

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2019**

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**FINANCIAL STATEMENTS**

**Year Ended June 30, 2019**

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## Independent Auditor's Report



Board of Directors  
Alamo Heights School Foundation  
San Antonio, Texas

We have audited the accompanying financial statements of Alamo Heights School Foundation (a nonprofit organization) which comprise the statements of financial position as of June 30, 2019 and 2018, the related statements of activities and functional expenses for the year ended June 30, 2019, and the statements of cash flows for the years ended June 30, 2019 and 2018, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Alamo Heights School Foundation as of June 30, 2019 and 2018, and the changes in its net assets and its functional expenses for the year ended June 30, 2019, and its cash flows for the years ended June 30, 2019 and 2018, in accordance with accounting principles generally accepted in the United States of America.

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### **Report on Summarized Comparative Information**

We have previously audited Alamo Heights School Foundation's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 19, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supporting Schedule of Activities and Changes in Net Assets on page 20 is presented for purposes of additional analysis 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

*Sagebiel, Ravenberg & Schuh, P. C.*

San Antonio, Texas  
October 3, 2019

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**STATEMENT OF FINANCIAL POSITION**

**June 30, 2019 and 2018**

| <b>ASSETS</b>                             | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|
| <b>Current assets:</b>                    |                     |                     |
| Cash and cash equivalents                 | \$ 114,448          | \$ 99,376           |
| Pledges receivable, current, net          | 4,957               | 1,050               |
| Prepaid assets                            | <u>21,410</u>       | <u>8,549</u>        |
| Total current assets                      | 140,815             | 108,975             |
| <b>Other assets:</b>                      |                     |                     |
| Pledges receivable, long-term, net        | 18,213              | -                   |
| Investments                               | <u>7,620,630</u>    | <u>7,534,351</u>    |
| Total assets                              | <u>\$ 7,779,658</u> | <u>\$ 7,643,326</u> |
| <br><b>LIABILITIES AND NET ASSETS</b><br> |                     |                     |
| <b>Liabilities:</b>                       |                     |                     |
| Accounts payable                          | \$ 2,148            | \$ 1,074            |
| Incubator Fund expenses payable           | 23,100              | -                   |
| Accrued expenses                          | 12,975              | 1,176               |
| Scholarships payable                      | 26,000              | 45,000              |
| Deferred revenue                          | <u>55,010</u>       | <u>2,500</u>        |
| Total current liabilities                 | <u>119,233</u>      | <u>49,750</u>       |
| <b>Net assets:</b>                        |                     |                     |
| Without donor restrictions                | 1,035,439           | 1,031,156           |
| With donor restrictions                   | <u>6,624,986</u>    | <u>6,562,420</u>    |
| Total net assets                          | <u>7,660,425</u>    | <u>7,593,576</u>    |
| Total liabilities and net assets          | <u>\$ 7,779,658</u> | <u>\$ 7,643,326</u> |

The accompanying notes are an integral part  
of the financial statements.

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2019**

(With Comparative Totals For Year Ended June 30, 2018)

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |                     |
|--|-------------------------------|----------------------------|---------------------|---------------------|
|  |                               |                            | <u>2019</u>         | <u>2018</u>         |
| <b>Support, revenue and other:</b>   |                               |                            |                     |                     |
| Contributions - fundraising campaigns  | \$ 512,972                    | \$ 148,178                 | \$ 661,150          | \$ 645,123          |
| Interest and dividends   | 39,102                        | 193,977                    | 233,079             | 202,773             |
| Managed asset investment income  | -                             | 17,026                     | 17,026              | 43,372              |
| Managed asset realized gain<br>on sale of investments                                      | 26,003                        | 136,693                    | 162,696             | 312,105             |
| Managed asset unrealized gain (loss)<br>on investments                                     | 11,097                        | (55,664)                   | (44,567)            | 98,952              |
| Management fee   | 68,209                        | -                          | 68,209              | 67,864              |
| Corporate partnerships (net of disbursements<br>of \$9,239 for 2019 and \$14,304 for 2018) | 88,511                        | -                          | 88,511              | 88,696              |
| Special events (net of disbursements of<br>of \$95,415 for 2019 and \$94,026 for 2018)     | 271,037                       | -                          | 271,037             | 212,766             |
| Net assets released from restriction   | <u>457,717</u>                | <u>(457,717)</u>           | <u>-</u>            | <u>-</u>            |
| Total support, revenue and other   | <u>1,474,648</u>              | <u>(17,507)</u>            | <u>1,457,141</u>    | <u>1,671,651</u>    |
| <b>Expenses:</b>   |                               |                            |                     |                     |
| Program services   | 952,813                       | -                          | 952,813             | 837,873             |
| General and administrative   | 264,662                       | -                          | 264,662             | 250,872             |
| Fundraising  | <u>172,817</u>                | <u>-</u>                   | <u>172,817</u>      | <u>143,034</u>      |
| Total expenses   | <u>1,390,292</u>              | <u>-</u>                   | <u>1,390,292</u>    | <u>1,231,779</u>    |
| Change in net assets   | 84,356                        | (17,507)                   | 66,849              | 439,872             |
| <b>Net assets at beginning of the year</b>   | 1,031,156                     | 6,562,420                  | 7,593,576           | 7,153,704           |
| Net interfund transfers  | <u>(80,073)</u>               | <u>80,073</u>              | <u>-</u>            | <u>-</u>            |
| <b>Net assets at end of year</b>   | <u>\$ 1,035,439</u>           | <u>\$ 6,624,986</u>        | <u>\$ 7,660,425</u> | <u>\$ 7,593,576</u> |

The accompanying notes are an integral part  
of the financial statements.

