

GOLDEN WEST
Senior Living in Boulder



Foundation

Annual Report

2008



GOLDEN WEST



Foundation

“Economic Hardships: Lessons from the Past”

By Cari Kimball

With stories of mounting job losses and falling stock values, many of us are worried about the future of our finances and our society in general. In times such as these, a look back at our history can provide great insight. At Golden West we have numerous residents who remember elements of the Great Depression, a period so devastating for many that it truly puts our current economic woes into perspective. Many of our residents, and other members of their generation, proved that with hard work and prudence, even the grimmest of situations can be resolved. Luckily, the wisdom they acquired in their youth can help guide our response to the challenges we face today.



Dorothy Greeno with a photograph of herself from high school

During the Great Depression, many people were out of work (about 25% of the population), but Dorothy Greeno's father still found employment. Additionally, Dorothy's mother made dolls at home to bring in extra income. Even though they were relatively stable, Dorothy said her mother always emphasized how poor they were, encouraging her to be conservative and not wasteful. Dorothy commented, "I always thought I was poor until someone told me we weren't."

Like many families during the depression, Greeno remarks that they felt the economic downturn less directly saying "I was well aware of the depression, but I didn't understand it." When she was still a babe in arms, Dorothy's family made a road trip in a small car to Oregon so her father could look for work, but they returned to Denver, Colorado when he got a job as the head of the meter department at the public service company.

They lived there until 1932, the year that her younger brother was born and her family moved to Leadville. She recalls that while her family didn't suffer as much as many did, they saw the widespread toll of joblessness when her uncle lived with them for several years before he got a job in the area. She said that several of her family members needed help when they were out of work and that her parents were generous and offered assistance to those in need. "My mother fed a lot of people; if they needed it they got fed," Dorothy recollected of the various times that people in need came to their family for help.

As a result of growing up in the Great Depression, Dorothy developed a strong sense of ambition and a hearty work ethic. To help earn money Dorothy worked as an usher at the local movie theater when she was in high school. She also worked her way through college at CU, earning a degree in Business and Accounting. Additionally, Dorothy says that her parents made sure that she "grew up with all that help your neighbor stuff."

Like many of us, Dorothy still feels nervous about the current economic tumult and is concerned about her financial

security. She sympathizes with Obama who faces such challenges immediately after taking office, especially since our tendency to save and be frugal during a recession further compounds the difficulty for business owners who rely on people's spending to get by.

Like Greeno's family, Dorothy Shindledecker's family was relatively unaffected by the economic downturn during the Great Depression. Shindledecker grew up on a farm in Pennsylvania with her two parents and her three siblings. Unlike many city dwellers, Dorothy's family still had plenty of work on their farm during the Great Depression. Their family was very self-sufficient, raising corn, wheat, pigs, cows, along with various vegetables in their garden. Dorothy's mother would make their own butter and with eggs from their hens, take portions to town to sell in exchange for rice, coffee, and sugar. Shindledecker's family got along well due to their ability to produce their own food. She looks back warmly at her memories of helping smoke ham, make sausage, and can vegetables and jams during her childhood.

"We seldom saw a paper dollar," Dorothy remarked of life during the Great Depression. Yet prior to that period, as a child, Dorothy earned some money by raising hens that would be sold and was able to put some savings in a bank account. Unfortunately, the bank in which her savings were deposited went under in the late 1920's and she lost most of her money, as did many in that time. This loss was a small setback however, since her family was still able to provide most necessities from their farm.

Neighborliness and community involvement were an integral part of rural life at that time. Shindledecker's family was very close to their neighbors and, during threshing season, Dorothy has fond memories of helping neighboring women make large meals for the workers. This attitude of helping one's neighbor was instilled in Dorothy early in her life and continues to be central to her values. When they relocated to Boulder, Dorothy would often pick up groceries for her neighbors with mobility limitations. She finds being part of a community to be very fulfilling and is proud of her past and ongoing involvement with various groups.

