

# Marklund Charities

## Fiscal Year 2021

### Variance Summary

	FY2020 Budget	FY2020 Year End Projections	variance	FY2021 Budget	Increase/ (Decrease)	
<b>Revenues</b>						
Unrestricted Gifts & Grants	\$ 1,281,900	\$ 2,563,555	\$ 1,281,655	\$ 1,255,400	\$(1,308,155)	
Special Events (net)	705,984	599,155	(106,829)	750,621	151,466	
Fund-in-Need	425,000	414,349	(10,651)	435,000	20,651	
Community Events (net)	-	-	-	-	-	
Restricted Program	565,400	389,632	(175,768)	710,000	320,368	
Other	-	-	-	-	-	
<b>Total Revenue</b>	<b>\$ 2,978,284</b>	<b>\$ 3,966,691</b>	<b>\$ 988,407</b>	<b>\$ 3,151,021</b>	<b>\$ (815,670)</b>	-20.6%
<b>Expenses</b>						
Salaries & Benefits	\$ 817,139	\$ 852,300	\$ 35,161	\$ 906,193	\$ 53,893	
Employee Expenses	16,092	12,877	(3,215)	12,024	(853)	
Occupancy	7,440	6,972	(468)	29,694	22,722	
Office Expenses	54,966	54,461	(505)	55,211	750	
Legal & Audit	25,200	25,200	-	26,000	800	
Printing	37,652	37,259	(393)	38,051	792	
Other Expenses	13,920	12,940	(980)	16,360	3,420	
Outside Services	-	-	-	-	-	
<b>Total Expenses</b>	<b>\$ 972,409</b>	<b>\$ 1,002,009</b>	<b>\$ 29,600</b>	<b>\$ 1,083,533</b>	<b>\$ 81,524</b>	8.1%
<b>Net Fundraising income</b>	<b>\$ 2,005,875</b>	<b>\$ 2,964,682</b>	<b>\$ 958,807</b>	<b>\$ 2,067,488</b>	<b>\$ (897,194)</b>	-30.3%
Public Relations	\$ 146,853	\$ 152,610	\$ 5,757	\$ 148,559	(4,051)	-2.7%
<b>Net Fundraising Proceeds</b>	<b>\$ 1,859,022</b>	<b>\$ 2,812,072</b>	<b>\$ 953,050</b>	<b>\$ 1,918,929</b>	<b>\$ (893,143)</b>	-31.8%
<i>total revenue not include in above totals</i>	<i>\$ 2,660,200</i>	<i>\$ 2,086,267</i>		<i>\$ 142,650</i>		
<i>endowment</i>	<i>10,200</i>	<i>12,850</i>		<i>12,650</i>		
<i>capital campaign</i>	<i>2,650,000</i>	<i>2,073,417</i>		<i>130,000</i>		
<i>legacy gifts</i>		<i>113,975</i>				
<b>Interest Income</b>				<b>\$ 6,852</b>		
<b>Endowment expected rate of return based on CPI plus 4.5%*</b>				<b>\$ 874,933</b>		
income				419,166		
realized gain/(loss)				220,913		
unrealized gain/(loss)				234,854		

\* based on the balance of \$13.1M as of April 22, 2020

## Marklund

### Investment Policy Statement

#### Addendum to General Policy and Procedures Dated 4/6/2017

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Date:	April 29, 2019
Investment Objective:	Growth
Risk Tolerance:	Moderate to Aggressive; 15% loss in any one-year period
Time Horizon:	20 plus years
Return Target:	CPI + 4.5%
Primary Goals:	1) Distribute up to 5% of market value per year as requested 2) Maintain inflation adjusted value and income stream
Liquidity Requirements:	Sufficient to fund annual payout; prefer no lockups beyond 5 years
Allowable Assets:	Domestic equities; International equities; Emerging market equities; Sector equities including MLPs, REITs, Infrastructure; Hedge Funds including equity/long short, multi-strategy; Domestic fixed income, International fixed income; Emerging market fixed income.
Restricted Assets:	Illiquid investments beyond three years; Artwork; Options (unless through a 40-Act liquid mutual fund).
Tax Status:	Non-Profit
Applicable Accounts:	Endowment Fund, Ann Haskins School Fund, Horticulture & Productions Fund, Michael Palese Fund, Pool Fund, Salaries & Benefits Fund, Respite Services Fund
Policy Ranges:	Policy ranges are guidelines. Targets are time specific and subject to change based on economic and market conditions, valuations and sentiment level. The investment manager has discretion to manage within the policy ranges.

Policy Ranges

Investment Objective - Growth Asset Class	Target <sup>(1)</sup> (3/13/2019)	Range Low	Range High
Equities	67%	40%	80%
<b>Domestic Equity<sup>(2)</sup></b>	<b>37%</b>	<b>25%</b>	<b>65%</b>
Large Cap	29%	25%	65%
Mid Cap <sup>(2)</sup>	5%	0%	15%
Small Cap <sup>(2)</sup>	3%	0%	10%
<b>International Equity</b>	<b>24%</b>	<b>10%</b>	<b>30%</b>
Developed Markets	16%	8%	20%
Emerging Markets	8%	3%	15%
<b>Sector/Oppportunistic Equity</b>	<b>6%</b>	<b>0%</b>	<b>20%</b>
MLPs	2%	0%	10%
REITs	0%	0%	15%
Infrastructure	4%	0%	15%
<b>Complementary</b>	<b>4%</b>	<b>0%</b>	<b>15%</b>
Equity long/short	4%	0%	10%
Multi-strategy	0%	0%	10%
Managed Futures	0%	0%	10%
<b>Bonds</b>	<b>26%</b>	<b>25%</b>	<b>35%</b>
Core/Core Plus	12%	15%	35%
Multi-strategy/Oppportunistic	14%	0%	30%
High Yield	0%	0%	8%
Floating Rate	0%	0%	8%
International Developed	0%	0%	10%
Emerging Markets	0%	0%	8%
<b>Cash</b>	<b>3%</b>	<b>0%</b>	<b>15%</b>

(1) Target percentages subject to tactical shifts periodically based on economic views, valuations and sentiment.

(2) Small and mid-cap exposure may be obtained through a fund that has been designated as large cap or all-cap. Most funds have some small and mid-cap exposure. Several of our funds are utilized for their philosophical and stock picking approach through businesses that may cross over market cap spectrums.

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(Marklund)

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(Date)

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(TC Wealth Partners)

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(Date)