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended June 30, 2019**

(With Comparative Totals For Year Ended June 30, 2018)

|                                     | <u>Program</u>    | <u>General and</u>    |                    | <u>Total</u>        |                     |
|-------------------------------------|-------------------|-----------------------|--------------------|---------------------|---------------------|
|                                     |                   | <u>Administrative</u> | <u>Fundraising</u> | <u>2019</u>         | <u>2018</u>         |
| Salaries                            | \$ -              | \$ 94,321             | \$ 96,798          | \$ 191,119          | \$ 172,571          |
| Payroll taxes                       | -                 | 7,257                 | 7,550              | 14,807              | 12,901              |
| Employee benefits                   | -                 | 3,705                 | 3,705              | 7,410               | 11,202              |
| Total salaries and related expenses | -                 | 105,283               | 108,053            | 213,336             | 196,674             |
| Advertising and marketing           | -                 | -                     | 26,787             | 26,787              | 24,773              |
| Conferences and meetings            | -                 | 6,739                 | 215                | 6,954               | 2,478               |
| Grant distributions                 | 927,813           | -                     | -                  | 927,813             | 792,873             |
| Insurance                           | -                 | 3,478                 | -                  | 3,478               | 3,071               |
| Management fee                      | -                 | 99,737                | -                  | 99,737              | 104,931             |
| Occupancy and rent                  | -                 | 3,000                 | -                  | 3,000               | 3,000               |
| Office supplies                     | -                 | 9,751                 | 7,977              | 17,728              | 9,023               |
| Professional services               | -                 | 36,674                | -                  | 36,674              | 34,677              |
| Scholarship expense                 | 25,000            | -                     | -                  | 25,000              | 45,000              |
| Technology and I.T.                 | -                 | -                     | 15,903             | 15,903              | 9,300               |
| Taxes, fees, and other              | -                 | -                     | 13,882             | 13,882              | 5,979               |
| Total expenses                      | <u>\$ 952,813</u> | <u>\$ 264,662</u>     | <u>\$ 172,817</u>  | <u>\$ 1,390,292</u> | <u>\$ 1,231,779</u> |

The accompanying notes are an integral part  
of the financial statements.

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**STATEMENT OF CASH FLOWS**

**Years Ended June 30, 2019 and 2018**

|  | <u>2019</u>       | <u>2018</u>      |
|--|-------------------|------------------|
| <b>Cash flow from operating activities:</b>  |                   |                  |
| Change in net assets   | \$ 66,849         | \$ 439,872       |
| Adjustments to reconcile change in net assets<br>to net cash provided by operating activities: |                   |                  |
| Realized (gains) losses on sale of investments   | (162,696)         | (312,105)        |
| Unrealized (gains) losses on investments   | 44,567            | (98,952)         |
| Change in accounts receivable  | -                 | 360              |
| Change in pledges receivable   | (22,120)          | -                |
| Change in prepaid assets   | (12,861)          | 3,115            |
| Change in accounts payable   | 24,174            | (107,021)        |
| Change in accrued expenses   | 11,799            | (4,290)          |
| Change in scholarships payable   | (19,000)          | 6,500            |
| Change in deferred revenue   | 52,510            | (7,000)          |
| Net cash used by operating activities  | <u>(16,778)</u>   | <u>(79,521)</u>  |
| <br><b>Cash flows from investing activities:</b>   |                   |                  |
| Net change in investments  | <u>31,850</u>     | <u>86,866</u>    |
| Net cash provided by investing activities  | <u>31,850</u>     | <u>86,866</u>    |
| <br>Net increase in cash   | 15,072            | 7,345            |
| <br><b>Cash at beginning of year</b>   | <u>99,376</u>     | <u>92,031</u>    |
| <br><b>Cash at end of year</b>   | <u>\$ 114,448</u> | <u>\$ 99,376</u> |

The accompanying notes are an integral part  
of the financial statements.



# ALAMO HEIGHTS SCHOOL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### 1 NATURE OF ORGANIZATION

The Alamo Heights School Foundation's (the Foundation) mission is to enhance academic excellence for every student with a focus on funding teachers and staff.

Through the financial support of its donors, the Foundation is able to supplement the Alamo Heights Independent School District (AHISD) teacher salaries and provide funding for projects in the classroom in support of the district's strategic goals. Donations enable the Foundation to provide the additional funding that allows AHISD to continue its tradition of excellence.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting. The financial statements accordingly reflect all significant receivables, payables, and other liabilities.

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board for the format of financial statements of not-for-profit organizations. The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

The financial statements of the Foundation include the Oma E. Vordenbaum Trust. The Foundation is Trustee of the Trust (see Note 7).

#### Comparative Financial Information

The financial information for the year ended June 30, 2018, presented for comparative purposes, is not intended to be a complete financial statement presentation. It is included to provide a basis for comparison with the year ended June 30, 2019.

#### Income Taxes

The Foundation is exempt from federal income tax as a public foundation under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is a public charity, and is not a private foundation under Section 509(a)(2). The Oma E. Vordenbaum Trust is subject to federal income tax on undistributed net income.

#### Restricted and Unrestricted Revenue and Support

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

#### Cash and Cash Equivalents

Cash and cash equivalents include all monies on hand and all investments with a maturity of three months or less when purchased. Fair value approximates carrying value due to the short maturity of those financial instruments.

(Continued)

# ALAMO HEIGHTS SCHOOL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

(Continued)

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **Pledges Receivable**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restriction.

#### **Investments**

Investments are carried at market value as reported by brokerages. Material realized and unrealized gains and losses are reflected in the Statement of Activities.

#### **Property and Equipment**

The Foundation capitalizes all expenditures for furniture and equipment in excess of \$5,000. Property and equipment are carried at cost or, if donated, at the approximate fair market value at the date of the donation. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. Depreciation is computed using the straight-line method over their estimated useful lives.

#### **Deferred Revenue**

Deferred revenue consists of sports marketing fees received for the following fiscal year, and sponsorship, table and ticket sales for a special event to take place in the following fiscal year.

#### **Management Fee**

To address general overhead and operating costs, the temporarily restricted net assets (Wellness, Adams, Aerospace & Technology, and scholarship funds) and the permanently restricted net assets (endowment funds) are assessed an annual management fee equal to 1% of the fair market value of each fund as of the end of the year.

#### **Estimates**

The preparation of financial statements in conformity with United States 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.

#### **Recently Adopted Accounting Pronouncements**

In August 2016, the FASB issued Accounting Standards Update 2016-14, regarding the reporting and disclosure requirements for not-for-profit organizations, effective for periods beginning after December 15, 2017, with early adoption permitted. The pronouncement replaces the three classes of net assets with two new classes, requires the reporting of expenses by function and natural classification for all not-for-profit organizations, enhances disclosures on liquidity and availability of resources, and includes several other less significant reporting enhancements. The Foundation adopted this new pronouncement effective July 1, 2018.

#### **Subsequent Events**

The Foundation's management has evaluated subsequent events through October 3, 2019, the date which the financial statements were available for issue.

