



Here for Good

Community Foundation

for Monterey County

FINANCIAL STATEMENT

For the Eleven Months Ended November 30, 2018

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
FINANCIAL REPORTS
For the Eleven Months Ended November 30, 2018**

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COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the Eleven Months Ended November 30, 2018

Assets

Total Assets through 11/30/2018 are \$258,364,912 a 9.87% increase since November 2017, and a 3.38% decrease since December 2017.

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, 2017.

Realized and Unrealized Gains and Losses on Investments

Net year-to-date realized gains were \$136,549, and unrealized losses were \$4,891,869, for a total loss of \$4,755,320.

Operating Fund

Total revenue was \$6,419 less than the budget, and total expenses were \$61,123 less than the budget, the realized gains were \$1,010 and the unrealized losses were \$22,622 on the operating reserve held in the Medium-Term Fund portfolio. The actual net operating deficit is \$380,954 compared to a budgeted deficit of \$414,047.

Note: The Expendable Operating Cash-on-Hand is at 6.1 months, excluding the operating reserve of \$500,000 and the building reserve of \$150,000, and including the de Guigne bequest.

Portfolio Performance

The market value of the Long-Term Fund portfolio at 11/30/2018 was \$176,399,988. The one-year Total Return for the Long-Term Endowment Portfolio was -0.1% compared to the Policy Index of -0.7%.

The market value of the Medium-Term Fund portfolio at 11/30/2018 was \$4,677,465. The one-year Total Return for the Long-Term Endowment Portfolio was -1.1% compared to the Policy Index of -0.8%.

The market value of the ESG Fund portfolio at 11/30/2018 was \$3,417,505. The one-year Total Return for the Long-Term Endowment Portfolio was -0.7% compared to the Policy Index of -0.5%.

The market value of the DRIM Fund portfolio at 11/30/2018 was \$2,768,669. The Total Return for the DRIM Portfolio, since inception, was -0.5% compared to the Policy Index of -7.0%. Due to the timing of the DRIM reports, there is a one-month lag in the performance reporting.

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the Eleven Months Ended November 30, 2018**

Special Program Funds

Special Program Funds include: Pathways to Safety, funded by the ACTION Council of Monterey County; the Center for Nonprofit Excellence funded by the David and Lucile Packard Foundation; the College Futures Foundation program, funded by the College Futures Foundation; the Monterey County Development Professionals, funded with the remaining assets from the dissolution of the Development Executive Network, to be used for professional development for people new to the fundraising field, and networking among those involved in fund development; and the Salinas Leadership project, funded by the James Irvine Foundation.

Total Special Program revenue was \$3,822,692 and total expenses were \$559,956.

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

Total new contributions for the month were \$1,396,534, including:

| | | | |
|---|---------------|---------|---|
| Estate of Charles de Guigne | 11/6/2018 | 32,276 | de Guigne Fund |
| The David and Lucile Packard Foundation | 11/13/2018 | 160,000 | Center for Nonprofit Excellence #6 |
| Central Coast Center for Independent Living | 11/27/2018 | 89,470 | Central Coast for Independent Living Stewardship Fund |
| MC Gives combined contributions | 11/1-11/30/18 | 876,067 | Monterey County Gives! |

Grants to agencies for the month totaling \$897,484 were approved and recorded. A complete list of the grants by grantee is included.

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Eleven Months Ended November 30, 2018 and November 30, 2017

