WildCare and Friends of WildCare

Combined Financial Statements

For the Year Ended September 30, 2024

(with Summarized Financial Information For the Year Ended September 30, 2023)

WildCare and Friends of WildCare

(California Not-For-Profit Corporations)

September 30, 2024 and 2023

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PEROTTI & CARRADE
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Boards of Directors
WildCare and Friends of WildCare:

Opinion

We have audited the accompanying combined financial statements of WildCare and Friends of WildCare (two California nonprofit organizations), which comprise the combined statement of financial position as of September 30, 2024, and the related combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of WildCare and Friends of WildCare as of September 30, 2024, and the changes in their net assets and their 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 WildCare and Friends of WildCare 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 combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WildCare's ability (with Friends of WildCare having merged into WildCare as of September 30, 2024) 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 Financial Information

We have previously audited WildCare and Friends of WildCare's 2023 combined financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 21, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

February 12, 2025 Perotti & Carrade

WILDCARE and FRIENDS of WILDCARE
Combined Statement of Financial Position
September 30, 2024
(with Summarized Financial Information for September 30, 2023)

ASSETS

	2024	2023
Current Assets		
Cash and cash equivalents	$ 229,454	$ 493,133
Investments	4,755,902	3,118,490
Accounts, grants, and pledges receivable	181,505	93,847
Prepaid expenses and other assets	74,673	59,562
Total current assets	5,241,534	3,765,032
Other Assets		
Endowment investments	58,008	51,293
Cash and cash equivalents, restricted for facility expansion	103,224	133,534
Investments, restricted for facility expansion	8,659,718	5,034,440
Property and equipment, net	3,965,860	1,256,546
Total other assets	12,786,810	6,475,813
Total Assets	$ 18,028,344	$ 10,240,845

LIABILITIES AND NET ASSETS

	2024	2023
Current Liabilities		
Accounts payable and accrued liabilities	$ 517,567	$ 260,726
Payroll liabilities	102,738	110,433
Notes payable, including accrued interest	3,497	4,125
Unearned revenue	54,177	33,323
Total current liabilities	677,979	408,607
Long-term portion of debt	149,390	152,350
Net Assets		
Without donor restrictions	8,362,453	4,265,034
With donor restrictions	8,838,522	5,414,854
Total net assets	17,200,975	9,679,888
Total Liabilities and Net Assets	$ 18,028,344	$ 10,240,845

See accompanying auditor's report and notes to financial statements.

WILDCARE and FRIENDS of WILDCARE
Combined Statement of Activities
Year Ended September 30, 2024
(with Summarized Financial Information for the Year Ended September 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Total 2023
Revenues and support				
Contributions and grants	$ 2,973,804	$ 5,873,294	$ 8,847,098	$ 3,817,991
Contributed nonfinancial assets	241,823	-	241,823	58,603
Bequests	836,541	-	836,541	554,153
Realized and unrealized gains, net	182,449	319,312	501,761	285,997
Program fees	138,266	-	138,266	109,347
Interest and dividend income	51,393	20,684	72,077	30,287
Merchandise sales and other revenue	6,550	-	6,550	267
	4,430,826	6,213,290	10,644,116	4,856,645
Special events				
Special events revenue	589,633	-	589,633	489,238
Cost of direct benefits to donors	(111,411)	-	(111,411)	(112,029)
Net fundraising revenue	478,222	-	478,222	377,209
Total revenue and support before releases	4,909,048	6,213,290	11,122,338	5,233,854
Net assets released from restrictions	2,789,622	(2,789,622)	-	-
Total revenue and support	7,698,670	3,423,668	11,122,338	5,233,854
Expenses				
Animal care	1,600,120	-	1,600,120	1,385,308
Wildlife education	981,580	-	981,580	830,500
Management and general	428,677	-	428,677	288,785
Fundraising	590,874	-	590,874	566,687
Total expenses	3,601,251	-	3,601,251	3,071,280
Change in net assets	4,097,419	3,423,668	7,521,087	2,162,574
Net Assets - Beginning of Year	4,265,034	5,414,854	9,679,888	7,517,314
Net Assets - End of Year	$ 8,362,453	$ 8,838,522	$ 17,200,975	$ 9,679,888

See accompanying auditor's report and notes to financial statements.