Regarding the current economic recession, Dorothy

suggests that one way to come out on top is to avoid building credit card debt and to make do with what one already has. Shindledecker recalls that for birthdays or other special occasions, her family would meet to enjoy a big home-cooked meal together rather than going out to eat or ordering take out. Doing so can be a lot more satisfying and less expensive. She also says that growing up during the Great Depression taught her the importance of living a "clean, healthy, honest life," and that it is crucial to help one's neighbor.

Without a doubt the primary lessons that can be learned from the experiences of survivors of the Great Depression are that we should use our creativity and ingenuity to provide ourselves with our own food and other necessities. Additionally, we should remember that we live in communities so that we can offer support to those who encounter hard luck and that in return we too can find help in times of need.

Front Page : Dorothy Shindledecker and Dorothy Greeno



Dorothy Shindledecker displays pictures of her parents.

July 1st to December 31st 2008 Contributors

Karen Anderson	The Community Foundation	Janet Folden	Mary Johnson	Joy Morrill
Arbor Medical Services	-Carly Hare	Ginger Ford	Kaiser Permanente	Christine Morrissey
-Marny Ferrell	Robert Craig	Catherine Frank	-Heidi Meier	Barbara Motes
Jeanette Arnold	Eric Critchfield	Marjorie Freedman	Tom Kalinsky	Dorothy Mulvey
Sheila Atchley	Eve Crolius	Priscilla Gifford	Frances Karnish	Carol Nocera
Ralph Auer	Gay Curran	Dara Glazer	Sue Keevers	William Norris
Charles & Helen Aumiller	Ethel Danielson	Herb Goldblatt	Jacqueline Kent	North Star Cleaning
Phil Bailin	Douglas Davis	Margaret Gray	Judith King	-Rick Johnson
William Baird	Jamie Dawson	Nancy Green	Laura King	Glenn & Dorothy Oliver
Lloyd Baker	Doris DeBacker	Dorothy Greeno	Kiwanis Club of Boulder	Millie Orrey
Karen Barbee	Ralph DeGrand	Pearl Groethe	Elaine Lagana	Barbara Oviatt
Macky Bennett	Ron & Diana Delgado	Bob Gurtler	Zena Landman	Palace Construction
Claire Betcher	Dorothy Deterding	Jean Gyder	Janet Lappen	-Mark Greer
BITS—Jason Jarvis	Charles & Jean Dinwiddie	Todd Hawks	Margaret Leone	Toni Parrish
Doris Bjornson	Disciple Women of Christ	John & Ninetta Heard	Mary Anne Liberty	Hazel Perry
Black Roofing—Dan Zahtila	-Louise Johnson	Jeannine Henderson	Morrison/Compass Group	Nina Perry
Maria Blanchard	Hilda Dugan	Maria Henzel	-Jim McDonald	Sally Porter
Joanna Boyd	Rosemary Eaton	AJ Hess	Mort & Shirley Liebman	Alvin Pospahala
Virginia Braddock	Bernie Egeland	Donita Heurich	Ann Lumsden	Project Hope—Mary Lou May
Buffalo Lock & Key	Dru Elam	John Hinkelman	Lorna Lund	Ann Puleo
-Tom Johnston	Dan Ellis	Shirley Hirschfeld	Carol Lynch	Nick Rehnberg
Helga Burghardt	Dolores Failinger	Ken Hoagland	Russ MacCachran	Helen Robertson
Laura Burrigh	Elaine Farley	Connie Hoon	Fay Magee	Donna Ruske
Mary Ellen Cameron	Susan Fernie	Helen Hoon	Virginia Mandry	S&S Glassworks—Ron Skaley
William Cameron	John Fernie	Suzanne Hoover	Jan Mark	Dorothy Sanazaro
Carpet Van—Bob McDonald	Chuck & Anna Ferry	Dennis Hynes	Dolly Martin	Jean Schab
George & Maxine Cebula	Outreach Committee First Christian Church	Betty James	June Mason	Susan Schnell
Vi Chapman	- Carol Ashmore	Sue Jenkins	Joan Mecom	Rosella Schroeder
Steve & Kathleen Charles	Financial & Accounting Support Specialists	Hoke Johansen	Elizabeth Mekkelson	Karen Shepherd
	-Gail Hoyt	Verilyn Johansen	Lillian Montanari	
	Family Links, Inc.	Janet Johnson	Marion Morgan	
			Mary Moreira	