| | COMBINED OPERATING | SPECIAL PROGRAMS | ENDOWMENT | NON ENDOWED | BEQUEST, CRT RECEIVABLES | TOTAL November 30, 2018 | TOTAL 11/31/17 |
|--|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|------------------------------------|---------------------------|
| ASSETS | | | | | | | |
| Cash: | | | | | | | |
| Cash & Cash Equivalents | 1,347,138 | 3,411,597 | 1,870,591 | 3,630,151 | 0 | 10,259,477 | 7,072,701 |
| Investments - Long Term Fund Portfolio | 0 | 0 | 127,544,467 | 48,855,521 | 0 | 176,399,988 | 186,301,161 |
| Investments - Medium Term Fund Portfolio | 549,090 | 0 | 0 | 4,128,375 | 0 | 4,677,465 | 4,541,784 |
| Investments - ESG Fund Portfolio | 0 | 0 | 2,957,979 | 459,526 | 0 | 3,417,505 | 1,003,094 |
| Separately Invested - DRIM Portfolio | 0 | 0 | 0 | 2,768,669 | 0 | 2,768,669 | 0 |
| Total Cash & Investments | 1,896,228 | 3,411,597 | 132,373,037 | 59,842,242 | 0 | 197,523,104 | 198,918,740 |
| Accounts Receivable: | | | | | | | |
| Pledges & Contributions Receivable | 0 | 0 | 4,000 | 12,750 | 0 | 16,750 | 1,298,890 |
| Bequests & Remainder Interest | 0 | 0 | 0 | 0 | 264,615 | 264,615 | 264,615 |
| Investments in Transit | 0 | 3,043 | 0 | 0 | 0 | 3,043 | 0 |
| Due from OPER | 0 | 0 | 1,257,552 | 0 | 0 | 1,257,552 | 1,313,254 |
| Investment in an LLC | 0 | 0 | 21,000,000 | 0 | 0 | 21,000,000 | 0 |
| Charitable Remainder Trusts | 0 | 0 | 0 | 0 | 32,689,855 | 32,689,855 | 27,985,061 |
| Charitable Gift Annuities | 0 | 0 | 0 | 0 | 3,776,462 | 3,776,462 | 3,653,706 |
| Total Accounts Receivable | 0 | 3,043 | 22,261,552 | 12,750 | 36,730,931 | 59,008,277 | 34,515,526 |
| Other Assets: | | | | | | | |
| Prepaid Expenses | 2,545 | 0 | 0 | 0 | 0 | 2,545 | 8,407 |
| Property-Net of Depreciation | 1,830,986 | 0 | 0 | 0 | 0 | 1,830,986 | 1,712,003 |
| Total Other Assets | 1,833,531 | 0 | 0 | 0 | 0 | 1,833,531 | 1,720,410 |
| TOTAL ASSETS | 3,729,759 | 3,414,640 | 154,634,589 | 59,854,992 | 36,730,931 | 258,364,912 | 235,154,677 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Eleven Months Ended November 30, 2018 and November 30, 2017

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL November 30, 2018</u> | <u>TOTAL 11/31/17</u> |
|---|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|------------------------------------|---------------------------|
| LIABILITIES & NET ASSETS | | | | | | | |
| Liabilities: | | | | | | | |
| Grants Payable | 0 | 0 | 329,162 | 454,871 | 0 | 784,033 | 757,189 |
| Contingent Liabilities | 0 | 0 | 0 | 0 | 22,793,102 | 22,793,102 | 20,876,460 |
| Funds held as Agency Endowments | 0 | 0 | 5,927,483 | 0 | 0 | 5,927,483 | 4,119,756 |
| Funds held as Stewardship Funds | 0 | 0 | 0 | 22,394,260 | 0 | 22,394,260 | 16,483,330 |
| Payroll, Misc. and Accts Payable | 1,380,025 | 3,145 | 1,888 | 0 | 0 | 1,385,057 | 1,405,984 |
| Total Liabilities | 1,380,025 | 3,145 | 6,258,532 | 22,849,131 | 22,793,102 | 53,283,935 | 43,642,719 |
| Net Assets: | | | | | | | |
| Net Assets-Beginning Balance | 2,730,689 | 147,991 | 135,783,913 | 40,125,566 | 35,031,987 | 213,820,147 | 167,128,328 |
| Change in Net Assets - Current Year | (380,954) | 3,263,504 | 12,592,144 | (3,119,705) | (21,094,158) | (8,739,170) | 24,383,630 |
| Total Net Assets | 2,349,735 | 3,411,495 | 148,376,057 | 37,005,861 | 13,937,829 | 205,080,977 | 191,511,958 |
| TOTAL LIABILITIES & NET ASSETS | 3,729,759 | 3,414,640 | 154,634,589 | 59,854,992 | 36,730,931 | 258,364,912 | 235,154,677 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Eleven Months Ended November 30, 2018 and November 30, 2017

