



Here for Good

Community Foundation

for Monterey County

FINANCIAL STATEMENT

For the One Month Ended January 31, 2023

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
FINANCIAL REPORTS
For the One Month Ended January 31, 2023**

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COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the One Month Ended January 31, 2023

Assets

Total Assets through 01/31/2023 are \$350,289,051 which reflects a 6.67% decrease since January 2022 and a 5.24% increase over December 2022. (p. 4)

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, 2022. (p. 4)

Realized and Unrealized Gains and Losses on Investments

Net year-to-date realized gains were \$889,950 and unrealized gains were \$14,662,339, for a total gain of \$15,552,288. (p. 7)

Operating Fund

Calendar year 2022 ended with a surplus of \$233,612 before investment gains/(losses). Including the net unrealized losses, the operating surplus was \$126,647 at December 31, 2022. This leaves the operating fund well positioned for the year ahead, which includes the large database transition project.

January revenue was slightly below the budgeted amount. Given that the timing of gifts is unpredictable, this is not unusual. Overall, revenue was \$1,977 below budget for the month. However, fee revenue for the first quarter of 2023 is expected to be higher than the budgeted amount based on market increases at year-end and a significant gift that is expected in February. (p. 8)

Salaries and benefits are only slightly below the budgeted amount for this month. The CFMC is currently fully staffed, however, there was one member on leave in January which resulted in \$2,037 in savings on salaries and benefits over the budgeted amount. The leave will continue through mid-February. At that time, the personnel budget is expected to align to budget.

Other than two significant timing variances, administrative expenses are aligned to budget. Dues and subscriptions and miscellaneous both saw amounts above budget in January which will correct in February. It should be noted that this category has the potential for significant timing variances for 2023 as the database migration project moves forward. As the timing of payments for the project are scheduled to occur with completion of project tasks, the current monthly budgeted amounts may require revision to better align to the project schedule or may show temporary variances throughout the year.

Unexpected repairs were incurred in January due to the winter storms in Monterey County. Expenses in excess of budgeted amounts for repairs and maintenance and landscaping will continue through the first quarter. Some of the issues were the direct result of a power surge and reimbursement is expected from Pacific Gas & Electric (PG&E). The final cost of the repairs, and the estimate for the potential reimbursement, are not yet known.

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the One Month Ended January 31, 2023**

Donor development also experienced an overage compared to budget. This is related to the deposit for the Women’s Fund Luncheon, which is returning as in in person event, in May 2023. The deposit for the event was paid in January; as a timing issue this will correct in February.

Note: The Expendable Operating Cash-on-Hand is at 8.8 months, excluding the operating reserve of \$500,000 and the building reserve of \$150,000. This projection does take into account significant operating expenditures related to the database migration project in the coming quarter.

Portfolio Performance

The market value of the Long-Term Fund portfolio at 01/31/2023 was \$274,493,146. The one-year Total Return for the Long-Term Endowment Portfolio was -6.8% compared to the Policy Index of -5.9%.

The market value of the Medium-Term Fund portfolio at 01/31/2023 was \$10,740,634. The one-year Total Return for the Medium-Term Endowment Portfolio was -6.2% compared to the Policy Index of -6.6%.

The market value of the ESG Fund portfolio at 01/01/2023 was \$10,101,800. The one-year Total Return for the ESG Portfolio was -5.8% compared to the Policy Index of -6.4%.

The market value of the DRIM Fund portfolio at 01/31/203 was \$2,682,786. At 12/31/2022, the one-year Total Return for the DRIM Portfolio was -15.2% compared to the Policy Index of -14.5% on a balance of \$2,568,528. Due to the timing of the DRIM reports, there is a one-month lag in the performance reporting.

Special Program Funds

Special Program Funds include Center for Nonprofit Excellence funded, in part, by the David and Lucile Packard Foundation; the Salinas Inclusive Economic Development Initiative, funded by the James Irvine Foundation; COVID-19 Collaborative support funded by the David and Lucile Packard Foundation; COVID-19 support funded by the Public Health Institute; and the Monterey County Gives annual campaign.