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**3 CONCENTRATION OF CREDIT RISK**

The Foundation maintains its cash balances at two financial institutions located in San Antonio, Texas. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2019 and 2018, the Foundation's cash balances were fully insured.

The Foundation also maintains an account with one brokerage firm, which includes industry grade money market funds. Balances are insured up to \$500,000 (with a limit of \$100,000 for cash) by the Securities Investor Protection Corporation (SIPC).

**4 PLEDGES RECEIVABLE**

Pledges receivable at June 30, 2019 and 2018, representing campaign pledges promised, are classified as followed:

|   | <u>2019</u>      | <u>2018</u>     |
|---|------------------|-----------------|
| In one year or less                           | \$ 4,957         | \$ 1,050        |
| Between one year and five years               | <u>19,210</u>    | <u>-</u>        |
|   | 24,167           | 1,050           |
| Estimated allowance for uncollectible pledges | -                | -               |
| Present value discount                        | <u>(997)</u>     | <u>-</u>        |
|   | <u>\$ 23,170</u> | <u>\$ 1,050</u> |

**5 INVESTMENTS**

The Foundation uses an investment management firm. The Foundation's investment activity from this manager for the years ended June 30, 2019 and 2018, resulted in realized gains of \$162,696 and \$312,105 for those years, respectively. Unrealized (losses) and gains of \$(44,567) and \$98,952 occurred for the years ended June 30, 2019 and 2018, respectively. The cost and market value of managed investments by major type as of June 30, 2019 and 2018, are as follows:

|   | <u>2019</u>         |                     | <u>2018</u>         |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | <u>Cost</u>         | <u>Market</u>       | <u>Cost</u>         | <u>Market</u>       |
| Cash equivalents                          | \$ 46,825           | \$ 46,825           | \$ 130,918          | \$ 130,918          |
| Equity securities, mutual funds, and ETFs | <u>6,771,654</u>    | <u>7,573,805</u>    | <u>6,556,717</u>    | <u>7,403,433</u>    |
|   | <u>\$ 6,818,479</u> | <u>\$ 7,620,630</u> | <u>\$ 6,687,635</u> | <u>\$ 7,534,351</u> |

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes 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 Foundation uses the following methods to determine the fair value of its investments:

*Equity securities, mutual funds, and exchange-traded funds (ETFs):* Determined by the closing price on the last business day of the fiscal year.

(Continued)

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**5 INVESTMENTS (Continued)**

*Cash equivalents:* Valued at cost, which approximates fair value due to the short-term nature of these investments.

The following table sets forth the level within the fair value hierarchy of the Foundation's financial instruments as of June 30:

|   | <u>2019</u>      | <u>2018</u>      |
|---|------------------|------------------|
| Measured using Level 1 fair value measures: |                  |                  |
| Equity securities, mutual funds, and ETFs   | \$ 7,573,805     | \$ 7,403,433     |
| Total investments measured at fair value    | 7,573,805        | 7,403,433        |
| Investments at cost:                        |                  |                  |
| Cash equivalents                            | <u>46,825</u>    | <u>130,918</u>   |
| Total investments                           | <u>7,620,630</u> | <u>7,534,351</u> |

**6 GRANTS AWARDED**

*Unrestricted Net Assets*

Grants from unrestricted funds are made on a periodic basis to schools in the AHISD for classroom supplies, libraries, technology, staff enrichment, and salary support. During the year ended June 30, 2019, grants totaling \$588,674 were made by the Foundation to AHISD.

*General Endowment Fund*

The General Endowment Fund was initiated in the fall of 2002. The intent of the endowment effort is to recruit support for long-term financial security of AHISD. Upon maturity, earnings from the endowment support various facets of AHISD's programs.

During fiscal year 2006-2007 the Board approved the distribution of \$50,000 annually to help fund the Teacher for Academic Excellence in Science. A \$50,000 distribution was made during the year ended June 30, 2019. In 2010-2011 the Board also approved bridge funding in the amount of \$25,000 per year for the Wellness Coordinator position. A \$25,000 distribution was made during the year ended June 30, 2019. Both of these commitments are subject to periodic review by the Board. During the October 17, 2018 meeting, the Board voted to undesignate previously designated general endowment distributions to Wellness expenses and the Teacher for Academic Excellence in Science. In addition, the General Endowment Fund made an \$18,905 distribution to fund teacher salaries in the year ended June 30, 2019.

*Rob Boldrick Memorial Fund*

The Boldrick Fund was established in 1991. The income from this fund is to be used to support teacher training to sustain academic excellence. A grant totaling \$2,780 was awarded during the year ended June 30, 2019.

*Faye Langley Cowden Chair for Elementary Education*

The Faye Langley Cowden Chair was established in 1994 as a commitment to continued excellence in AHISD elementary schools. A grant in the amount of \$11,930 was awarded in the year ended June 30, 2019.

(Continued)

## ALAMO HEIGHTS SCHOOL FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### 6 GRANTS AWARDED (Continued)

##### *Johnnie Eng Fund for Teaching Excellence*

The fund was established upon his retirement to honor the impact Mr. Eng had on the lives of his students and colleagues. The fund supports teaching excellence at Alamo Heights High School. Grants totaling \$8,352 were awarded from this fund for the year ended June 30, 2019.

##### *Caroline Gose Fund*

The fund was established in memory of Caroline Gose to support a joint student/faculty project benefiting Alamo Heights High School and the Alamo Heights community in the areas of journalism, theater or community service. A grant totaling \$3,368 was awarded from this fund for the year ended June 30, 2019.

##### *Charles Guenther Theater Arts Fund*

The Charles Guenther Theater Arts Fund was established in fiscal year 2009-10 to benefit the Theater Arts Department at Alamo Heights High School. This fund assists the Department with its theater productions. A distribution from this fund totaling \$5,864 was made during the year ended June 30, 2019.

##### *Ida M. Kennedy Fund*

The fund was established in memory of Mrs. Kennedy, a revered math teacher at the Junior School. The fund provides support for training and materials for math teachers at the Junior School. A grant from this fund totaling \$2,097 was awarded during the year ended June 30, 2019.

##### *Graham Ladensohn Memorial Lecture Series*

The Graham Ladensohn Memorial Lecture Series was established in 1991 for the purpose of bringing lecture speakers to AHISD for the faculty and community. Grants totaling \$4,659 were awarded during the year ended June 30, 2019.