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL November 30, 2018</u> | <u>TOTAL 11/31/17</u> |
|---|-------------------------------|-----------------------------|-------------------|------------------------|-------------------------------------|------------------------------------|---------------------------|
| SUPPORT AND REVENUE: | | | | | | | |
| Contributions | 34,256 | 1,988,436 | 3,590,014 | 8,435,384 | 0 | 14,048,089 | 15,503,986 |
| Interfund Gifts | 44,007 | 288,800 | 66,825 | 977,936 | 0 | 1,377,568 | 1,338,611 |
| Pledge Payments Received | 0 | 1,544,000 | 0 | 250,000 | 0 | 1,794,000 | 2,212,005 |
| Future Contributions-A/R-Pledge-CRT-CGA | 0 | 0 | 0 | 0 | 1,758,054 | 1,758,054 | 1,501,041 |
| Contributions Received via Bequest | 53,653 | 0 | 21,000,000 | 0 | 0 | 21,053,653 | 737,749 |
| Change in Value, Split Interest Trusts, Future Assets | 0 | 0 | 0 | 0 | 0 | 0 | 24,825 |
| Gain/Loss on Sale of Property | 0 | 0 | 0 | 0 | 0 | 0 | 233 |
| Income from Related Party (LLC) | 0 | 0 | 0 | 0 | 0 | 0 | 280,368 |
| Interest & Dividend Income | 30,569 | 331 | 2,338,248 | 963,207 | 0 | 3,332,355 | 2,867,527 |
| Administrative Fees | 2,067,904 | 0 | 0 | 0 | 0 | 2,067,904 | 1,847,183 |
| Fees from Special Projects | 27,172 | 0 | 0 | 0 | 0 | 27,172 | 16,500 |
| Workshop and Contract Service Income | 7,758 | 0 | 0 | 0 | 0 | 7,758 | 23,236 |
| Misc Income/Returned Grants | 46,610 | 1,125 | 0 | 108,984 | 0 | 156,718 | 54,504 |
| Other Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 10,600 |
| Total Support and Revenue | 2,311,929 | 3,822,692 | 26,995,086 | 10,735,510 | 1,758,054 | 45,623,272 | 26,418,368 |
| EXPENSES: | | | | | | | |
| Operating Expenses and Distributions: | | | | | | | |
| Salaries & Benefits | 1,873,742 | 0 | 0 | 0 | 0 | 1,873,742 | 1,691,696 |
| Administrative Costs | 425,018 | 138,802 | 0 | 23,756 | 0 | 587,576 | 469,042 |
| Occupancy Costs | 160,373 | 0 | 0 | 0 | 0 | 160,373 | 163,071 |
| Development Expenses | 208,468 | 27,343 | 0 | 0 | 0 | 235,811 | 213,525 |
| Board & Committee Expenses | 3,670 | 0 | 0 | 0 | 0 | 3,670 | 3,195 |
| Total Operating Expenses | 2,671,271 | 166,146 | 0 | 23,756 | 0 | 2,861,173 | 2,540,528 |

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Eleven Months Ended November 30, 2018 and November 30, 2017

| | <u>COMBINED OPERATING</u> | <u>SPECIAL PROGRAMS</u> | <u>ENDOWMENT</u> | <u>NON ENDOWED</u> | <u>BEQUEST, CRT RECEIVABLES</u> | <u>TOTAL November 30, 2018</u> | <u>TOTAL 11/31/17</u> |
|--|-------------------------------|-----------------------------|--------------------|------------------------|-------------------------------------|------------------------------------|---------------------------|
| Grants and Grant Related Expenses: | | | | | | | |
| Grants | 0 | 170,000 | 3,942,024 | 11,279,363 | 0 | 15,391,387 | 14,358,836 |
| Interfund Grants | 0 | 200,000 | 574,191 | 603,377 | 0 | 1,377,568 | 1,338,611 |
| Pledge Payments Paid | 0 | 0 | 0 | 0 | 1,794,000 | 1,794,000 | 2,169,368 |
| Bequests Payments/Transfers | 0 | 0 | 0 | 0 | 21,000,000 | 21,000,000 | 42,637 |
| Other Expenses | 0 | 6,453 | 4,815,136 | 14,469 | 0 | 4,836,058 | 124,308 |
| Other Payments/Transfers | 0 | 0 | 5,477 | (5,477) | 0 | 0 | 0 |
| Administrative Fees | 0 | 17,357 | 1,531,294 | 461,042 | 0 | 2,009,692 | 1,847,183 |
| Fees to Managers | 0 | 0 | 203,853 | 75,179 | 58,212 | 337,244 | 272,770 |
| Total Grants and Grant Related Expenses | 0 | 393,810 | 11,071,975 | 12,427,953 | 22,852,212 | 46,745,949 | 20,153,713 |
| Total Expenses and Grants | 2,671,271 | 559,956 | 11,071,975 | 12,451,708 | 22,852,212 | 49,607,122 | 22,694,241 |
| Excess of Revenues (Expenses) | | | | | | | |
| Before Gains on Investments & Transfers | (359,342) | 3,262,737 | 15,923,111 | (1,716,198) | (21,094,158) | (3,983,850) | 3,724,127 |
| GAINS(LOSS) ON INVESTMENTS: | | | | | | | |
| Realized-Gain (Loss) | 1,010 | 767 | 98,438 | 36,334 | 0 | 136,549 | 4,474 |
| Unrealized-Gain(Loss) | (22,622) | 0 | (3,429,405) | (1,439,841) | 0 | (4,891,869) | 20,655,030 |
| Total Gain/(Loss) on Investments | (21,612) | 767 | (3,330,968) | (1,403,507) | 0 | (4,755,320) | 20,659,504 |
| Change in Net Assets | (380,954) | 3,263,504 | 12,592,144 | (3,119,705) | (21,094,158) | (8,739,170) | 24,383,630 |
| Net Assets Beginning of Year | 2,730,689 | 147,991 | 135,783,913 | 40,125,566 | 35,031,987 | 213,820,147 | 167,128,328 |
| Net Assets, End of Period | 2,349,735 | 3,411,495 | 148,376,057 | 37,005,861 | 13,937,829 | 205,080,977 | 191,511,958 |

