



The OVERLAND PARK ROTARY CLUB FOUNDATION

July 13, 2009

ANNUAL REPORT TO MEMBERS

For the Fiscal Year Ending June 30, 2009

Board of Trustees

Mike Hockley '09, President
Dave Morgenson '09, Treasurer/
Vice President

Clayton Smith '10, Secretary
Lisa Tomlinson '10, Assistant Treasurer
Ethel Davis '10, YLI Liaison
Melynn Sight '09, Grant
Committee Chair

2009 YLI Committee

Alex M. Petrovic, Chairman
Sarah Alig, Graduate Intern
Gib Baltzer, Graduate Intern
Pat Callaway, Past Chairman
Frank Caro, Past Chairman
Eldon Conyne
Ethel Davis
Stephen Heiner
Susan Keim, Program Coordinator &
Co-Facilitator
Mike McAbee, Graduate Intern
Trish O'Donnell
Jay Seigfreid
Don Wise, Co-Facilitator
Doug Young

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PRESIDENT'S REPORT –

By Mike Hockley

About the Foundation

The Foundation was created in 1993 with a narrow focus on helping the youth of Overland Park. Since then the Foundation's mission has evolved to meet the ever growing and changing needs of our community. Our charitable and educational programs now benefit youth and adults throughout the Greater Kansas City Area, the State of Kansas, nationally, and internationally.

During the past year, the Foundation's gifts benefited a wide range of recipients. For example, the Foundation's Youth Leadership Institute (YLI) reaches youth leaders throughout the Kansas City Metropolitan area, not just Overland Park. As part of the YLI program, the Foundation awarded scholarships totaling \$5,000 to the Rotary 4-Way Test Essay Contest winners.

The Foundation also conducted its second annual Grant Program solicitation, and awarded two grants totaling \$15,000. We also recognized Ethel Davis as the first recipient of our Service Above Self Award for her work with The Rose Brooks Center, one of our 2009 Grant recipients.

This year was marked by the unexpected deaths of two Trustees, Tom Rose and Ken Bayer. Tom had just assumed office as President, and Ken was nearing the end of his term as Immediate Past club President. Tom and Ken were devoted Rotarians who personified "Service Above Self."

Thanks to our Members' generous gifts, either through bequests, Sergeant at Arms fines, Good News gifts, or proceeds from selling newspapers on Kansas City Day or

work in sponsoring the Club's annual 4th of July Star Spangled Spectacular, the Foundation makes a difference because you care and practice the Rotary motto, "Service Above Self." We trust that our stewardship of your Foundation's gifts and assets meets with your approval.

Learn More About the Foundation

The Club's web site has a section devoted to the Foundation. To access Foundation news, go to the Club web site (<http://www.clubrunner.ca/cprg/home/home.asp?cid=4405>) and select the "OP Club Foundation" button on the left side of the Club Home Page where you can find the Foundation's monthly meeting minutes, meeting schedule, Annual Reports, Grant Guidelines, and other Foundation information. The Board of Trustees normally meets monthly at 4:00 p.m. on the fourth Monday of each month at Mike Hockley's Overland Park office located in Building 40, Suite 700, Corporate Woods. Any member is welcome to attend.

Youth Leadership Institute 2008 – 2009 Annual Report –

By Alex Petrovic

The Overland Park Rotary Club Foundation's Youth Leadership Institute ("YLI") is a five-day, hands-on leadership training program designed specifically to help local high school students be leaders in their schools and communities. Our YLI students receive exceptional leadership training and learn the importance of "Service Above Self."

YLI 2008, our 14th year, was our largest class to date and included 39 energetic and talented students from 19 different high schools in Kansas and Missouri. This year

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Johnson County Community College (JCCC) helped sponsor YLI by donating the food costs and meeting facility. We are grateful to Dr. Terry Calaway and JCCC for their generous assistance and cooperation.

As part of YLI, the Foundation conducted its Fourth Annual Rotary 4 - Way Test College Scholarship Essay Contest. The contest is open only to YLI graduates of the current class. A panel of 3 independent judges awarded college scholarships of \$3,000, \$1,500, and \$500 to the 3 essays which best described how Rotary's 4-Way Test impacted the author.

Our Rotary 4 - Way Test Essay winners for 2008 are **Alexandra K. Brown**, Shawnee Mission East H.S. (First Place), **Meg Swaggerty**, Shawnee Mission North H.S. (Second Place), and **Rayna Healy**, Notre Dame de Scion H.S. (Third Place).