WILDCARE and FRIENDS of WILDCARE

Combined Statement of Functional Expenses
Year Ended September 30, 2024
(with Summarized Financial Information for the Year Ended September 30, 2023)

	Program Activities			Supporting Activities		2024	2023
	Animal Care	Wildlife Education	Total	Management & General	Fundraising	Total Expenses	Total Expenses
Salaries and wages	$ 895,328	$ 562,002	$ 1,457,330	$ 189,918	$ 290,691	$ 1,937,939	$ 1,721,200
Payroll taxes	71,228	44,710	115,938	15,109	23,126	154,173	141,668
Employee benefits	124,656	78,247	202,903	26,442	40,472	269,817	242,978
Total salaries, taxes, and benefits	1,091,212	684,959	1,776,171	231,469	354,289	2,361,929	2,105,846
Advertising and promotion	3,396	2,132	5,528	720	1,103	7,351	24,531
Animal care and food	69,783	-	69,783	-	-	69,783	65,911
Bad debt expense	-	-	-	-	-	-	20,283
Depreciation	15,980	10,031	26,011	3,390	5,188	34,589	17,268
Direct marketing	90,897	45,454	136,351	8	90,870	227,229	224,120
Dues, fees, and other charges	19,417	12,189	31,606	6,513	6,304	44,423	43,700
Equipment leases and purchase	8,156	5,119	13,275	1,731	2,648	17,654	12,011
Meals and entertainment	-	-	-	-	111,410	111,410	112,028
Hospital supplies and services	43,969	-	43,969		-	43,969	44,900
Legal and professional services	59,314	59,314	118,628	118,627	-	237,255	34,753
Insurance	18,527	11,630	30,157	3,930	6,015	40,102	40,193
Interest expense	-	-	-	4,104	-	4,104	4,078
Maintenance and repair	25,344	15,908	41,252	5,377	8,228	54,857	26,841
Meetings and conferences	-	-	-	911	-	911	187
Miscellaneous	-	-	-	-	-	-	858
Occupancy	18,682	11,727	30,409	3,963	6,066	40,438	19,827
Outside services	60,596	51,440	112,036	33,817	79,984	225,837	237,232
Postage and delivery	7,107	4,461	11,568	1,507	2,307	15,382	7,284
Printing and publications	4,284	4,284	8,568	-	8,569	17,137	10,139
Program materials	-	13,036	13,036	-	-	13,036	14,193
Property taxes	2,022	1,269	3,291	429	657	4,377	5,218
Scholarships, grants, and awards	700	300	1,000	-	-	1,000	1,000
Supplies	3,022	1,897	4,919	641	981	6,541	4,155
Telephone and internet	8,806	5,527	14,333	1,867	2,859	19,059	37,322
Transportation and travel costs	11,466	18,061	29,527	2,432	3,723	35,682	17,251
Utilities	34,135	21,426	55,561	7,241	11,083	73,885	45,855
Volunteer expenses	3,305	1,416	4,721	-	-	4,721	6,324
Total expenses by function	1,600,120	981,580	2,581,700	428,677	702,284	3,712,661	3,183,308
Less: expenses included with revenues on the statements of activities							
Cost of direct benefits to donors	-	-	-	-	(111,410)	(111,410)	(112,028)
Total expenses included in expense section of the statement of activities	$ 1,600,120	$ 981,580	$ 2,581,700	$ 428,677	$ 590,874	$ 3,601,251	$ 3,071,280

See accompanying auditor's report and notes to financial statements.

WILDCARE and FRIENDS OF WILDCARE
Combined Statement of Cash Flows
Year Ended September 30, 2024
(with Summarized Financial Information for the Year Ended September 30, 2023)

