



# Financial Update

September 22, 2018

Redding, California

# One TU Combined Financials (thousands)



	<b>FY 17</b>	<b>FY 16</b>	<b>Change</b>
<i>Revenues</i>	<i>57,002</i>	<i>56,634</i>	<i>0.7%</i>
Admin Expense	3,468	3,886	-10.7%
Fundraising Expense	5,278	5,003	5.5%
Program Expense	45,585	47,466	-4.0%
<i>Total expenses</i>	<i>54,332</i>	<i>56,335</i>	<i>-3.6%</i>
<b><i>Net operating income</i></b>	<b><i>2,671</i></b>	<b><i>279</i></b>	
Investment gains (losses)	414	344	
<b><i>Change in net assets</i></b>	<b><i>3,085</i></b>	<b><i>623</i></b>	

# TU Councils and Chapters Revenue (thousands)



	<b>FY 17</b>	<b>FY 16</b>	<b>Change</b>
<i>Revenues</i>	<i>10,030</i>	<i>10,825</i>	<i>-7.3%</i>
Admin Expense	1,108	1,568	-29.3%
Fundraising Expense	1,723	1,464	16.2%
Program Expense	5,862	6,401	-8.4%
<i>Total expenses</i>	<i>8,694</i>	<i>9,452</i>	<i>-8.0%</i>
<b><i>Change in net assets</i></b>	<b><i>1,337</i></b>	<b><i>1,373</i></b>	

# Councils and Chapter Contribution (thousands)



	<b>FY17</b>	<b>FY16</b>	<b>Change</b>
Revenues	10,030	10,825	
Less admin and fundraising	<u>(2,831)</u>	<u>(3,051)</u>	
<i>Net program revenue</i>	<i>7,199</i>	<i>7,774</i>	<i>-7.4%</i>
Leveraged funds	1,032	526	96.3%
Volunteer labor	<u>16,889</u>	<u>16,688</u>	1.2%
<b><i>Total Contribution to TU</i></b>	<b><i>25,120</i></b>	<b><i>24,987</i></b>	<b><i>0.5%</i></b>

# The Average Chapter/ Council



	<b>Chapters</b>	<b>Councils</b>
Less than \$25k in Revenue	308	19
\$25k-\$100k in Revenue	63	10
\$100k+ in Revenue	11	6
Median Total Revenue	\$8,376	\$20,200
Median Volunteer Hours	1,108	2,460

# TU National Financials (thousands)



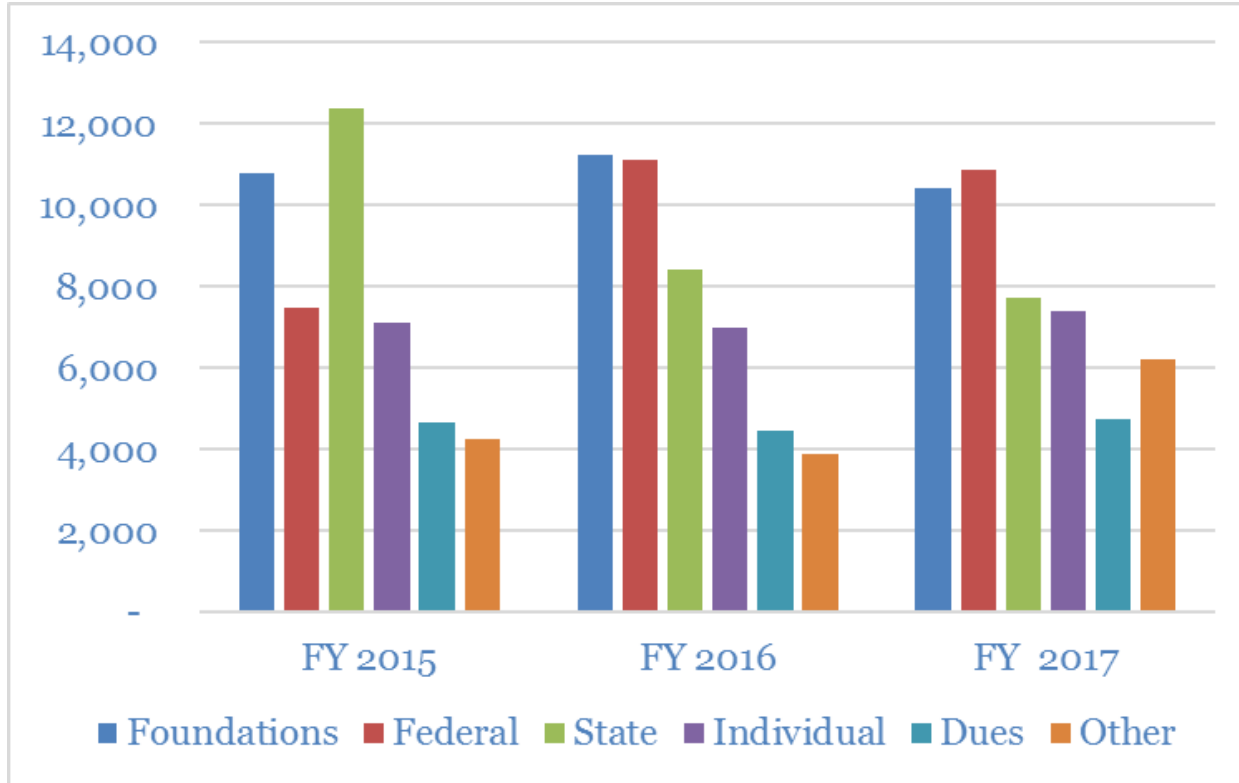
	<b>FY 17</b>	<b>FY 16</b>	<b>Change</b>
Revenues	\$46,972	\$45,809	2.5%
Admin Expense	2,360	2,318	1.8%
Fundraising Expense	3,555	3,520	1.0%
Program Expense	39,723	41,066	-3.3%
Total expenses	45,638	46,903	-2.7%
<b><i>Net operating income</i></b>	<b><i>1,334</i></b>	<b><i>(1,094)</i></b>	
Investment gains (losses)	414	344	
<b><i>Change in net assets</i></b>	<b><i>1,748</i></b>	<b><i>(750)</i></b>	