July 1st to December 31st 2008 Contributors

George Sichel	Bernie Stevens	Shirley Thompson	Laurie Viets	Elise Wilensky
Seminole Energy Service	Stifel Nicholas	Betty Tomasko	Connie Visser	Robert Williams
-Jon Lovett	-Dennis Jones	Jean Thompson	Gary Waggoner	James Williamson
Chris Skultety	Michael Sullivan	Richard Thornton	Richard Walker	Gerry Wilson
Alice Sleeper	Thomas Sullivan	Anne Thyret	Bob & Joy Ward	Carter Winding
Herman Sloat	Cameron & Tracy Swen	John Torres	Ruth Washburn	Rick Witherspoon
Jeanne Snyder	Larry Taylor	Stephen Treanor	Belle Weisman	Marilyn Wonsiewicz
Olga Sonis	Techtronics	Kay Treanor	Margaret Whelan	Celeste Woodley
Dorothy Southerland	-Fred Simmons	Lynel Vallier	Betty White	Stanley Wynett
Donna Sparks	Otis Teets	Henri Van Der Pol	Steve Whitehead	ZVC
	James Thompson			-Mark Zarenba

Contributions in Honor Of...

Karen Barbee	Louise Crump	Golden West Staff and Volunteers	Housekeeping	Gladys Nelson
-Nancy Green & Mary Ann Colacci	-Janet Johnson	-Ann Lumsden	-Joan Kelly	-Elaine Azcarate
-Margaret Whelan	Dining Services	Residents of Golden West	-George & Maxine Cebula	Toni Parrish
-Betty White	-Priscilla Gifford	-Karen Barbee	Vern Jacobsen	-Mary P. Ernst
-Fay Magee	Adelmira Espinoza	Jean Gyder	-Barbara Motes	Adeline Zetocha
Michael Cousineau	-Virginia Braddock	-John & Anna Mandis	Owen Mandry	-Paul & Marilyn Thomsen
-Harriet Hatt	Ginger Ford, Ted Buckley, & Carolynn Greer	-Cathy Mandis & Steve Plissey	-Virginia Mandry	
	-Virginia Braddock			

Contributions in Memory Of...

Mildred Adams	Florence Isakson	Adeline Maedler	John M. Novak III
-Ginger Ford	-Ginger Ford	-Maxine Busch	-Mary Novak
Robert Berzin	-Donna Sparks	Elsie Mathews	Doris Steigman
-Ginger Ford	Judy Karpeichik	-Nancy Green & Mary Ann Colacci	-Lloyd Baker
Margaret Clarke	-Dolores Karpeichik	-Linda Weatherwax	Virginia Weldon
-Ginger Ford	Kordell Kor	Pauline Matteson	-Donna Sparks
Jean Gibb	-Lloyd Baker	-Ginger Ford	Lois Wright
-Paul & Meri Gibb	-Carolynn Greer	-Catherine Frank	-Ginger Ford
Shirley Grater	Elaine and John Leighton	-Donna Sparks	-Nancy Green & Mary Ann Colacci
-Ginger Ford	-Lillian Montanari		-Carolynn Greer

"The Case for Fundraising 2009"

By John Torres

In October, 2008, the Golden West Board of Directors and the Golden West Foundation Board of Directors decided to move forward with a plan to increase our efforts in fundraising. Our hope is that with increased energy devoted to development, Golden West will continue to thrive as one of the area's finest retirement communities. The plan calls for using resources from both the Foundation and Golden West to support staffing, consulting and other expenses.

Multiple factors warrant this heightened development effort. We need to shore up our efforts in order to: 1) Ensure our ability to meet the needs of Boulder families by maintaining our aging apartment buildings and addressing future capital needs sufficiently; 2) Enhance the services that enable our residents to live independently in their apartments to delay or eliminate the need for more costly nursing home care; 3) Provide increased assistance to the elderly who have spent their assets, have low incomes and rely upon Medicaid for support in assisted living.