	2024	2023
Cash Flow From Operating Activities		
Change in net assets	$ 7,521,087	$ 2,162,574
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	34,589	17,268
Donated services capitalized as part of construction in process	(10,000)	(23,850)
Realized and unrealized gains on investments, net	(501,761)	(285,997)
Changes in operating assets and liabilities:		
Accounts, grants, and pledges receivable	(87,658)	403,954
Prepaid expenses and other assets	(15,111)	(6,331)
Deposits	-	17,804
Accounts payable and accrued liabilities	(113,704)	177,181
Accrued interest payable	(3,588)	(2,332)
Payroll liabilities	(7,695)	18,964
Unearned revenue	20,854	4,145
Net cash provided by operating activities	6,837,013	2,483,380
Cash Flow From Investing activities		
Purchases of treasury bills within investments	(16,405,914)	(12,909,985)
Proceeds from treasury bill sales within investments	14,418,000	9,548,000
Acquisition of construction in process and leasehold improvements	(2,358,396)	(627,242)
Acquisition of property and equipment	(4,962)	(30,401)
Net cash used in investing activities	(4,351,272)	(4,019,628)
Net Increase (Decrease) in Cash and Cash Equivalents	2,485,741	(1,536,248)
Cash and Cash Equivalents - Beginning of Year	626,667	2,162,915
Cash and Cash Equivalents - End of Year	$ 3,112,408	$ 626,667
Reconciliation of Cash and Cash Equivalents to Amounts Reported on the Statement of Financial Position		
Cash and cash equivalents	$ 229,454	$ 493,133
Cash and cash equivalents, restricted for facility expansion	103,224	133,534
Cash held in investments	2,779,730	-
Cash and Cash Equivalents - End of Year	$ 3,112,408	$ 626,667
Supplemental Disclsoure of Cash Flow Information		
Interest paid	$ 7,692	$ 6,410
Supplemental Disclsoure of Non-Cash Investing Activities		
Accounts payable for construction in process	$ 370,545	$ -

See accompanying auditor's report and notes to financial statements.

1. Organization

WildCare is a California-based 501(c)(3) nonprofit public benefit corporation which was created in 1994 as the result of a merger between the California Center for Wildlife and the Terwilliger Nature Education Center. Friends of WildCare is a 501(c)(3) nonprofit organization incorporated in California on December 18, 2017, for the purpose of holding assets and raising funds in support of a new facility project for WildCare being built at its current location. Whereas the new facility plan and funding was well underway by fiscal year end and the purpose of Friends of WildCare was substantially accomplished, Friends of WildCare was merged into WildCare as of September 30, 2024. WildCare has operated on the same site as the predecessor organization, which had been operating there since 1954.

WildCare is a wildlife hospital and environmental education center based in San Rafael, California. For over 60 years, WildCare has been a first responder to wildlife that share the same habitat with humans. Annually, its hospital provides emergency and ongoing medical care to about 3,500 animals from more than 200 distinct species. Nearly 99% of the wild animals assisted by the organization have been injured in some way as a result of human interaction. In addition to giving sick and injured wild animals and birds a second chance at life, WildCare works to encourage humans to live well with wildlife. To that end, its environmental education programs reach over 35,000 school children and adults annually. WildCare maintains a hotline responding to callers seeking information about local wildlife and advising home-owners on solutions to handle wildlife issues.

2. Summary of Significant Accounting Policies

Basis of Accounting - The combined financial statements of WildCare and Friends of WildCare (jointly the "Entities") have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation - The Entities present combined financial statements because they have common control through the same Board of Directors and management. All significant intercompany accounts and transactions have been eliminated in the combined financial statements.

The Entities report information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Entities and changes therein are classified as follows:

<u>Net assets without donor restrictions:</u> Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Entities. The Entities' board may designate assets without restrictions for specific operational purposes from time to time.

2. Summary of Significant Accounting Policies (continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Entities or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions - Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted or conditioned contributions whose restrictions or conditions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are released from restriction upon acquisition of the assets.

Approximately 50% of the Entities total revenue and support including capital campaign donations for the facility renovation came from four donors.

Grants and Accounts Receivable Realization - An allowance for credit losses reflects management's best estimate of probable losses inherent in grants and accounts receivable balances. Management primarily determines the allowance for credit losses based on the aging of accounts receivable balances and collection history. Management believes that the review of its accounts receivable balances and collection history provides a reasonable base on which to determine expected credit losses for grants and accounts receivable held at September 30, 2024. Receivables are generally considered past due once a receivable is not paid within thirty days of contract terms. It is the Entities' policy to not charge interest on its receivables. Receivables are written off once management has determined the ability to collect is not possible. No allowance for credit losses was deemed necessary as of September 30, 2024.

Cash and Cash Equivalents - The Entities consider all highly liquid investments (checking, savings, money markets, and certificates of deposits) with a maturity of three months or less when purchased to be cash equivalents.

