

2012 Annual Report

“Celebrating 30 Years in 2012”



Photo courtesy of the Del Mar Historical Society

Letter from the President



2012 marked the 30th anniversary of the Del Mar Foundation. Together with your support we have come a long way in our effort to create a lasting endowment for this community. As of publication, ***we are within \$50,000 of reaching our \$1 million goal*** – a tremendous accomplishment and turning point for our community foundation.

The interesting thing about reaching a major goal is the new imperative this produces to remain fresh and effective – not only at attracting new contributions and creating an impact, but in managing growth. This past year has been exciting in this respect. We hired a new executive director who, together with a committed and talented board of directors, support staff, and numerous volunteers, is committed to providing consistency and continuity as we fulfill our mission. The dedication of all fifteen members of our Board of Directors, especially our 2012 officers, Carolyn Kling, Betty Wheeler, Martha Brooks, and Susane Roberts, continues a legacy of generosity to Del Mar begun nearly 30 years ago.

With the opening of the Del Mar Community Building (DMCB) in August 2012, the Del Mar Foundation moved to a new professional space to work, hold meetings, and gather for events and activities. Jointly housed with the Del Mar Community Connections, this building invites the community to come together at our multi-use facility.

Synergy, inspiration and collegiality are a few of the positive benefits of “coming together as a community.” On December 5th, the large parking space behind the DMCB was transformed by bougainvilleas, sparkling lights, and music into a fiesta-style gathering to “Celebrate Community” with donors, potential donors, and volunteers.

As we focus on improving our internal systems – including a crucial update to our donor management software – we are committed to communicating more effectively with each of you. We will continue to print and mail two newsletters each year, one in the spring and one in the fall. However, as increasing numbers of Del Mar residents use electronic communications, we are using email to contact residents interested in our upcoming programs. If you are not currently on our email list and would like to be added, please visit our website at www.delmarfoundation.org and enter your email address in the box shown on our home page.

Grant making remains core to our mission and we continue our effort to positively impact the well-being of our community by supporting local initiatives. As our endowment grows, so too does our potential for making substantial grants in this community. We encourage active participation in the grant process as we work together to care for our community and each other.

In 2012, the Foundation launched a highly successful (and free) seminar series on Tax Changes and Estate Planning, and offered a special presentation by Dr. Mimi Guarneri who spoke – to a capacity crowd – about Heart Health. Looking forward, we plan to continue offering topics – at no cost to the community of Del Mar - that inspire, inform, and intrigue.

In 2013, we will continue to provide all the programs and events that this community loves best – Twilight Concerts, First Thursdays, Children’s Events, Meet & Greets - while adding additional high quality and relevant events. Stay tuned for further announcements in this area and make 2013 the year that you become involved in the Del Mar Foundation, as a donor and a volunteer.

Jill Weitzen MacDonald
President
Del Mar Foundation

Mission

The mission of the Del Mar Foundation is to promote civic pride and cohesiveness, acquire and preserve open space, improve beaches and parklands, raise and grant funds, and sponsor diverse cultural programs and community events in Del Mar.

About The Del Mar Foundation

As Del Mar's oldest 501(c)(3) non-profit, the Del Mar Foundation – with the generous support of its donors and dedicated volunteers – provides programs, makes grants, and manages over \$1,500,000 in endowment funds which benefit the community and the San Dieguito Lagoon. The community endowment provides long-term funding stability for community needs.

While best known for our Summer Twilight Concerts, First Thursdays cultural arts series, and numerous children's events, the Foundation funds and manages a wide array of community programs. In 2012, we introduced a new public service seminar series on Tax Changes & Estate Planning to address proposed changes to federal tax laws among other related issues.

The Foundation also provides financial support to community organizations and projects such as the Del Mar Library, Lifeguards and the Beach Safety Center, the Del Mar Garden Club, Del Mar Community Connections, and the Shores acquisition. Over the years, the Foundation has served as an incubator or fiscal sponsor for many of the present day non-profits that so greatly enrich our community.