##### *Glenn R. and Sally P. Ramsdell Memorial Chair in English*

The fund was established in 2008 through a bequest from Miss Jacqueline Ramsdell. The income generated funds a teaching position in the area of English at Alamo Heights High School. A grant in the amount of \$69,693 was awarded in the year ended June 30, 2019.

##### *Martha Spoor Young Writers Fund*

The fund was established in memory of Martha Spoor, an Alamo Heights High School graduate and English teacher at the Junior School. The income from the fund is used to provide the Martha Spoor Young Writers Workshop at the Junior School. An award of \$5,171 was granted during the year ended June 30, 2019.

##### *Shine Bright Fund*

The fund was established in 2011 in memory of Sarah Chidgey Hughes who was an elementary school teacher, and in honor of her mother who taught over 30 years at Woodridge Elementary.

(Continued)

## ALAMO HEIGHTS SCHOOL FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### 6 GRANTS AWARDED (Continued)

##### *Paul A. Foerster Mathematics Fund*

This fund was established in 2011 to honor Paul Foerster's 50 years of teaching at Alamo Heights High School. Funds provide support to the math teachers for professional development, memberships, speakers, training and release time for mentoring. A grant in the amount of \$5,000 was awarded during the year ended June 30, 2019.

##### *Reid Hallman Kelley Memorial Fund*

In 2014, a fund in memory of Reid Hallman Kelley was established to enrich opportunities for students of the Junior School to achieve academic excellence in Science by improving the facilities and equipment of the Science classroom, and by supporting training and education of Junior School Science teachers. A distribution of \$3,319 was made during the year ended June 30, 2019.

##### *Wellness Program Fund*

In 2009, AHISD's Board of Trustees approved a strategic plan outlining its goals in six different areas. The second stated objective is to aggressively confront the social and emotional issues of the community. The Foundation approved fundraising efforts to fund the district-wide Wellness Program. For the year ended June 30, 2019, a grant of \$50,000 was awarded to this program from the Wellness Fund.

##### *Kenneth S. Adams Memorial Fund for Special Education*

In 2016, a fund was established to support skill development training of teachers and various equipment needs. Distributions of \$8,000 were made to the Special Education program in the year ended June 30, 2019.

##### *The Fund for Aerospace Sciences and Technology*

In 2016, the Foundation entered into an agreement to establish a restricted fund to support the Aerospace Sciences and Technology Program curriculum, materials, and activities. Grants totaling \$17,857 were awarded during the year ended June 30, 2019.

##### *Incubator Fund*

The Incubator Fund provides support for the new Heights Business Incubator program at Alamo Heights High School, which teaches students real-life entrepreneurial skills. Funds will be used to sustain this innovative program, provide student teams with the support needed to create and test their Minimum Viable Products, and provide awards to the top student teams providing them the opportunity to take their products to market as an established business. Grants of \$47,144 were awarded in the year ended June 30, 2019.

(Continued)

ALAMO HEIGHTS SCHOOL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

(Continued)

6 GRANTS AWARDED (Continued)

Summary of 2018-2019 Grants:

|  | <u>2019</u>       |
|--|-------------------|
| Unrestricted Net Assets:                               |                   |
| Foundation grant for teacher salaries                  | \$ 503,095        |
| Corporate Partnership                                  | 85,579            |
| General Endowment Fund:                                |                   |
| Grant for teacher salaries                             | 18,905            |
| Teacher for Academic Excellence in Science             | 50,000            |
| AHISD Wellness Program                                 | 25,000            |
| Wellness Program Fund                                  | 50,000            |
| Glenn R. & Sally P. Ramsdell Memorial Chair in English | 69,693            |
| Rob Boldrick Memorial Fund                             | 2,780             |
| Graham Ladensohn Memorial Lecture Series               | 4,659             |
| Faye Langley Cowden Chair for Elementary Education     | 11,930            |
| Johnnie Eng Fund for Teaching Excellence               | 8,352             |
| Reid Hallman Kelley Memorial Fund                      | 3,319             |
| Charles Guenther Theater Arts Fund                     | 5,864             |
| Ida M. Kennedy Fund                                    | 2,097             |
| Martha Spoor Young Writers Fund                        | 5,171             |
| Caroline Gose Fund                                     | 3,368             |
| Fund for Aerospace and Technology                      | 17,857            |
| Kenneth S. Adams Memorial Fund for Special Education   | 8,000             |
| Paul Foerster Math Fund                                | 5,000             |
| Incubator Fund   | <u>47,144</u>     |
| Total grants approved                                  | 927,813           |
| Total scholarships approved (See note 7)               | <u>25,000</u>     |
| Total grants and scholarships approved                 | <u>\$ 952,813</u> |

7 SCHOLARSHIPS AWARDED

*W. W. and Anna May Campbell Scholarship*

The W. W. and Anna May Campbell Scholarship Trust, with Frost National Bank as Trustee, was established under the will of Anna May Campbell for the benefit of the Foundation. In 1985, the Foundation formed the W. W. and Anna May Campbell Scholarship Fund to administer trust revenue distributed to the Foundation. The revenue from the trust is used for scholarships for graduates of Alamo Heights High School who are attending state or other publicly supported colleges or universities and who are sophomores or above in class standing. Currently, recipients of the Campbell Scholarships are selected based on scholastic ability and financial need.

*Oma E. Vordenbaum Trust*

On September 13, 1977, the Foundation, acting as Trustee of the Oma E. Vordenbaum Trust, received from the Estate of Oma E. Vordenbaum cash and a one-half mineral interest in approximately 117 acres in Gonzales County, Texas. The trust was established for the purpose of creating a scholarship fund for graduating seniors enrolled in Alamo Heights High School. Currently, scholarships are awarded on both merit and need.

(Continued)

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**7 SCHOLARSHIPS AWARDED** (Continued)

*Bob Ware Memorial Scholarship*

The Bob Ware Memorial Scholarship was established in 1975 so that income from the Ware Fund would be used annually to award scholarships to Alamo Heights graduating seniors whose achievements are above expectations and are involved in extra-curricular activities at Alamo Heights High School. In April 2006, the donor changed his intent so that the principal of the fund could be expended in addition to any income.

