



2018

ANNUAL REPORT



*We inspire people to plant, nurture,
and celebrate trees.*



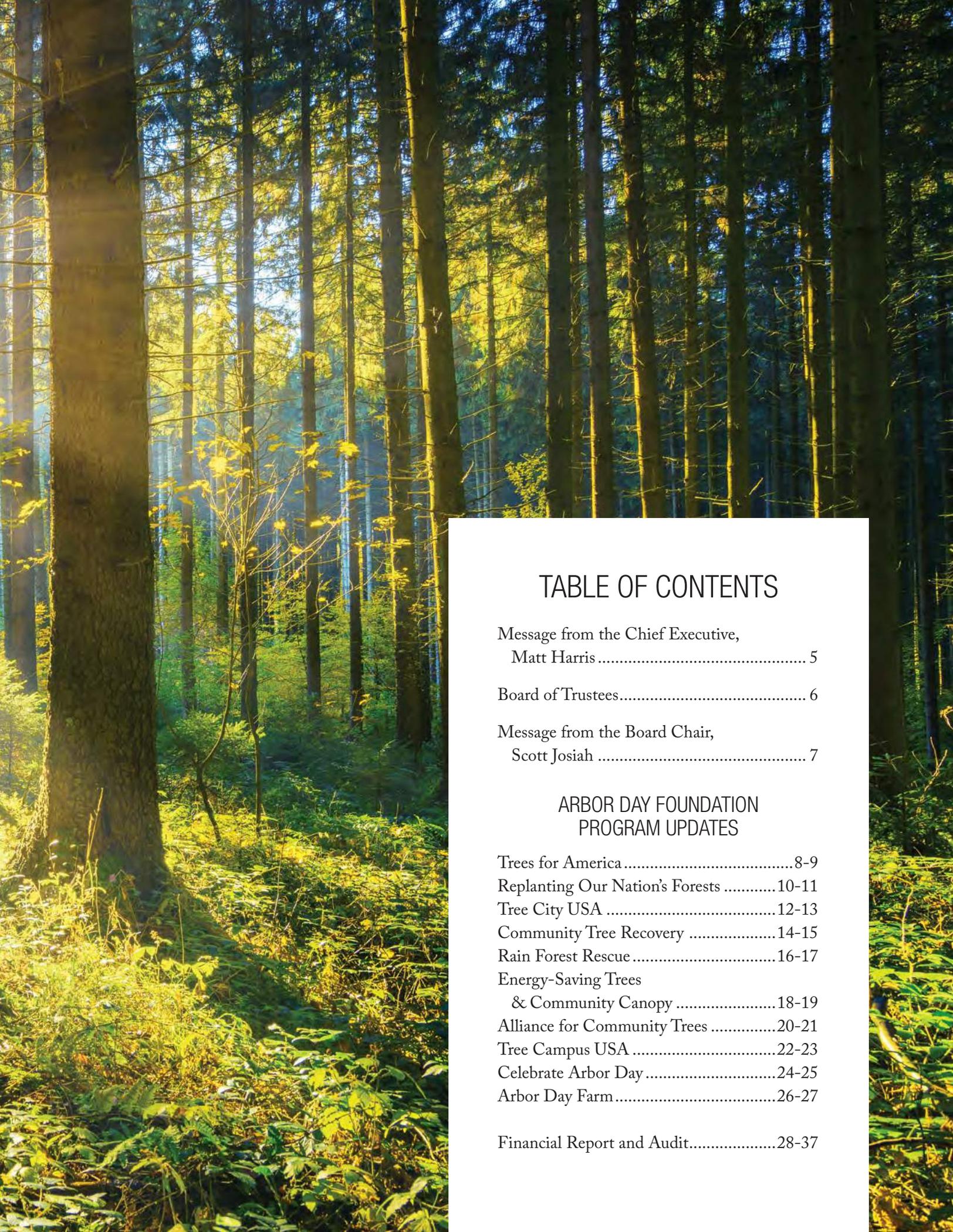


TABLE OF CONTENTS

| | |
|--|---|
| Message from the Chief Executive, Matt Harris | 5 |
| Board of Trustees..... | 6 |
| Message from the Board Chair, Scott Josiah | 7 |

ARBOR DAY FOUNDATION PROGRAM UPDATES

| | |
|---|-------|
| Trees for America | 8-9 |
| Replanting Our Nation's Forests | 10-11 |
| Tree City USA | 12-13 |
| Community Tree Recovery | 14-15 |
| Rain Forest Rescue | 16-17 |
| Energy-Saving Trees & Community Canopy | 18-19 |
| Alliance for Community Trees | 20-21 |
| Tree Campus USA | 22-23 |
| Celebrate Arbor Day | 24-25 |
| Arbor Day Farm | 26-27 |
| Financial Report and Audit..... | 28-37 |





Dear Members and Friends,

As I reflect upon this past year at the Arbor Day Foundation, one word remains top of mind: impact. We set our sights on responding to global challenges by planting trees at an unprecedented scale. Those issues — air pollution, water quality, climate change, and deforestation, among others — heightened our resolve that if ever there was a time to plant trees, now is that time.

Over the past year, I'm pleased to share with you that the Foundation's commitment to forests, communities, and people across the country and around the globe has led to more environmental and societal impact than we've ever accomplished before.

Our work includes restoring forests with millions of new trees spanning 25 states and 14 countries. A record number of cities and towns now embrace the Tree City USA framework to build vibrant communities. Through the programs outlined in the following pages, you'll find other examples of more and more people being touched, inspired, and involved with our mission every day.

We've learned to think differently and find new, innovative ways to broaden

our reach. I'm proud to give a nod to our talented team of committed professionals here at the Foundation who work with our members, partners, and supporters to make all of this happen. Our growing network has uniquely positioned us as a convener, getting the right people and the right organizations together to have the greatest positive impact.

Going forward, as much as we've done to change our scale and reach, the global issues continue to grow at an even faster pace. Yet, I'm confident that we are up to the challenge.

We are inspired by what we have accomplished together with our members and partners — restoring forests, building communities, and inspiring people all across the country and around the globe. I personally look forward to seeing the impact we can make together in the new year.

With deepest gratitude,

A handwritten signature in black ink, appearing to read "Matt Harris". The signature is fluid and cursive, with a large initial "M".

Matt Harris
Chief Executive



BOARD OF TRUSTEES



Preston Cole
Milwaukee, WI



Pat Covey
Kent, OH



Danielle Crumrine
Pittsburgh, PA



Mary Desjardins
Toronto, ON Canada



Ray Empson
New Canaan, CT



Susan Henricks
Omaha, NE



Bill Kruidenier
Champaign, IL



Leah MacSwords
Frankfort, KY



Ken Munson
Prosper, TX



Crayton Webb
Dallas, TX



Leslie Weldon
Marlboro, MD



Dear Members and Friends,

I feel very fortunate to have served on the Arbor Day Foundation's board of trustees for nine years now. Stepping into my new role as board chair has given me the opportunity to reflect on the last decade and the great change I have witnessed at the Foundation through the years.

It has been the kind of change that's not always easy — because meaningful change rarely is — but it has been incredibly profound. As an organization, we stretched ourselves, with every decision, every partnership, every planting project designed to grow our impact. And none of it would have been possible without the support of our loyal members and friends.

Today, our world is at a crossroads. Humankind is facing serious issues such as climate change, lack of access to clean water, and air pollution. The great news is that many of these issues can be addressed in a meaningful way by the

actions of individuals, often through the simple act of planting trees. The Arbor Day Foundation, loyal members, and dedicated supporters are poised to do just that on a large scale.

I am excited to see how the Foundation is positioned today to create great change in the world that will benefit generations to come: planting more trees, building stronger communities, and improving more lives.

The coming years are filled with opportunities for a better planet through trees, and I am proud to be part of this great undertaking together with all of you.

Sincerely,

A handwritten signature in black ink, reading "Scott Josiah". The signature is fluid and cursive, with a large initial "S" and "J".

Scott Josiah, Chair
Board of Trustees



Trees for America®



Members plant millions of trees to provide the very necessities of life in their communities and across the country.





TREES ARE BEING PLANTED in neighborhoods across the country through the Trees for America program — providing critical benefits such as clean air and water, better stormwater management, natural beauty, and lower urban temperatures. Trees are also being planted on farms and ranches, protecting soil and water resources as well as creating new habitat for wildlife.

Every year the Foundation's members — and potential new members — are invited to receive 10 free trees through this program. Each of these trees is directly fulfilling our mission. And collectively, our members received nearly 4 million trees to plant in their yards and neighborhoods. This work is critical to building healthy communities and inspiring others to become tree planters. And member donations are helping to restore our forests across the country.

Our members also play an important role in The Hazelnut Project. This project is spearheaded by the Hybrid Hazelnut Consortium, a research group consisting of the Foundation, Rutgers University, Oregon State University, and the University of Nebraska–Lincoln. The consortium is dedicated to developing blight-resistant hybrid hazelnut plants that will survive in a variety of soils and climates, and the group has made great strides toward this goal. Our member participants across the country further these efforts by growing select hazelnut cultivars and reporting on their results.

The Arbor Day Foundation is proud to be the largest nonprofit membership organization dedicated to planting trees. And we are humbled that more than 1 million members, donors, and partners share in our commitment to forests, communities, and people.



