



*Here for Good*

**Community Foundation**

for Monterey County

**FINANCIAL STATEMENT**

**For the Nine Months Ended September 30, 2017**

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY  
FINANCIAL REPORTS  
For the Nine Months Ended September 30, 2017**

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**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
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**For the Eight Months Ended September 30, 2017**

**Assets**

Total Assets through 9/30/2017 are **\$227,012,451** a **16.45%** increase since September 2016, and an **8.45%** increase since December 2016.

**Charitable Remainder Trusts (CRT) and Charitable Gift Annuities (CGA)**

The CRT and CGA funds have been adjusted to reflect the activity and balances per Kaspick & Company and the third-party account balances as of December 31, 2016, plus new 2017 additions. In September a CRT was established by the estate of Evelyn V. Torras, in the amount of \$600,000, for the benefit of her two brothers, Dareld and Richard Harris, with a remainder value of \$44,385.

**Realized and Unrealized Gains and Losses on Investments**

Net year-to-date realized gains were \$8,566, and unrealized gains were \$16,208,208, for a total gain of \$16,216,774.

**Operating Fund**

Total revenue was \$17,688 less than the budget, total expenses were \$55,673 less than the budget, the realized gains were \$335 and unrealized gains were \$30,426 on the operating reserve held in the Medium-Term Fund portfolio. The actual net operating deficit is \$11,940 compared to a budgeted deficit of \$80,686.

Note: The Expendable Operating Cash-on-Hand is at 5.8 months, excluding the operating reserve of \$500,000 and the building reserve of \$150,000.

**Portfolio Performance**

The market value of the Long-Term Fund portfolio at 9/30/2017 was \$179,530,266. The year-to-date Total Return for the Long-Term Endowment Portfolio through September 30, 2017 was 11.4% compared to the Policy Index of 10.6%.

The market value of the Medium-Term Fund portfolio at 9/30/2017 was \$4,440,284. The year-to-date Total Return for the Medium-Term Fund Portfolio through September 30, 2017 was 7.9% compared to the Policy Index of 7.8%.

The market value of the ESG Fund portfolio at 9/30/2017 was \$1,000,345. The year-to-date Total Return for the ESG Fund Portfolio through September 30, 2017 was 10.8% compared to the Policy Index of 11.0 %.

**Special Program Funds**

Special Program Funds include: Community Leadership Project, funded by the David and Lucile Packard Foundation; Pathways to Safety, funded by the ACTION Council of Monterey County; Girl's Health in Girl's Hands, funded by the Claire Giannini Fund, the Peggy and Jack Baskin Foundation, the David and Lucile Packard Foundation and the Monterey Peninsula Foundation; the Center for Nonprofit Excellence funded by the David and Lucile Packard Foundation; and the College Futures Foundation program, funded by the College Futures Foundation.

Total Special Program revenue was \$593,720 and total expenses were \$775,380.

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
For the Eight Months Ended September 30, 2017**

**Gifts, Pledges, Bequests, Future Funds Greater than \$25,000, and Grants**

Total new contributions for the month were \$3,078,069, including:

<b>Donor</b>	<b>Gift Date</b>	<b>Gift Amount</b>	<b>Fund</b>
Mr. & Mrs. Mike and Tobi Marcus	9/1/2017	35,629.20	The Marcus Family Fund
Mr. Gordon E. Schacher	9/5/2017	36,000.00	Elke Junger Sharing for the Future Scholarship Fund
Mr. & Mrs. Vincent and Evelyn Torras	9/12/2017	600,000.00	CRT Funds with CF as Trustee (Kaspick)
Mr. & Mrs. Jim and Tina Bareuther	9/13/2017	497,729.18	Bareuther Family Foundation
Joel Gambord Investments	9/13/2017	35,000.00	Monterey County Weekly Community Fund
Boand Family Foundation	9/18/2017	200,000.00	Monterey County Weekly Community Fund
Mr. & Mrs. Andy and Steffanie Smith	9/20/2017	117,100.00	Andy and Steffanie Smith Fund
Mrs. Nancy L. Bowker	9/26/2017	594,989.98	Howard Franklin Bowker Numismatic Projects Endowment Fund
Mr. Dan Haifley	9/26/2017	500,000.00	Jack O'Neill and Harry Hind Endowment Fund
Mrs. Nancy L. Bowker	9/27/2017	111,836.47	Howard Franklin Bowker Numismatic Projects Endowment Fund
Howard W. and Elva M. Elliott Trust	9/27/2017	30,000.00	Howard W. and Elva M. Elliott Trust Fund
The International School of Monterey	9/29/2017	250,000.00	International School of Monterey Foundation Stewardship Fund

Grants and scholarships awarded for the month totaling \$2,165,129 were approved and recorded.

