



Executive Committee Meeting
July 27, 2021 ~ 3:30 PM
2354 Garden Road, Monterey, CA 93940
Zoom Meeting

AGENDA

1. Call to Order – Teri Belli 3:30
2. Approval of Minutes (1- 3)
 - May 25, 2021
3. Report of the Chair – Teri Belli 3:35
 - Return to in-person meetings
 - Advocacy discussion at August meeting
4. Treasurer – Jan Vanderbilt 3:50
 - June Financials (4-12)
5. Governance – Birt Johnson, Jr. 4:00
 - Nominations Priorities
 - Recommendation for Board Secretary
 - Extension of Teri Belli's Term by One Year
6. Community Impact – Betsy Buchalter Adler 4:15
 - Grant Approvals (if needed)
7. New Funds – Dan Baldwin 4:25
 - Non- Endowed Donor Advised
 - *Friends of Sunset Donor Advised Fund*
 - *Tracy Gibbons Charitable Fund*
 - *Joe Rock and Robin Venuti Family Fund*
 - Designated Fund
 - *St. James Buildings Renovation Fund*
8. President/CEO Report –Dan Baldwin
 - Staff updates
 - Return to Office update
 - Celebration of Philanthropy
 - 2021 Pres/CEO goals/progress (emailed separately)
9. Closed Session

Adjourn

Next Executive Committee Meeting:

Sept. 27, 2021

Mission Statement

To inspire philanthropy and be a catalyst for strengthening communities throughout Monterey County

Strategic Priorities

- Community Impact – Invest in developing healthy, safe and vibrant communities across Monterey County
- Philanthropic Leadership – Inspire and facilitate philanthropy throughout Monterey County
- Community Leadership – Recognize opportunities for facilitation of solutions to community issues.
- Organizational Excellence – Optimize performance and stewardship for maximum impact



**Executive Committee Meeting
Zoom meeting
May 25, 2021**

MINUTES

Committee Members Present: Teri Belli, Betsy Buchalter Adler, Maija West, Jan Vanderbilt, Birt Johnson, Nolan Kennedy, Betsey Pearson

Absent: Giff Lehman

A quorum was established.

CFMC Staff Present: Dan Baldwin, Christine Dawson, Laurel Lee-Alexander, Diane Nonella and Julie Conrad

CALL TO ORDER – Teri Belli

Teri Belli called the Zoom meeting of the Executive Committee of the Community Foundation for Monterey County to order at 3:30 on May 25, 2021.

APPROVAL OF MINUTES

Motion: to approve March 23, 2021, minutes as written.

Birt Johnson, Jr / Betsy Buchalter Adler second. Motion carried unanimously.

REPORT OF THE CHAIR – Teri Belli

Distinguished Trustee

Dan described the Distinguished Trustee award process and list of recipients. The committee reviewed the 2021 and past year's nominations. There was an engaged discussion about a group of highly respected and deserving individuals. At the end of the discussion three candidates stood out and the committee agreed on the first and alternative choices to recommend to the board. The first choice is Mel and Regina Mason and alternate, Bruce Taylor. All the candidates have a long history of outstanding leadership and have all demonstrated exceptional generosity and commitment to building important institutions in Monterey County.

Motion: to recommend to the full board at the June 22, 2021 meeting, Mel and Regina Mason as the Distinguished Trustee for the 2021 Celebration of Philanthropy. If for any reason they decline, Bruce Taylor will be the alternate.

Nolan Kennedy / Birt Johnson, Jr. second. Motion carried unanimously.

The November 23 Executive Committee meeting is rescheduled to November 16.

LCCF CEO/Board Chair Retreat

Teri and Christine Dawson attended the League of California Community Foundation's Board chair/CEO retreat. Teri focused on the topics presented by the keynote about how community foundations, donors and board members are addressing advocacy and public policy guidelines. Each community foundation is handling advocacy and leadership in different ways. It was recommended that all the facets of advocacy could be a topic for a future board meeting.

TREASURERS REPORT– Jan Vanderbilt

Jan reported the financial statements have not been reviewed by the finance committee and will approved at the June board meeting.

Jan highlighted the total assets through April 30,2021 are \$361,222,799 a 31.74% increase over April 2020. The grantmaking total is \$18,073,806 compared to \$11,054,574 for 2020.

INVESTMENT COMMITTEE – Dan Baldwin for Giff Lehman

Dan reported the investment committee meeting in May included presentations of the first quarter portfolio reviews by Kaspick and Verus. The presentations we about process and updates with no additional information to report.