Active members

in 57 states, territories, and military bases as well as 5 additional countries.



3,934,354

membership trees distributed this year.



56,986

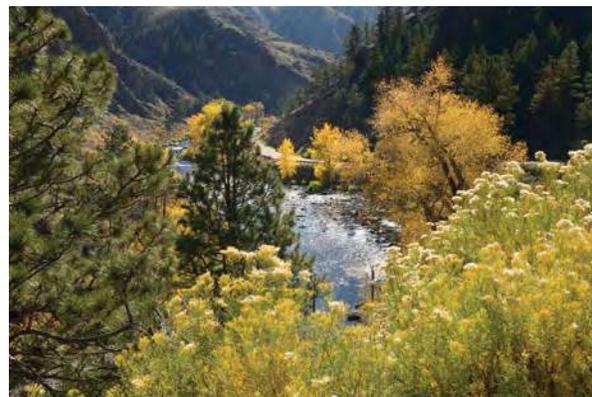
Foundation members engaged in The Hazelnut Project.



Replanting Our Forests

REPLANTING OUR
**NATION'S
FORESTS**

Thanks to generations past, our forests are our heritage. The conservation of these forests will be our legacy for the future.



OUR FORESTS ARE A TREASURED LEGACY providing the very necessities of life itself — clean air, healthy drinking water, a tolerable climate, and so much more. But these majestic lands are threatened by insects, disease, and devastating wildfires. We are thankful for our dedicated Foundation members, corporate sponsors, and partners who continue to respond to the need for replanting.

This year, the Foundation planted more than 6.7 million trees in forests through partnerships with the U.S. Forest Service, the National Association of State Foresters, and international partners. And the impact is far-reaching.

Our reforestation work this year included extensive fire restoration in the western portion of the U.S. After a decade of severe, often record-breaking fires, large swaths of forest in California, Oregon, Idaho, New Mexico, Montana, Colorado, and Nebraska were left barren. Our members and partners answered our call, and together we were able to replant more than 1.6 million trees — an important sign of new life for these charred landscapes.

Many of our replanting projects also focused on improving and maintaining water quality. Healthy watersheds are critical to healthy waterways, and a big contributing factor in all of this is trees. Our replanting efforts in the Catskill Mountains of New York, the Chesapeake Bay watershed area in Pennsylvania, and the Willamette Basin in Oregon are just a few of the projects that are improving the health of our river systems.

The generosity of supporters and on-the-ground-partners has made it possible for our replanting efforts to continue year after year, revitalizing important forestland for generations to come.



Nearly 70 million trees

were planted to date in forests around the globe.



This year's reforestation efforts spanned 25 states and 14 countries.



65 individual projects

were supported by our members and partners.





Tree City USA®



Communities reap the benefits of strong and sustainable urban forestry programs.



WITH THE SUPPORT of our members and partners, the Tree City USA program has strengthened and sustained urban forests across the country. From the Gulf of Alaska to the Gulf Coast, more than 153 million Americans are living in Tree City USA towns and cities that pay particular attention to tree planting, management, and care.

As a result, these communities enjoy profound environmental and community benefits, including lower energy bills, cleaner air and



Tree Line USA®

The Arbor Day Foundation recognizes nearly 150 utility companies through the Tree Line USA program in honor of their commitment to proper tree pruning, planting, and care in their respective service areas. Tree Line USA, a partnership between the Foundation and the National Association of State Foresters, recognizes public and private utilities for pursuing practices that protect and enhance America's community and urban forests — and helping customers plant the right trees in the right places to save energy.

water, increased property values, neighborhood beauty, and civic pride. The program has become a foundation for city forestry management, and its impact is deep and far-reaching.

In its 42nd year, the Tree City USA program is still going strong ... helping communities strive for healthy tree canopies. As a sign of the programs' vitality, 85 communities applied for and received Tree City USA recognition for the very first time this year and 385 recognized communities received Tree City USA Growth Awards for their higher level of tree care.

While recognition requires an annual community forestry budget of at least \$2 per capita, many of the programs exceed this minimum requirement. New York City is one such example. "We invest more money because we are committed to protecting, planting, and planning for the long-term health of our urban forest," said Andrew Newman with the New York City Department of Parks and Recreation. "We recognize that investment is needed to grow and maintain the leafy lungs of our city."

Tree City USA is the framework for sustained urban forests across the country. Thanks to our members and partners, the program's 42-year impact is broad and enduring. Within the support of this framework, additional city foresters and arborists are hired, city budgets include worthwhile investments in trees, and millions of Americans are taking pride in community improvement.



1976

Tree City USA launched through a partnership with the U.S. Forest Service and the National Association of State Foresters.



3,554

communities (home to more than 153 million people) received Tree City USA designation this year.



98.87%

of last year's Tree City USA communities applied for recertification this year.



Community Tree Recovery™



In the wake of natural disasters, new trees bring communities hope and healing.



Photo by Helen Lozynsky





TREES PLAY A VITAL ROLE in our communities. So when natural disasters strike, the loss of trees is much more than meets the eye. Damaged buildings and homes are often covered by insurance. The Community Tree Recovery program was created out of the great need to replace trees in the wake of natural disasters. Through this program, residents who lost trees in major disasters caused by wildfires, floods, hurricanes, tornadoes, and insects can receive free trees to plant in their yards. This work is critical for re-establishing neighborhood trees ... as well as a sense of community.

The Arbor Day Foundation works with local partners on the ground to help organize events and to make sure we're delivering the trees at a time when the community is ready to replant.

More than 5 million trees have been distributed through the program since its inception. This year there were 13 active Community Tree Recovery campaigns, with 367,010 trees distributed. One such tree distribution was held in Denham Springs, Louisiana, in the wake of a massive flood that devastated much of the Baton Rouge area. In 2016, the residents saw 20–30 inches of rain over the course of three days. The flooding caused damage to more than 146,000 homes and took the lives of 13 people.

For Debbie James, one of the many homeowners who came to the Denham Springs tree distribution event, her new trees symbolized “a new beginning.” She was very grateful for the two trees she was able to select for her yard. “Trees make it all look better and make you feel better about everything,” she said.

The beauty of this program is that, time and time again, we bear witness to the power of trees. They are a sign of life and a vibrant step toward recovery for entire communities.



13 active Community Tree Recovery campaigns this year.



120 distribution and planting events held for this year's campaigns.



367,010 trees distributed to community members.



Rain Forest Rescue®



The Foundation is working with communities and families to preserve the rain forest and build better lives for the people living there.



TROPICAL RAIN FORESTS have been called “the lungs of the world.” They also provide the last remnants of habitat for some of our rarest animals, as well as thousands of plants yielding medicines and cures, with many more yet to be discovered.

Saving the Earth’s rain forests is a core conservation challenge. The Arbor Day Foundation’s Rain Forest Rescue program is working with on-location partners on large-scale tree planting, preservation, and recovery.

An example of this is our work with Dr. Ed Louis Jr. of Omaha’s Henry Doorly Zoo and Aquarium and the Madagascar Biodiversity Partnership to reverse the destruction of forest habitat that is home to critically endangered lemurs and other wildlife species found nowhere else on Earth. Thanks to the dedicated support of our members and partners, this project is creating real change in Madagascar. This year, the partnership established more tree nurseries, bringing the total to 20. With this expansion comes more employment opportunities in surrounding communities.

Another important milestone this year is the discovery of a new lemur species, the Groves’ dwarf lemur (*Cheirogaleus grovesi*). This nocturnal primate — smaller than a common tree squirrel — is the 24th new species discovered through Dr. Louis’ work in Madagascar.



Groves’ dwarf lemur

Photo by Dr. Edward Louis Jr.

Our Rain Forest Rescue program also includes Arbor Day® Coffee, specialty coffee grown in the shade of the rain forest canopy. We are fostering deeper relationships with coffee growers and co-ops to educate and empower them to implement more sustainable agroforestry practices, decreasing their impact on the environment. Through this work, we are preserving existing rain forest land, restoring tree canopy in areas that were previously clearcut, and supporting farm families with a fair price for their harvest.

With the help of our members and partners, the Rain Forest Rescue program has helped to ensure that the trees — and those who care for them — continue to thrive.



Arbor Day® Coffee

is sustainably grown and sourced from Burundi, Colombia, Ethiopia, Guatemala, Indonesia, Mexico, Nicaragua, Papua New Guinea, and Peru.



Photo by Dr. Edward Louis Jr.

500,000 trees

were planted in Madagascar this year.



67 Rain Forest Rescue projects have engaged the Foundation and our partners in 15 countries since the program began.



Energy-Saving Trees[®] and Community Canopy[™]



Homeowners are strategically planting trees in partnership with local utility providers, public agencies, and other organizations.



THE ARBOR DAY FOUNDATION'S Energy-Saving Trees and Community Canopy programs are designed to help utility companies, municipalities, and corporate organizations distribute free trees to their communities. The core purpose is to lower energy bills, improve air quality, sequester carbon, and manage stormwater runoff.

Central to the program is an interactive online tool that was created through a Foundation partnership with The Davey Institute, a division of The Davey Tree Expert Co., and uses peer-reviewed scientific research from the U.S. Forest Service's i-Tree software to calculate estimated energy savings over time. People use the online tool to personally plot their yard as seen from satellite imagery to select the right tree — provided by their utility provider, municipality, or other organization — and the right place for planting that will yield the greatest energy and cost savings.