Interfund activity for the month totaled \$129,374.

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
**STATEMENT OF FINANCIAL POSITION**  
**CONSOLIDATED - ALL FUNDS**  
For the Nine Months Ended September 30, 2017 and September 30, 2016

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL September 30, 2017</u>	<u>TOTAL September 30, 2016</u>
<b>ASSETS</b>							
<b>Cash:</b>							
Cash & Cash Equivalents	1,708,920	295,564	60,702	3,774,622	0	5,839,807	7,004,658
Investments - Long Term Fund Portfolio	0	0	134,477,163	45,053,102	0	179,530,266	159,682,997
Investments - Medium Term Fund Portfolio	546,433	0	0	3,893,851	0	4,440,284	545,284
Investments - ESG Fund Portfolio	0	0	896,087	104,259	0	1,000,345	50,144
Separately Invested Funds	0	0	0	0	0	0	23,742
							0
<b>Total Cash &amp; Investments</b>	<b>2,255,353</b>	<b>295,564</b>	<b>135,433,952</b>	<b>52,825,834</b>	<b>0</b>	<b>190,810,703</b>	<b>167,306,825</b>
<b>Accounts Receivable:</b>							
Pledges & Contributions Receivable	0	0	4,000	12,750	1,273,140	1,289,890	629,750
Note Receivable	0	0	0	0	0	0	181,413
Bequests & Remainder Interest	0	0	0	0	264,615	264,615	264,615
Due from OPER	0	0	1,321,848	0	0	1,321,848	1,371,471
Investment in an LLC	0	0	0	0	0	0	23,903
Charitable Remainder Trusts	0	0	0	0	27,998,867	27,998,867	23,052,988
Charitable Gift Annuities	0	0	0	0	3,599,377	3,599,377	390,003
<b>Total Accounts Receivable</b>	<b>0</b>	<b>0</b>	<b>1,325,848</b>	<b>12,750</b>	<b>33,136,000</b>	<b>34,474,598</b>	<b>25,914,143</b>
<b>Other Assets:</b>							
Prepaid Expenses	8,767	0	0	0	0	8,767	1,345
Property-Net of Depreciation	1,718,384	0	0	0	0	1,718,384	1,717,039
							0
<b>Total Other Assets</b>	<b>1,727,151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,727,151</b>	<b>1,718,384</b>
<b>TOTAL ASSETS</b>	<b>3,982,504</b>	<b>295,564</b>	<b>136,759,800</b>	<b>52,838,584</b>	<b>33,136,000</b>	<b>227,012,451</b>	<b>194,939,352</b>

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
**STATEMENT OF FINANCIAL POSITION**  
**CONSOLIDATED - ALL FUNDS**  
For the Nine Months Ended September 30, 2017 and September 30, 2016

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL September 30, 2017</u>	<u>TOTAL September 30, 2016</u>
<b>LIABILITIES &amp; NET ASSETS</b>							
<b>Liabilities:</b>							
Grants Payable	0	108,000	270,531	504,461	0	882,992	976,668
Contingent Liabilities	0	0	0	0	20,841,348	20,841,348	13,889,107
Funds held as Agency Endowments	0	0	4,119,756	0	0	4,119,756	3,892,099
Funds held as Stewardship Funds	0	0	0	16,483,330	0	16,483,330	12,277,600
Payroll, Misc. and Accts Payable	1,399,713	8	0	0	0	1,399,721	1,442,956
<b>Total Liabilities</b>	<b>1,399,713</b>	<b>108,008</b>	<b>4,390,286</b>	<b>16,987,791</b>	<b>20,841,348</b>	<b>43,727,146</b>	<b>32,478,429</b>
<b>Net Assets:</b>							
Net Assets-Beginning Balance	2,594,731	369,216	120,443,446	30,963,384	12,757,552	167,128,328	150,580,788
Change in Net Assets -							
Current Year	(11,940)	(181,659)	11,926,068	4,887,409	(462,900)	16,156,977	11,880,135
<b>Total Net Assets</b>	<b>2,582,791</b>	<b>187,556</b>	<b>132,369,513</b>	<b>35,850,793</b>	<b>12,294,652</b>	<b>183,285,305</b>	<b>162,460,923</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>3,982,504</b>	<b>295,564</b>	<b>136,759,800</b>	<b>52,838,584</b>	<b>33,136,000</b>	<b>227,012,451</b>	<b>194,939,352</b>

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
**STATEMENT OF ACTIVITIES**  
**CONSOLIDATED - ALL FUNDS**  
For the Nine Months Ended September 30, 2017 and September 30, 2016