COMMUNITY IMPACT INVESTING – Nolan Kennedy

The committee met in early May. The CII committee has been approached by CHISPA about a new affordable housing project in King City. They requested a pre-development loan for \$250,000 to fund the architectural and engineering development costs. This project is the first opportunity for CII to get involved in affordable housing.

PHILANTHROPIC SERVICES COMMITTEE – Betsey Pearson

The committee will meet in June. Christine Dawson updated the board on the 2021 Celebration of Philanthropy ideas. At this time, the idea of a hybrid live streamed event at Spanish Bay is being researched. Corral de Tierra is under renovation and not available. The feedback from the executive committee was positive about the hybrid concept, with flexibility and choice as the main concerns. The date will be based on the availability of the Distinguished Trustees and even if the event itself cannot be in person, the award ceremony will still take place.

COMMUNITY IMPACT COMMITTEE – Betsy Buchalter Adler

There are no grants for approval at this time. Both sub-committees have met and been very productive. The June board meeting will have a full slate of grants to approve.

PRESIDENT/CEO REPORT - Dan Baldwin

Return to the office

Dan described the steps the CFMC is taking towards re-opening the offices. Dan has received recommendations from the CFMC staff team. The health, comfort level and safety of the staff is all being considered before any final decisions are made. Salinas office is being used as a staging area for the Vida program's community testing kit distribution.

Covid 19- Collaborative Update

Dan reported that the Collaborative is working toward moving out of the yellow tier. The vaccination rates are resulting in lower infections throughout out the county. The Collaborative is considering announcing a goal of 70%-71% vaccinated by the summer. Testing is still a priority for the collaborative. The Vida project has community health workers that are bringing services into very rural communities where the impact has been very effective.

Staff Update-

The Director of Operations is being advertised. There are new staff members in administration and philanthropic services. We are filling the front desk and finance positions in the next few weeks.

Meeting adjourned: 4:50

Next Meeting: Tuesday, July 27, 2021

Minutes prepared by: Julie Conrad, Administrative Services Manager

Approved by: Maija West, Secretary



Here for Good

Community Foundation
for Monterey County

FINANCIAL STATEMENT

For the Six Months Ended June 30, 2021

**COMMUNITY FOUNDATION FOR MONTEREY COUNTY
FINANCIAL REPORTS
For the Six Months Ended June 30, 2021**

TABLE OF CONTENTS

Notes to Financial Statements

Statement of Financial Position

Statement of Activities

Comparisons of Actual to Budget - Operating Fund

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
NOTES TO THE FINANCIAL STATEMENTS
For the Six Months Ended June 30, 2021

Assets

Total Assets through 6/30/2021 are \$368,367,113 a 29.0% increase since June 2020 and a 5.74% increase since December 2020. (p. 3)

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, 2021. In May, a transfer in to the Brooks CRT was made in error by an outside agency. Staff identified the actual source as a Packer stock donation to their donor advised fund and worked with the outside agency and Kaspick to reverse and correct the transfer. (p. 5)

Realized and Unrealized Gains and Losses on Investments

Net year-to-date realized gains were \$2,277, and unrealized gains were \$24,162,259, for a total gain of \$24,164,537.

Operating Fund

Total revenue was \$496,528 more than the budget, and total expenses were \$126,055 less than the budget. Unrealized gains were \$13,451 on the operating reserve held in the Medium-Term Fund portfolio. The PPP loan forgiveness is reflected as Other Income contributing to an actual net operating surplus of \$961,593 compared to a budgeted deficit of \$85,667.

Note: The Expendable Operating Cash-on-Hand is at 12.7 months, excluding the operating reserve of \$500,000, the building reserve of \$150,000, and includes the PPP Loan, which was fully forgiven March 31, 2021.

Portfolio Performance

The market value of the Long-Term Fund portfolio at 6/30/2021 was \$306,967,337. The one-year Total Return for the Long-Term Endowment Portfolio was 28.1% compared to the Policy Index of 24.7%.

The market value of the Medium-Term Fund portfolio at 6/30/2021 was \$9,614,714. The one-year Total Return for the Medium-Term Endowment Portfolio was 14.7% compared to the Policy Index of 12.8%.

The market value of the ESG Fund portfolio at 6/30/2021 was \$5,285,515. The one-year Total Return for the ESG Portfolio was 21.7% compared to the Policy Index of 22.2%.

The market value of the DRIM Fund portfolio at 6/30/2021 was \$2,679,000. The one-year Total Return for the DRIM Portfolio was 42.2% compared to the Policy Index of 79.4%. 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 by the David and Lucile Packard Foundation; the College Futures Foundation program, funded by the College Futures Foundation; the Salinas Leadership project, funded by the James Irvine Foundation; and the Monterey County Gives annual campaign.