Once reserved, these trees are either delivered to homes or available for pickup at events organized by the Energy-Saving Trees or Community Canopy partner.

Last year, working with more than 70 partners across the country, approximately 52,000 trees were distributed through these programs. One of those partners was Oncor Electric Delivery, which received a 2018 Environmental Leader Project of the Year award for its tree distribution program.

The award recognizes excellence in projects that provide companies with environmental, sustainability, and energy management benefits.

Throughout our six-year partnership, Oncor and the Arbor Day Foundation have engaged with 22,873 homeowners to plant more than 43,000 trees in communities across the Oncor service area. Collectively, these trees will result in more than \$10 million in electric savings over 20 years and provide more than \$22 million in environmental benefits.

Last year, working with more than 70 partners across the country, approximately 52,000 trees were distributed through these programs.



258,535 trees

have been distributed and planted through the Energy-Saving Trees and Community Canopy programs since 2011.



These trees

will provide an estimated \$128,869,000 in combined energy and community environmental benefits over 20 years.



20–50% reduction in energy used for heating and 30% reduction in air conditioning needs can be realized when trees are properly placed around homes.



Alliance for Community Trees®



Local nonprofit tree planting organizations across the country join together for learning and idea sharing.





LOCAL IMPACT happens when community-based tree planting organizations create projects that involve citizens, schools, churches, and government. This is the work of the nearly 130 members of the Alliance for Community Trees program. These passionate nonprofit organizations are the boots on the ground

— a grassroots network united in its purpose of improving communities and towns across the country with trees.

One benefit of membership is grant eligibility. This past year, three smaller member organizations were awarded grants to participate in an Alliance for Community Trees mentor exchange program. Community Greening of Delray Beach, Florida; Up With Trees of Tulsa, Oklahoma; and Trees Forever of Marion, Iowa, had the opportunity to engage in site visits with larger Alliance for Community Trees members that offer the potential for learning and idea sharing. To further the experience, these three organizations will present their learnings at the upcoming Alliance for Community Trees Day event.

Mark Cassini and Matt Shipley, co-founders of Community Greening in Delray Beach, Florida, shared their thoughts on this mentoring experience. “Flying from South Florida to tour established urban forestry operations in California felt like time travel into the future,” said Mark. This was our opportunity to learn from decades of experience, diverse staff responsibilities, developed programming, healthy partnerships and most of all, high-functioning teams. This was a great reminder that we are part of a national network of dedicated professionals who care about trees and are available for support. Unforgettable trip.”

With more than 90 percent of Americans living and working in towns and metropolitan areas, the need for informed action on a local level is greater than ever. The Alliance for Community Trees is an integral part of making that happen. The network members help deliver our shared mission in the communities they serve.



More than \$1.5 million

was directed to member organizations for local planting projects.



4 national sponsors

supported NeighborWoods Month, an annual campaign held every October to plant and care for community trees across the U.S.



According to a 2017

survey, 95% of Americans understand the shared benefits of having more trees in their communities — inspiration for this network to keep up the good work.



Tree Campus USA[®]



More than 350 colleges and universities engage their students and neighbors to establish and maintain healthy community forests.





364 colleges and universities are now recognized as Tree Campus USA schools.

COLLEGE CAMPUSES ARE AN IDEAL HOME for community forests. As students feed their intellect, prepare for careers, and broaden their social networks, connecting with nature through tree planting has the potential to lay the foundation for a lifetime of environmental stewardship.

Building on the success of the Tree City USA program, the Arbor Day Foundation also recognizes campuses that practice sound tree management and care. The Foundation launched Tree Campus USA in 2008. This year, 364 colleges and universities with a combined enrollment of more than 4.3 million students received Tree Campus USA recognition.

As we commemorated the 10th anniversary of this ever-growing program, there was much to celebrate. This year saw a record number of recognized schools, with 40 first-year applicants and a recertification rate of more than 94 percent. To tell the story of the first decade of Tree Campus USA, a Facebook Live tour was held the week of Arbor Day. The five schools that have been recognized all 10 years of the program were featured: Furman University, Kent State University, University of Michigan, University of Nebraska–Lincoln, and University of South Carolina Upstate.

To recognize so many schools and serve all of their students is inspiring. We are watching young adults learn and grow, helping to foster in them a love for conservation and preparing them for a tomorrow that must include more trees.

5 core standards

are required for sustainable campus forestry and Tree Campus USA recognition:

- 1 A tree advisory committee
- 2 A campus tree care plan
- 3 Dedicated annual expenditures to the campus tree program
- 4 An Arbor Day observance
- 5 Student service-learning projects

California Baptist University photo



More than 40,000 students were engaged in service-learning projects related to Tree Campus USA.



Celebrate Arbor Day



After more than a century, this national holiday continues to embody the tree planting vision of J. Sterling Morton.



IN 1872, NEBRASKAN J. STERLING MORTON proposed the nation's first tree planting holiday. A century later, the Arbor Day Foundation was launched, in large part, to bring the spirit of stewardship to the forefront throughout the year.

The Foundation has grown and evolved in the past 46 years, but the mission remains the same: We inspire people to plant, nurture, and celebrate trees. And with the global issues we face today, our work is more important than ever.

J. Sterling Morton wished for each generation to do its part as trustees of the Earth. Policies and practices to protect our air, water, and natural resources are successes to celebrate and build upon, and the Foundation has done its part as a trustee through its many conservation, forestry, and citizen engagement programs.

This past Arbor Day, the Foundation engaged fellow tree planters in a new way through Change.org. We asked individuals to sign a pledge to plant a tree in celebration of the holiday. While the number of people willing to commit to tree planting was tremendous, the greater inspiration came from the responses about why each of them were making the pledge. They cited the benefits of trees, talked about caring for the next generation, shared who they were planting a tree in honor of, and even called upon others to join the effort.

Other efforts included virtual field trip opportunities for children K–6 across the country, promotion of local events throughout the country on CelebrateArborDay.com, a robust social media campaign that resulted in 1.5 million impressions, and traditional media promotion that resulted in more than 2.1 billion impressions. With the 2018 Arbor Day Awards, we also honored six individuals and organizations for their outstanding contributions to tree planting, conservation, and stewardship.

And it wouldn't be Arbor Day if we didn't get out and celebrate trees. Foundation representatives were busy throughout the month attending celebrations and tree plantings throughout the U.S.



State Arbor Days

| | |
|-----------------------------|---------------------------------|
| Alabama | Last full week in February |
| Alaska | Third Monday in May |
| Arizona | Last Friday in April |
| Arkansas | Third Monday in March |
| California | March 7-14 |
| Colorado | Third Friday in April |
| Connecticut | Last Friday in April |
| Delaware | Last Friday in April |
| District of Columbia | Last Friday in April |
| Florida | Third Friday in January |
| Georgia | Third Friday in February |
| Hawaii | First Friday in November |
| Idaho | Last Friday in April |
| Illinois | Last Friday in April |
| Indiana | Last Friday in April |
| Iowa | Last Friday in April |
| Kansas | Last Friday in April |
| Kentucky | First Friday in April |
| Louisiana | Third Friday in January |
| Maine | Third full week in May |
| Maryland | First Wednesday in April |
| Massachusetts | Last Friday in April |
| Michigan | Last Friday in April |
| Minnesota | Last Friday in April |
| Mississippi | Second Friday in February |
| Missouri | First Friday in April |
| Montana | Last Friday in April |
| Nebraska | Last Friday in April |
| Nevada | Last Friday in April |
| New Hampshire | Last Friday in April |
| New Jersey | Last Friday in April |
| New Mexico | Second Friday in March |
| New York | Last Friday in April |
| North Carolina | First Friday following March 15 |
| North Dakota | First Friday in May |
| Ohio | Last Friday in April |
| Oklahoma | Last full week in March |
| Oregon | First full week in April |
| Pennsylvania | Last Friday in April |
| Rhode Island | Last Friday in April |
| South Carolina | First Friday in December |
| South Dakota | Last Friday in April |
| Tennessee | First Friday in March |
| Texas | First Friday in November |
| Utah | Last Friday in April |
| Vermont | First Friday in May |
| Virginia | Last Friday in April |
| Washington | Second Wednesday in April |
| West Virginia | Second Friday in April |
| Wisconsin | Last Friday in April |
| Wyoming | Last Monday in April |

NATIONAL ARBOR DAY

Last Friday in April



Arbor Day Farm®

 **Arbor Day Farm**
LIED LODGE
ā CONFERENCE CENTER

The sprawling 260 acres of J. Sterling Morton's original estate are where the Foundation's mission comes to life.



BUILDING PROGRAMS THAT ARE HIGH-IMPACT

— life-changing, large-scale, partner-engaging, and sustainable — begins at Arbor Day Farm. The 260-acre National Historic Landmark, part of the original estate of Arbor Day Founder J. Sterling Morton in Nebraska City, Nebraska, is where the Arbor Day Foundation's mission truly comes to life.

