

December 2018

TO: Club Members

FROM: Vance S. Zavela

SUBJECT: Annual Report Fiscal Year ending 30 June 2018

During this past fiscal year our McLean Rotary Club Foundation (MRCF) continued to grow as the endowment fund had a net gain of \$35,061, an increase of 5.3%. The fund ended with a balance of \$657,516 on June 30. In addition, the Foundation has a year-end Current fund balance (checking account and money market fund) of \$58,028. That amount included a total of \$44,015 in committed funds, which were those approved by the Board (\$7,990) and those in designated funds (\$36,025). (See financial reports for more details on approved projects and designated funds.) Foundation expenses for the fiscal year were \$154.31 for new MRCF checks (\$129.31) and the Virginia State Corporation Commission annual filing fee (\$25).

The year began consulting with the McLean Rise Against Hunger committee on how to receive donations from a restaurant fundraiser being conducted by Bravo Brio Restaurant Group. We recommended that they have the funds sent to the Rise Against Hunger organization and designated to the McLean event on November 4.

The Board became involved in disbursing \$2,670 raised by the club membership to disasters in Houston, Florida and Puerto Rico. The timing and amounts of funding are including in the financial reports. The Disaster Recovery designated fund worked well for members wanting to assist those efforts.

The Board decision to have the endowment fund professionally managed by Raymond James has had a favorable outcome in the first year from November 15, 2016 to October 31, 2017. The difference between professional management and a benchmark fund identified by the Board was a positive \$17,000 in gains. The Board will continue to review the progress on an annual basis to make sure there are positive returns on having the fund professionally managed.

There was two grant cycles during the 2017-2018 Rotary year. It contributed to the Board not having to consider any out-of-cycle grants, except those related to disaster recovery. (It is important to note that one project, Michelo, was not funded this Rotary year as the Foundation replaced a lost check from the previous year.) The information on those awards can be found in the financial reports.

We thank the Board members who served this past Rotary year: Michael DeRose (Vice-President), Sam Agarwal (Secretary), Todd Dempsey (Treasurer), John Rosenbaum, Dale Lazar, and Gene Durman (Club Board Liaison). This year marked my final year on the MRCF Board as I have fulfilled my two terms of service.

This coming Rotary year's Board consists of the following members:

Dale Lazar – President (first term ends June 30, 2020)

Michael DeRose – Vice-President (second term ends June 30, 2019)

Sam Agarwal – Secretary (first term ends June 30, 2021)

Todd Dempsey – Treasurer (first term ends June 30, 2019)

John Rosenbaum – (second term ends June 30, 2020)

Tom Mangan – (first term ends June 30, 2021)

Deborah Jackson - Club Board Liaison (through June 30, 2018)

Finally, on behalf of the Board of Directors of the McLean Rotary Club Foundation, I thank all of the members of the Rotary Club of McLean for supporting the Foundation with grant recommendations, contributions and feedback during this past year. Each and every member's input and financial support are important to the success of the Foundation.

Sharing Rotary,

Vance S. Zavela

McLean Rotary Club Foundation President