Total Special Program revenue was \$1,775,401 and total expenses were \$8,351,343, which includes \$7,702,746 in grants from the 2020 Monterey County Gives campaign. (p. 5-6)

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

Total new contributions for the month were \$1,718,336, including: (p. 36-41)

Donor	Date	Amount	Fund
Dr. & Mrs. Steven and Ann Packer	6/1/2021	99,581	Packer Family Foundation
Mr. & Mrs. Ken and Kathryn Smith	6/2/2021	30,164	Smith Family Alliance Fund
CASA of Monterey County	6/4/2021	500,000	CASA of Monterey County Stewardship Fund
Taylor Farms Retail, Inc.	6/7/2021	102,000	Taylor Farms Scholarship Fund
Mr. William G. Doolittle	6/8/2021	50,000	Sunset Theater Endowment Fund
Laguna Seca Raceway Foundation	6/8/2021	150,000	Laguna Seca Raceway Foundation Stewardship Fund
Raymond Costa - RHC Management Co, LLC	6/9/2021	65,000	Raymond H. Costa Family Scholarship Fund
Marsha McMahan Zelus	6/17/2021	149,989	Marsha McMahan Zelus Fund
Mr. & Mrs. Dale and Margaret Byrne	6/21/2021	50,000	Carmel Cares Fund
Taylor Farms Retail, Inc.	6/29/2021	249,900	Taylor Farms Scholarship Fund
Ms. Gabrielle Walters	6/30/2021	49,923	Gabrielle Andrea Walters Fund

Grants to agencies for the month totaling \$1,382,035 were approved and recorded. (p. 42-45)

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Six Months Ended June 30, 2021 and June 30, 2020

	COMBINED OPERATING	SPECIAL PROGRAMS	ENDOWMENT	NON ENDOWED	BEQUEST, CRT RECEIVABLES	TOTAL June 30, 2021	TOTAL June 30, 2020
ASSETS							
Cash:							
Cash & Cash Equivalents	3,703,117	1,820,080	0	5,574,175	0	11,097,372	7,550,562
Investments - Long Term Fund Portfolio	0	0	208,110,130	98,857,207	0	306,967,337	230,528,687
Investments - Medium Term Fund Portfolio	721,835	0	0	8,892,879	0	9,614,714	7,738,091
Investments - ESG Fund Portfolio	0	0	3,646,382	1,639,133	0	5,285,515	3,722,699
Separately Invested - DRIM Portfolio	0	0	0	2,679,000	0	2,679,000	2,280,632
Separately Invested - Pony Trust	0	327,116	0	0	0	327,116	327,968
Total Cash & Investments	4,424,951	2,147,196	211,756,512	117,642,394	0	335,971,054	252,148,638
Accounts Receivable:							
Pledges & Contributions Receivable	0	0	4,000	12,750	889,929	906,679	893,519
Bequests & Remainder Interest	0	0	0	0	0	0	0
Due from OPER	0	0	1,086,876	0	0	1,086,876	1,157,588
Investment in an LLC	0	0	1,837,500	0	0	1,837,500	0
Charitable Remainder Trusts	0	0	0	0	22,333,498	22,333,498	25,369,217
Charitable Gift Annuities	0	0	0	0	4,380,833	4,380,833	4,107,870
Total Accounts Receivable	0	0	2,928,376	12,750	27,604,260	30,545,386	31,528,195
Other Assets:							
Prepaid Expenses	7,344	0	0	0	0	7,344	32,224
Property-Net of Depreciation	1,843,329	0	0	0	0	1,843,329	1,857,444
Total Other Assets	1,850,673	0	0	0	0	1,850,673	1,889,669
TOTAL ASSETS	6,275,624	2,147,196	214,684,888	117,655,144	27,604,260	368,367,113	285,566,501

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF FINANCIAL POSITION
CONSOLIDATED - ALL FUNDS
For the Six Months Ended June 30, 2021 and June 30, 2020