At Arbor Day Farm's Tree Adventure® attraction, visitors experience orchards, vineyards, conservation demonstrations, and hands-on activities through their own exploration and by guided tours. In the spring and fall, visitors can watch team members carefully package and ship many of the millions of tree seedlings that are delivered to Foundation members across America.

Lied Lodge & Conference Center at Arbor Day Farm serves as a destination for like minds from across the country and around the globe to gather and discuss forestry, conservation, education, and environmental stewardship. Amid that, you will also find family reunions, business conferences, weddings, and vacations. It is a truly one-of-a-kind destination that demonstrates the Foundation's dedication to trees.

To round out the experience of Arbor Day Farm visitors, the Foundation continues to operate Arbor Lodge State Historical Park. This partnership with the Nebraska Department of Game and Parks ensures that the history of the founder of Arbor Day is respectfully preserved and shared with the world.

One group visiting the property this year engaged with Arbor Day Farm on a much deeper level than the average visitor. In the spring, 350 Scouts came to camp, explore the property, and help with a variety of projects to care for the grounds. It was not only a great learning experience but also a wonderful service project for the Scouts.

We are grateful for the support of our members and partners in helping position Arbor Day Farm and Lied Lodge & Conference Center to fulfill our mission of inspiring people to plant, nurture, and celebrate trees.



25th anniversary

of Lied Lodge & Conference Center.



Nearly 63,000

visitors to the Arbor Day Farm Tree Adventure and Arbor Lodge State Historical Park this year.



12,341

additional visitors to Arbor Day Farm as part of a tour group.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

The Board of Directors
National Arbor Day Foundation
d/b/a Arbor Day Foundation
Lincoln, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of National Arbor Day Foundation d/b/a Arbor Day Foundation, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud

or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Arbor Day Foundation d/b/a Arbor Day Foundation as of June 30, 2018, 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.

Report on Summarized Comparative Information

We have previously audited National Arbor Day Foundation d/b/a Arbor Day Foundation's June 30, 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 24, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the

audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2018, on our consideration of National Arbor Day Foundation d/b/a Arbor Day Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of National Arbor Day Foundation d/b/a Arbor Day Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering National Arbor Day Foundation d/b/a Arbor Day Foundation's internal control over financial reporting and compliance.

October 22, 2018

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018 • WITH COMPARATIVE TOTALS AS OF JUNE 30, 2017

| ASSETS | 2018 | 2017 |
|---|----------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents (notes A and E) | \$ 5,481,864 | \$ 1,511,983 |
| Investments (notes A, B, E, and N) | 8,197,270 | 6,574,079 |
| Accounts receivable (note A) | 2,776,817 | 2,199,149 |
| Grants receivable (note A) | 540,356 | 535,372 |
| Prepaid expense | 346,766 | 351,644 |
| Inventory (notes A and C) | 2,361,497 | 2,340,292 |
| Total current assets | 19,704,570 | 13,512,519 |
| PROPERTY AND EQUIPMENT, net (notes A and D) | 28,790,335 | 29,663,933 |
| OTHER ASSETS | | |
| Restricted cash | 1,732,003 | 2,007,181 |
| Construction in progress | 138,182 | 86,057 |
| Contributions receivable from charitable trusts (notes E and N) | 27,372 | 28,962 |
| Total assets | \$ 50,392,462 | \$45,298,652 |
| | | |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 1,824,084 | \$ 1,203,567 |
| Accrued expenses (note A) | 4,284,649 | 3,424,279 |
| Current maturities of long-term obligations (note G) | 650,005 | 637,638 |
| Current maturities of obligations under capital lease (notes A and O) | - | 39,695 |
| Deferred revenue (note A) | 3,847,138 | 1,269,019 |
| Total current liabilities | 10,605,876 | 6,574,198 |
| LONG-TERM OBLIGATIONS | | |
| Deferred revenue (note A) | 1,142,858 | 1,714,286 |
| Long-term obligations, net of current maturities (note G) | 691,293 | 1,339,897 |
| Total long-term obligations | 1,834,151 | 3,054,183 |
| OTHER LIABILITIES | | |
| Annuities payable (notes E and N) | 763,182 | 741,109 |
| Total liabilities | 13,203,209 | 10,369,490 |
| NET ASSETS (notes A and H) | | |
| Unrestricted | | |
| Undesignated | 26,370,489 | 24,425,617 |
| Designated | 9,771,880 | 9,445,078 |
| Temporarily restricted | 1,006,441 | 1,018,024 |
| Permanently restricted | 40,443 | 40,443 |
| Total net assets | 37,189,253 | 34,929,162 |
| Total liabilities and net assets | \$ 50,392,462 | \$ 45,298,652 |

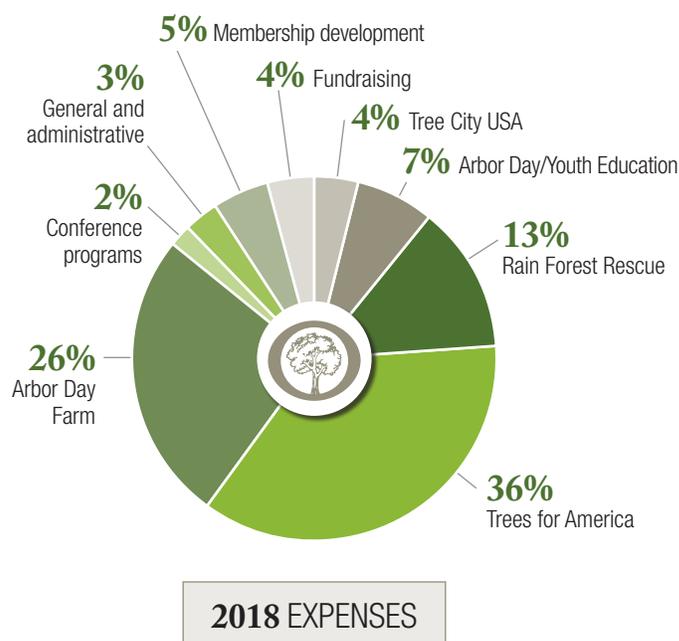
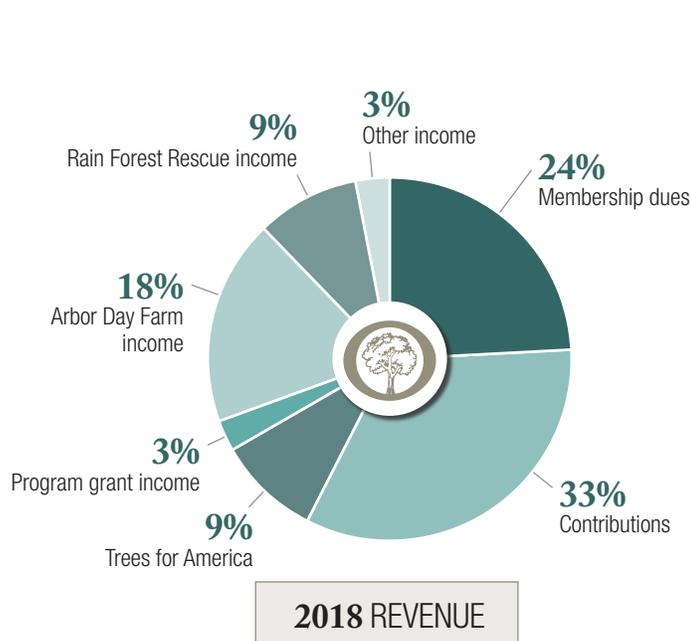
See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

| CHANGES IN NET ASSETS | 2018 | | | 2017 | |
|--------------------------------------|----------------------|------------------------|------------------------|----------------------|----------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total | Total |
| REVENUE AND SUPPORT | | | | | |
| Membership dues | \$ 12,819,666 | \$ - | \$ - | \$ 12,819,666 | \$ 12,923,100 |
| Contributions | 17,380,177 | 45,926 | - | 17,426,103 | 14,566,623 |
| Trees for America | 4,561,432 | - | - | 4,561,432 | 4,566,142 |
| Program grant income (note I) | 1,790,483 | - | - | 1,790,483 | 1,483,824 |
| Arbor Day Farm income | 9,758,123 | - | - | 9,758,123 | 9,268,716 |
| Rain Forest Rescue income | 4,994,145 | - | - | 4,994,145 | 4,637,736 |
| Other income (note J) | 1,708,696 | (57,509) | - | 1,651,187 | 3,239,748 |
| Total revenue and support | 53,012,722 | (11,583) | - | 53,001,139 | 50,685,889 |
| EXPENSES | | | | | |
| <i>Program services</i> | | | | | |
| Tree City USA | 1,851,901 | - | - | 1,851,901 | 1,721,021 |
| Arbor Day/Youth Education | 3,436,567 | - | - | 3,436,567 | 2,921,157 |
| Rain Forest Rescue | 6,701,044 | - | - | 6,701,044 | 5,868,467 |
| Trees for America | 18,202,839 | - | - | 18,202,839 | 16,702,371 |
| Arbor Day Farm | 13,241,085 | - | - | 13,241,085 | 13,004,276 |
| Conference programs | 1,138,901 | - | - | 1,138,901 | 879,446 |
| <i>Supporting activities</i> | | | | | |
| General and administrative | 1,705,603 | - | - | 1,705,603 | 1,428,581 |
| Membership development | 2,536,818 | - | - | 2,536,818 | 2,385,348 |
| Fundraising | 1,926,290 | - | - | 1,926,290 | 1,449,734 |
| Total expenses | 50,741,048 | - | - | 50,741,048 | 46,360,401 |
| INCREASE (DECREASE) IN NET ASSETS | 2,271,674 | (11,583) | - | 2,260,091 | 4,325,488 |
| Net assets, beginning of year | 33,870,695 | 1,018,024 | 40,443 | 34,929,162 | 30,603,674 |
| Net assets, end of year | \$ 36,142,369 | \$1,006,441 | \$ 40,443 | \$ 37,189,253 | \$ 34,929,162 |

See accompanying notes to financial statements.



STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2018, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

| | PROGRAM SERVICES | | | | | | | SUPPORT ACTIVITIES | | | 2018 Totals | 2017 Totals |
|--|---------------------|----------------------------------|--------------------------|----------------------|---------------------|------------------------|------------------------------|-------------------------------|---------------------------|---------------------|---------------------|---------------------|
| | Tree City USA | Arbor Day/ Youth Education | Rain Forest Rescue | Trees for America | Arbor Day Farm | Conference Programs | Total Program Services | General and Administrative | Membership Development | Fundraising | | |
| Salaries, payroll taxes and employee benefits (note L) | \$ 824,600 | \$ 698,987 | \$ 824,270 | \$ 2,931,712 | \$ 6,465,251 | \$ 424,744 | \$ 12,169,564 | \$ 886,945 | \$ 396,950 | \$ 1,334,839 | \$ 14,788,298 | \$ 13,963,290 |
| Contract labor | - | 16,581 | - | 54,725 | 106,832 | - | 178,138 | - | - | - | 178,138 | 142,419 |
| Advertising and promotion (note A) | 7,050 | 16,687 | 27,415 | 55,692 | 243,120 | 170 | 350,134 | 163,172 | - | 10,087 | 523,393 | 911,798 |
| Printing, publications, mailing and photography | 268,228 | 610,695 | 1,242,947 | 2,883,615 | 420,009 | 101,915 | 5,527,409 | 208,490 | 1,272,128 | 196,725 | 7,204,752 | 6,386,995 |
| Travel and mileage | 26,498 | 122,384 | 74,590 | 100,090 | 117,779 | 41,980 | 483,321 | 35,346 | 1,860 | 96,460 | 616,987 | 448,800 |
| Professional services | 92,685 | 620,515 | 66,752 | 690,567 | 132,762 | 40,480 | 1,643,761 | 44,814 | 26,274 | 32,197 | 1,747,046 | 2,144,295 |
| Recognition material | 291 | 563 | 40 | 1,140 | 14,107 | 76 | 16,217 | 10,256 | - | 4,014 | 30,487 | 23,414 |
| Professional development | 5,396 | 6,916 | 4,533 | 14,116 | 17,717 | 2,108 | 50,786 | 4,217 | 2,460 | 5,010 | 62,473 | 62,789 |
| Taxes | - | 1 | 50 | 965 | 284,791 | - | 285,807 | 53,048 | - | 4,279 | 343,134 | 360,740 |
| Repairs and maintenance | 10,346 | 10,346 | 4,292 | 100,760 | 268,202 | 1,478 | 395,424 | 7,390 | 7,390 | 7,390 | 417,594 | 651,306 |
| Tree purchases and shipping expenses | 56,066 | 249,909 | 89,966 | 7,903,589 | 24,259 | - | 8,323,789 | - | 9,229 | 29,093 | 8,362,111 | 7,796,044 |
| Rain forest preservation | - | - | 19,514 | - | - | - | 19,514 | - | - | - | 19,514 | 26,298 |
| Inventory purchases | 276,567 | 44,029 | 3,540,993 | - | 1,483,801 | - | 5,345,390 | 24,521 | - | 4,319 | 5,374,230 | 5,282,407 |
| Computer services | 15,227 | 49,930 | 35,004 | 469,232 | 56,798 | 14,956 | 641,147 | 14,956 | 9,971 | 22,713 | 688,787 | 508,592 |
| Bank charges | - | 173 | 421 | 297,618 | 200,194 | 198 | 498,604 | 396 | - | 25 | 499,025 | 455,902 |
| Insurance | 6,973 | 6,973 | 1,992 | 66,742 | 202,941 | 1,110 | 286,731 | 4,981 | 16,083 | 4,981 | 312,776 | 312,356 |
| Telephone and utilities | 11,004 | 12,564 | 4,593 | 96,706 | 601,129 | 1,887 | 727,883 | 5,414 | 5,414 | 15,769 | 754,480 | 780,471 |
| Postage | 134,505 | 378,082 | 619,636 | 1,701,859 | 213,271 | 45,575 | 3,092,928 | 90,944 | 721,611 | 85,815 | 3,991,298 | 2,124,781 |
| Office supplies | 1,502 | 1,266 | 1,330 | 6,258 | 14,260 | 851 | 25,467 | 1,691 | 987 | 1,460 | 29,605 | 17,356 |
| Operating supplies | 430 | 8,514 | 5,723 | 4,043 | 507,153 | 235,927 | 761,790 | 23,510 | - | 1,130 | 786,430 | 796,386 |
| Dues and subscriptions | 1,255 | 1,321 | 1,455 | 1,482 | 9,731 | - | 15,244 | 14,713 | - | 6,263 | 36,220 | 38,670 |
| Interest expense | - | - | - | 1,264 | 64,068 | - | 65,332 | 67 | - | - | 65,399 | 100,116 |
| Bad debts | 1,993 | 1,993 | 3,046 | 28,120 | 3,087 | 2,651 | 40,890 | 1,196 | 1,196 | 797 | 44,079 | 1,952 |
| Rental expense (note K) | 1,125 | 3,623 | 1,125 | 45,799 | 67,935 | 57,609 | 177,216 | 1,687 | 562 | 562 | 180,027 | 124,608 |
| Depreciation (note D) | 66,833 | 59,407 | 66,833 | 268,814 | 1,617,262 | 44,555 | 2,123,704 | 89,111 | 51,981 | 44,555 | 2,309,351 | 2,399,107 |
| Miscellaneous | 43,327 | 515,108 | 64,524 | 477,931 | 104,626 | 120,631 | 1,326,147 | 18,738 | 12,722 | 17,807 | 1,375,414 | 499,509 |
| TOTAL EXPENSES | \$ 1,851,901 | \$ 3,436,567 | \$ 6,701,044 | \$18,202,839 | \$13,241,085 | \$ 1,138,901 | \$ 44,572,337 | \$ 1,705,603 | \$ 2,536,818 | \$ 1,926,290 | \$50,741,048 | |
| TOTAL EXPENSES June 30, 2017 | \$ 1,721,021 | \$ 2,921,157 | \$ 5,868,467 | \$16,702,371 | \$13,004,276 | \$ 879,446 | \$ 41,096,738 | \$ 1,428,581 | \$ 2,385,348 | \$ 1,449,734 | | \$46,360,401 |

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2018, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

| | 2018 | 2017 | | 2018 | 2017 |
|---|---------------------|---------------------|--|---------------------|---------------------|
| Cash flows from operating activities | | | Adjustments to reconcile increase in net assets to net cash provided by operating activities | | |
| Cash received from revenue and support | \$ 54,374,083 | \$ 46,163,522 | Increase in net assets | \$ 2,260,091 | \$ 4,325,488 |
| Cash paid to employees and suppliers | (46,861,216) | (44,673,321) | Adjustments to reconcile increase in net assets to net cash provided by operating activities | | |
| Interest received | 47,366 | 13,454 | Depreciation | 2,309,351 | 2,399,107 |
| Interest paid | (66,889) | (102,308) | Investment gain | (417,407) | (294,763) |
| Net cash provided by operating activities | 7,493,344 | 1,401,347 | Actuarial (gain) loss on annuities | 120,388 | (14,614) |
| Cash flows from investing activities | | | Decrease in contributions for annuity liabilities | 43,513 | 54,013 |
| Purchase of investments | (1,345,212) | (4,893,433) | (Gain) loss on disposal of property and equipment | 216 | (1,491,689) |
| Proceeds from the sale of investments | 141,828 | 100,597 | Donated property and equipment | (25,617) | (3,099,976) |
| Proceeds from sale of property and equipment | - | 2,324,769 | (Increase) decrease in assets | | |
| Purchase of property and equipment | (1,501,512) | (715,147) | Accounts receivable | (577,668) | (632,052) |
| Net cash used by investing activities | (2,704,896) | (3,183,214) | Grants receivable | (4,984) | 345,063 |
| Cash flows from financing activities | | | Prepaid expense | 4,878 | (61,343) |
| Principal payments on long-term obligations | (637,044) | (668,584) | Inventory | (21,205) | (827,152) |
| Principal payments on capital lease | (39,695) | (57,836) | Restricted cash | 275,178 | (5,200) |
| Payments on annuities | (141,828) | (122,106) | Increase in liabilities | | |
| Net cash provided (used) by financing activities | (818,567) | (848,526) | Accounts payable | 659,549 | 3,599 |
| Net increase (decrease) in cash | 3,969,881 | (2,630,393) | Accrued expenses | 860,370 | 70,561 |
| Cash and cash equivalents, beginning of year | 1,511,983 | 4,142,376 | Deferred revenue | 2,006,691 | 630,305 |
| Cash and cash equivalents, end of year | \$ 5,481,864 | \$ 1,511,983 | Total adjustments to increase in net assets | 5,233,253 | (2,924,141) |
| | | | Net cash provided by operating activities | \$ 7,493,344 | \$ 1,401,347 |
| | | | Supplemental disclosure of noncash information: | | |
| | | | Noncash investing activities | | |
| | | | Accounts payable assumed for property and equipment purchases | \$ 58,891 | \$ 97,923 |
| | | | In-kind donations of property and equipment | \$ 25,617 | \$ 3,099,976 |

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

THE NATIONAL ARBOR DAY FOUNDATION d/b/a Arbor Day Foundation (the Foundation) was incorporated under the Nebraska Nonprofit Corporation Act on September 3, 1971. The purpose of the Foundation is to engage in educational and charitable activities including officially promoting the annual observance of Arbor Day; inspiring people to plant, nurture, and celebrate trees; stimulating a world-wide program of tree and horticultural planting and care; advancing nature education and environmental education; and maintaining Arbor Day Farm, the estate of Arbor Day's founder J. Sterling Morton.