YLI 2008 Financial Report - Excluding scholarships, our program's budget for YLI 2008 was \$19,141. Actual costs, after subtracting receipts for tuition and JCCCs financial support, were \$19,039.

At the beginning of the YLI 2009 planning process, the Committee formed a Strategic Planning subcommittee to determine the future vision of YLI. The Strategic Planning subcommittee has presented a draft proposal to the Foundation but has not finalized its 3-year plan. We anticipate finalizing that plan later this year.

A special thanks to all who participated in making YLI 2008 such a great success. YLI 2009 will be held the last week of July, and we anticipate an even larger class than 2008. We look forward to another successful class!

The Foundation's Community Grant Program -

By Melynn Sicht

Your Overland Park Rotary Club Foundation (the Foundation) supports many causes. This year, the Foundation awarded two Community Grants totaling \$15,000 to local charitable organizations.

Foundation Trustees Melynn Sicht and Clayton Smith co-chaired the Grant and screening sub-committee, charged with soliciting and reviewing grant applications. In addition, three Rotarians and Past Club Presidents served on the screening committee this year: Ben Craig, Evelyn Davis, and Dave Ackerman.

The committee reviewed thirteen applications and recommended two recipients which were approved by the Foundation Board on May 23, 2008. **Our Grant recipients for 2008-2009 are: The Rose Brooks Center**, nominated by **Rotarian Ethel Davis**, and **Camp for Kids**, nominated by **Rotarian Craig Navorr**.

Beginning this year, and each year going forward, one grant is designated the "**Service Above Self**" Grant. It is awarded to a Rotarian who has made significant contributions to Overland Park Rotary and the community. This award was inspired by the passing of Foundation President Tom Rose, who passed early in his term as President this Rotary year. Tom's service to his community exemplified Service Above Self. Our **2009 Service Above Self Award** recipient is **Rotarian Ethel Davis** for her work with The Rose Brooks Center.

Each April, Rotarians are asked to nominate a non-profit cause in which they are personally involved. Each year, the Foundation uses 5% of the balance of its Unrestricted Funds as a guide in determining how much money will be made available for the Grant cycle during the following fiscal year.

This is another opportunity to recognize Overland Park Rotarians and the causes that are most important to them.

Grant Guidelines - The Foundation's 2009 Grant Guidelines and Grant Application Forms are available in the Foundation section of the Club's web site. The Board of Trustees looks forward to receiving your ideas and applications for OPRCF Grants in the coming year.

TREASURER'S REPORT -

By Dave Morgenson

In 1994, the Club began a practice of making annual gifts to the Foundation of 50% of each year's net proceeds derived from its annual auction. This commitment continues today, although the gifts now come from the Club's annual July 4th Star Spangled Spectacular event.

Other sources of revenue to the Foundation include donor bequests from members' estates, Memorial gifts, Member restricted gifts, Sergeant at Arms Fines, Good News Gifts, and Kansas City Days events. As of June 30, 2009, the Foundation has accumulated funds of \$315,564, which is down from June 30, 2008 due to the economic downturn in late 2008 and early 2009. The past quarter has shown marked improvement, and we are hopeful that an improved investment climate will recover most, if not all, of the decrease in value experienced in the past year.

In recent years the Foundation received bequests from two long time members' estates. The Art Kramish Trust made a bequest to the Foundation of \$96,786, and Bart Cohen named the Foundation as a \$20,000 beneficiary in his will. In the past year memorial gifts were received in memory of fellow Trustees Tom Rose and Ken Bayer, who died during the 2008 - 2009 term. Funds received in memory of Tom were used to construct a new Club storage container for the Club's name badges, banners, and other Club possessions.

*\$56,289 in Total Giving in 2008 - 2009

Foundation giving from July 1, 2008 through June 30, 2009 totaled \$56,289 in support of the following activities and organizations:

Community Grant Program	\$15,000
YLI - 2008 Program	\$25,889
YLI College Scholarships	\$5,000
Exchange Student Expenses	\$5,000
Rotary International Foundation	\$5,400

Investment Policy - When the Trustees are not dispensing your generous gifts, we

are investing the Foundation's assets in accordance with a formal written Investment Policy. The Foundation's policy "...is to adhere to a 'Conservative Growth' posture by using asset allocation with specific parameters as to the exposure of equities and fixed income securities." The parameters establish certain minimums and maximums that serve as a guideline for these assets classes. Currently, the target allocation determined by the Foundation's Board of Trustees is 60% equity and 40% fixed income. The allocation is monitored regularly and is reviewed by the Trustees on a quarterly basis. The assets of the Foundation are managed by Club Member Joe Johnson and his associate, Frank Drinkwine, at Equity Advisors, Inc. The Foundation's balance sheet as of June 30, 2009 is attached as the last page of this report.