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL June 30, 2021</u>	<u>TOTAL June 30, 2020</u>
LIABILITIES & NET ASSETS							
Liabilities:							
Grants Payable	0	150,738	454,999	589,750	0	1,195,487	1,184,438
Contingent Liabilities	0	0	0	0	16,217,046	16,217,046	18,101,799
Funds held as Agency Endowments	0	0	7,298,606	0	0	7,298,606	6,520,944
Funds held as Stewardship Funds	0	0	0	48,980,877	0	48,980,877	31,099,027
Payroll, Misc. and Accts Payable	1,220,341	7,288	0	0	0	1,227,629	1,747,436
Total Liabilities	1,220,341	158,026	7,753,605	49,570,627	16,217,046	74,919,645	58,653,644
Net Assets:							
Net Assets-Beginning Balance	4,093,691	8,564,097	187,812,660	59,130,323	12,358,644	271,959,415	230,383,848
Change in Net Assets -							
Current Year	961,593	(6,574,927)	19,118,623	8,954,194	(971,430)	21,488,053	(3,470,991)
Total Net Assets	5,055,283	1,989,170	206,931,283	68,084,517	11,387,214	293,447,468	226,912,857
TOTAL LIABILITIES & NET ASSETS	6,275,624	2,147,196	214,684,888	117,655,144	27,604,260	368,367,113	285,566,501

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Six Months Ended June 30, 2021 and June 30, 2020

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL June 30, 2021</u>	<u>TOTAL June 30, 2020</u>
SUPPORT AND REVENUE:							
Contributions	300,953	1,761,163	1,306,077	11,028,662	0	14,396,854	19,072,978
Interfund Gifts	48,051	10,000	14,027	382,087	0	454,165	1,868,614
Pledge Payments Received	0	0	0	13,384	0	13,384	454,526
Future Contributions-A/R-Pledge-CRT-CGA	0	0	0	0	15,618	15,618	15,249
Contributions Received via Bequest	60,389	0	2,433,015	0	0	2,493,403	4,555,411
Change in Value, Split Interest Trusts, Future Assets	0	0	0	0	1,532,685	1,532,685	3,345,837
Gain/Loss on Sale of Property	0	0	0	0	0	0	2,164
Income from Related Party (LLC)	0	0	0	0	0	0	0
Interest & Dividend Income	14,205	4,238	2,410,211	1,266,046	0	3,694,700	2,259,223
Administrative Fees	1,819,677	0	0	0	0	1,819,677	1,462,389
Fees from Special Projects	64,750	0	0	0	0	64,750	9,998
Workshop and Contract Service Income	576	0	0	0	0	576	23,205
Misc Income/Returned Grants	10,366	0	500	3,999	0	14,865	28,770
Total Support and Revenue	2,318,965	1,775,401	6,163,830	12,694,177	1,548,303	24,500,677	33,098,364
EXPENSES:							
Operating Expenses and Distributions:							
Salaries & Benefits	1,268,470	21,110	0	0	0	1,289,580	1,201,701
Administrative Costs	400,122	176,092	0	1,873	0	578,087	431,546
Occupancy Costs	75,787	0	0	0	0	75,787	93,873
Development Expenses	36,780	42,249	0	0	0	79,029	124,410
Board & Committee Expenses	891	0	0	0	0	891	869
Total Operating Expenses	1,782,049	239,451	0	1,873	0	2,023,373	1,852,399

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
STATEMENT OF ACTIVITIES
CONSOLIDATED - ALL FUNDS
For the Six Months Ended June 30, 2021 and June 30, 2020

	<u>COMBINED OPERATING</u>	<u>SPECIAL PROGRAMS</u>	<u>ENDOWMENT</u>	<u>NON ENDOWED</u>	<u>BEQUEST, CRT RECEIVABLES</u>	<u>TOTAL June 30, 2021</u>	<u>TOTAL June 30, 2020</u>
Grants and Grant Related Expenses:							
Grants	0	7,999,907	2,617,514	9,956,503	0	20,573,924	15,408,125
Interfund Grants	0	40,930	202,551	210,684	0	454,165	1,868,614
Pledge Payments Paid	0	0	0	0	13,384	13,384	719,141
Bequests Payments/Transfers	0	0	0	0	2,482,668	2,482,668	4,282,310
Other Expenses	0	19,903	977	19,455	0	40,335	132,833
Other Payments/Transfers	0	0	(1,077,259)	1,077,259	0	0	0
Grant Related Expenses	0	0	0	0	0	0	25
Administrative Fees	0	51,152	1,274,885	519,960	23,680	1,869,677	1,462,389
Fees to Managers	177	0	87,318	43,542	0	131,037	146,080
Total Grants and Grant Related Expenses	177	8,111,892	3,105,986	11,827,402	2,519,733	25,565,190	24,019,517
 Total Expenses and Grants	 1,782,226	 8,351,343	 3,105,986	 11,829,275	 2,519,733	 27,588,563	 25,871,916
 Excess of Revenues (Expenses)							
Before Gains on Investments & Transfers	536,739	(6,575,942)	3,057,844	864,902	(971,430)	(3,087,886)	7,226,448
 Gain/(Loss) on Investments and Other Income:							
Realized-Gain (Loss)	0	0	0	2,277	0	2,277	(5,521,884)
Unrealized-Gain(Loss)	13,451	1,014	16,060,779	8,087,015	0	24,162,259	(5,175,555)
Other Income	411,402					411,402	
 Total Gain/(Loss) on Investments and Other Income:	 424,853	 1,014	 16,060,779	 8,089,292	 0	 24,575,939	 (10,697,439)
 Change in Net Assets	 961,593	 (6,574,927)	 19,118,623	 8,954,194	 (971,430)	 21,488,053	 (3,470,991)
 Net Assets Beginning of Year	 4,093,691	 8,564,097	 187,812,660	 59,130,323	 12,358,644	 271,959,415	 230,383,848
 Net Assets, End of Period	 5,055,283	 1,989,170	 206,931,283	 68,084,517	 11,387,214	 293,447,468	 226,912,857