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting. The accompanying financial statements have been prepared on the accrual basis of accounting.

Net Asset Classification. The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets. Net assets that are not subject to outside restrictions.

Temporarily restricted net assets. Net assets on which grantors or donors have placed restrictions regarding the use of the funds or the time period in which the funds can be used. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as "net assets released from restrictions." Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

Permanently restricted net assets. Net assets whose funds must be held indefinitely.

Cash and Cash Equivalents. For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

Accounts Receivable. Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Accounts receivable due from customers are uncollateralized customer obligations due under normal trade terms either due upon receipt or requiring payment within 30 days from the invoice date. Accounts receivable are stated at the amount billed to the customer. The Company does not charge interest on overdue customer account balances. Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices.

Grants Receivable. Grants receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history of grantors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Inventory. Inventory is stated at the lower of cost or market determined by the first-in, first-out method.

Promises to Give. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give that are expected to be collected or paid in more than one year are recognized at the present value of estimated future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment and Depreciation. Property and equipment are carried at cost, if purchased, and at fair market value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed primarily on the straight-line method. It is the Foundation's policy to capitalize property and equipment with a cost of \$1,000 or more and an estimated useful life of greater than one year. The cost of routine maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. The estimated lives by asset class follow:

| | |
|---|------------|
| Buildings | 5-50 years |
| Leasehold improvements | 20 years |
| Farm improvements | 5-32 years |
| Orchards | 5-20 years |
| Computer hardware | 5-10 years |
| Lied Lodge and Conference Center equipment and improvements | 3-30 years |
| Furniture and equipment | 5-30 years |
| Computer software | 5-10 years |
| Traveling exhibit | 10 years |

Accrued Vacation. The Foundation's vacation pay policy allows full-time employees 80 hours of vacation time for the first year of full-time employment, increasing each year of employment up to a maximum of 160 hours per year after 10 years of employment. Vacation time is also available on a pro-rata basis for regular part-time employees. Up to 160 hours of accrued vacation time may be carried into a new calendar year but no more than 160 hours may be accumulated and unused at anytime. All accumulated vacation time is paid out upon termination. Accrued vacation for the years ended June 30, 2018 and 2017 was \$491,120 and \$475,179, respectively.

Deferred Revenue. The Foundation records program support in the period in which the costs of providing the corresponding program services are incurred. Deferred revenue consists of unearned program support for future costs of providing specific program services.

Leases. Assets which are acquired by lease-purchase agreements and meet the criteria of a capital lease are recorded as assets and obligations at the lesser of the following:

- (1) An amount equal to the present value, at the beginning of the lease term, of minimum lease payments during the lease term, excluding that portion of the payments representing executory costs to be paid by the lessor, together with any profit thereon.
- (2) Fair value of the leased property at the inception of the lease.

Rental payments under agreements which meet the criteria of an operating lease are expensed when paid.

Advertising. The Foundation expenses advertising as incurred. Advertising expense for the years ended June 30, 2018 and 2017 was \$523,393 and \$911,798, respectively.

Shipping and Handling Costs. The Foundation records the freight billed to customers as sales revenue and the related freight costs as cost of goods sold.

Sales Tax. The Foundation collects sales tax from all nonexempt customers at the rate in effect in the state where the delivery occurs if the Foundation has nexus in the state. The Foundation's accounting policy is to exclude the tax collected from revenue and remit the balance to the appropriate state.

Functional Allocation of Expenses. The costs of providing various programs and other 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.

Fair Value Measurements. The Financial Accounting Standards Board has issued guidance defining fair value, establishing a framework for measuring fair value and expanding disclosures about fair value measurements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes a fair value hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest priority level of any input that is significant to the fair value measurement. Transfers between levels shall occur at the actual date of the event or change in circumstances that caused the transfer. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Income Taxes. The Foundation is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of its exempt purpose is not subject to income tax. Any income earned through activities not related to its exempt purpose is subject to income tax at normal corporate rates.

Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Financial Information. The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted

accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

NOTE B — INVESTMENTS

| | 2018 | | 2017 | |
|-------------------------|--------------------|--------------------|--------------------|--------------------|
| | Cost | Fair Value | Cost | Fair Value |
| Investments | | | | |
| consist of: | | | | |
| Mutual funds | \$7,724,520 | \$7,988,094 | \$6,258,350 | \$6,360,347 |
| Agency bonds | 115,991 | 114,740 | 120,283 | 119,936 |
| Exchange traded funds | 76,653 | 94,436 | 83,825 | 93,796 |
| | \$7,917,164 | \$8,197,270 | \$6,462,458 | \$6,574,079 |
| Unrealized gains | | \$ 280,106 | | \$ 111,621 |

Other income - investment income consists of:

| | 2018 | 2017 |
|------------------------------|-------------------|-------------------|
| Interest and dividend income | \$ 190,666 | \$ 27,785 |
| Realized gains | 20,710 | 2,949 |
| Unrealized gains | 224,130 | 258,721 |
| Investment management fees | (33,687) | (4,397) |
| | \$ 401,819 | \$ 285,058 |

NOTE C — INVENTORY

| | 2018 | 2017 |
|-----------------------------|---------------------|---------------------|
| Inventory consists of: | | |
| Food and beverage inventory | \$ 314,997 | \$ 266,180 |
| Merchandise inventory | 100,276 | 106,760 |
| Coffee inventory | 1,247,833 | 1,577,329 |
| Catalog inventory | 191,433 | 212,907 |
| Other print inventory | 76,738 | 74,393 |
| Greenhouse inventory | 108,272 | 77,554 |
| Carbon inventory | 195,919 | - |
| Miscellaneous inventory | 126,029 | 25,169 |
| | \$ 2,361,497 | \$ 2,340,292 |

NOTE D — PROPERTY AND EQUIPMENT

| | 2018 | 2017 |
|---|----------------------|----------------------|
| Property and equipment consists of: | | |
| Land | \$ 4,496,807 | \$ 4,495,174 |
| Buildings | 35,576,901 | 34,722,767 |
| Leasehold improvements | 125,082 | 125,082 |
| Farm improvements | 1,563,981 | 1,556,562 |
| Orchards | 78,210 | 74,244 |
| Computer hardware | 2,572,381 | 2,415,638 |
| Lied Lodge & Conference Center equipment and improvements | 4,504,563 | 4,504,563 |
| Furniture and equipment | 4,083,122 | 3,873,070 |
| Computer software | 3,875,930 | 3,674,123 |
| | \$ 56,876,977 | \$ 55,441,223 |
| Less accumulated depreciation | (28,086,642) | (25,777,290) |
| | \$ 28,790,335 | \$ 29,663,933 |

Depreciation expense for the years ended June 30, 2018 and 2017 was \$2,309,351 and \$2,399,107, respectively.



NOTE E — SPLIT-INTEREST AGREEMENTS

The Foundation has entered into charitable gift annuity contracts which provide for periodic distributions to the donor over a specified period of time, usually the life of the donor. Any amounts remaining, after all distributions have been made, are left to the Foundation.

When a gift annuity is created, the value of the annuity contract (payments due the annuitant) is treated as a liability of the Foundation. The discount rate used in calculating the annuity obligation is the prime rate at measurement date and the actuarial assumptions used in calculating the annuity obligation are those provided in actuarial tables. The difference between this liability and the total amount deposited by the annuitant is treated as a current contribution for that portion which ultimately accrues to the Foundation.

For the agreements where the Foundation is not the trustee, the Foundation has recorded an asset included in the caption "contributions receivable from charitable trusts" which represents its beneficial interest in the agreements.

For the years ended June 30, 2018 and 2017, contributions include gift annuity contracts valued at \$37,655 and \$60,826, respectively, after recognizing the liabilities relating to the annuity contracts.

