

**MENDOCINO COLLEGE FOUNDATION, INC.**

**FINANCE COMMITTEE AGENDA**

Tuesday, November 27, 2018

3:00 – 5:00 pm

**Mendocino College**  
**Library/Learning Center, Room 4134**  
1000 Hensley Creek Road  
Ukiah, California

**1. CALL TO ORDER**

**2. PUBLIC COMMENTS**

The public is welcome to make comments on any items after being recognized by the Chair.

**3. APPROVAL OF AGENDA AND MINUTES**

3.1 Approval of agenda

3.2 Approval of minutes from the regular meeting held on January 30, 2018 and Special meetings held on February 27, 2018 and August 28, 2018.

**4. DISCUSSION/ACTION**

4.1 Investments

4.1.1 Main Street Research (MSR) investment portfolio update – James Demmert,  
Founding Manager/Partner

4.1.2 Investment portfolio summary reports as of 10/31/2018

4.2 Budgets

4.2.1 2018-2019 budget update

4.2.2 2018-2019 mid-year budget review/augmentations

4.2.3 2017-2018 audit status

4.2.4 Director's contributions to date - \$27,630

4.2.5 Donations summary report

4.3 Future agenda items

**5. ADJOURNMENT**

Next meeting: TBD

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**ADA Compliance:** Persons with disabilities needing assistance, please notify the Foundation Office at 467-1018 no later than 24 hours prior to the scheduled meeting. Meetings are held in locations which are wheelchair accessible.

**Agenda Packet and Supporting Documents Notice:** The agenda packet and supporting materials can be viewed in the Foundation Office, Room 5110, Mendocino College, 1000 Hensley Creek Road, Ukiah, California or online at <http://foundation.mendocino.edu>.

**MENDOCINO COLLEGE FOUNDATION, INC.**  
**MINUTES OF THE OF THE FINANCE COMMITTEE**  
**DRAFT**

The regular meeting of the Mendocino College Foundation, Inc. (MCF) Finance Committee was convened on Tuesday, January 30, 2018 Mendocino College, 1000 Hensley Creek Road, Room 4134, Ukiah, California.

**GENERAL MATTERS**

*Call To Order* Chairman DeMeulenaere called the meeting to order at 3:06 p.m.

Committee Chair	Mark DeMeulenaere	Present
	Brian Carter	Absent
	Greg Cavalin	Present
	Channing Cornell	Present
	Marilyn Harden	Present
	Tod Kong	Absent
	Arturo Reyes	Absent

*Support Staff* Katie Fairbairn, Executive Director

*College Staff* Joe Atherton, Director of Fiscal Services

*Public Comments* None

*Agenda/Approval* M/S/C (Corell/Harden) To approve the agenda of the regular meeting of the Mendocino College Foundation, Inc. Finance Committee as submitted.

The matter passed 4-0.

*Minutes/Approval* M/S/C (Harden/Cornell) To approve the minutes of the meeting held on November 29, 2017 of the Mendocino College Foundation, Inc. Finance Committee as submitted.

The matter passed 4-0.

**DISCUSSION/ACTION**

*Investment Portfolio Status* Investment portfolio summary reports were provided for information. The committee reviewed the various funds and discussions took place about performance.

*Investment Policy Revision* The first read of proposed revisions to pages 11, xv, xvi, xvii, xix, xxiii, xxv, xxvi of the Mendocino College Foundation Investment Policy were provided for review and discussion.

*2017-2018 Budget Update* The budget revenue and expense reports were provided for information.

*2017-2018 Ending Fund Balance Update* The current ending fund balance report was provided for information.

*2018-2019 Budget Building Process and Timeline* The committee reviewed the process and timeline for building the 2018-2019 budget.

*2018-2019 Ending Fund Balance* The committee reviewed the process and timeline for establishing the 2018-2019 for the ending fund balance.

*2016-2017 Year-End Audit* The Foundation's 2016-2017 year-end audit was approved by the Mendocino College Board of Trustees. There were no exceptions. The printed report was provided for information.

*Director's Contributions* Director's contributions to date are \$19,294.

*Donations Summary Report* A Donations Summary report was provided for information.

*Halliday Trust II* An update was provided on the Halliday Trust II. The trust is managed by Exchange Bank and will mature in 2019.

*Future Agenda Items*

**ADJOURNMENT** The meeting of the Mendocino College Foundation, Inc. Finance Committee does hereby adjourn at 4:05 p.m.

Submitted by:

Katie Fairbairn Mendocino College Foundation Executive Director

**MENDOCINO COLLEGE FOUNDATION, INC.**  
**MINUTES OF THE SPECIAL FINANCE COMMITTEE**  
**DRAFT**

The regular meeting of the Mendocino College Foundation, Inc. Finance Committee was convened on Tuesday, February 27, 2018, Mendocino College, 1000 Hensley Creek Road, Room 4134, Ukiah, California.