The demands of aging buildings exceed our ability to fund our capital needs adequately. We estimate that it will take \$6,000,000 over the next 10 to 15 years to maintain our aging buildings and infrastructure. These funds will be devoted to things like window replacements, apartment renovation, elevator modernization, upgrading heating and cooling systems, carpet replacement, furniture replacement, roof replacement; parking lot upgrades and more.

As a mission driven, non-profit organization that has served Boulder since 1965, Golden West is committed to serving very low, low and moderate income seniors. There is a shortage of affordable assisted living in Boulder, and Golden West is one of two organizations that accept Medicaid for Assisted Living. Medicaid reimbursement falls short of covering our costs so in order to continue to serve Medicaid we need to bridge the gap between our costs and Medicaid reimbursement.

Currently, Golden West subsidizes about \$400,000 per year for assisted living. In independent living, Golden West has successfully served low and moderate income seniors offering 255 apartments at affordable rates. We hope to continue providing a much needed service to our community, and with the help of our donors this goal is within our reach.

As our residents grow older and more frail, it is necessary to provide supportive services to allow them to live as independently as possible. By investing in services such as transportation to doctors' appointments and maintaining a wellness center, we are able to delay the need for more costly nursing home care while enhancing the quality of life for our residents.

The Golden West Foundation is planning to increase its outreach to the community for financial assistance to achieve these important goals. While a capital campaign is not currently planned, the Golden West Foundation is working to build donor support in preparation for a campaign in the near future. Greater investment in the Golden West Community will ensure its ability to support families in Boulder and the surrounding area through affordable and valuable quality living for their aging family members.

The Foundation is also focusing on recruiting new board members who have the visibility, resources and interest necessary to help us to achieve our goals. A vibrant and active board is vital to the success of any nonprofit organization, and we look forward to bolstering our already stellar leadership group. We are asking residents, board members, staff and family members to assist us in this effort.

The boards and staff will engage in strategic planning during the first 6 months of this year to develop a plan to guide us in our fundraising efforts. By prioritizing our goals, discerning next steps, and carefully allocating our time, energy, and money, we will increase our efficiency and efficacy. This plan will help us to use our resources in the best way possible.

Our history is one of success and longevity providing housing and services to hundreds of people. We hope that you will join us in telling our story to the community as we move forward in our quest to continue to do what we do for seniors our again population.

Spaghetti Dinner Fundraiser

Thursday, April 23rd

Main Dining Room Golden West

5:00 p.m. 1st Seating, 6:30 p.m. 2nd Seating

Reservations Contact the Front Desk

*Adults: \$15.00 Children: \$5.00 Under 5
Free Cash, Check & Credit Card accepted*

Make Checks Payable to :

Golden West Foundation-Spaghetti Dinner

*All Proceeds raised go to support the
Golden West Foundation Wellness Program*



Many thanks to the sponsors of the

Golden West Foundation's

2008 Harvest Dinner:

Palace Construction

Stifel Nicolaus

Medically Based Fitness

Kaiser Permanente

Morrison

And our gratitude to those who made other
in-kind donations:

Debra Watkins, Boulder Blooms; Mountain
Man Candy; Cottonwood Farm; The Publish-
ing House; Boulder's Dinner Theatre; James
TravelPoints; Boulder's Best Organics;
McGuckin Hardware; Rumbi Island Grill; The
University of Colorado; Home Instead Senior
Care; Cards, Etc.; The Cheesecake Factory;
King Soopers; Starbucks; Diane Anderson,
CMT; Janet Folden; Chuck & Anna Ferry

The Board of Directors
Golden West Foundation, Inc.
Boulder, Colorado

We have compiled the accompanying statements of financial position of Golden West Foundation, Inc. (the "Foundation") as of June 30, 2008 and 2007 and the related statements of activities and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

SCHWENKE & ASSOCIATES, P.C.