The Foundation complies with requirements of various states' laws, including mandated annuity reserves and limitations on the manner in which net assets are invested.

| | 2018 | 2017 |
|---------------------------|---------------------|---------------------|
| Cash and cash equivalents | \$ 10,739 | \$ 52,166 |
| Investments | 1,455,695 | 1,419,586 |
| | \$ 1,466,434 | \$ 1,471,752 |

NOTE F — REVOLVING CREDIT NOTE PAYABLE AND LETTER OF CREDIT

The Foundation has secured a revolving credit note agreement with a financial institution, which provides it may borrow up to \$3,000,000 at the bank's variable interest rate. The note is secured by substantially all of the assets of the Foundation. No amounts had been borrowed on the revolving credit note as of June 30, 2018 and 2017. The revolving credit note expires January 31, 2019.

In addition, the Foundation has established an irrevocable letter of credit of \$1,027,788 and \$447,743 as of June 30, 2018 and 2017, respectively, for securing payment drawn in favor of a USDA Forest Service agreement. The letter of credit automatically renews annually on December 31. The fee for the letter of credit is waived. There was no outstanding balance under the letter of credit as of June 30, 2018 and 2017.

NOTE G — LONG-TERM OBLIGATIONS

| Long-term obligations consist of: | 2018 | 2017 |
|---|---------------------|---------------------|
| Note payable to Union Bank & Trust Co., Lincoln, Nebraska, with 3.75% interest. Secured by substantially all assets of the Foundation. Payable in monthly installments of \$54,989, maturing June 17, 2020. | \$ 1,269,443 | \$ 1,867,277 |
| Note payable to Union Bank & Trust Co., Lincoln, Nebraska, with 3.95% interest. Secured by real estate in Lincoln, Nebraska and Otoe County, Nebraska. Payable in monthly installments of \$2,302, maturing on March 24, 2021. | 71,855 | 96,087 |
| Note payable to Farmers Bank, Nebraska City, Nebraska, with 7.25% interest. Secured by real estate in Nebraska City, Nebraska. Payable in monthly installments of \$2,406, the note matured November 6, 2017. | - | 11,711 |
| Non-interest bearing note payable to the City of Lincoln, Nebraska for \$60,000 with a discounted value of \$44,000 at an imputed interest rate of 6.5%. Secured by real estate in Lincoln, Nebraska. Payable in monthly installments of \$500, the note matured November 30, 2017. | - | 2,460 |
| | \$ 1,341,298 | \$ 1,977,535 |
| Less current maturities | (650,005) | (637,638) |
| | \$ 691,293 | \$ 1,339,897 |

Aggregate annual maturities of long-term obligations for the years following June 30, 2018, are as follows:

| Year ending June 30, | |
|----------------------|---------------------|
| 2019 | 650,005 |
| 2020 | 673,332 |
| 2021 | 17,961 |
| \$ | \$ 1,341,298 |

NOTE H — NET ASSETS

Unrestricted, designated net assets are available for the following purposes:

| | 2018 | 2017 |
|--|---------------------|---------------------|
| Board designated reserve fund (cash and investments) | \$ 6,494,256 | \$ 6,180,180 |
| Board designated reserve fund (property) | 3,075,257 | 3,075,257 |
| Quasi-endowment fund | 202,367 | 189,641 |
| | \$ 9,771,880 | \$ 9,445,078 |

Temporarily restricted net assets are available for the following purposes:

| | 2018 | 2017 |
|--|---------------------|---------------------|
| Split-interest agreements | \$ 745,158 | \$ 759,604 |
| Exhibition center | 209,000 | 209,000 |
| Earnings on permanently restricted endowment funds | 19,532 | 16,669 |
| Hazelnut project | 32,751 | 32,751 |
| | \$ 1,006,441 | \$ 1,018,024 |

Permanently restricted net assets are to be maintained in perpetuity as an endowment fund.

NOTE I — PROGRAM GRANTS

During the years ended June 30, 2018 and 2017, grant income consisted of:

| Grant Source | Grant Purpose | 2018 | 2017 |
|--------------------------------|-------------------------------------|---------------------|---------------------|
| <i>Government:</i> | | | |
| U.S. Dept. of Agriculture | Tree City USA | \$ 197,000 | \$ 268,459 |
| | Public Service Ads | 140,000 | 140,000 |
| | Nature Explore Classrooms | 205,977 | 299,862 |
| | Urban Community Forestry | | |
| | Urban Network | 193,625 | 15,589 |
| | NIFA Specialty Crop | | |
| | Research Initiative | 110,614 | 78,192 |
| | Sustainable Urban Forests Coalition | 88,151 | - |
| | | \$ 935,367 | \$ 802,102 |
| Nebraska Environmental Trust | Biomass Chiller | 64,997 | - |
| Government grant income | | 1,000,364 | 802,102 |
| <i>Private:</i> | | | |
| CSX | | 269,500 | - |
| Boise | | 30,000 | - |
| TD Green Streets | | 210,000 | - |
| Kropp/Nelson | | 44,000 | - |
| Earthshare | | 9,183 | 9,599 |
| Sunderland | | 100,000 | - |
| TD Tree Days | | 15,250 | - |
| Fogg Charitable Trust | | 100,000 | 126,250 |
| Welson Foundation | | - | 8,000 |
| Burlington Capital | | - | 25,000 |
| PricewaterhouseCoopers | | - | 250,000 |
| UPS Foundation | | - | 250,000 |
| Others | | 12,186 | 12,873 |
| Private grant income | | 790,119 | 681,722 |
| Total grant income | | \$ 1,790,483 | \$ 1,483,824 |

NOTE J — OTHER INCOME

Other income consists of:

| | 2018 | 2017 |
|---|---------------------|---------------------|
| List rental income | \$ 345,229 | \$ 551,326 |
| Education materials sales | 85,108 | 85,166 |
| Tree City USA material sales | 40,414 | 42,699 |
| Conference and training | 569,603 | 247,359 |
| Rental income | 137,363 | 133,223 |
| Royalty income | 9,867 | - |
| Investment income | 401,819 | 285,058 |
| Interest income | 47,366 | 13,454 |
| Gain (loss) on sale or disposal of property and equipment | (216) | 1,491,689 |
| Other | 14,634 | 389,774 |
| | \$ 1,651,187 | \$ 3,239,748 |

NOTE K — LEASES

As Lessee

The Foundation has an agreement to lease Steinhart Lodge from the City of Nebraska City for a term of 99 years commencing June 1, 1985 for the sum of \$1. The Foundation has the option to extend the agreement for an additional term of 99 years for the total sum of \$1. Since the lease term extends beyond the economic life of the asset, the Steinhart Lodge lease has been shown as a capital addition at a value of \$297,750. Steinhart Lodge is part of Arbor Day Farm.

The Foundation leases real property under two operating lease agreements. Under the first agreement, lease payments are \$42,000 plus inflation adjustments annually through December 31, 2098. The Foundation subleased the first operating lease to another party under the same terms as the Foundation's. Under the second agreement, lease payments are \$26,400 annually through December 31, 2047.

The Foundation leases building space under an operating lease agreement. The term of the lease is from August 1, 2009 through December 31, 2018. Under the agreement, lease payments were \$23,140 annually through December 31, 2013 and \$25,396 annually from January 1, 2014 through December 31, 2018.

The Foundation leases office equipment under operating leases which expire over varying terms. The last lease is set to expire in June 2020.

Rent expense for the years ended June 30, 2018 and 2017 was \$180,027 and \$124,608, respectively. Future minimum lease payments for the years following June 30, 2018 are as follows:

| Year ending June 30, | |
|----------------------|-------------------|
| 2019 | \$ 48,779 |
| 2020 | 36,081 |
| 2021 | 26,400 |
| 2022 | 26,400 |
| 2023 | 26,400 |
| 2024 and thereafter | 646,800 |
| | \$ 810,860 |

As Lessor

The Foundation leases building space to a bakery-café restaurant under an operating lease agreement. The term of the lease is from August 1, 2009 through December 31, 2018. Under the agreement, base lease payments are \$97,156 annually until December 31, 2018. The tenant is also responsible for its proportionate share of common area

NOTE K — LEASE — CONTINUED

maintenance charges. Subsequent to year-end, this lease was extended three years and lease payments are \$97,156 annually until December 31, 2021. Thereafter, the lessee has two renewal options, the first for three years at \$106,608 annually and the second for five years at \$113,112.

Rent income for the years ended June 30, 2018 and 2017 was \$137,363 and \$133,223, respectively. Future minimum lease revenue is \$48,578 for the year ending June 30, 2019.

NOTE L — RETIREMENT PLAN

The Foundation has established a defined contribution retirement plan qualified under Section 401(k) of the Internal Revenue Code. The plan covers employees age twenty-one and over with one year and at least 1,000 hours of service. Employees may, upon hire, make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Foundation provides a matching contribution on the first three percent of contributions made by eligible employees up to a maximum of \$3,000 annually. Matching contributions were \$224,537 and \$214,414 for the years ended June 30, 2018 and 2017, respectively. Employees become vested in the matching contributions over a five year period, 20% each year.

NOTE M — ALLOCATION OF JOINT COSTS

The Foundation conducted activities which incurred joint costs for educational information and distribution of direct mail fundraising appeals, and for corporate marketing activities. These costs were allocated as follows:

| | 2018 | 2017 |
|---|---------------------|---------------------|
| Total joint costs allocated to program services | \$ 2,464,142 | \$ 2,245,721 |
| Total joint costs allocated to fundraising | 1,319,417 | 922,259 |
| | \$ 3,783,559 | \$ 3,167,980 |

NOTE N — FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the years ended June 30, 2018 and 2017.