Total Special Program revenue was \$189,906 and total expenses were \$217,965. Grants related to the 2022 Monterey County Gives campaign will be reflected in February. **(p. 6-7)**

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

Total new contributions for the month were \$2,413,603.93. New contributions included:

Mrs. Cornelia Holden and Mr. Kevin Hicks	1/3/2023	35,000.00	Global Student Leadership Fund
Mrs. Janice Caprara	1/3/2023	200,000.00	Gonzales Community Center Capital Campaign

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
 NOTES TO THE FINANCIAL STATEMENTS
 For the One Month Ended January 31, 2023**

County of Monterey - Auditor Controller	1/12/2023	174,445.79	COVID-19 Collaborative Community Health Workers
Barry Adler and Betsy Buchalter Adler	1/17/2023	40,249.08	Buchalter/Adler Family Fund
Monterey Peninsula Foundation	1/17/2023	100,000.00	Monterey County Storm Relief Fund
Carmel Valley Manor	1/19/2023	26,176.08	Carmel Valley Manor Foundation Stewardship Fund
Mrs. Tonya A. Antle	1/30/2023	50,000.00	Rick and Tonya Antle Fund
The Omaggio Charitable Fund at Schwab	1/31/2023	1,500,000.00	Gonzales Community Center Capital Campaign

Grants to agencies for the month totaling \$741,499 were approved and recorded.

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the One Month Ended January 31, 2023 and January 31, 2022

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL January 31, 2023</u>	<u>TOTAL January 31, 2022</u>
ASSETS							
Cash:							
Cash & Cash Equivalents	3,943,922	13,140,447	11,075	8,320,477	0	25,415,921	20,737,013
Investments - Long Term Fund Portfolio	0	0	193,277,706	81,215,439	0	274,493,146	304,414,953
Investments - Medium Term Fund Portfolio	662,013	0	0	10,078,621	0	10,740,634	9,879,463
Investments - ESG Fund Portfolio	0	0	3,940,407	6,161,394	0	10,101,800	6,440,267
Separately Invested - DRIM Portfolio	0	0	0	2,682,786	0	2,682,786	2,966,211
Separately Invested - Pony Trust	0	285,323	0	0	0	285,323	314,582
Total Cash & Investments	4,605,934	13,425,770	197,229,188	108,458,717	0	323,719,609	344,752,489
Accounts Receivable:							
Pledges & Contributions Receivable	0	0	0	4,500	0	4,500	4,500
Bequests & Remainder Interest	0	0	0	0	0	0	0
Miscellaneous Accounts Receivable	0	0	0	0	0	0	0
Due from OPER	0	0	961,956	0	0	961,956	1,042,993
Investment in an LLC	0	0	1,540,675	0	0	1,540,675	0
Charitable Remainder Trusts	0	0	0	0	18,122,509	18,122,509	23,077,349
Charitable Gift Annuities	0	0	0	0	4,132,006	4,132,006	4,590,276
Total Accounts Receivable	0	0	2,502,631	4,500	22,254,515	24,761,646	28,715,117
Other Assets:							
Prepaid Expenses	5,500	0	0	0	0	5,500	5,500
Property-Net of Depreciation	1,802,296	0	0	0	0	1,802,296	1,831,752
Total Other Assets	1,807,796	0	0	0	0	1,807,796	1,837,252
TOTAL ASSETS	6,413,731	13,425,770	199,731,819	108,463,217	22,254,515	350,289,051	375,304,859

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the One Month Ended January 31, 2023 and January 31, 2022