A copy of the full financials is available to any Member upon request. Please contact Lisa Tomlinson at LTomlinson@bankbv.com.

SPECIAL BUSINESS –

Election of Trustees – The board of Trustees is composed of seven members, six of whom serve staggered terms of two years each. The Club's Immediate Past President serves a one year term as an Ex Officio Member of the Board of Trustees. The six at large members can serve a maximum of three consecutive two year terms. The current Trustees and their respective terms are listed at the top of this Report.

The following Trustees' terms expire this year: Mike Hockley, Dave Morgenson, and Melynn Sight. All are eligible to serve at least one additional term and have agreed to stand for re-election to a new term expiring June 30, 2011. Jeff Goodman will serve as a Trustee as the Immediate Past Chair of the Club for a one year term beginning July 1, 2009 and ending June 30, 2010. The Foundation's Members will vote on new Trustees at the Annual Meeting on July 13, 2009.

Our Officers for 2009 – 2010 –

Dave Morgenson - President

Clayton Smith – Vice President/Secretary

Lisa Tomlinson – Treasurer

We extend a Special Thanks to Club Member Steve Seigel, who has prepared the Foundation's tax returns for the more than ten years at no expense to the Foundation. We are especially appreciative of Steve's steadfast and faithful service.

In Memory of Tom Rose and Ken Bayer. During the past term, two of our Trustees, Tom Rose and Ken Bayer, passed away unexpectedly.

Tom served just over four years as a Trustee in a variety of capacities, including Treasurer. He died in September 2008 while on vacation shortly after he had assumed leadership of the Foundation as its President. Tom's leadership and dedication to the Foundation and the principles of Rotary serve as an example for all. We are thankful for all Tom did and will miss him dearly.

Ken was in the last month of his one year term as the Immediate Past Club President when he died in June 2009. Ken brought a fresh perspective and zeal to the Board. His passion and dedication to community service inspired us all. Thank you, Ken. You will be missed.

We are forever grateful to Tom and Ken for their service to the Foundation and our community.

Remember the Overland Park Rotary Club Foundation in your Planned Giving!

The Foundation Trustees invite you to consider making a planned gift to The Overland Park Rotary Club Foundation (FEIN 481138962) to support our community outreach and service.

Please contact any Trustee if you have interest or questions. There are many tax saving options available that your own financial and legal counsel should be able to explain to you.

Thank you for your consideration.

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BALANCE SHEET

As of June 30, 2009

ASSETS

Cash – Metcalf Bank	\$ 22,385
Royal Alliance Brokerage Account	<u>293,179</u>
Current Assets	\$315,564

Total Assets \$315,564

LIABILITES

YLI Scholarships	\$ 6,000
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Total Liability \$ 6,000

EQUITY

Restricted RI Annual Fund	\$ 7,337
Restricted YLI	20,000
Restricted Memorial Funds	2,281
Retained Earnings	354,732
Net Income	<u>-74,786</u>

Total Equity \$ 309,564

Total Liabilities & Equity \$315,564

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Income Statement

July 1, 2008 thru June 30, 2009

Income

2008 Star Spangled Spectacular	\$27,700
Good News/ Fines	5,211
Kansas City Day	3,123
2009 Star Spangled Spectacular	12,085
Memorial Contributions	2,311
YLI Scholarship Donations	875
Exchange Student Support	<u>5,000</u>

Total Donations \$56,305

YLI Student Fees \$ 3,725

Interest & Dividends \$10,459

Total Income \$70,489

Expense

Administrative Expenses	\$ 6,509
Donations	30,400
YLI	25,889
RI Annual Fund accrual	2,048
Transfer to Restricted Funds	2,407
Investment Fund Unrealized Loss	64,985
Investment Fund Realized loss	<u>13,037</u>

Total Expense \$145,275

Net Loss \$74,786