**GENERAL MATTERS**

*Call To Order* Chairman DeMeulenaere called the meeting to order at 12:00 p.m.

Committee Chair	Mark DeMeulenaere	Present
	Brian Carter	Absent
	Greg Cavalin	Absent
	Channing Cornell	Present
	Marilyn Harden	Present
	Tod Kong	Present
	Charley Myers	Absent
	Arturo Reyes	Absent

*Support Staff* Katie Fairbairn, Executive Director  
Lana Eberhard, Marketing/Program Specialist

*College Staff* Joe Atherton, Director of Fiscal Services

*Public Comments* None

**ADJOURNMENT** Due to the lack of a quorum, the meeting adjourned at 12:01 p.m.

Submitted by:

Lana Eberhard, Mendocino College Foundation Marketing/Program Specialist

**MENDOCINO COLLEGE FOUNDATION, INC.**  
**MINUTES OF THE SPECIAL FINANCE COMMITTEE**  
**DRAFT**

A special meeting of the Mendocino College Foundation, Inc. Finance Committee was convened on Tuesday, August 28, 2018, Mendocino College, 1000 Hensley Creek Road, Room 4134, Ukiah, California.

**GENERAL MATTERS**

*Call To Order*

Chairman DeMeulenaere called the meeting to order at 2:02 p.m.

Committee Chair	Mark DeMeulenaere	Present
	Brian Carter	Absent
	Greg Cavalin	Present
	Channing Cornell	Present
	Marilyn Harden	Present
	Tod Kong	Present (arrive 2:10 p.m.)
	Arturo Reyes	Absent

*Support Staff*

Katie Fairbairn, Executive Director

*College Staff*

*Public Comments*

None

*Agenda/Approval*

M/S/C (Cornell/Harden) To approve the agenda of the special meeting of the Mendocino College Foundation, Inc. Finance Committee as submitted.

*Investment Portfolio Update*

James Demmert, Main Street Research, LLC Wealth Management Founder, Managing Partner and Adrienne Coenen, Director-Business Development gave a performance review of the Foundation's investment portfolio. Investments are performing above benchmarks. The presentation was followed by discussion and questions from the Committee.

**ADJOURNMENT**

The meeting of the Mendocino College Foundation, Inc. Finance Committee does hereby adjourn at 2:32 p.m.

Submitted by:

Katie Fairbairn, Mendocino College Foundation Executive Director



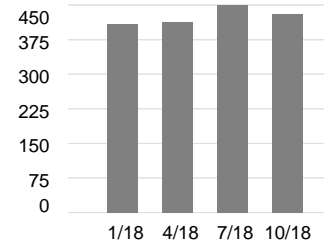
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**AAFG SCHOLARSHIPS ACCOUNT**

Account Number  
**2953-4175**

Statement Period  
**October 1-31, 2018**

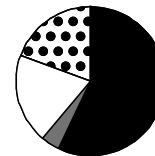
**Account Value as of 10/31/2018: \$ 430,782.65**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 458,959.26</b>	<b>\$ 387,555.41</b>	
Credits	3,418.70	59,622.77	
Debits	(1,413.37)	(5,300.81)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(30,181.94)	(11,094.72)	
<b>Ending Value on 10/31/2018</b>	<b>\$ 430,782.65</b>	<b>\$ 430,782.65</b>	
Accrued Income <sup>d</sup>	652.09		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 431,434.74</b>		
<b>Total Change in Account Value</b>	<b>\$ (28,176.61)</b>	<b>\$ 43,227.24</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (27,524.52)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 82,814.14	19%
Fixed Income	83,994.13	19%
Equities	241,404.12	56%
Exchange Traded Funds	19,053.81	4%
Other Assets	3,516.45	<1%
<b>Total Assets Long</b>	<b>\$ 430,782.65</b>	
<b>Total Account Value</b>	<b>\$ 430,782.65</b>	<b>100%</b>

Overview



- 56% Equities
- 4% Exchange Traded Funds
- 19% Cash, Bank Sweep [X,Z]
- 19% Fixed Income



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Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**JOHN BOGNER FINE ARTS ACCOUNT**