Officers and Board Members 2012

- Carolyn Kling, President*
- Betty Wheeler, Vice President*
- Susane Roberts, Treasurer*
- Kim Filanc, Secretary*

Phil Blair, Martha Brooks, Robin Crabtree, Kim Filanc, Robert Gans, Cory Grant, Judd Halenza, Kelley Huggett, Stephen Lutz, Jill Weitzen MacDonald, Julie Maxey-Allison, Tom McCarthy, Carol Ostroff, Donna Shaw, T. Pat Stubbs

Committees and Committee Members

CHILDREN'S COMMITTEE

Carla Deerinck, Kim Filanc (Co-Chair), Megan Gray, Erica Halpern, Rebecca Hayes, Sandra Hoyle, Kelley Huggett (Co-Chair), Robin Khoury, Lisa Lutz, Jill Weitzen MacDonald, Toya McWilliams, Cecilia Smith, Janice Walschok

COMMUNICATIONS COMMITTEE

Martha Brooks, Lynn Gaylord, Jayne Haines, Sandra Hoyle, Jodi Kennedy, Jill Weitzen MacDonald (Chair), Julie Maxey-Allison, Bill Morris, Susan Schelling, Cecilia Smith, Annisa Snyder, Betty Wheeler

CULTURAL ARTS COMMITTEE

Buck Abell, Martha Brooks (Chair), Tanys Evangelisti, Priscilla Fawcett, Lynn Gaylord, Pat JaCoby, Virginia Lawrence, Steve Lutz, Claire McGreal, Bill Michalsky, Dick Raack, Margi Sargis, Donna Shaw, Merna Sturgis, Don Terwilliger, Zelda Waxenberg, Donna West, Betty Wheeler

DEVELOPMENT COMMITTEE

Phil Blair, Robin Crabtree, Kim Filanc, Bob Gans, Cory Grant (Chair), Judd Halenza, Joel Holliday, Tom McCarthy, Betty Wheeler, Karen Wilson

GRANTS COMMITTEE

Phil Blair, Richard Bockhoff, Sharon Bockoff, Robin Crabtree (Chair), Harold Feder, Kim Filanc, Carolyn Kling, Bill Michalsky, Sharon Scheele, Nancy Stoke

HOSPITALITY COMMITTEE

Martha Brooks, Kathy Finnell, Melissa Gans, Lynn Gaylord, Sandra Hoyle, Kelley Huggett, Jill Weitzen MacDonald, Julie Maxey-Allison (Chair), Monica Meredith, Claire McGreal, Bill Michalsky, Sally Middleton, Lori Reineck, Susane Roberts, Margi Sargis, Keri Scully

INVESTMENT ADVISORY COMMITTEE

Charlie Gaylord, Judd Halenza, Dick Hertzberg, Carolyn Kling, Loretta Morris (Chair)

NOMINATING COMMITTEE

Kim Filanc, Bob Gans, Lynn Gaylord, Joel Holliday, Carolyn Kling, Betty Wheeler (Chair)

TRILIGHT CONCERT COMMITTEE

Robin Crabtree, Gregg Glassman, Cory Grant, Stephen Lutz, Tom McCarthy, T. Pat Stubbs (Chair), Pat Vergne



Photos: Board of Directors, Children's 4th of July Parade, First Thursdays performers, Summer Twilight Concert participants

Visit www.delmarfoundation.org for more information. For questions or opportunities not addressed here, please contact Karen Wilson, Executive Director, 858.750.5883/kwilson@delmarfoundation.org

2012 Year in Review

GRANTS

We've been busy this year connecting our community in a number of significant ways...and you've helped make it happen. Whether you are a donor, volunteer, or both here's a recap of events and grants in 2012 that would not have been possible without you.

Free Flight is a sanctuary for exotic birds, a small tropical jewel in Del Mar, which promotes bonding between people and our feathered friends. A Del Mar Foundation grant enabled Free Flight to design a new junior docent program and add tables for participants and visitors. Each year, Free Flight touches over 12,000 people through on-site visits and its outreach program.