Mutual funds: Valued at the observable net asset value (NAV) of shares held by the Foundation at year-end.

Agency bonds: Valued using independent pricing models.

Exchange traded funds: Valued at the observable net asset value (NAV) of shares held by the Foundation at year-end.

Contributions receivable from charitable trusts: Valued at an amount equal to the estimated present value of the life interest. The estimated value of the life interest of the trust is based on the trust's current market value, a discount rate of 3.4 percent (2018) and 2.4 percent (2017) as provided in Internal Revenue Service (IRS) guidelines, and the estimate remaining life of the donor as provided in actuarial tables.

Annuities payable: Valued using the estimated present value of the annuity obligation. The Foundation has elected the fair value option for measuring annuity obligations. The discount rate of 5.00 percent (2018) and 4.25 percent (2017) used in calculating the annuity obligation is the prime rate and the actuarial assumptions used in calculating the annuity obligation are those provided in actuarial tables. Both the discount rate and the actuarial assumptions are updated each period the obligations are valued.

Lied Lodge and Conference Center equipment and improvements: Valued using quoted prices for similar assets as provided by the vendors of such assets.

Donated land: Valued based on taxable assessed value adjusted for differences between taxable value and typical land values on the open market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2018 and 2017.

| 2018 | | | | |
|---|---------------------|--|---|---|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| INVESTMENTS: | | | | |
| Mutual funds | | | | |
| Large cap | \$ 2,155,073 | \$ 2,155,073 | \$ - | \$ - |
| Mid cap | 45,595 | 45,595 | - | - |
| Small cap | 916,706 | 916,706 | - | - |
| International | 1,111,625 | 1,111,625 | - | - |
| High yield bond | 28,301 | 28,301 | - | - |
| Intermediate-term bond | 774,794 | 774,794 | - | - |
| Short-term bond | 1,976,381 | 1,976,381 | - | - |
| World bond | 466,293 | 466,293 | - | - |
| Inflation-protected bond | 319,657 | 319,657 | - | - |
| Commodities | 193,669 | 193,669 | - | - |
| Agency bonds | | | | |
| AA+/Aaa | 85,003 | - | 85,003 | - |
| Taxable | 29,737 | - | 29,737 | - |
| Exchange traded funds | | | | |
| Domestic equity | 72,201 | 72,201 | - | - |
| Global equity | 22,235 | 22,235 | - | - |
| | \$ 8,197,270 | \$ 8,082,530 | \$ 114,740 | - |
| CONTRIBUTIONS RECEIVABLE FROM CHARITABLE TRUSTS | \$ 27,372 | - | - | \$ 27,372 |
| ANNUITIES PAYABLE | \$ 763,182 | - | - | \$ 763,182 |
| 2017 | | | | |
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| INVESTMENTS: | | | | |
| Mutual funds | | | | |
| Large cap | \$ 1,272,390 | \$ 1,272,390 | \$ - | \$ - |
| Mid cap | 44,500 | 44,500 | - | - |
| Small cap | 668,779 | 668,779 | - | - |
| Large growth | 501,430 | 501,430 | - | - |
| International | 943,740 | 943,740 | - | - |
| High yield bond | 26,241 | 26,241 | - | - |
| Intermediate-term bond | 633,470 | 633,470 | - | - |
| Short-term bond | 1,187,899 | 1,187,899 | - | - |
| World bond | 26,022 | 26,022 | - | - |
| Inflation-protected bond | 552,302 | 552,302 | - | - |
| Work REITs | 150,054 | 150,054 | - | - |
| Emerging market stocks | 201,510 | 201,510 | - | - |
| Commodities | 152,010 | 152,010 | - | - |
| Agency bonds | | | | |
| AA+/Aaa | 89,838 | - | 89,838 | - |
| Taxable | 30,098 | - | 30,098 | - |
| Exchange traded funds | | | | |
| Domestic equity | 69,846 | 69,846 | - | - |
| Global equity | 23,950 | 23,950 | - | - |
| | \$ 6,574,079 | \$ 6,454,143 | \$ 119,936 | \$ - |
| CONTRIBUTIONS RECEIVABLE FROM CHARITABLE TRUSTS | \$ 28,962 | - | - | \$ 28,962 |
| ANNUITIES PAYABLE | \$ 741,109 | - | - | \$ 741,109 |

NOTE N — FAIR VALUE MEASUREMENTS — CONTINUED

The following table sets forth a summary of changes in the fair value of the Foundation's level 3 assets and liabilities for the years ended June 30, 2018 and 2017.

| | Contributions Receivable from Charitable Trusts | Annuities Payable |
|--|---|----------------------|
| Balance at June 30, 2016 | \$ 29,099 | \$ 823,816 |
| Annuity liabilities added | - | 76,674 |
| Annuity liabilities released | - | (22,661) |
| Payments on annuities | - | (122,106) |
| Actuarial change in split-interest agreements | 1,863 | (14,614) |
| Balance at June 30, 2017 | \$ 28,962 | \$ 714,109 |
| Annuity liabilities added | - | 52,345 |
| Annuity liabilities released | - | (8,832) |
| Payments on annuities | - | (141,828) |
| Actuarial change in split-interest agreements | (1,590) | 120,388 |
| Balance at June 30, 2018 | \$ 27,372 | \$ 763,182 |

The following table sets forth the balances of assets and liabilities measured at fair value on a nonrecurring basis as of June 30, 2018 and 2017.

| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---------------------|---|---|--|
| 2018 | | | | |
| <i>Property and equipment:</i> Lied Lodge & Conference Center equipment and improvements | \$ 25,617 | \$ 25,617 | \$ - | \$ - |
| 2017 | | | | |
| Lied Lodge & Conference Center equipment and improvements | \$ 24,719 | \$ 24,719 | \$ - | \$ - |
| Donated Land | 3,075,257 | - | - | 3,075,257 |
| | \$ 3,099,976 | \$ 24,719 | \$ - | \$ 3,075,257 |

NOTE O — CAPITAL LEASE OBLIGATION

The Foundation leases equipment under a long-term capital lease. The capital lease had a three year term and was fully paid off during the year. Lease amortization is included in depreciation expense.

The capital lease obligation is included in the statement of financial position as follows:

| | 2018 | 2017 |
|--|-------------|-------------|
| Total capital lease obligation | \$ - | \$ 39,695 |
| Less current maturities of capital lease obligation | - | (39,695) |
| Long-term capital lease obligation | \$ - | \$ - |

Leased equipment is included in Property and Equipment, net on the statement of financial position as follows:

| | 2018 | 2017 |
|-------------------------------|-------------------|-------------------|
| Equipment | \$ 171,567 | \$ 171,567 |
| Less accumulated depreciation | (59,476) | (42,449) |
| | \$ 112,091 | \$ 129,118 |

NOTE P — INCOME TAXES

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Foundation has hotel and conference center income, which is subject to tax on unrelated business income. For the years ended June 30, 2018 and 2017, the Foundation had no tax liability on unrelated business activity. The Foundation has Federal and Nebraska net operating loss carryforwards that may be offset against future taxable income. If not used, the Federal carryforward will expire between now and June 30, 2036 and the Nebraska carryforward will expire between now and June 30, 2021. The loss carryforwards at June 30, 2018 total \$16,068,581 (Federal) and \$4,091,236 (Nebraska). No net operating loss is anticipated to be used prior to expiration; therefore, no deferred tax asset has been established. The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Foundation's federal Returns of Organization Exempt from Income Tax (Form 990) and Exempt Organization Business Income Tax Returns (Form 990T) for June 30, 2018, 2017, and 2016 are subject to examination by the IRS, generally for three years after they were filed.

NOTE Q — COMMITMENTS

The Foundation had open commitments to purchase coffee in the amount of \$436,273 and to purchase trees in the amount of \$1,382,311 as of June 30, 2018. All are expected to be paid during the year ending June 30, 2019.

NOTE R — CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist principally of Short Term Federal Investment Trust (STFIT) accounts at a financial institution. The STFIT accounts are not federally insured. At June 30, 2018 and 2017, the STFIT account balances totaled \$5,593,391 and \$1,204,728, respectively. The Foundation has mitigated this risk by collateralizing these balances with federal agency bonds.

NOTE S — SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, the date the financial statements were available to be issued.

See note K for the extension of the Foundation's lease as lessor.





EXECUTIVE MANAGEMENT TEAM

Matt Harris
Chief Executive

Dan Lambe
President

Yinka Akinyemi
Vice President, Human Resources

Britt Ehlers
*Vice President, Development
and General Counsel*

Karen Houser
Vice President, Systems

Katie Loos
*Vice President, Ventures and
Partnerships*

Austin Mackrill
Vice President, Arbor Day Farm

Woodrow Nelson
*Vice President, Marketing
Communications*

BOARD OF TRUSTEES

Scott Josiah
Chair

Pat Covey
Vice Chair

Preston Cole

Danielle Crumrine

Mary Desjardins

Ray Empson

Susan Henricks

Bill Kruidenier

Leah MacSwords

Ken Munson

Crayton Webb

Leslie Weldon





100 Arbor Avenue · Nebraska City, Nebraska 68410 · 888-448-7337