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

For the Eleven Months Ended November 30, 2018 and November 30, 2017

| | Year-To-Date | | | YTD Actual 11/30/2017 |
|---|------------------|------------------|-----------------|--------------------------|
| | Actual | Budget | Variance | |
| REVENUE | | | | |
| Contributions - Foundations | 2,524 | 2,500 | 24 | 1,000 |
| Contributions - Indiv/Corp | 31,732 | 37,400 | (5,668) | 20,422 |
| Contributions - Interfund | 44,007 | 59,007 | (15,000) | 45,626 |
| Bequests Received | 53,653 | 60,429 | (6,776) | 18,125 |
| Admin Fees | 2,067,904 | 2,097,022 | (29,118) | 1,847,183 |
| Special Project Fees | 27,172 | 14,212 | 12,960 | 16,500 |
| Workshops/Contracts | 7,758 | 4,000 | 3,758 | 23,236 |
| Miscellaneous Income | 46,610 | 32,778 | 13,832 | 37,685 |
| Interest and Dividends | 30,569 | 11,000 | 19,569 | 20,068 |
| Total Revenue | 2,311,929 | 2,318,348 | (6,419) | 2,029,845 |
| EXPENSE | | | | |
| Personnel | | | | |
| Salaries and Wages | 1,459,369 | 1,476,579 | (17,210) | 1,309,678 |
| Payroll Taxes | 104,070 | 111,831 | (7,761) | 97,898 |
| Insurance and Other Benefits | 310,302 | 341,911 | (31,609) | 284,120 |
| Sub-total | 1,873,742 | 1,930,321 | (56,579) | 1,691,696 |
| Administrative | | | | |
| Supplies | 20,750 | 20,450 | 300 | 20,290 |
| Equip / Computer Maintenance | 102,348 | 91,157 | 11,191 | 73,692 |
| Bank Charges | 11,726 | 7,000 | 4,726 | 6,582 |
| Printing | 7,933 | 17,525 | (9,592) | 16,680 |
| Postage / Freight | 18,570 | 17,700 | 870 | 16,832 |
| Dues/Subscriptions | 21,449 | 29,932 | (8,483) | 19,993 |
| Services (legal, acct, consult) | 120,523 | 102,938 | 17,585 | 101,273 |
| D&O Insurance | 3,237 | 3,000 | 237 | 4,358 |
| Telecommunications | 16,305 | 17,075 | (770) | 15,741 |
| Conferences & Training | 21,331 | 28,600 | (7,269) | 16,049 |
| Miscellaneous | 5,343 | 8,050 | (2,707) | 12,599 |
| Depreciation | 75,504 | 75,504 | 0 | 82,324 |
| Sub-total | 425,018 | 418,931 | 6,087 | 386,414 |
| Facilities | | | | |
| Property / Liability Insurance | 11,625 | 12,000 | (375) | 11,987 |
| Maintenance / Repairs | 10,069 | 10,087 | (18) | 10,737 |
| Janitorial & Landscaping | 18,340 | 17,875 | 465 | 17,542 |
| Rent | 43,546 | 46,409 | (2,863) | 42,412 |
| Mortgage, Interest & Property Taxes | 48,811 | 48,744 | 68 | 50,690 |
| Utilities | 27,982 | 29,788 | (1,806) | 29,703 |
| Sub-total | 160,373 | 164,903 | (4,529) | 163,071 |
| Development, Program & Staff | | | | |
| Donor Development | 80,200 | 84,604 | (4,404) | 61,762 |
| Advertising & Promotion | 39,017 | 34,004 | 5,013 | 30,691 |
| Mileage, Meals & Meetings | 9,838 | 9,697 | 141 | 8,203 |
| Workshops | 25,687 | 25,500 | 187 | 27,861 |
| Annual Meetings | 26,797 | 30,000 | (3,203) | 28,407 |
| Annual Report | 24,463 | 26,000 | (1,537) | 22,500 |
| Staff Recognition Expenses | 2,467 | 3,590 | (1,123) | 2,200 |
| Board & Committee Expenses | 3,670 | 4,845 | (1,175) | 3,195 |
| Sub-total | 212,138 | 218,240 | (6,102) | 184,819 |
| Total Expenses | 2,671,271 | 2,732,395 | (61,123) | 2,425,999 |
| Net Income / (Loss) Before Investment Returns | (359,342) | (414,047) | 54,704 | (396,154) |
| Realized Gains/(Losses) | 1,010 | 0 | 1,010 | 335 |
| Unrealized Gains/(Losses) | (22,622) | 0 | (22,622) | 37,635 |
| Net Income / (Loss) Including Investment Returns | (380,954) | (414,047) | 33,092 | (358,183) |