The **Del Mar Jr. Lifeguards** teaches young people ages 9 -17 about all aspects of lifeguarding, including environmental awareness, respect for the ocean, sportsmanship, fitness, and first aid basics. For over 12 years, the Del Mar Foundation has provided an annual grant, which has enabled close to 100 youth the opportunity to participate in this valuable program.



A crowning moment for our community was the completion in June of the Beach Safety Center and Lifeguard Headquarters. Through the **Friends of the Powerhouse**, the Del Mar Foundation made an initial \$35,000 grant for the Center, plus a \$10,000 matching grant which resulted in \$20,000 in donations for the boardwalk and garden. Life at the beach has not just gotten safer, it's gotten more convenient too! The Del Mar Foundation funded 9 bike racks located at beach access points. And for man's best friend, there's a new dog fountain for refreshment after a long walk on the beach.



How many times have you walked past the Del Mar Post Office and admired its beautiful garden? With several DMF grants and many hours of hard work, the **Del Mar Garden Club** enhanced our community with water-saving plants and foliage, and this year with the addition of fencing and extended brick wall.

The **Del Mar Library mosaic wall** also adds beauty to our community. The wall is dire need for repair, so the Foundation is granting funds and serving as fiscal sponsor for this restoration project. If we could collect a penny for every pedestrian who stops and admires this iconic structure, we'd be funded for life!



EVENTS

Twilight Concerts, a popular Del Mar tradition, rocked the summer with happy crowds enjoying the music, picnics, and classic Del Mar sunsets.



The Del Mar Foundation's **Hospitality Committee** hosted regular Meet &



Greets throughout the year. Nearly two hundred friends and neighbors - long term residents as well as newcomers to Del Mar - shared a glass of wine and conversation at various restaurants in the village. If you haven't attended one, we hope you'll stop by in 2013!

Memories were made and smiles created at a variety of fun and educational **Children Committee's** events: In February, the Clan Rince Dance Troupe inspired joyful dance and artistic expression; the Easter Egg Hunt gathered scores of families at Powerhouse park for a visit with Easter rabbit; the recent Spooktacular drew nearly 500 participants to a beach bonfire, storytelling and s'Mores; the Independence Day Parade doubled in size this year with a colorful caravan of our youngest members proudly marching - banners unfurled. The year's events culminated in December with a joyous holiday party that featured a custom program performed by the San Diego Junior Theater, bringing a festive close to the Del Mar Foundation's 30th year.



First Thursdays, an institution in Del Mar, continues to enrich the cultural life of the village along with other special performances produced by the Foundation's **Cultural Arts Committee**.



District building, renamed **The Del Mar Community Building**.

Speaking of hard work (and making it happen together!), we now have a new home to share with **the DMCC** and the greater community. In 2008, the foundation contributed \$35,000 towards the purchase of the Shores property. This year, dozens of volunteers pitched in to renovate the former Del Mar Union School

Since 2005, the Del Mar Foundation has funded over \$200,000 in community grants, and brought together community volunteers and board members for more than 20,000 volunteer hours.

THANK YOU DONORS, THANK YOU VOLUNTEERS

FINANCIAL REPORT

DMF 2012 Annual Report-Financial Statement Comments

The following financial statements are excerpts from the 2012 Financial Statements that were compiled by the certified public accounting firm of Friedman Brannen LLP. A complete copy of this compiled report is available from the Del Mar Foundation office upon request.

Statement of Activities

In 2012 the Foundation raised \$192,465 in donations. Of this amount, \$84,709 was directly to support the Foundation's operations and \$37,500 was designated to our community endowment. \$70,256 was restricted for special community projects.

The Foundation received \$62,690 in program income, which includes ticket sales, grants and sponsorships for the various community programs it produced. These programs include the Twilight Concerts, the Cultural Arts events, and the Children's programs. Expenses of \$50,625 were incurred in producing these programs, resulting in a surplus of approximately \$12,065 from these activities.

