



Finance Committee Report
Prepared by: Ray Henning, Chair
Date Submitted: April 21, 2017

Meetings:

Date: November 29, 2016

Participants: Ray Henning, Terry McGonegle, Bill Schleizer, J. Eric Smith, Tom Wolf.

Topics and actions: Reviewed and approved the 2017 operating budget along with the resolutions to be presented to the Board for a vote at the December meeting. Abbe Temkin, Director of Major & Planned Gifts for The Chicago Community Trust joined the meeting to present an update on the endowment. She also reminded the Finance Committee that CCT offers counsel on planned giving, best tools, and tax code changes to assist with the upcoming endowment building campaign. CCT is willing to work with the Campaign Committee, Development Committee, Finance Committee and staff to leverage instruments to secure key gifts.

Date: January 17, 2017

Participants: Ray Henning, Rick Joyce, Terry McGonegle, J. Eric Smith, Laura Flamion.

Topics and actions: Reviewed the November CCT statement and December, 2016 financial statements. We ended the year well. Grant awards were high in 2016 due to UARF award of \$175K; therefore, grant budget for 2017 was reduced to \$350K from \$450K. Personnel expenses were down and Professional fees were up due to use of consultants vs. staff. Requested draw from CCT for January 20, 2017. Draws are taken from Other Unallocated Funds and will be used to pay for endowment building campaign expenses.

Date: February 28, 2017

Participants: Ray Henning, Terry McGonegle, Rick Joyce, J. Eric Smith, Tom Wolf.

Topics and actions: Reviewed the December, 2016 CCT statement and the January, 2017 financial statements. It was noted that income is higher due to partnership invoices being sent and accounting on accrual basis. Expenses are higher in professional fees due to flow of CCS contract approved in 2017 budget. Will resume taking endowment draws from CCT this year of ~\$225K and have received the first draw in January. Balance sheet shows cash position is favorable. Earnings on the endowment were allocated to individual funds at year end via journal entry; pro rata based on balance at beginning of year.

Date: March 21, 2017

Participants: Ray Henning, Rick Joyce, Terry McGonegle, Bill Schleizer, J. Eric Smith, Tom Wolf, Laura Flamion.

Topics and actions: Reviewed the January CCT statement and February, 2017 financial statements. Earnings on the endowment are allocated to funds at year end via journal entry; pro rata based on balance at beginning of year. Funds taken from CCT used to be allocated on same pro rata basis, though effective with January 2017 draw, management is now evaluating actual needs for funds in months ahead and allocating to meet expected grant award payments. Committee requested management clearly document policy for allocating earnings and withdrawals. Committee requested comprehensive documentation of allocations of endowment funds and purpose of each fund; President Smith sent this report to the Committee.

Date: April 18, 2017

Participants: Ray Henning, Terry McGonegle, Bill Schleizer, J. Eric Smith, Tom Wolf, Laura Flamion.

Topics and actions: Reviewed the February CCT statement and March, 2017 financial statements. The Audit Committee accepted the 2016 Audit, which was clean and compliant with GAAP, and offered only three small recommendations in the management letter. The monthly reports reflect any adjustments made as a result of the audit. Further adjustments may be noted next month based on findings on the temporary restrictions and allowances for bad pledges. Earnings on endowment at CCT are doing well. ISA has signed a new MOU reflecting that \$25K will go to unrestricted operations and the surplus of ~2% of membership dues will go to the Skiera Fund, rather than being split 50/50 between Skiera and Safe Arborist Techniques Fund as has been the case since 2009.

Accomplishments: The Finance Committee has provided overall direction and oversight of the finances of the TREE Fund to insure the integrity of our resources. We have provided a financial plan which is supportive of our strategic plan; ensured the availability of sufficient liquid cash to support operations; prepared financial reports which are accurate, comprehensive and informative and maintained a reserve equal to 30% of annual estimated operating budget. In addition the Finance Committee has: reviewed the monthly CCT and financial statements and have increased our meeting frequency to monthly.

Objectives for the next 3 months: Maintain the financial integrity of the TREE Fund by monitoring the monthly financial statements.