*Scholarships Approved in the Current Year*

Scholarships approved in 2019 and to be paid out in 2019-2020 include:

|   |                  |
|---|------------------|
| W. W. and Anna May Campbell Scholarship | \$ 20,000        |
| Oma E. Vordenbaum Trust                 | 4,000            |
| Bob Ware Memorial Scholarship           | <u>1,000</u>     |
|   | <u>\$ 25,000</u> |

**8 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following at June 30, 2019 and 2018:

|  | <u>2019</u>         | <u>2018</u>         |
|--|---------------------|---------------------|
| Subject to expenditures for specified purpose:         |                     |                     |
| W. W. and Anna May Campbell Scholarship                | \$ 13,025           | \$ 14,909           |
| Oma E. Vordenbaum Trust                                | 77,810              | 79,659              |
| Bob Ware Memorial Scholarship                          | 32,568              | 30,599              |
| Wellness Program Fund                                  | 1,525,486           | 1,519,382           |
| Kenneth S. Adams Memorial Fund for Special Education   | 16,001              | 22,817              |
| The Fund for Aerospace Sciences and Technology         | 1,104               | 7,896               |
| Paul A. Foerster Mathematics Fund                      | 46,947              | 26,061              |
| Incubator Fund   | 143,298             | 110,880             |
| Other  | <u>-</u>            | <u>500</u>          |
|  | <u>1,856,239</u>    | <u>1,812,703</u>    |
| Subject to perpetual restrictions:                     |                     |                     |
| General Endowment                                      | 2,313,369           | 2,303,769           |
| Rob Boldrick Memorial Fund                             | 63,986              | 63,986              |
| Faye Langley Cowden Chair for Elementary Education     | 241,599             | 241,599             |
| Johnnie Eng Fund for Teaching Excellence               | 190,680             | 190,680             |
| Caroline Gose Fund                                     | 78,848              | 78,848              |
| Ida M. Kennedy Fund                                    | 44,993              | 44,893              |
| Graham Ladensohn Memorial Lecture Series               | 65,005              | 62,505              |
| Glenn R. & Sally P. Ramsdell Memorial Chair in English | 1,470,737           | 1,470,737           |
| Martha Spoor Young Writers Fund                        | 67,692              | 66,692              |
| Charles Guenther Theater Arts Fund                     | 138,250             | 138,250             |
| Reid Hallman Kelley Memorial Fund                      | <u>93,588</u>       | <u>87,758</u>       |
|  | <u>4,768,747</u>    | <u>4,749,717</u>    |
| Total net assets with donor restrictions               | <u>\$ 6,624,986</u> | <u>\$ 6,562,420</u> |



ALAMO HEIGHTS SCHOOL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

(Continued)

9 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors at June 30, 2019 and 2018:

|                                       | <u>2019</u>       | <u>2018</u>       |
|---------------------------------------|-------------------|-------------------|
| Scholarships                          | \$ 25,000         | \$ 45,000         |
| Grants                                | 339,139           | 269,144           |
| Gift to AHHS                          | -                 | 30,000            |
| Administrative fees                   | 68,209            | 67,864            |
| Investment management fees            | 25,369            | 30,546            |
| Net assets released from restrictions | <u>\$ 457,717</u> | <u>\$ 442,554</u> |

10 FUNDRAISING CAMPAIGNS

A portion of funds raised through the annual campaign are designated for transfer to the endowment. The amount approved by the Board for the years ended June 30, 2019 and 2018, was \$-0- and \$44,620 for those years, respectively.

11 RETIREMENT PLAN

The Foundation established a SIMPLE IRA plan in 2013 covering all eligible employees who receive \$5,000 or more in annual compensation. The plan provides eligible employees with the opportunity to make contributions to the plan on a tax deferred basis. The Foundation will match the contribution of each participant on a dollar-for-dollar basis up to 3% of their compensation. This amount cannot exceed the salary deferral contribution limit for that calendar year. All SIMPLE IRA contributions, both employer and employee, are immediately 100% vested. The Foundation's contributions to the plan for the years ended June 30, 2019 and 2018 were \$3,805 and \$4,626 for those years, respectively.

12 ENDOWMENT FUNDS

*General Information*

The Foundation maintains various endowment funds established for specific purposes. These endowments include both donor-restricted endowment contributions and funds designated by the Board to function as endowments. The donor-restricted endowment funds fall under the provisions of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) which was adopted by the State of Texas with an effective date of September 1, 2007. The Foundation formally adopted UPMIFA during the year ended June 30, 2011.

(Continued)

## ALAMO HEIGHTS SCHOOL FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### 12 ENDOWMENT FUNDS (Continued)

##### *Background*

In July 2006, the Uniform Law Commission (ULC) approved UPMIFA as a modernized version of the Uniform Management of Institutional Funds Act of 1972 (UMIFA) which governed the investment and management of donor-restricted endowment funds by not-for-profit organizations. The major change of the new law is that UPMIFA prescribes new guidelines for expenditure of a donor-restricted endowment fund when there are no explicit donor stipulations. These guidelines require the Foundation to determine what constitutes prudent spending based upon consideration of the donor's original intent, whether the endowment fund continues permanently, the purpose of the fund, and relevant economic factors. UPMIFA emphasizes the perpetuation of the purchasing power of the fund, not just the original dollars contributed to the fund. Although the Act does not require that a specified amount be set aside as principal, the Act assumes that an organization will preserve "principal" by maintaining the purchasing power of amounts contributed and will spend "income" by making distributions using a reasonable spending rate.

##### *Endowment Investment Objectives*

Endowment investments are managed by professional money managers under the direction of the Investment Committee of the Board of Directors of the Foundation. Funds are invested in a manner that seeks to produce results that meet or exceed the performance of generally recognized market indices while assuming a moderate level of investment risk.

To satisfy this performance objective, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

##### *Endowment "Income" Appropriation (Spending Policy)*

During 2010 the Investment Committee began developing and finalizing the Foundation's spending policy. In establishing this policy, the Foundation considered the long-term expected return on its endowment and the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as provide additional real growth through new gifts and investment return.

The Foundation's goal is to distribute its income as "evenly" as practical on an annual basis in order to facilitate the planning and budgeting objectives of AHISD, and the setting of the asset allocation and expected return targets of the portfolio. Knowing that the investment rate of return will vary from year to year, and to avoid distributing more investment income in the high return investment years so that adequate funds are available in the low or negative return investment years, a disciplined distribution policy is prudent.