GOLDEN WEST FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets:		
Cash:		
Undesignated	\$ 15,771	\$ 24,786
Designated for split interest agreements	<u>2,957</u>	<u>2,562</u>
Total cash	<u>18,728</u>	<u>27,348</u>
Investments:		
Undesignated	56,665	55,623
Designated for investment endowment	79,380	83,073
Designated for split-interest agreements	137,942	145,610
Temporarily restricted	<u>31,774</u>	<u>27,613</u>
Total investments	<u>305,761</u>	<u>311,919</u>
Property and equipment:		
Software	3,962	3,962

	2008	2007
Less: accumulated depreciation	(3,962)	(3,962)
Net property and equipment	—	—
Total Assets	<u>\$324,489</u>	<u>\$339,267</u>
Liabilities and Net Assets:		
Liabilities:		
Liabilities under split-interest agreements	\$ 70,436	\$ 69,320
Accounts payable	1,092	1,600
Total Liabilities	<u>71,528</u>	<u>70,920</u>
Net Assets:		
Unrestricted net assets, including \$149,843 in 2008 and \$161,925 in 2007 for Board designations	221,187	240,734
Temporarily restricted net assets	<u>31,774</u>	<u>27,613</u>
Total Net Assets	<u>252,961</u>	<u>268,347</u>
Total Liabilities and Net Assets	<u>\$324,489</u>	<u>\$339,267</u>

GOLDEN WEST FOUNDATION, INC
STATEMENTS OF ACTIVITIES- Years Ending June 30, 2008 and 2007

	2008	2007
Unrestricted Net Assets:		
Revenue:		
Contributions—general	\$ 10,881	\$ 23,460
Contributions—split-interest agreements	5,462	
Investments income/(loss)	(3,437)	38,397
Change in value of split-interest agreements	(11,593)	(10,702)
Fund raising income	<u>12,956</u>	<u>4,835</u>
Total Unrestricted Revenue	14,269	55,990
Net assets released from restrictions:		
Restrictions satisfied by payments	20,093	26,629
Total Unrestricted Revenue and Reclassifications	<u>34,362</u>	<u>82,619</u>
Expenses:		
Contributions - First Christian Manor, Inc.	29,866	29,298
Management fees	6,000	6,000
Fund raising expense	4,488	2,571
Insurance	1,000	1,000
Marketing	5,580	5,392
Professional fees	2,000	1,907
Outside services	2,579	
Public relations		46
Supplies	970	2,008
Banking fees	<u>1,426</u>	<u>1,409</u>
Total Expenses	<u>53,909</u>	<u>49,631</u>
Increase/(Decrease) in Unrestricted Net Assets	<u>(19,547)</u>	<u>32,988</u>
Temporarily Restricted Net Assets:		
Contributions	24,254	28,709
Net assets released from restrictions	<u>(20,093)</u>	<u>(26,629)</u>
Increase/(Decrease) in Temporarily Restricted Net Assets	<u>4,161</u>	<u>2,080</u>
Increase/(Decrease) in Total Net Assets	(15,386)	35,068
Net Assets, beginning of year	<u>268,347</u>	<u>233,279</u>
Net Assets, end of year	<u>\$252,961</u>	<u>\$268,347</u>

Golden West Foundation, Inc.
Statements of Cash Flows- Years Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities:		
Cash received from contributions	\$47,710	\$52,169
Dividends and interest	20,973	17,522
Cash received from fund raising	<u>5,843</u>	<u>4,835</u>
	<u>74,526</u>	<u>74,526</u>
Contributions- First Christian Manor, Inc.	29,866	29,298
Management fees	6,000	6,000
Fund raising expense	3,396	2,571
Insurance	1,000	1,000
Marketing	7,180	3,792
Professional fees	2,000	1,907
Outside services	2,579	
Public relations		46
Supplies	970	2,008
Banking fees	<u>1,426</u>	<u>1,409</u>
	<u>54,417</u>	<u>48,031</u>
Net Cash Provided by Operating Activities	<u>20,109</u>	<u>26,495</u>
Cash Flows from Investing Activities:		
Purchase of investments	(86,855)	(13,411)
Sale of investments	68,603	7,286
Cash Flows from Financing Activities:		
Payments on annuities payable	(15,015)	(12,250)
Increase to annuities payable resulting from new gifts	<u>4,538</u>	—
Net Cash (Used In) Investing Activities	<u>(10,477)</u>	<u>(14,250)</u>
Net (Decrease)/Increase in Cash	(8,620)	6,120
Cash, beginning of year	<u>27,348</u>	<u>21,228</u>
Cash, end of year	<u>\$18,728</u>	<u>\$27,348</u>