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL January 31, 2023</u>	<u>TOTAL January 31, 2022</u>
LIABILITIES & NET ASSETS							
Liabilities:							
Grants Payable	0	639,503	585,600	237,750	0	1,462,853	2,174,264
Contingent Liabilities	0	0	0	0	12,794,840	12,794,840	15,345,401
Funds held as Agency Endowments	0	0	7,265,614	0	0	7,265,614	8,371,490
Funds held as Stewardship Funds	0	0	0	52,184,742	0	52,184,742	56,449,929
Payroll, Misc. and Accts Payable	1,174,211	675	0	0	0	1,174,886	1,187,240
Total Liabilities	1,174,211	640,178	7,851,214	52,422,492	12,794,840	74,882,934	83,528,325
Net Assets:							
Net Assets-Beginning Balance	5,515,121	12,806,587	179,909,756	49,321,268	9,459,675	257,012,406	303,139,318
Change in Net Assets - Current Year	(275,601)	(20,995)	11,970,850	6,719,457	0	18,393,711	(11,362,784)
Total Net Assets	5,239,520	12,785,592	191,880,606	56,040,725	9,459,675	275,406,117	291,776,534
TOTAL LIABILITIES & NET ASSETS	6,413,731	13,425,770	199,731,819	108,463,217	22,254,515	350,289,051	375,304,858

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the One Month Ended January 31, 2023 and January 31, 2022

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL January 31, 2023</u>	<u>TOTAL January 31, 2022</u>
SUPPORT AND REVENUE:							
Contributions	6,965	188,148	35,952	2,182,539	0	2,413,604	1,533,283
Interfund Gifts	0	0	102,550	225,800	0	328,350	13,000
Pledge Payments Received	0	0	1,540,675	0	0	1,540,675	0
Future Contributions-A/R-Pledge-CRT-CGA	0	0	0	1,540,675	0	1,540,675	0
Contributions Received via Bequest	0	0	0	0	0	0	2
Change in Value, Split Interest Trusts, Future Assets	0	0	0	0	0	0	0
Gain/Loss on Sale of Property	0	0	0	0	0	0	0
Income from Related Party (LLC)	0	0	0	0	0	0	0
Interest & Dividend Income	14,086	1,757	49,243	92,575	0	157,661	140,927
Administrative Fees	6,200	0	0	0	0	6,200	7,263
Fees from Special Projects	8,501	0	0	0	0	8,501	14,360
Workshop and Contract Service Income	22,420	0	0	0	0	22,420	24,060
Misc Income/Returned Grants	0	0	2	7,750	0	7,752	0
Total Support and Revenue	58,172	189,906	1,728,422	4,049,339	0	6,025,838	1,732,893
EXPENSES:							
Operating Expenses and Distributions:							
Salaries & Benefits	264,375	0	0	0	0	264,375	218,358
Administrative Costs	65,396	78,432	0	1,187	0	145,015	191,746
Occupancy Costs	17,317	0	0	0	0	17,317	11,066
Development Expenses	11,358	7,088	0	0	0	18,446	13,854
Board & Committee Expenses	828	0	0	0	0	828	198
Total Operating Expenses	359,275	85,519	0	1,187	0	445,981	435,222

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the One Month Ended January 31, 2023 and January 31, 2022

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL January 31, 2023</u>	<u>TOTAL January 31, 2022</u>
Grants and Grant Related Expenses:							
Grants	0	100,000	72,500	628,999	0	801,499	734,918
Interfund Grants	0	0	110,100	218,250	0	328,350	13,000
Pledge Payments Paid	0	0	0	1,540,675	0	1,540,675	0
Bequests Payments/Transfers	0	0	0	0	0	0	0
Other Expenses	0	32,281	0	16,513	0	48,794	19,829
Other Payments/Transfers	0	0	1,226	(1,226)	0	0	0
Grant Related Expenses	0	0	0	0	0	0	0
Administrative Fees	0	165	20	6,015	0	6,200	7,263
Fees to Managers	29	0	357	12,530	0	12,917	41,930
Total Grants and Grant Related Expenses	29	132,446	184,203	2,421,757	0	2,738,435	816,941
Total Expenses and Grants	359,304	217,965	184,203	2,422,944	0	3,184,416	1,252,162
Excess of Revenues (Expenses)							
Before Gains on Investments & Transfers	(301,132)	(28,059)	1,544,219	1,626,395	0	2,841,422	480,731
GAINS(LOSS) ON INVESTMENTS and Other Income:							
Realized-Gain (Loss)	0	0	626,544	263,406	0	889,950	1,026
Unrealized-Gain(Loss)	25,532	7,065	9,800,087	4,829,655	0	14,662,339	(11,844,544)
Other Income	0	0	0	0	0	0	0
Total Gain/(Loss) on Investments and Other Income:	25,532	7,065	10,426,631	5,093,061	0	15,552,288	(11,843,518)
Change in Net Assets	(275,601)	(20,995)	11,970,850	6,719,457	0	18,393,711	(11,362,787)
Net Assets Beginning of Year	5,515,121	12,806,587	179,909,756	49,321,268	9,459,675	257,012,406	303,139,318
Net Assets, End of Period	5,239,520	12,785,592	191,880,606	56,040,725	9,459,675	275,406,117	291,776,530