Next Meeting Date: May 16, 2017

The TREE Fund
Balance Sheet
As of March 31, 2017

	Mar 31, 17
ASSETS	
Current Assets	
Checking/Savings	
1003 · Petty cash	110.00
1006 · Wintrust	302,120.01
Total Checking/Savings	302,230.01
Accounts Receivable	
1510 · Pledge Receivables	116,350.00
1510.1 · Discount on pledge receivables	-20,000.00
Total Accounts Receivable	96,350.00
Other Current Assets	
Prepaid expenses	
1490 · Prepaid Rent	2,150.00
1493 · Prepaid Other	824.82
Total Prepaid expenses	2,974.82
Investments held at CCT	
CCT - Permanently Restricted	
1520.99 · General Endowment Fund	197,424.67
1520.61 · Bartlett Fund	46,921.56
1520.91 · Bob Skiera Memorial Fund	350,907.73
1520.92 · OH Chapter ISA End. Fund	142,800.70
1520.30 · Safe Arborist Techniques Fund	281,384.07
1520.94 · Collier Fund	151,740.25
1520.41 · Barborinas Fund	85,423.62
1520.51 · Frank Gamma Arbor. Ed. Fund	151,973.83
1520.13 · John White Fund	68,047.18
1520.22 · Dr. Mark McClure Research Fund	129,658.13
1520.81 · Larry R Hall Memorial Fund	47,821.61
1520.12 · John Wright Memorial Schol Fund	29,834.30
1520.71 · Utility Arborist Research Fund	826,999.74
1520.95 · Bonnie Appleton Memorial Fund	90,251.60
1520.11 · John & Evelyn Duling End Fund	560,908.49
1520.21 · Robert Felix Memorial Fund	665,990.74
Total CCT - Permanently Restricted	3,828,088.22
Total Investments held at CCT	3,828,088.22
Total Other Current Assets	3,831,063.04
Total Current Assets	4,229,643.05
Fixed Assets	
1600 · Fixed Assets	30,120.00
1699 · Accum Depreciation	-30,120.00
Total Fixed Assets	0.00
TOTAL ASSETS	4,229,643.05
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	

The TREE Fund
Balance Sheet
As of March 31, 2017

Accounts Payable		
2000 - Accounts Payable	13,197.23	
2050 - Grants Payable	318,538.35	
Total Accounts Payable	331,735.58	
Other Current Liabilities		
2450 - Accrued PTO	18,707.12	
Total Other Current Liabilities	18,707.12	
Total Current Liabilities	350,442.70	
Total Liabilities	350,442.70	
Equity		
3200 - Unrestricted-Operating		
3200.01 - Prior Period Adjustments	67,965.50	2
3200 - Unrestricted-Operating - Other	158,578.69	
Total 3200 - Unrestricted-Operating	226,544.19	
3600 - Temporarily Restricted	160,308.75	3
3800 - Permanently Restricted	3,606,288.85	4
3900 - Retained Earnings	-288,552.54	
Net Income	174,611.10	
Total Equity	3,879,200.35	
TOTAL LIABILITIES & EQUITY	4,229,643.05	

Notes to the financial statement:

- 1 Transfers to permanently restricted net assets not yet reflected on CCT financial statement \$55,072.23
February 2017 transfer \$41,875
March 2017 transfer \$13,197.23
- 2 Transfers from temporary restricted net assets following review of audit workpapers to clean up assets released from purpose restrictions
- 3 Temporarily restricted net assets to be released upon satisfaction of restrictions
\$53,000 UAR grant for west coast utility grants
\$5,543.75 Fran Ward Scholarship Fund
\$64,755 CCT distributions not yet received
\$37,010 surplus non-endowed UAR funds from prior years. Will evaluate whether to release due to satisfaction of purpose restrictions or permanently restrict and transfer to CCT upon completion of PG&E Challenge.
- 4 Permanently restricted net assets do not include fund transfers not yet reflected on CCT financial statement or net investment income and unrealized gains/losses.