The annual distribution amount will be set as of the end of the prior calendar year and will be calculated as a percentage up to 5% of the average quarterly market value of the fund balances for the preceding three years. It is understood that successive low or negative return years may necessitate utilization of funds from the principal balance of the Endowment's fund in order to meet the annual budget, and that in years when returns exceed expectations the additional earnings will be used to restore principal and to generate "future savings" balances for years of low investment returns.

(Continued)

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**12 ENDOWMENT FUNDS** (Continued)

In accordance with the formal adoption of UPMIFA, the Investment Committee of the Foundation annually reviews its spending policy and ensure that it takes into consideration the following factors in making a determination to appropriate (spend) or accumulate donor restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic and investment market conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation and
7. The investment policies of the Foundation

Endowment net asset composition by type of fund as of June 30 is as follows:

|                                  | 2019                          |                            |              |
|----------------------------------|-------------------------------|----------------------------|--------------|
|                                  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total        |
| Donor-restricted endowment funds | \$ -                          | \$ 4,815,694               | \$ 4,815,694 |

  

|                                  | 2018                          |                            |              |
|----------------------------------|-------------------------------|----------------------------|--------------|
|                                  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total        |
| Donor-restricted endowment funds | \$ -                          | \$ 4,775,778               | \$ 4,775,778 |

Changes in endowment net assets for the years ended June 30 are as follows:

|  | 2019                          |                            |              |
|--|-------------------------------|----------------------------|--------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total        |
| Endowment net assets,<br>beginning of year | \$ -                          | \$ 4,775,778               | \$ 4,775,778 |
| Contributions                              | -                             | 44,130                     | 44,130       |
| Transfers                                  | -                             | 80,073                     | 80,073       |
| Investment income                          | -                             | 240,698                    | 240,698      |
| Net appreciation (depreciation)            | -                             | (40,720)                   | (40,720)     |
| Amounts appropriated for expenditure       | -                             | (284,265)                  | (284,265)    |
| Endowment net assets, end of year          | \$ -                          | \$ 4,815,694               | \$ 4,815,694 |

(Continued)

**ALAMO HEIGHTS SCHOOL FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**12 ENDOWMENT FUNDS** (Continued)

|  | 2018                          |                            |                     |
|--|-------------------------------|----------------------------|---------------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
| Endowment net assets,<br>beginning of year | \$ -                          | \$ 4,715,388               | \$ 4,715,388        |
| Contributions                              | -                             | 60,390                     | 60,390              |
| Transfers                                  | -                             | (133,363)                  | (133,363)           |
| Investment income                          | -                             | 323,803                    | 323,803             |
| Net appreciation (depreciation)            | -                             | 70,632                     | 70,632              |
| Amounts appropriated for expenditure       | -                             | (261,072)                  | (261,072)           |
| Endowment net assets, end of year          | <u>\$ -</u>                   | <u>\$ 4,775,778</u>        | <u>\$ 4,775,778</u> |

**13 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Foundation's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes include amounts restricted for expenditure in the upcoming fiscal year. Pledges receivable are subject to an implied time restriction but are expected to be collected within one year, except for amounts that are due in future years.

|  |                     |
|--|---------------------|
| Cash and cash equivalents  | \$ 114,448          |
| Investments  | 7,620,630           |
| Pledges receivable, net  | <u>23,170</u>       |
| Financial assets at year end   | 7,758,248           |
| Less those unavailable for general expenditure<br>within one year, due to:               |                     |
| Pledges receivable due in future years   | (18,213)            |
| Donor-restricted to expenditure for specific purposes                                    | (1,856,239)         |
| Donor-restricted to maintain in perpetuity as endowment                                  | <u>(4,768,747)</u>  |
| Financial assets available to meet cash needs<br>for general expenditure within one year | <u>\$ 1,115,049</u> |

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At June 30, 2019, the Foundation has financial assets available to meet cash needs for general expenditure within one year that were equivalent to roughly 293 days of average general expenditures.