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

For the Six Months Ended June 30, 2021 and June 30, 2020

	Year-To-Date			YTD Actual 6/30/2020
	Actual	Budget	Variance	
REVENUE				
Contributions - Foundations	57,558	0	57,558	53,753
Contributions - Indiv/Corp	243,395	21,000	222,395	19,594
Contributions - Interfund	48,051	39,879	8,172	40,065
Bequests Received	60,389	53,900	6,489	99,425
Admin Fees	1,819,677	1,698,630	121,047	1,462,389
Special Project Fees	64,750	3,998	60,752	9,998
Workshops/Contracts	576	2,532	(1,956)	23,205
Miscellaneous Income	10,366	0	10,366	28,770
Interest and Dividends	14,205	2,498	11,707	23,523
Total Revenue	2,318,965	1,822,437	496,528	1,760,723
EXPENSE				
Personnel				
Salaries and Wages	978,864	1,035,450	(56,586)	935,452
Payroll Taxes	75,208	75,939	(731)	72,046
Insurance and Other Benefits	214,398	222,521	(8,123)	194,203
Sub-total	1,268,470	1,333,910	(65,440)	1,201,701
Administrative				
Supplies	7,159	10,000	(2,841)	10,818
Equip / Computer Maintenance	71,090	90,383	(19,293)	80,714
Bank Charges	6,076	7,500	(1,424)	8,044
Printing	16,956	17,075	(119)	11,749
Postage / Freight	9,639	15,000	(5,361)	13,451
Dues/Subscriptions	40,443	41,587	(1,144)	24,911
Services (legal, acct, consult)	178,400	150,707	27,693	118,987
D&O Insurance	0	2,800	(2,800)	2,783
Telecommunications	22,886	22,858	28	10,909
Conferences & Training	4,111	15,238	(11,127)	4,880
Miscellaneous	3,514	0	3,514	1,645
Depreciation	39,846	39,846	0	40,062
Sub-total	400,122	412,994	(12,872)	328,953
Facilities				
Property / Liability Insurance	11,305	11,056	249	11,014
Maintenance / Repairs	2,911	10,998	(8,087)	8,643
Janitorial & Landscaping	11,280	11,100	180	10,258
Rent	10,529	27,492	(16,963)	25,142
Mortgage, Interest & Property Taxes	22,165	22,165	0	23,543
Utilities	17,596	14,496	3,100	15,274
Sub-total	75,787	97,307	(21,520)	93,873
Development, Program & Staff				
Donor Development	12,650	32,050	(19,400)	31,782
Advertising & Promotion	19,449	23,006	(3,557)	34,028
Mileage, Meals & Meetings	57	2,642	(2,585)	1,059
Workshops	1,225	2,450	(1,225)	19,641
Annual Meetings	0	0	0	1,080
75th Anniversary Expenses	0	0	0	4,287
Annual Report	195	195	0	6,546
Staff Recognition Expenses	3,204	1,650	1,554	3,025
Board & Committee Expenses	891	1,900	(1,009)	869
Sub-total	37,671	63,893	(26,222)	102,316
Total Expenses	1,782,049	1,908,104	(126,055)	1,726,844
Net Income / (Loss) Before Investment Returns and Other Income	536,916	(85,667)	622,583	33,879
Realized Gains/(Losses)	0	0	0	5,386
Unrealized Gains/(Losses)	13,451	0	13,451	2,936
Other Income	411,402	0	411,402	0
Investment Management Fee	177	0	177	167
Net Income / (Loss) Including Investment Returns	961,593	(85,667)	635,858	42,034