Account Number  
**2824-0598**

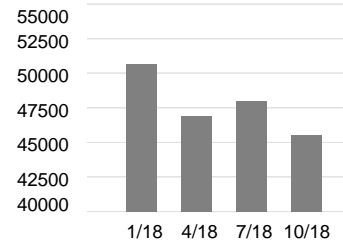
Statement Period  
**October 1-31, 2018**

**Account Value as of 10/31/2018: \$ 45,559.10**

**Change in Account Value**

	This Period	Year to Date
<b>Starting Value</b>	<b>\$ 48,773.27</b>	<b>\$ 48,578.48</b>
Credits	59.82	826.24
Debits	(152.43)	(1,892.51)
Transfer of Securities (In/Out)	0.00	0.00
Income Reinvested	0.00	0.00
Change in Value of Investments	(3,121.56)	(1,953.11)
<b>Ending Value on 10/31/2018</b>	<b>\$ 45,559.10</b>	<b>\$ 45,559.10</b>
Accrued Income <sup>d</sup>	41.22	
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 45,600.32</b>	
<b>Total Change in Account Value</b>	<b>\$ (3,214.17)</b>	<b>\$ (3,019.38)</b>
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (3,172.95)</b>	

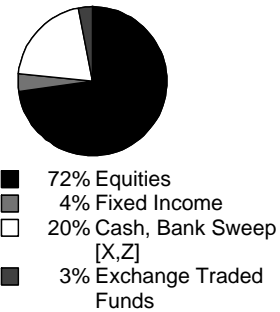
**Account Value**



**Asset Composition**

	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 9,137.65	20%
Fixed Income	1,991.60	4%
Equities	32,929.55	72%
Exchange Traded Funds	1,500.30	3%
<b>Total Assets Long</b>	<b>\$ 45,559.10</b>	
<b>Total Account Value</b>	<b>\$ 45,559.10</b>	<b>100%</b>

**Overview**



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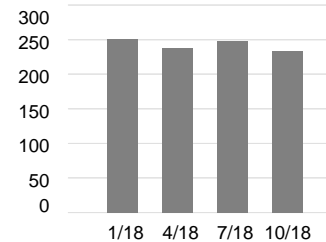
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**COAST CAMPUS**

Account Number  
**2694-1952**

Statement Period  
**October 1-31, 2018**

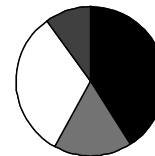
**Account Value as of 10/31/2018: \$ 233,633.00**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 257,005.57</b>	<b>\$ 236,595.03</b>	
Credits	382.60	2,901.19	
Debits	(778.00)	(10,945.03)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(22,977.17)	5,081.81	
<b>Ending Value on 10/31/2018</b>	<b>\$ 233,633.00</b>	<b>\$ 233,633.00</b>	
Accrued Income <sup>d</sup>	363.85		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 233,996.85</b>		
<b>Total Change in Account Value</b>	<b>\$ (23,372.57)</b>	<b>\$ (2,962.03)</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (23,008.72)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 75,247.55	32%
Fixed Income	39,328.20	17%
Equities	96,552.75	41%
Exchange Traded Funds	22,504.50	10%
<b>Total Assets Long</b>	<b>\$ 233,633.00</b>	
<b>Total Account Value</b>	<b>\$ 233,633.00</b>	<b>100%</b>

Overview



- 41% Equities
- 17% Fixed Income
- 32% Cash, Bank Sweep [X,Z]
- 10% Exchange Traded Funds



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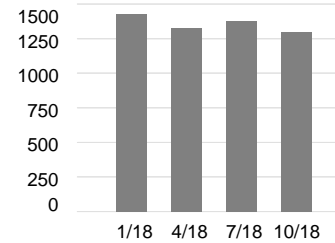
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**FOOTE ACCOUNT**

Account Number  
**1744-2625**

Statement Period  
**October 1-31, 2018**

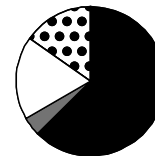
**Account Value as of 10/31/2018: \$ 1,298,608.13**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 1,408,397.70</b>	<b>\$ 1,347,603.93</b>	
Credits	1,860.74	22,365.98	
Debits	(4,332.67)	(60,587.57)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(107,317.64)	(10,774.21)	
<b>Ending Value on 10/31/2018</b>	<b>\$ 1,298,608.13</b>	<b>\$ 1,298,608.13</b>	
Accrued Income <sup>d</sup>	1,736.25		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 1,300,344.38</b>		
<b>Total Change in Account Value</b>	<b>\$ (109,789.57)</b>	<b>\$ (48,995.80)</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (108,053.32)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 192,295.07	15%
Fixed Income	238,232.32	18%
Equities	803,011.49	62%
Exchange Traded Funds	52,510.50	4%
Other Assets	12,558.75	<1%
<b>Total Assets Long</b>	<b>\$ 1,298,608.13</b>	
<b>Total Account Value</b>	<b>\$ 1,298,608.13</b>	<b>100%</b>