Golden West Foundation, Inc.
Statements of Cash Flows
Years Ending June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities:		
Change in net assets	\$(15,386)	\$35,068
Adjustments to reconcile (decrease) increase in net		
Assets to net cash provided by operating activities:		
Change in value of split-interest agreements	11,593	10,702
Change in accounts payable	(508)	1,600
Realized (gain)/loss on sale of investments	(2,699)	(1,878)
Change in unrealized gain/(loss) on investments	<u>27,109</u>	(18,997)
Net Cash Provided by Operating Activities	<u>\$20,109</u>	<u>\$26,495</u>

Golden West Foundation, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies

Nature of Activities

Golden West Foundation, Inc. (the "Foundation") is a non-profit corporation organized to acquire funds from charitable gifts and donations in order to provide support for the special housing and health care related needs of the senior citizens' community. The Foundation provides financial assistance and support to First Christian Manor, Inc., also known as Golden West, a low to moderate cost housing facility for elderly persons, located in Boulder, Colorado.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect any significant receivables, payables, and other liabilities.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Acquisitions of property and equipment are capitalized and carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Foundation is exempt from income taxation under the provision of Section 501c of the Internal Revenue Code. Accordingly, no provision is made in the financial statements for income taxes.

Cash and Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments with original maturities of less than three months are cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the changes in net assets in the statements of activities.

Reclassifications

Certain accounts in the 2007 financial statements have been reclassified for comparative purposes to conform to the presentation of the 2008 financial statements. Such reclassifications had no effect on previously reported change in net assets.

Note 2. Split-Interest Agreements

The Foundation is a party to thirteen split-interest agreements and reports separately the assets and liabilities of those agreements in its statement of financial position, and it reports separately contribution revenue from split-interest agreements and the change in valuation of split-interest agreements in its statements of activities. Charitable gift annuities are arrangements between the donors and the Foundation in which the donor contributes assets to the Foundation in exchange for a promise from the Foundation to pay the donor a fixed amount for a specified period of time. Assets received have been recognized at fair value, and an annuity payment liability has been recognized at the present value of the future cash flows expected to be paid using IRS annuity tables. Unrestricted contribution revenue is recognized as the difference between these two amounts as the donor has placed no restrictions on the Foundation's use of its portion of the assets. The 2008 and 2007 present value of the charitable gift annuities were calculated using IRS annuity tables. On an annual basis, the Foundation re-values the liability based on applicable mortality tables and discount rates, which vary from 3.8% to 6.2%.

Assets of the Foundation that are derived from split-interest agreements are as follows:

	<u>2008</u>	<u>2007</u>
Cash and cash equivalents	\$ 2,957	\$2,562
Investments	<u>137,942</u>	<u>145,610</u>
	<u>\$140,899</u>	<u>\$148,172</u>

Note 3. Investments and Concentration of Risk

The Foundation's investments are stated at fair value, as follows:

<u>June 30, 2008</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciated/ (Depreciation)</u>
Fixed income	\$ 114,244	\$113,070	\$ (1,174)
Equities	168,684	178,147	9,463
Investments - Community Foundation	<u>10,413</u>	<u>14,544</u>	<u>4,131</u>
	<u>\$293,341</u>	<u>\$305,761</u>	<u>\$12,420</u>

<u>June 30, 2007</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciated/(Depreciation)</u>
Fixed income	\$117,487	\$115,515	\$ (1,972)
Equities	143,895	181,252	37,357
Investments - Community Foundation	<u>11,008</u>	<u>15,152</u>	<u>4,144</u>
	<u>\$272,390</u>	<u>\$311,919</u>	<u>\$39,529</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended June 30:

	<u>2008</u>	<u>2007</u>
Dividends and interest	\$20,973	\$17,522
Realized gains/(losses)	2,699	1,878
Unrealized gains/(losses)	<u>(27,109)</u>	<u>18,997</u>
	<u>\$ (3,437)</u>	<u>\$38,397</u>

The Foundation's cash deposits are held at financial institutions at which deposits are insured up to \$100,000 per entity, per institution, by the FDIC. At June 30, 2008 and 2007, all of the Foundation's cash balances were FDIC insured.

Note 4. Restrictions on Net Assets

The Foundation's unrestricted net assets as of June 30, 2008 and 2007 were \$221,187 and \$240,734 respectively. The Foundation had no permanently restricted net assets at June 30, 2008 or 2007. Temporarily restricted net assets consisted of the following at June 30:

<u>Temporarily Restricted</u>	<u>Rent</u>	<u>Personal</u>	<u>Building</u>	<u>Hearing/</u>	<u>Donor</u>			<u>Total</u>
	<u>Subsidy</u>	<u>Needs</u>	<u>Fund</u>	<u>Vision</u>	<u>Wellness</u>	<u>Renovation</u>	<u>Endowment</u>	
Balance at June 30, 2006	\$	\$496		\$ 365	\$4,098	\$40	\$20,534	\$25,533
Contributions	10,506	1,150		823	11,657	10	4,563	28,709
Released from restriction	<u>(10,506)</u>	<u>(1,014)</u>	<u>---</u>	<u>---</u>	<u>(15,059)</u>	<u>(50)</u>	<u>---</u>	<u>(26,629)</u>
Balance at June 30, 2007		632		1,188	696		25,097	27,613
Contributions	12,446	317	\$825	125	6,876		3,665	24,254
Released from restriction	<u>(12,446)</u>	<u>(50)</u>	<u>(25)</u>	<u>---</u>	<u>(7,572)</u>	<u>---</u>	<u>---</u>	<u>(20,093)</u>
Balance at June 30, 2008	<u>\$</u>	<u>\$ 899</u>	<u>\$ 800</u>	<u>\$ 1,313</u>	<u>\$</u>	<u>\$</u>	<u>\$28,762</u>	<u>\$31,774</u>

During 2005, the Board of Directors established the Golden West Foundation Endowment Fund (the "Fund") for the benefit of residents who may need assistance to provide for the costs of rent, food, medication, or other monetary needs. Only income earned on the endowment fund shall be available for distribution. The term of the Fund is 50 years and will terminate January 31, 2055, unless terminated by the Board of Directors at the end of each ten year term of the Fund.

Note 5. Board Designated Net Assets

The Foundation's Board of Directors placed the following limitations on unrestricted net assets at June 30:

	<u>2008</u>	<u>2007</u>
Designated for investment endowment purposes	\$ 79,380	\$ 83,073
Designated for split-interest agreements in excess of liabilities	<u>70,463</u>	<u>78,852</u>
	<u>\$149,843</u>	<u>\$161,925</u>

Note 6. Fund Raising Activity

The Foundation sponsors annual fund raising events. The net proceeds from these fund raising events were as follows:

	<u>2008</u>	<u>2007</u>
Contributions	\$7,113	\$2,075
Fair value of fund raising events	<u>5,843</u>	<u>4,835</u>
Total proceeds	12,956	6,910
Less: fund raising expenses incurred	<u>(4,488)</u>	<u>(2,571)</u>
Net proceeds from fund raising events	<u>\$8,468</u>	<u>\$4,339</u>

Note 7. Functional Classification of Expenses

Expenses by function for the year ended June 30 were as follows:

	<u>2008</u>	<u>2007</u>
Program services	\$29,866	\$29,298
Management and general	7,396	8,324
Fund raising	<u>16,647</u>	<u>12,009</u>
	<u>\$53,909</u>	<u>\$49,631</u>