

ANNUAL MEETING PRESENTATION

Rotary Club of Petaluma Foundation – August 4, 2016

1) Opening Comments

- As members of the Rotary Club you comprise the membership of the Rotary Club of Petaluma Foundation. The Foundation is comprised of, you, the Membership and an elected Board.
- The Board is required to hold this Annual Meeting to provide the membership with status and financial reports, conduct any business that needs your participation and hold an election of Directors to fill vacating positions on the Board, plus any other business that is requested by the membership.

2) Status of Foundation

- As many of you know the Foundation was founded in June of 1983, and over its 33 years, from an initial investment of \$20,000, it has grown to what now amounts to accumulated monetary assets of around \$500,000.
- Over the years the Foundation has been able to contribute over \$200,000 to local schools and local non-profit organizations. The bulk of these contributions, approximately \$110,000, have been handed out over the last 5 years.
- As has been reported at previous annual meetings, in October 2011, we moved our funds into an investment account with Exchange Bank. We continue to have our funds invested with them.
- The Board meets once or twice a year with Exchange Bank's assigned investment manager to discuss our portfolio and future directions and allocation strategies as may be appropriate.

3) This year's Grants Program

- This year's Grants Program received 89 requests totaling approximately \$37,000. We received more grant requests this year than last, however, the total dollar amount for the requests was down somewhat.
- Last year we awarded 70 grants for approximately \$27,000. This year we are giving out 74 grants totally approximately \$20,000. In addition two grant requests not awarded by the Foundation are to be funded out of President Gary's coffers, one for the Petaluma Arts Center and one for Petaluma High Interact.
- As we have stated in years past our Foundation by-laws allow us to invest annually in the community up to 5% of our total assets. In spite of the instability of the market at the time, the Board chose to award \$20,000 this year.

- I want to acknowledge the work of the Grants Committee. Serving this year on the committee were Jane Saldana-Talley, Judi Allewelt, Rick Gorman, Joe Tambe, and Lee Bean. I especially want to thank Judi for her work in doing the letters, making sure the checks are placed in the proper the envelopes and delivering them to the successful applicants.
- Thank you, Judi.
- This year's checks are in the process of being handed out to the successful applicants.
- If you would like to see the list of awards, they will be made available to you soon on our club's website. Please give us a couple of weeks to get that done.

4) Financial Report on our investments with Exchange Bank FY 15/16

- Fund balance at beginning of fiscal year (7/1/15 - 6/30/16) -- **\$505,920.57**
- Dividends, Interest and deposits-- **\$14,283.64**
- Realized Gain -- **\$7,324.08**
- Grant Expenditures -- **\$20,859.50** (from portfolio)
- Expenses (investment fees and misc.) -- **\$3,019.03** (Investment fees run approximately \$250/month)
- Ending Market Value -- **\$488,731.98**
- Our market appreciation since inception from January 2013 totals slightly over **\$60,000**
- The annualized performance of our investments the past fiscal year was **0.75%...** since inception the that number is -- **6.72%**
- Our investment allocation strategy is 60% domestic and international equities and 40% fixed income.

5) Election of Directors

- The Board is comprised of 14 members, 9 directors (elected by the membership) and 5 officers of the Club. The names are available on our Club's website.
- The 9 Directors serve 3-year staggered terms, which means at each annual meeting we elect three directors to fill the opening positions on the Board.
- To fill the vacating positions on the Board, the Board has directed me to place in nomination the following names: Judi Allewelt, Maureen Rudder and John Zimmerman. Do I have a second? Are there any other nominations from the floor?

6) Other business

7) Adjourn