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL September 30, 2017</u>	<u>TOTAL September 30, 2016</u>
<b>SUPPORT AND REVENUE:</b>							
Contributions	15,271	281,925	1,939,661	7,783,061	0	10,019,919	12,509,372
Interfund Gifts	44,626	17,500	23,700	1,061,785	0	1,147,611	669,855
Pledge Payments Received	0	294,000	67,637	1,850,368	0	2,212,005	225,000
Future Contributions-A/R-Pledge-CRT-CGA	0	0	0	0	1,481,825	1,481,825	2,141,371
Contributions Received via Bequest	18,125	0	719,624	0	0	737,749	1,360,100
Change in Value, Split Interest Trusts, Future Assets	0	0	0	0	24,825	24,825	225,654
Gain/Loss on Sale of Property	0	0	232	0	0	232	0
Income from Related Party (LLC)	0	0	0	0	280,368	280,368	0
Interest & Dividend Income	16,849	295	1,940,135	691,753	0	2,649,033	2,167,269
Administrative Fees	1,802,327	0	0	0	0	1,802,327	1,642,766
Fees from Special Projects	13,500	0	0	0	0	13,500	61,282
Workshop and Contract Service Income	22,616	0	0	0	0	22,616	16,932
Misc Income/Returned Grants	37,034	0	0	16,319	0	53,353	42,387
<b>Total Support and Revenue</b>	<b>1,970,348</b>	<b>593,720</b>	<b>4,690,989</b>	<b>11,403,287</b>	<b>1,787,018</b>	<b>20,445,362</b>	<b>21,061,988</b>
<b>EXPENSES:</b>							
<b>Operating Expenses and Distributions:</b>							
Salaries & Benefits	1,405,503	0	0	0	0	1,405,503	1,394,458
Administrative Costs	336,728	50,998	0	17,338	0	405,064	481,835
Occupancy Costs	136,438	0	0	0	0	136,438	133,792
Development Expenses	131,618	27,565	0	0	0	159,183	162,373
Board & Committee Expenses	2,762	0	0	0	0	2,762	2,896
<b>Total Operating Expenses</b>	<b>2,013,049</b>	<b>78,563</b>	<b>0</b>	<b>17,338</b>	<b>0</b>	<b>2,108,950</b>	<b>2,175,353</b>

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
**STATEMENT OF ACTIVITIES**  
**CONSOLIDATED - ALL FUNDS**  
For the Nine Months Ended September 30, 2017 and September 30, 2016

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL September 30, 2017</u>	<u>TOTAL September 30, 2016</u>
<b>Grants and Grant Related Expenses:</b>							
Grants	0	399,050	3,225,990	9,281,750	0	12,906,791	10,970,228
Interfund Grants	0	202,264	412,551	532,796	0	1,147,611	669,855
Pledge Payments Paid	0	0	0	0	2,169,368	2,169,368	225,000
Bequests Payments/Transfers	0	0	0	0	42,637	42,637	1,357,669
Other Expenses	0	100,840	0	11,541	0	112,381	87,052
Other Payments/Transfers	0	(5,400)	(343,069)	348,469	0	0	0
Grant Related Expenses	0	0	0	0	0	0	0
Administrative Fees	0	62	1,393,479	370,873	37,914	1,802,327	1,642,766
Fees to Managers	0	0	161,730	53,365	0	215,095	134,694
<b>Total Grants and Grant Related Expenses</b>	<b>0</b>	<b>696,817</b>	<b>4,850,682</b>	<b>10,598,794</b>	<b>2,249,918</b>	<b>18,396,210</b>	<b>15,087,264</b>
<b>Total Expenses and Grants</b>	<b>2,013,049</b>	<b>775,380</b>	<b>4,850,682</b>	<b>10,616,131</b>	<b>2,249,918</b>	<b>20,505,160</b>	<b>17,262,617</b>
<b>Excess of Revenues (Expenses)</b>							
Before Gains on Investments & Transfers	(42,701)	(181,659)	(159,692)	787,155	(462,900)	(59,797)	3,799,370
<b>GAINS(LOSS) ON INVESTMENTS:</b>							
Realized-Gain (Loss)	335	0	2,227	6,004	0	8,566	(1,487,211)
Unrealized-Gain(Loss)	30,426	0	12,083,533	4,094,250	0	16,208,208	9,567,976
<b>Total Gain/(Loss) on Investments</b>	<b>30,761</b>	<b>0</b>	<b>12,085,760</b>	<b>4,100,254</b>	<b>0</b>	<b>16,216,774</b>	<b>8,080,764</b>
<b>Change in Net Assets</b>	<b>(11,940)</b>	<b>(181,659)</b>	<b>11,926,068</b>	<b>4,887,409</b>	<b>(462,900)</b>	<b>16,156,977</b>	<b>11,880,135</b>
<b>Net Assets Beginning of Year</b>	<b>2,594,731</b>	<b>369,216</b>	<b>120,443,446</b>	<b>30,963,384</b>	<b>12,757,552</b>	<b>167,128,328</b>	<b>150,580,788</b>
<b>Net Assets, End of Period</b>	<b>2,582,791</b>	<b>187,556</b>	<b>132,369,513</b>	<b>35,850,793</b>	<b>12,294,652</b>	<b>183,285,305</b>	<b>162,460,923</b>