Overview



- 62% Equities
- 4% Exchange Traded Funds
- 18% Fixed Income
- 15% Cash, Bank Sweep [X,Z]



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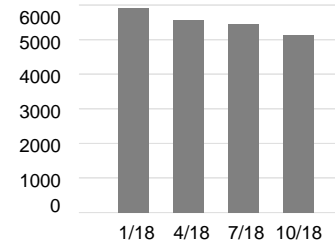
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**GENERAL ACCOUNT**

Account Number  
**5497-5694**

Statement Period  
**October 1-31, 2018**

**Account Value as of 10/31/2018: \$ 5,160,083.01**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 5,535,062.95</b>	<b>\$ 5,630,082.90</b>	
Credits	9,818.47	226,440.54	
Debits	(17,079.41)	(662,921.08)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(367,719.00)	(33,519.35)	
<b>Ending Value on 10/31/2018</b>	<b>\$ 5,160,083.01</b>	<b>\$ 5,160,083.01</b>	
Accrued Income <sup>d</sup>	9,368.85		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 5,169,451.86</b>		
<b>Total Change in Account Value</b>	<b>\$ (374,979.94)</b>	<b>\$ (469,999.89)</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (365,611.09)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 784,486.45	15%
Fixed Income	1,289,353.98	25%
Equities	2,951,215.58	57%
Exchange Traded Funds	135,027.00	3%
<b>Total Assets Long</b>	<b>\$ 5,160,083.01</b>	
<b>Total Account Value</b>	<b>\$ 5,160,083.01</b>	<b>100%</b>

Overview



- 57% Equities
- 15% Cash, Bank Sweep [X,Z]
- 25% Fixed Income
- 3% Exchange Traded Funds



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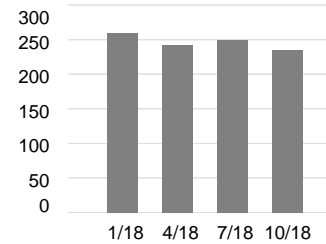
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**HALLIDAY ACCOUNT**

Account Number  
**8016-1014**

Statement Period  
**October 1-31, 2018**

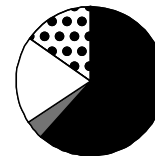
**Account Value as of 10/31/2018: \$ 235,621.53**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 254,728.57</b>	<b>\$ 246,282.02</b>	
Credits	357.25	4,068.17	
Debits	(786.51)	(10,628.96)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(18,677.78)	(4,099.70)	
<b>Ending Value on 10/31/2018</b>	<b>\$ 235,621.53</b>	<b>\$ 235,621.53</b>	
Accrued Income <sup>d</sup>	297.54		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 235,919.07</b>		
<b>Total Change in Account Value</b>	<b>\$ (19,107.04)</b>	<b>\$ (10,660.49)</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (18,809.50)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 35,398.66	15%
Fixed Income	44,551.57	19%
Equities	143,909.95	61%
Exchange Traded Funds	9,751.95	4%
Other Assets	2,009.40	<1%
<b>Total Assets Long</b>	<b>\$ 235,621.53</b>	
<b>Total Account Value</b>	<b>\$ 235,621.53</b>	<b>100%</b>

Overview



- 61% Equities
- 4% Exchange Traded Funds
- 19% Fixed Income
- 15% Cash, Bank Sweep [X,Z]



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*Wealth Management*

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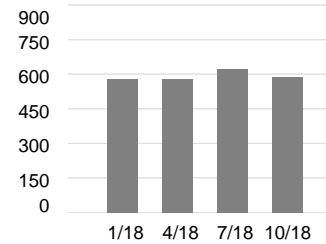
Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**PERPETUAL ACCOUNT**

Account Number  
**1224-7377**

Statement Period  
**October 1-31, 2018**

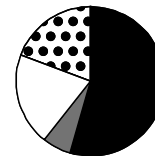
**Account Value as of 10/31/2018: \$ 590,707.55**

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
<b>Starting Value</b>	<b>\$ 635,870.53</b>	<b>\$ 557,276.11</b>	
Credits	807.41	76,092.58	
Debits	(1,956.01)	(27,418.39)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(44,014.38)	(15,242.75)	
<b>Ending Value on 10/31/2018</b>	<b>\$ 590,707.55</b>	<b>\$ 590,707.55</b>	
Accrued Income <sup>d</sup>	853.07		
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 591,560.62</b>		
<b>Total Change in Account Value</b>	<b>\$ (45,162.98)</b>	<b>\$ 33,431.44</b>	
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (44,309.91)</b>		