Grants made by the Foundation in support of community activities and projects amounted to \$12,000 in 2012. Grants were made to the Del Mar Garden Club, the Free Flight Exotic Bird Sanctuary, Del Mar Life Guards, and the Del Mar Library Mosaic Wall.

Special donations: the Development Committee supports Del Mar Community residents who wish to fund a special project that meets the objectives and mission of the Del Mar foundation. A recent example is the dog and people fountain that in collaboration with the City of Del Mar was installed at the north end of Dog Beach and fully funded by a grant from Sharon and Richard Bockoff. The Del Mar Foundation continues to identify and develop new grant ideas with the support of our donors and volunteers.

Management, General and Fundraising Expenses totaled \$90,000. These expenses were incurred to promote the Community Endowment, to upgrade equipment for greater efficiency, to support the tracking and follow up of our expanding donor base, to communicate with our constituents, and for general administrative activities.

Statement of Financial Position (Balance Sheet) and Net Asset Analysis

The net assets of the Foundation as of 12/31/12 amounted to \$1,828,751 of which \$387,860 were in Operating Funds and Reserves, all of which can ultimately be used for the payment of operating expenses or grants. This operating fund net asset balance includes \$73,929 in pledges receivable, meaning that the funds have been pledged, but the pledge payment has not yet been received. As these pledges are paid, these funds will become unrestricted.

The Community Endowment, which is the endowment to be used for the support of the Foundation's expenses and grants, had net assets as of 12/31/12 of \$920,119. Unrestricted net assets in this endowment fund amounted to \$239,433. Permanently Restricted net assets totaled \$633,686, of which \$456,257 was from contributions that have been received and invested, and \$177,429 was from pledges receivable.

The Lagoon Endowment had at 12/31/12 net assets of \$569,183, of which the entirety is Temporarily Restricted. This is a fund that is overseen by the Foundation for the future benefit of the San Dieguito Lagoon maintenance. These funds were provided to the Foundation by the San Dieguito River Park Joint Powers Authority.

Table of Net Assets

Net Assets Table

	Operating	Endowment	Lagoon	Total
Assets				
Cash	41,575	47,000		88,575
Pledges	73,929	177,429		251,358
Other Current Assets	12,649			12,649
Investments	233,255	695,690	569,183	1,498,128
Total Assets	361,408	920,119	569,183	1,850,710
Liabilities				
	-20,550		-1,409	-21,959
Net Assets	340,858	920,119	567,774	1,828,751

Statement of Cash Flows

In 2012 the Del Mar Foundation had a positive cash flow from operating activities of \$62,293. There was an overall decrease in cash of \$15,646 due to a transfer of \$77,939 to the investment account for 2012. The cash balance ending December 31, 2012 was \$88,575.

FINANCIAL STATEMENTS

Explanatory Notes

1) Significant Accounting Policies

(a) Method of Accounting

The financial statements have been prepared on the accrual basis of accounting.

(b) Basis of Presentation

The Foundation follows the provision of Statement of Financial Accounting Standards ("SFAS") No. 117, Financial Statements of Not-for-Profit Organizations. SFAS No. 117 requires that net assets, revenue, gains, expenses, and losses be classified as unrestricted, temporarily restricted, and permanently restricted.

A summary of the net asset categories included in the accompanying financial statements is as follows:

Unrestricted – Unrestricted net assets included amounts that are available for support of the Foundation's operational and administrative functions and amounts that are available to support community activities and charitable endeavors at the discretion of the Foundation's Board of Directors.

Temporarily Restricted – Temporarily restricted amounts represent funds, the principal of which may be expended in the future for a specific purpose (e.g. the Lagoon Endowment Fund) and contributions receivable that upon receipt will be transferred to unrestricted funds.

Permanently Restricted – Permanently restricted net assets represent those assets contributed to the foundation where the original dollar value is to remain in perpetuity as a permanent endowment of the Foundation.

(c) Investments

Investments consist of marketable securities. Marketable securities consist of U.S. government securities and debt and equity securities. Equity securities with readily determinable values and all debt securities are carried at fair value. Fair value is determined by quoted market prices on the last business day of the year.