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY**  
**Combined Operating Fund Budget vs. Actual**

**For the Nine Months Ended September 30, 2017 and September 30, 2016**

	Year-To-Date			YTD Actual 9/30/2016
	Actual	Budget	Variance	
<b>REVENUE</b>				
Contributions - Foundations	1,000	0	1,000	0
Contributions - Indiv/Corp	14,271	33,075	(18,804)	5,916
Contributions - Interfund	44,626	39,612	5,014	46,515
Bequests Received	18,125	62,244	(44,119)	30,751
Admin Fees	1,802,327	1,785,158	17,169	1,642,766
Special Project Fees	13,500	11,997	1,503	61,282
Workshops/Contracts	22,616	13,500	9,116	16,932
Miscellaneous Income	37,034	33,450	3,584	42,387
Interest and Dividends	16,849	9,000	7,849	11,374
<b>Total Revenue</b>	<b>1,970,348</b>	<b>1,988,036</b>	<b>(17,688)</b>	<b>1,857,923</b>
<b>EXPENSE</b>				
<b>Personnel</b>				
Salaries and Wages	1,090,793	1,125,978	(35,185)	1,080,304
Payroll Taxes	84,007	85,931	(1,924)	85,792
Insurance and Other Benefits	230,703	241,847	(11,144)	218,418
<b>Sub-total</b>	<b>1,405,503</b>	<b>1,453,756</b>	<b>(48,253)</b>	<b>1,384,514</b>
<b>Administrative</b>				
Supplies	16,155	15,372	783	16,909
Equip / Computer Maintenance	62,290	70,404	(8,114)	78,077
Bank Charges	5,760	4,100	1,660	5,080
Printing	11,525	9,940	1,585	6,184
Postage / Freight	11,655	10,255	1,400	8,670
Dues/Subscriptions	19,455	16,366	3,089	17,953
Services (legal, acct, consult)	96,747	95,782	965	89,958
D&O Insurance	4,358	4,500	(142)	4,358
Telecommunications	12,857	13,932	(1,075)	12,650
Conferences & Training	16,493	12,414	4,079	11,126
Miscellaneous	12,077	7,315	4,762	7,233
Depreciation	67,356	67,356	0	66,735
<b>Sub-total</b>	<b>336,728</b>	<b>327,736</b>	<b>8,992</b>	<b>324,932</b>
<b>Facilities</b>				
Property / Liability Insurance	11,487	11,200	287	11,156
Maintenance / Repairs	10,249	5,900	4,349	5,894
Janitorial & Landscaping	14,434	15,766	(1,332)	15,590
Rent	34,700	37,224	(2,524)	34,923
Mortgage, Interest & Property Taxes	40,291	40,291	(0)	41,718
Utilities	25,277	23,247	2,030	24,510
<b>Sub-total</b>	<b>136,438</b>	<b>133,628</b>	<b>2,810</b>	<b>133,792</b>
<b>Development, Program &amp; Staff</b>				
Donor Development	53,786	63,510	(9,724)	56,051
Advertising & Promotion	21,076	22,317	(1,241)	19,487
Mileage, Meals & Meetings	5,853	7,999	(2,146)	6,167
Workshops	20,590	27,003	(6,413)	25,597
Annual Meetings	3,026	4,000	(975)	3,113
Annual Report	25,370	23,250	2,120	20,217
Staff Recognition Expenses	1,917	2,130	(213)	3,825
Board & Committee Expenses	2,762	3,393	(631)	2,896
<b>Sub-total</b>	<b>134,380</b>	<b>153,602</b>	<b>(19,222)</b>	<b>137,353</b>
<b>Total Expenses</b>	<b>2,013,049</b>	<b>2,068,722</b>	<b>(55,673)</b>	<b>1,980,592</b>
<b>Net Income / (Loss) Before Investment Returns</b>	<b>(42,701)</b>	<b>(80,686)</b>	<b>37,985</b>	<b>(122,668)</b>
Realized Gains/(Losses)	335	0	335	0
Unrealized Gains/(Losses)	30,426	0	30,426	11,604
<b>Net Income / (Loss) Including Investment Returns</b>	<b>(11,940)</b>	<b>(80,686)</b>	<b>68,746</b>	<b>(111,064)</b>