The Entities maintain a majority of their cash in bank deposit accounts which, at times, may exceed the $250,000 insurance limitation of the Federal Deposit Insurance Corporation ("FDIC"). The Entities attempt to limit credit risks associated with cash equivalents by utilizing highly rated financial institutions. Management believes the Entities are not exposed to any significant credit risk relating to its cash deposits.

2. Summary of Significant Accounting Policies (continued)

Investments - The Entities consider investments in United States Treasury securities with a maturity of more than three months are considered investments.

Endowment – The endowment includes cash, stocks, and mutual funds. Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost or fair value. Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities in accordance with donor restrictions as investment return. Investment return is presented net of investment fees.

The Entities adopted a framework for measuring fair value. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants. The entities' financial assets reported at fair value include accounts, grants and pledges receivable.

Unearned Revenue - Unearned revenue represents amounts billed or received in advance for educational programs scheduled to be given during the following year. Such amounts have been reflected as a current liability on the combined statement of financial position and will be recognized as earned revenue in the subsequent year when the programs are provided.

Functional Expenses - The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs, including personnel costs, insurance, depreciation, and rent, have been allocated among animal services programs, educational programs, and supporting services benefited. Such allocations are determined by management based upon an analysis of time and effort spent on the programs and supportive services.

Advertising costs – Advertising costs are expensed when incurred and were $7,351 during the year ended September 30, 2024.

Use of Estimates - The preparation of combined 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 combined financial statements and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (continued)

Property, Equipment, and Improvements - Property and equipment are valued at cost or, if donated, at fair market value on the date of donation. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets with lives that range from building and improvements (5-10 years); furniture and equipment (3-15 years). The cost of property and equipment which benefit future periods is capitalized and depreciated over the estimated useful life of each class of depreciable assets. At the early stages of constructing a new replacement building on the Entities' wholly-owned land, construction in process includes consulting fees for architects, environmental study engineers, campaign funding, and governmental review fees.

Contributed Nonfinancial Assets - Contributed nonfinancial assets are reflected at the fair value of the contribution received. The contributions of services and costs are recognized if they (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes - Both of the Entities have received notification from the Internal Revenue Service and the State of California that they qualify for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management is confident that the Entities continue to satisfy all federal and state statutes in order to qualify for continued tax exempt status. Accordingly, the Entities are generally exempt from federal and state income taxes. The Entities' informational returns are subject to examination by the Internal Revenue Service and the California Franchise Tax Board, generally for three years and four years, respectively, after they are filed.

Change in Accounting Principle – In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments-Credit Losses ("Topic 326"). The adoption of this standard requires the Organization to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The standard resulted in no significant changes in the way the Organization reports credit losses on its financial statements.

3. Accounts, Grants, and Pledges Receivable

Accounts, grants, and pledges receivable represent amounts due from various sources, including foundations, individuals, and others. The Entities are in the process of a campaign to upgrade and expand the existing facility and the pledge receivable is restricted for that purpose.

4. Available Resources and Liquidity

The Finance Committee and senior management of the Entities regularly monitor liquidity required to meet operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Entities have various sources of liquidity at their disposal, including cash and cash equivalents, receivables, pledges, and access to a $250,000 line of credit.

4. Available Resources and Liquidity (continued)

For purposes of analyzing resources available to meet general expenditures over a 12-month period, management of the Entities considers all expenditures related to ongoing activities of the conduct of animal healthcare services, research, and teaching youth, family, and the general public about living well with wildlife and related environmental health concerns.

In addition to financial assets available to meet general expenditures over the next 12 months, the Entities operate with a balanced budget and anticipate collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of September 30, 2024, the following table shows the total financial assets held by the Entities which the Entities believe could readily be made available within one year of the balance sheet date to meet general expenditures.

Financial assets at year-end:	
Cash and cash equivalents	$ 229,454
Investments	4,755,902
Cash and cash equivalents, restricted for facility expansion	103,224
Investments, restricted for facility expansion	8,659,718
Accounts, grants, and pledges receivable	181,505
Endowment – restricted	58,008
Less: Donor restricted net assets not available for general expenditures	(8,838,522)
Financial assets available to meet general expenditures over the next twelve months	$ 5,149,289

Cash and receivables with donor restrictions are assets of the Friends of WildCare Facilities Expansion fund dedicated to a new facility expansion project for WildCare and have not been taken into consideration as the resources will be used for property acquisition and renovations.