The TREE Fund
Profit & Loss Budget vs. Actual
January through March 2017

	Jan - Mar 17	Budget	Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense					
Income					
4001.00 · Annual Oper Campaign Unrestrict	19,019.35	44,280.00	-25,260.65	42.95%	184,500
4100.00 · Other Income	0.00	800.00	-800.00	0.0%	10,000
4700.00 · Sponsored Grants/Scholarship	125,376.84	53,200.00	72,176.84	235.67%	665,000
4900.00 · Special Event Tour Des Trees	183,857.89	150,700.00	33,157.89	122.0%	685,000
Total Income	328,254.08	248,980.00	79,274.08	131.84%	1,544,500
Gross Profit	328,254.08	248,980.00	79,274.08	131.84%	1,544,500
Expense					
6010.00 · Board & Liason Expense	0.00	0.00	0.00	0.0%	14,000
6020.00 · Grants and Contracts	7,463.55	7,000.00	463.55	106.62%	350,000
6050.00 · Occupancy & Equipment Expense	7,236.25	5,880.00	1,356.25	123.07%	28,000
6100.00 · Office Expense	8,936.27	7,973.00	963.27	112.08%	46,900
6150.00 · Personnel Expenses	87,151.47	84,471.00	2,680.47	103.17%	312,853
6200.00 · Professional Fees	115,030.50	63,210.00	51,820.50	181.98%	150,500
6300.00 · Service Fees	1,573.08	2,500.00	-926.92	62.92%	10,000
6900.01 · Special Event	13,050.01	20,700.00	-7,649.99	63.04%	230,000
7000.00 · Technology Expense	7,140.67	5,200.00	1,940.67	137.32%	20,000
7100.00 · Travel & Meetings	6,427.58	8,700.00	-2,272.42	73.88%	30,000
Total Expense	254,009.38	205,634.00	48,375.38	123.53%	1,192,253
Net Ordinary Income	74,244.70	43,346.00	30,898.70	171.28%	352,247
Other Income/Expense					
Other Income					
5999 · Transfers From Restricted	157,046.00 ¹	101,250.00	55,796.00	155.11%	225,000
Total Other Income	157,046.00	101,250.00	55,796.00	155.11%	225,000
Other Expense					
8999 · Transfers To Restricted	56,679.60	50,850.00	5,829.60	111.46%	565,000
Total Other Expense	56,679.60	50,850.00	5,829.60	111.46%	565,000
Net Other Income	100,366.40	50,400.00	49,966.40	199.14%	(340,000)
Net Income	174,611.10	93,746.00	80,865.10	186.26%	12,247

Notes to the financial statements:

¹ Received distributions from Chicago Community Foundation 01/25/17 & 03/23/17



THE CHICAGO
COMMUNITY TRUST
AND AFFILIATES

**Financial Summary of
Tree Research and Education Endowment Fund (F726)
For the Month Ended February 28, 2017**

Beginning Market Value 01/31/2017	\$ 3,733,036.25
Contributions (see attached detail)	1,607.37
Grants Paid	0.00
Net Realized/Unrealized Gain/Loss	72,261.31
Net Investment Earnings	2,454.70
Administrative Fees	0.00
Administrative Expenses	0.00
Transfers	0.00
Miscellaneous Income	0.00
Miscellaneous Expenses	0.00
Ending Market Value 02/28/2017	\$ 3,809,359.63
Account Holdings	
Investment Pool A	\$ 3,807,752.26
- 5,280.9285 units @ \$721.04 per share	
Short Term Investment Pool	1,607.37
- Pending Purchase in Investment Pool on 03/01/17	
Total	\$ 3,809,359.63

If you have questions about this statement or your fund, please contact:

Abbe Temkin
Director, Major and Planned Gifts
312-616-8000
atemkin@cct.org

**Financial Summary of
Tree Research and Education Endowment Fund (F726)
For the Month Ended February 28, 2017**

Spending Plan

Beginning Spendable Balance	\$ 100,706.00
Spending Allocation FY 2017	123,900.00
Grants Paid Year To Date	(100,706.00)
Administrative Fees Year To Date	(2,805.00)
Administrative Expenses Year To Date	0.00
Trustee Fees Year To Date	0.00
Investment Management Fees Year To Date	0.00
Miscellaneous Expenses Year To Date	0.00
Transfers To / From To Date	0.00
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Remaining Spendable Balance as of 02/28/2017	\$ 121,095.00
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Contributions and Receipts Received

02/09/2017 Tree Research and Education Endowment Fund	\$ 1,607.37
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Total:	\$ 1,607.37
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Cultivating Innovation in Arboriculture and Urban Forestry