**SUPPLEMENTARY SCHEDULE**

ALAMO HEIGHTS SCHOOL FOUNDATION

SUPPORTING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2019

|  | General           |                   |                     | Restricted Funds    |                   |                  |                        |                   |                  |                  | Total          |                     |
|--|-------------------|-------------------|---------------------|---------------------|-------------------|------------------|------------------------|-------------------|------------------|------------------|----------------|---------------------|
|  | Operating         | Board Designated  | Total               | Wellness            | Incubator Fund    | Adams            | Aerospace & Technology | Scholarship Funds |                  |                  |                |                     |
|  |                   |                   |                     |                     |                   |                  |                        | Campbell          | Vordenbaum       | Ware             |                |                     |
| <b>Without donor restriction</b>   |                   |                   |                     |                     |                   |                  |                        |                   |                  |                  |                |                     |
| Support, revenue and other:  |                   |                   |                     |                     |                   |                  |                        |                   |                  |                  |                |                     |
| Contributions - fundraising campaigns  | \$ 512,972        | \$ -              | \$ 512,972          | \$ -                | \$ -              | \$ -             | \$ -                   | \$ -              | \$ -             | \$ -             | \$ -           | \$ -                |
| Interest and dividends   | 36,137            | 2,965             | 39,102              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Managed asset realized gain (loss) on sale of investments                                    | 23,911            | 2,092             | 26,003              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Managed asset unrealized gain (loss) on investments  | 11,975            | (878)             | 11,097              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Management fee   | 68,209            | -                 | 68,209              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Corporate Partnership (net of disbursements of \$9,239)                                      | 88,511            | -                 | 88,511              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Special events (net of disbursements of \$95,415)  | 271,037           | -                 | 271,037             | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Net assets released from restriction   | -                 | -                 | -                   | 71,456              | 49,082            | 8,247            | 17,897                 | 20,219            | 5,101            | 1,450            | 173,452        |                     |
| <b>Total support, revenue and other</b>  | <b>1,012,752</b>  | <b>4,179</b>      | <b>1,016,931</b>    | <b>71,456</b>       | <b>49,082</b>     | <b>8,247</b>     | <b>17,897</b>          | <b>20,219</b>     | <b>5,101</b>     | <b>1,450</b>     | <b>173,452</b> |                     |
| <b>Expenses:</b>   |                   |                   |                     |                     |                   |                  |                        |                   |                  |                  |                |                     |
| Grants   | 588,674           | -                 | 588,674             | 50,000              | 47,144            | 8,000            | 17,857                 | -                 | -                | -                | -              | 123,001             |
| Scholarships   | -                 | -                 | -                   | -                   | -                 | -                | -                      | 20,000            | 4,000            | 1,000            | -              | 25,000              |
| Professional dues and education  | 3,976             | -                 | 3,976               | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Fundraising expenses   | 17,037            | -                 | 17,037              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Payroll  | 213,336           | -                 | 213,336             | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Professional fees  | 23,070            | -                 | 23,070              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| Management fee   | 4,692             | 1,467             | 6,159               | 21,456              | 1,938             | 247              | 40                     | 219               | 1,101            | 450              | 25,451         |                     |
| Supplies and general   | 80,323            | -                 | 80,323              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Total expenses</b>  | <b>931,108</b>    | <b>1,467</b>      | <b>932,575</b>      | <b>71,456</b>       | <b>49,082</b>     | <b>8,247</b>     | <b>17,897</b>          | <b>20,219</b>     | <b>5,101</b>     | <b>1,450</b>     | <b>173,452</b> |                     |
| Increase (decrease) in unrestricted net assets   | 81,644            | 2,712             | 84,356              | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Net assets without donor restriction, beginning of the year</b>                           | <b>830,382</b>    | <b>101,878</b>    | <b>932,260</b>      | <b>-</b>            | <b>-</b>          | <b>-</b>         | <b>-</b>               | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>       | <b>-</b>            |
| Change in amounts due from (to) net assets with donor restriction                            | -                 | -                 | -                   | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Net assets without donor restriction, end of the year</b>                                 | <b>912,026</b>    | <b>104,590</b>    | <b>1,016,616</b>    | <b>-</b>            | <b>-</b>          | <b>-</b>         | <b>-</b>               | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>       | <b>-</b>            |
| <b>With donor restriction - time or purpose restricted</b>                                   |                   |                   |                     |                     |                   |                  |                        |                   |                  |                  |                |                     |
| Contributions  | -                 | -                 | -                   | 15,025              | 76,753            | -                | 10,100                 | -                 | -                | 2,170            | -              | 104,048             |
| Interest and dividends   | -                 | -                 | -                   | 44,321              | 3,713             | 661              | 202                    | 716               | 2,307            | 886              | -              | 52,806              |
| Managed asset investment income  | -                 | -                 | -                   | -                   | -                 | -                | -                      | 17,026            | -                | -                | -              | 17,026              |
| Managed asset realized gain (loss) on sale of investments                                    | -                 | -                 | -                   | 31,257              | 2,643             | 466              | 85                     | 462               | 1,628            | 625              | -              | 37,166              |
| Managed asset unrealized gain (loss) on investments  | -                 | -                 | -                   | (13,043)            | (1,609)           | (196)            | 718                    | 131               | (683)            | (262)            | -              | (14,944)            |
| Net assets released from restrictions  | -                 | -                 | -                   | (71,456)            | (49,082)          | (8,247)          | (17,897)               | (20,219)          | (5,101)          | (1,450)          | -              | (173,452)           |
| <b>Increase (decrease) in net assets with donor restriction - time or purpose restricted</b> | <b>-</b>          | <b>-</b>          | <b>-</b>            | <b>6,104</b>        | <b>32,418</b>     | <b>(7,316)</b>   | <b>(6,792)</b>         | <b>(1,884)</b>    | <b>(1,849)</b>   | <b>1,969</b>     | <b>-</b>       | <b>22,650</b>       |
| <b>Net assets with donor restriction - time or purpose restricted, beginning of the year</b> | <b>-</b>          | <b>500</b>        | <b>500</b>          | <b>1,519,382</b>    | <b>110,880</b>    | <b>22,817</b>    | <b>7,896</b>           | <b>14,909</b>     | <b>79,659</b>    | <b>30,599</b>    | <b>-</b>       | <b>1,786,142</b>    |
| Transfers  | -                 | (500)             | (500)               | -                   | -                 | 500              | -                      | -                 | -                | -                | -              | 500                 |
| Change in amounts due from (to) net assets without donor restriction                         | -                 | -                 | -                   | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Net assets with donor restriction - time or purpose restricted, beginning of the year</b> | <b>-</b>          | <b>-</b>          | <b>-</b>            | <b>1,525,486</b>    | <b>143,298</b>    | <b>16,001</b>    | <b>1,104</b>           | <b>13,025</b>     | <b>77,810</b>    | <b>32,568</b>    | <b>-</b>       | <b>1,809,292</b>    |
| <b>With donor restriction - perpetual restriction</b>  |                   |                   |                     |                     |                   |                  |                        |                   |                  |                  |                |                     |
| Contributions  | -                 | -                 | -                   | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Net assets with donor restriction - perpetual restriction, beginning of the year</b>      | <b>-</b>          | <b>-</b>          | <b>-</b>            | <b>-</b>            | <b>-</b>          | <b>-</b>         | <b>-</b>               | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>       | <b>-</b>            |
| Transfer to temporarily restricted net assets  | -                 | -                 | -                   | -                   | -                 | -                | -                      | -                 | -                | -                | -              | -                   |
| <b>Net assets with donor restriction - perpetual restriction, end of the year</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>            | <b>-</b>            | <b>-</b>          | <b>-</b>         | <b>-</b>               | <b>-</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>       | <b>-</b>            |
| <b>Total increase (decrease) in net assets</b>   | <b>81,644</b>     | <b>2,212</b>      | <b>83,856</b>       | <b>6,104</b>        | <b>32,418</b>     | <b>(6,816)</b>   | <b>(6,792)</b>         | <b>(1,884)</b>    | <b>(1,849)</b>   | <b>1,969</b>     | <b>-</b>       | <b>23,150</b>       |
| <b>Net assets, beginning of the year</b>   | <b>830,382</b>    | <b>102,378</b>    | <b>932,760</b>      | <b>1,519,382</b>    | <b>110,880</b>    | <b>22,817</b>    | <b>7,896</b>           | <b>14,909</b>     | <b>79,659</b>    | <b>30,599</b>    | <b>-</b>       | <b>1,786,142</b>    |
| <b>Net assets, end of the year</b>   | <b>\$ 912,026</b> | <b>\$ 104,590</b> | <b>\$ 1,016,616</b> | <b>\$ 1,525,486</b> | <b>\$ 143,298</b> | <b>\$ 16,001</b> | <b>\$ 1,104</b>        | <b>\$ 13,025</b>  | <b>\$ 77,810</b> | <b>\$ 32,568</b> | <b>\$ -</b>    | <b>\$ 1,809,292</b> |