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

For the One Month Ended January 31, 2023 and January 31, 2022

	Year-To-Date			YTD Actual 1/31/2022
	Actual	Budget	Variance	
REVENUE				
Contributions - Foundations	1,100	5,000	(3,900)	4,000
Contributions - Indiv/Corp	5,866	0	5,866	305
Contributions - Interfund	0	0	0	
Bequests Received	0	6,147	(6,147)	2
Admin Fees	6,200	7,500	(1,300)	7,263
Special Project Fees	8,501	9,833	(1,332)	14,360
Workshops/Contracts	22,420	27,820	(5,400)	24,060
Miscellaneous Income	0	100	(100)	0
Interest and Dividends	14,086	3,750	10,336	736
Total Revenue	58,173	60,150	(1,977)	50,726
EXPENSE				
Personnel				
Salaries and Wages	202,375	203,940	(1,565)	161,773
Payroll Taxes	17,344	17,430	(86)	19,479
Insurance and Other Benefits	44,656	45,042	(386)	31,872
Sub-total	264,375	266,412	(2,037)	213,124
Administrative				
Supplies	1,805	3,170	(1,365)	2,154
Equip / Computer Maintenance	4,365	6,645	(2,280)	5,669
Bank Charges	1,371	1,371	(0)	1,673
Printing	324	300	24	0
Postage / Freight	1,505	3,192	(1,687)	3,855
Dues/Subscriptions	26,822	22,515	4,307	24,745
Services (legal, acct, consult)	3,759	6,104	(2,345)	33,230
D&O Insurance	0	0	0	6,160
Telecommunications	4,729	4,590	139	4,398
Conferences & Training	1,406	1,156	250	896
Miscellaneous	11,411	60	11,351	25
Depreciation	7,900	7,900	0	7,549
Sub-total	65,396	57,003	8,393	90,354
Facilities				
Property / Liability Insurance	0	0	0	0
Maintenance / Repairs	3,686	837	2,849	0
Janitorial & Landscaping	2,406	2,196	210	1,596
Rent	3,387	3,387	0	3,289
Mortgage, Interest & Property Taxes	3,230	3,384	(154)	3,499
Utilities	4,607	4,905	(298)	2,683
Sub-total	17,317	14,709	2,608	11,066
Development, Program & Staff				
Donor Development	6,444	2,133	4,311	1,308
Advertising & Promotion	3,410	3,090	320	2,971
Mileage, Meals & Meetings	411	576	(165)	58
Workshops	753	208	545	
Annual Meetings	0	0	0	
Annual Report	0	0	0	
Staff Recognition Expenses	340	2,500	(2,160)	2,366
Board & Committee Expenses	828	3,525	(2,697)	198
Sub-total	12,187	12,032	155	6,901
Total Expenses	359,275	350,156	9,119	321,444
Net Income / (Loss) Before Investment Returns and Other Income				
	(301,102)	(290,006)	(11,096)	(270,718)
Realized Gains/(Losses)	0	0	0	
Unrealized Gains/(Losses)	25,532	0	25,532	(23,862)
Other Income	0	0	0	
Investment Management Fee	29	0	29	29
Net Income / (Loss) Including Investment Returns	(275,600)	(290,006)	14,406	(294,609)