Asset Composition	Market Value	% of Account Assets
Cash and Bank Sweep <sup>x,z</sup>	\$ 116,190.67	20%
Fixed Income	113,568.70	19%
Equities	317,914.83	54%
Exchange Traded Funds	37,507.50	6%
Other Assets	5,525.85	<1%
<b>Total Assets Long</b>	<b>\$ 590,707.55</b>	
<b>Total Account Value</b>	<b>\$ 590,707.55</b>	<b>100%</b>

Overview



- 54% Equities
- 6% Exchange Traded Funds
- 20% Cash, Bank Sweep [X,Z]
- 19% Fixed Income



**MAIN STREET RESEARCH LLC**  
*Wealth Management*

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Schwab One® Account of  
**MENDOCINO COLLEGE FOUNDATION**  
**SALMEN ACCOUNT**

Account Number  
**9797-7936**

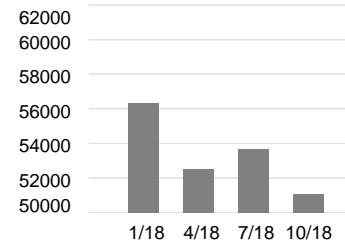
Statement Period  
**October 1-31, 2018**

**Account Value as of 10/31/2018: \$ 51,109.24**

**Change in Account Value**

	This Period	Year to Date
<b>Starting Value</b>	<b>\$ 54,297.15</b>	<b>\$ 53,672.68</b>
Credits	51.72	901.44
Debits	(168.43)	(1,956.36)
Transfer of Securities (In/Out)	0.00	0.00
Income Reinvested	0.00	0.00
Change in Value of Investments	(3,071.20)	(1,508.52)
<b>Ending Value on 10/31/2018</b>	<b>\$ 51,109.24</b>	<b>\$ 51,109.24</b>
Accrued Income <sup>d</sup>	46.12	
<b>Ending Value with Accrued Income<sup>d</sup></b>	<b>\$ 51,155.36</b>	
<b>Total Change in Account Value</b>	<b>\$ (3,187.91)</b>	<b>\$ (2,563.44)</b>
<b>Total Change with Accrued Income<sup>d</sup></b>	<b>\$ (3,141.79)</b>	

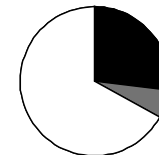
Account Value



**Asset Composition**

	Market Value	% of Account Assets
Cash and Bank Sweep <sup>X,Z</sup>	\$ 14,018.94	27%
Fixed Income	2,987.41	6%
Equities	34,102.89	67%
<b>Total Assets Long</b>	<b>\$ 51,109.24</b>	
<b>Total Account Value</b>	<b>\$ 51,109.24</b>	<b>100%</b>

Overview



- 27% Cash, Bank Sweep [X,Z]
- 6% Fixed Income
- 67% Equities



**MAIN STREET RESEARCH LLC**  
*Wealth Management*

Your Independent Investment Advisor is not affiliated with or an agent of Schwab and Schwab does not supervise or endorse your Advisor.

## Mendocino College Foundation

### 2018-2019 Donation Summary Report

Purpose	Donations to date	
2018 Gala	\$	143,475
Adopt A Fifth Grader	\$	10,953
Area of Greatest Need	\$	7,850
Designated	\$	88,704
Student Emergency Fund	\$	5,735
Directors/Trustees Annual Fund	\$	615
Scholarships	\$	47,020
Yvonne Sligh Book Awards	\$	1,100
<b>Foundation Donations Total To Date</b>	<b>\$</b>	<b>306,188</b>
<b>Affiliate Donations</b>		
Athletic Boosters	\$	290
Friends of Mendocino College Coast Center	\$	-
Friends of the Coastal Field Station	\$	9,878
Friends of Mendocino College Culinary Arts	\$	-
Friends of the Gallery	\$	1,000
Friends of the Library	\$	-
Friends of the Nursing Program	\$	2,500
Friends of Mendocino College Agriculture	\$	-
Friends of Mendocino College Recording Arts & Technology	\$	-
Friends of Mendocino College Human Services	\$	-
Friends of the Theatre	\$	230
Lake County Friends	\$	1,420
North County Friends	\$	2,772
<b>Total Affiliate Donations to Date</b>	<b>\$</b>	<b>18,090</b>
<b>Combined Total Donations to date</b>	<b>\$</b>	<b>324,278</b>