# TU National Net Asset Balances (thousands)



	<u>7/31/18</u>	<u>FY17</u>	<u>FY16</u>
Unrestricted	2,994	832	148
Temp Restricted	11,631	14,337	13,272
Perm Restricted	5,006	5,006	6,075
<b>Total</b>	<b>\$19,630</b>	<b>\$20,174</b>	<b>\$18,426</b>

# Revenue Sources by Year (thousands)





# TU National Financials: FY18 thru 7/31 (thousands)

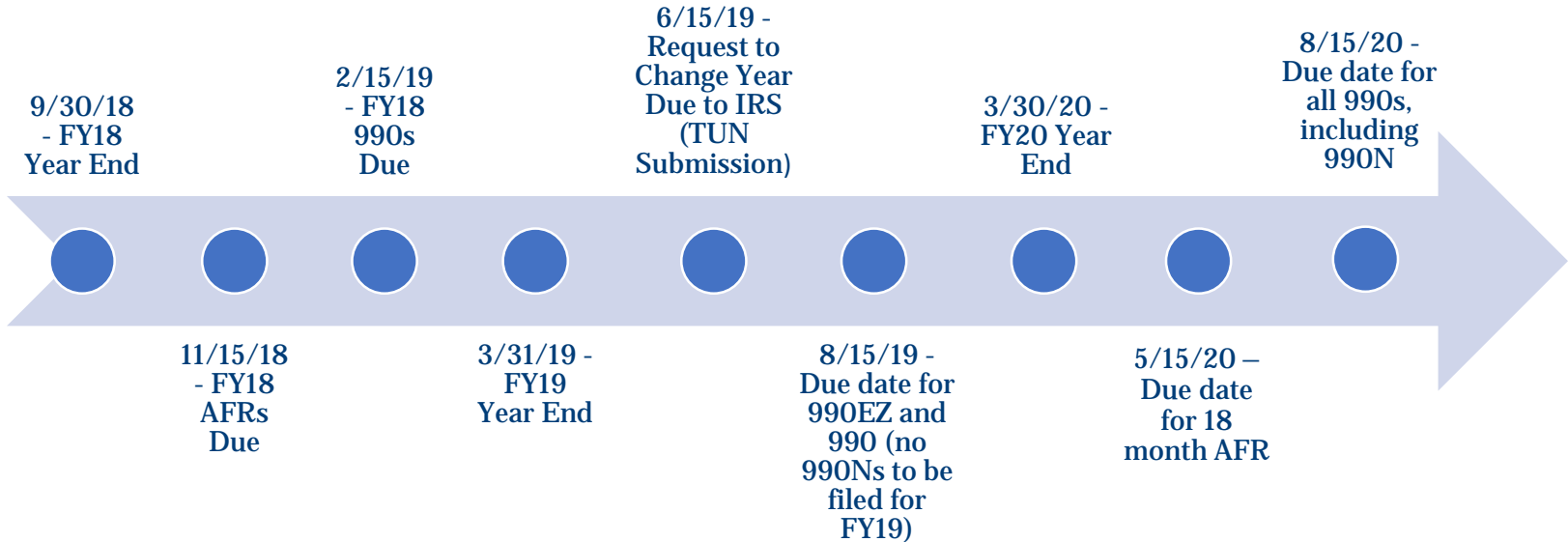


	<b>FY 18</b>	<b>FY 17</b>	<b>Change</b>
<i>Revenues</i>	37,365	31,906	17.1%
Admin Expense	3,666	4,009	(8.6)%
Fundraising Expense	4,532	4,015	13.0%
Program Expense	29,711	25,083	18.5%
<i>Total expenses</i>	37,909	33,109	14.5%
<b>Net operating income</b>	<b>(543)</b>	<b>(1,203)</b>	

## Why are we changing?

- ✦ Current year end conflicts with peak conservation work
  - Draws conservation staff from important program work
  - Adds to already high volume of work during field season
  
- ✦ Budgeting and Cash flow forecasts
  - In August, budgets for the next year's field work is uncertain or unknown
    - Budget is inaccurate
    - Cash flow forecast is incorrect

# Fiscal Year End Change Timeline



# Fiscal Year Change Notification Process



<b>Financial Status</b>	<b>File FY19 Return?</b>	<b>How to Notify IRS</b>
$\leq$ \$50,000, no 990-T	No	TU National files application
$\geq$ \$50,000, no 990-T	Yes	“Change in Accounting Period” at top of 990 form
990-T, no change in period in past 10 years	Yes	“Change in Accounting Period” at top of 990 form
990-T, changed period in past 10 years	Yes	File separate application