Endowment Funds

| General Endowment | Boldrick  | Cowden     | Eng        | Gose      | Kennedy   | Ladensohn | Spoor     | Ramsdell     | Guenther   | Foerster  | Shine Bright | Reid H Kelley Memorial | Total        | Totals       |
|-------------------|-----------|------------|------------|-----------|-----------|-----------|-----------|--------------|------------|-----------|--------------|------------------------|--------------|--------------|
| \$ -              | \$ -      | \$ -       | \$ -       | \$ -      | \$ -      | \$ -      | \$ -      | \$ -         | \$ -       | \$ -      | \$ -         | \$ -                   | \$ -         | \$ 512,972   |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 39,102       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 26,003       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 11,097       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 68,209       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 88,511       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 271,037      |
| 128,095           | 3,695     | 14,956     | 11,099     | 4,517     | 2,795     | 5,408     | 6,003     | 89,305       | 8,033      | 5,670     | 6            | 4,683                  | 284,265      | 457,717      |
| 128,095           | 3,695     | 14,956     | 11,099     | 4,517     | 2,795     | 5,408     | 6,003     | 89,305       | 8,033      | 5,670     | 6            | 4,683                  | 284,265      | 1,474,648    |
| 93,905            | 2,780     | 11,930     | 8,352      | 3,368     | 2,097     | 4,659     | 5,171     | 69,693       | 5,864      | 5,000     | -            | 3,319                  | 216,138      | 927,813      |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 25,000       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 3,976        |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 17,037       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 213,336      |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 23,070       |
| 34,190            | 915       | 3,026      | 2,747      | 1,149     | 698       | 749       | 832       | 19,612       | 2,169      | 670       | 6            | 1,364                  | 68,127       | 99,737       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 80,323       |
| 128,095           | 3,695     | 14,956     | 11,099     | 4,517     | 2,795     | 5,408     | 6,003     | 89,305       | 8,033      | 5,670     | 6            | 4,683                  | 284,265      | 1,390,292    |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 84,356       |
| 140,924           | 2,351     | (22,054)   | 8,465      | 4,334     | 5,586     | (8,574)   | (5,865)   | (53,117)     | 18,389     | 2,887     | 392          | 5,178                  | 98,896       | 1,031,156    |
| (28,067)          | (1,025)   | (5,995)    | (3,084)    | (1,167)   | (751)     | (2,949)   | (3,446)   | (31,442)     | (1,719)    | -         | 10           | (438)                  | (80,073)     | (80,073)     |
| 112,857           | 1,326     | (28,049)   | 5,381      | 3,167     | 4,835     | (11,523)  | (9,311)   | (84,559)     | 16,670     | 2,887     | 402          | 4,740                  | 18,823       | 1,035,439    |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | 25,100    | -            | -                      | 25,100       | 129,148      |
| 70,877            | 1,849     | 6,358      | 5,552      | 2,322     | 1,410     | 1,507     | 1,776     | 41,056       | 4,385      | 1,358     | 11           | 2,710                  | 141,171      | 193,977      |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | 17,026       |
| 49,991            | 1,303     | 4,486      | 3,910      | 1,636     | 992       | 1,045     | 1,249     | 28,965       | 3,089      | 974       | 8            | 1,879                  | 99,527       | 136,693      |
| (20,840)          | (482)     | (1,883)    | (1,447)    | (608)     | (358)     | (93)      | (468)     | (12,158)     | (1,160)    | (876)     | (3)          | (344)                  | (40,720)     | (55,664)     |
| (128,095)         | (3,695)   | (14,956)   | (11,099)   | (4,517)   | (2,795)   | (5,408)   | (6,003)   | (89,305)     | (8,033)    | (5,670)   | (6)          | (4,683)                | (284,265)    | (457,717)    |
| (28,067)          | (1,025)   | (5,995)    | (3,084)    | (1,167)   | (751)     | (2,949)   | (3,446)   | (31,442)     | (1,719)    | 20,886    | 10           | (438)                  | (59,187)     | (36,537)     |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | 26,061    | -            | -                      | 26,061       | 1,812,703    |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | -            |
| 28,067            | 1,025     | 5,995      | 3,084      | 1,167     | 751       | 2,949     | 3,446     | 31,442       | 1,719      | -         | (10)         | 438                    | 80,073       | 80,073       |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | 46,947    | -            | -                      | 46,947       | 1,856,239    |
| 9,600             | -         | -          | -          | -         | 100       | 2,500     | 1,000     | -            | -          | -         | -            | 5,830                  | 19,030       | 19,030       |
| 2,303,769         | 63,986    | 241,599    | 190,680    | 78,848    | 44,893    | 62,505    | 66,692    | 1,470,737    | 138,250    | -         | -            | 87,758                 | 4,749,717    | 4,749,717    |
| -                 | -         | -          | -          | -         | -         | -         | -         | -            | -          | -         | -            | -                      | -            | -            |
| 2,313,369         | 63,986    | 241,599    | 190,680    | 78,848    | 44,993    | 65,005    | 67,692    | 1,470,737    | 138,250    | -         | -            | 93,588                 | 4,768,747    | 4,768,747    |
| (18,467)          | (1,025)   | (5,995)    | (3,084)    | (1,167)   | (651)     | (449)     | (2,446)   | (31,442)     | (1,719)    | 20,886    | 10           | 5,392                  | (40,157)     | 66,849       |
| 2,444,693         | 66,337    | 219,545    | 199,145    | 83,182    | 50,479    | 53,931    | 60,827    | 1,417,620    | 156,639    | 28,948    | 392          | 92,936                 | 4,874,674    | 7,593,576    |
| \$ 2,426,226      | \$ 65,312 | \$ 213,550 | \$ 196,061 | \$ 82,015 | \$ 49,828 | \$ 53,482 | \$ 58,381 | \$ 1,386,178 | \$ 154,920 | \$ 49,834 | \$ 402       | \$ 98,328              | \$ 4,834,517 | \$ 7,660,425 |