
Money market funds	$ 63,481	$ 63,481
Exchange-traded and mutual funds:		
Equity	1,741,814	1,741,814
Bond	679,282	679,282
Total investments	$ 2,484,577	$ 2,484,577
June 30, 2025		
Money market funds	$ 82,355	$ 82,355
Exchange-traded and mutual funds:		
Equity	2,426,016	2,426,016
Bond	622,067	622,067
Total investments	$ 3,130,438	$ 3,130,438

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.