5. Property and Equipment

Property and equipment consists of the following at September 30, 2024:

Land	$	15,000
Building and improvements		1,611,526
Construction in process		2,493,785
Furniture and equipment		548,539
Less: accumulated depreciation		(702,990)
Total property and equipment, net	$	3,965,860

6. Endowment

WildCare has an investment in a perpetual trust as well as being a designated beneficiary of another perpetual trust, both administered by Marin Community Foundation (MCF) which has variance power. The terms of the trusts mandate perpetual control of the corpus by the named trustee. WildCare is entitled to receive annually a portion of the funds' investment earnings in accordance with the MCF's spending policy. Excess earnings are applied toward the principal balance for future distribution. During the year ended September 30, 2024, WildCare received a distribution of $2,367 from the investment in perpetual trust and $16,499 from the designated beneficiary trust.

WildCare has reflected its investment in the perpetual trust given it was the donor which originated the investment. The investment in the perpetual trust at September 30, 2024 had a fair value of $58,008.

WildCare has not reflected in the financial statements the funds held in the account in which WildCare is solely the designated beneficiary as WildCare was not the original investor.

Endowment net asset composition by type of fund is summarized as follows as of September 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Perpetual endowment	$ 14,061	$ 43,947	$ 58,008

Changes in endowment net assets for the fiscal year ended September 30, 2024 are summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	$ 7,346	$ 43,947	$ 51,293
Investment return and contributions:			
Investment income	726	-	726
Unrealized gains	8,840	-	8.840
Total investment changes	9,566	-	9.566
Distributions	(2,367)	-	(2,367)
Investment fees	(484)	-	(484)
Endowment net assets at end of year	$ 14,061	$ 43,947	$ 58,008

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the Entities to retain as a fund of perpetual duration. There were no deficiencies of this nature that are required to be reported in net assets without donor restrictions as of September 30, 2024. Although there were no such deficiencies at September 30, 2024, future deficiencies could result from unfavorable market fluctuations that occur after the investment of new restricted contributions and continued appropriation for certain programs that are deemed prudent by

6. Endowment (continued)

the Board of Directors. Investments of the Entities may decline below their original basis due to market fluctuations and unrealized losses which are beyond the control of management. Deficiencies of this nature, if any, would be reported in net assets without donor restrictions.

Spending Policy and How the Investment Objectives Relate to Spending Policy
The Entities follow MCF's policy of appropriating for distribution each year a flexible amount that ensures spending will continue without deterioration of endowment principal. For the year ended September 30, 2024, MCF approved a spending level of 4.5% of the fair market value of the invested endowment fund.

7. Fair Value Measurements

Fair value measurements establish a fair value hierarchy that prioritizes the input used to measure fair value. This hierarchy consists of three broad levels: (a) Level 1 measurement reflects the value of the investments at quoted prices in active markets for identical assets, generally without any adjustments, (b) Level 2 assets and liabilities are valued based on "observable inputs" other than quoted active market prices, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and interest rates and yield curves, and (c) Level 3 assets and liabilities are valued based on "unobservable inputs," such as a company's own estimates and pricing models.

Composition of assets utilizing fair value measurements on a recurring basis at September 30, 2024, is as follows:

	Total	Level 1	Level 2	Level 3
Cash at cost	$ 2,779,730	$ -	$ -	$ -
Treasury bills	10,635,890	-	10,635,890	-
Endowment investments	58,008	-	-	58,008
	$ 13,473,628	$ -	$ 10,635,890	$ 58,008

The fair value of the securities is measured at quoted prices in active markets on the last trade day of the fiscal year. The Entities consider the measurement of its perpetual trust to be a Level 3 measurement within the fair value measurement hierarchy because even though that measurement is based on the unadjusted fair value of trust assets reported by the trustee, the Entities do not have the ability to direct the trustee on its investments.