Investments acquired by gift are recorded at their fair market value at the date of the gift. The Foundation's policy is to liquidate all gifts of investments immediately upon receipt.

(d) Pledges Receivable

Pledges receivable reflect the present value of the future receipt, discounted at a rate of 5% per annum as of December 31, 2012.

DEL MAR FOUNDATION
Statement of Financial Position
As of December 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Assets				
Cash	\$ 88,575	\$ -	\$ -	\$ 88,575
Pledges Receivable	-	73,929	177,429	251,358
Other Current Assets	12,649	(1,409)	-	11,240
Investments				
Operating Reserve Fund	233,255	-	-	233,255
Lagoon Fund	-	569,183	-	569,183
Community Endowment Fund	239,433	-	456,257	695,690
Total Assets	<u>\$ 573,912</u>	<u>\$ 641,703</u>	<u>\$ 633,686</u>	<u>\$ 1,849,301</u>
Liabilities and Net Assets				
Liabilities				
Income Received In Advance	\$ 18,000	\$ -	\$ -	\$ 18,000
Pledges Payable	-	-	-	-
Other Payables	2,550	-	-	2,550
Total Liabilities	20,550	-	-	20,550
Net Assets	553,362	641,703	633,686	1,828,751
Total Liabilities and Net Assets	<u>\$ 573,912</u>	<u>\$ 641,703</u>	<u>\$ 633,686</u>	<u>\$ 1,849,301</u>

DEL MAR FOUNDATION
Statement of Activities
For the Year Ended December 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and Support				
Donations	\$ 84,709	\$ 70,256	\$ 37,500	\$ 192,465
Program Services	62,690	-	-	62,690
Interest and Dividend Income	20,480	12,834	-	33,314
Net Realized Gains/(Losses)	3,827	28,694	31,696	64,217
Net Unrealized Gains/(Losses)	39,647	8,126	(4,399)	43,374
	<u>211,353</u>	<u>119,910</u>	<u>64,797</u>	<u>396,060</u>
Subtotal				
Net Assets Released from Restrictions	5,389	(5,389)	-	-
Total Revenues and Support	<u>216,742</u>	<u>114,521</u>	<u>64,797</u>	<u>396,060</u>
Expenses				
Grants Made	9,500	68,098	-	77,598
Program Services	50,625	-	-	50,625
Supporting Services	90,000	421	25	90,446
	<u>150,125</u>	<u>68,519</u>	<u>25</u>	<u>218,669</u>
Total Expenses				
Increase/(Decrease) in Net Assets	66,617	46,002	64,772	177,391
Net Assets, Beginning of Period	486,745	595,701	568,914	1,651,360
Net Assets, End of Period	<u>\$ 553,362</u>	<u>\$ 641,703</u>	<u>\$ 633,686</u>	<u>\$ 1,828,751</u>

DEL MAR FOUNDATION
Statement of Cash Flows
For the Year Ended December 31, 2012

Cash Flow from Operating Activities	
Increase in Net Assets	\$ 177,391
Adjustments to Reconcile Increase in Net Assets to Net Cash Flow from Operating Activities	
Net Realized (Gains)/Losses	(64,217)
Net Unrealized (Gains)/Losses	(43,374)
Less Reinvested Interest and Dividends	(33,291)
(Increase) / Decrease in:	
Pledges Receivable, Net	28,500
Prepaid Expense	(7,096)
Increase / (Decrease) in:	
Income Received in Advance	1,830
Other Payables	2,550
Net Cash Flow from Operating Activities	<u>62,293</u>
Cash Flow from Investing Activities	
Sales of Investments	1,394,728
Purchases of Investments	<u>(1,472,667)</u>
Net Cash Flow from Investing Activities	<u>(77,939)</u>
Net Change in Cash	(15,646)
Cash, Beginning of Period	<u>104,221</u>
Cash, End of Period	<u><u>\$ 88,575</u></u>

CONTACT INFORMATION

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To our donors and volunteers: Thank you for a successful year.