552 South Washington Street, Suite 109, Naperville, Illinois 60540 630-369-8300 www.treefund.org

Investments Managed by Chicago Community Trust

reconciliation as of 02/28/17

			12/31/2016	Addition:		YTD 2017	YTD Net	
			Balance	2017 income	Subtotal	Transfer	Investment	2/28/2017
Permanently Restricted Funds:						IN from CCT	Earnings	Balance
1520.41	BRB	Barborinas Fund	83,899	-	83,899	-	3,049	86,948
1520.51	GAM	Frank Gamma Arbor. Ed. Fund	151,974	-	151,974	(7,599)	5,523	149,898
1520.13	WHI	John White Fund	68,017	-	68,017	-	2,472	70,489
1520.22	MCC	Dr. Mark McClure Research Fund	129,658	-	129,658	-	4,712	134,370
1520.81	IAA	IL Arborist Association Fund	47,821	-	47,821	-	1,738	49,559
1520.30	SAT	Safe Arborist Techniques Fund	281,384	-	281,384	(15,000)	10,225	276,609
1520.12	WRI	John Wright Memorial Schol Fund	29,834	-	29,834	-	1,084	30,918
1520.71	UAR	Utility Arborist Research Fund	780,968	953	781,921	-	28,380	810,301
1520.94	CATT	Collier Arborist Training Trust	151,615	100	151,715	(40,000)	5,510	117,225
1520.92	OHC	Ohio Chapter ISA End. Fund	142,801	-	142,801	(5,000)	5,189	142,991
1520.95	APP	Bonnie Appleton Memorial Fund	82,307	454	82,761	-	2,991	85,752
1520.92	SKI	Bob Skiera Memorial Fund	348,828	-	348,828	-	12,676	361,504
1520.11	DUL	John & Evelyn Duling End. Fund	560,909	-	560,909	-	20,383	581,292
1520.21	FEL	Robert Felix Memorial Fund	665,991	-	665,991	(9,000)	24,202	681,193
1520.61	BRT	Bartlett Fund	46,922	-	46,922	-	1,705	48,627
1520.99		General Unallocated Funds	198,480	100	198,580	(24,107)	7,213	181,685
		Total Permanently Restricted	3,771,407	1,607	3,773,015	(100,706)	137,051	3,809,360
Total Investments at CCT			3,771,407	1,607	3,773,015	(100,706)	137,051	3,809,360

The TREE Fund
Grants Payable (Values in Home Currency)
As of March 31, 2017

	Initial Award	Paid To Date	To Be Paid
14-RF-01 University of Florence, Fini	\$100,000.00	\$34,000.00	\$66,000.00
15-HJ-01 The Morton Arboretum, Meisbauer	\$25,000.00	\$15,000.00	\$10,000.00
15-JD-01 Colo. St. Univ., Cranshaw	\$10,000.00	\$9,200.00	\$800.00
15-JD-02 Texas A&M, Arnold	\$9,976.00	\$9,576.00	\$400.00
15-JK-02 Swedish Univ. of Ag., Sjoman	\$10,000.00	\$9,200.00	\$800.00
16-HJ-01 University of Wisconsin, Scharen	\$48,583.00	\$29,149.80	\$19,433.20
16-HJ-02 University of Reading, Percival	\$40,000.00	\$24,000.00	\$16,000.00
16-HJ-03 Virginia Tech, Day	\$50,000.00	\$30,000.00	\$20,000.00
16-RFP-01 University MD, Pavao-Zuckerman	\$99,931.00	\$34,975.85	\$64,955.15
16-UARF-1 Sonoma State-Halle	\$175,000.00	\$61,250.00	\$113,750.00
16-JD-01 Ball State-Berland	\$23,030.00	\$21,430.00	\$1,600.00
16-JD-02 Canterbury-Morgenroth	\$24,976.25	\$23,376.25	\$1,600.00
16-JD-03 UMass-Kane	\$25,000.00	\$23,400.00	\$1,600.00
16-JK-01 Florence-Ferrini	\$10,000.00	\$9,200.00	\$800.00
16-JK-02 Ryerson-Ordenez	\$10,068.90	\$9,268.90	\$800.00
	\$661,565.15	\$343,026.80	\$318,538.35