A reconciliation of the activity during the year ended September 30, 2024 for the beneficial interest in the perpetual trust which are assets measured at fair value based on significant unobservable (nonmarket) information is as follows:

Balance at September 30, 2023	$ 51,293
Investment income	726
Unrealized gains	8,840
Distributions and fees	(2,851)
Balance at September 30, 2024	$ 58,008

8. Net Assets with Donor Restrictions

Changes in net assets with donor restrictions for the year ended September 30, 2024 consisted of the following:

	9/30/2023	Contributions	Releases	9/30/2024
Facility expansion fund, net	$5,338,775	$6,199,645	$(2,775,049)	$8,763,371
Restricted in perpetuity	43,947	-	-	43,947
Grants for various animal care and wildlife education purposes	32,132	13,645	(14,573)	31,204
Totals	$5,414,854	$6,213,290	$(2,789,622)	$8,838,522

9. Line of Credit

The Entities have access to a $250,000 line of credit from a local bank secured by a wholly-owned property consisting of land and building. The line matured and was renewed on April 3, 2024 with a new maturity date of March 31, 2026. Amounts drawn on the line of credit accrue interest at the greater of the prime rate plus 1.00% (9.0% September 30, 2024) or the floor rate of 7.5%. The Entities did not draw down on the line during the year ended September 30, 2024.

10. Notes Payable and Accrued Interest

As of September 30, 2024, the $150,000 EIDL loan and accrued interest consists of the following:

Current portion of long-term debt and accrued interest	$ 3,497
Long-term portion of debt and accrued interest	149,390
Total long-term debt	$ 152,887

As of September 30, 2024, the future minimum principal payments were as follows:

2025	$ 700
2026	3,595
2027	3,695
2028	3,798
2029	3,904
Thereafter	134,308
Total	$ 150,000

10. Notes Payable and Accrued Interest (continued)

Interest incurred on the EIDL loan totaled $4,104 during the year ended September 30, 2024. No other debt incurred any interest. No payments of principal occurred during the year ended September 30, 2024.

11. Contributed Nonfinancial Assets

Contributed nonfinancial assets did not have donor-imposed restrictions, unless otherwise noted. The Entities' have received, valued, and recorded professional donated services. Donated services are included in the financial statements as contributed nonfinancial assets within revenue on the statement of activities and under legal and professional services of $231,823 in the statement of functional expenses.

Capitalized donated services as part of the construction in process were received from architects and construction management consultants who have donated design services and construction management services for a new facility in the amount of $33,850 of which $10,000 was received during the fiscal year ended September 30, 2024.

Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

12. Retirement Plan

WildCare maintains a 401(k) safe harbor profit sharing pension plan covering all eligible employees who have attained twenty-one years of age and have completed twelve months of service. Employees are eligible to make elective contributions up to the maximum amount allowed by the Internal Revenue Code under safe harbor rules. WildCare makes 100% matching contributions up to 3% of the employees' eligible compensation plus 50% of additional contributions made up to a total of 5% of eligible compensation, resulting in an effective 4% contribution for employees who elect to contribute 5% or more of their salary. WildCare contributed $52,076 for the year ended September 30, 2024.

13. Allocation of Joint Costs

The Entities incurred allocable joint costs during the year ended September 30, 2024 of $227,221 for the informational materials and activities that included fundraising appeals. Of those costs, $90,870 was allocated to fundraising expense and $136,351 was allocated among all other programs and departments. WildCare's mission is care of injured wild animals and education of the public on living well with nature. Whereas half of the Entities' mission is education, nearly all of the printed and online materials have educational aspects. These allocations were based on analyses of the costs pertaining to the underlying direct mail program and the educational and fundraising activities associated with various mailings.

14. Lease Commitments

The Entities are renting temporary space while renovations occur. This includes three separate leases for land, equipment, and office space. The land lease expires on November 30, 2025. The Entities can extend the lease any number of times on a month-to-month basis or up to one year at a time.

The equipment lease of temporary buildings commenced upon delivery of the equipment in May 2024. The lease has a term of 24 months and expires in April 2026. The Entities can extend the lease on a month-to-month basis until the equipment is returned to the lender.

The office space lease went in to effect on October 1, 2024. The lease has a term of 21 months and can be extended on a month-to-month basis.

Total rent paid for the year ended September 30, 2024 was $47,265. Future minimum lease payments are presented in the following table, for the years ending September 30:

2025	$	94,140
2026		56,199
Total	$	150,339

15. Summarized Financial Information

The financial statements include certain prior year summarized information in total, but not by net asset class or functional expense categories. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Entities' financial statements for the year ended September 30, 2023, from which the summarized information was derived.

16. Subsequent Events

Management of the Entities has evaluated events and transactions subsequent to September 30, 2024, for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through February 12, 2025, the date the financial statements were available to be issued.