

# Terwilliger Plaza

# Foundation

2008

*Lesta Hoel Memorial Trust Fund*

ANNUAL

REPORT



TERWILLIGER PLAZA FOUNDATION

# Terwilliger Plaza Foundation, Inc.

## and TPF Holdings, LLC

### and Lesta Hoel Memorial Trust Fund

#### Serving Members since 1967

Lesta Hoel Memorial Trust was established in 1967 thanks to several bequests, including those of Lesta Hoel and Dorothy Eckman. In 1991, a committee of Terwilliger Plaza's board members determined that setting up a separate 501(c)(3) not-for-profit Foundation was the best way to continue serving this community, while raising funds and awareness for the many projects, services and improvements that could benefit all members.

Included in this report are the unaudited financials for the Lesta Hoel Memorial Trust Fund, along with the audited Statement of Activities and Changes in Net Assets and the audited Consolidated Statements of Financial Position for years ending 2007 and 2008 for Terwilliger Plaza Foundation.

#### Making Your Gift Matter

Charitable gifts to the Foundation are tax deductible, and there are many ways you can make this happen.

**Memorial/Honoring Gifts** - to celebrate a life or special occasion, your gift pays respect to that person.

**Bequests** - to deliver your wish for enhancing or developing a program or service that gives back to your home community.

#### Purpose

- Terwilliger Plaza Foundation has two objectives:
- fund projects and facility improvements that will enhance the quality of retirement living for all Terwilliger Plaza members; and
  - support the existing Lesta Hoel Memorial Trust Fund, which assists members who might otherwise have to leave the Plaza due to financial hardship.

#### The Foundation is responsible for:

- approving grant requests submitted by the Plaza Board, the Management Team and Departments and Member Committees
- building our various Endowments held at the Oregon Community Foundation, and from which we only utilize the accumulated earnings
- ensuring the future of programs and services, facility improvements and assistance to members

**Life Insurance Beneficiary** - name the Foundation as the beneficiary or owner of an existing policy to provide for future growth in any of our endowments.

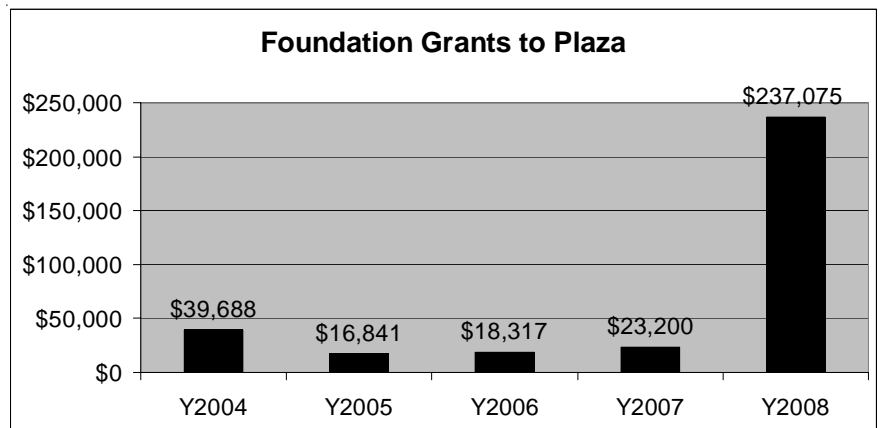
**Personal Property** - by donating art, jewelry, books, antiques, other real property, you will see your gifts utilized to the betterment of the community.

**Pledges** - by making a commitment of regular gifts, or a sizeable gift over time, allows you to see how your wish is being fulfilled.

Contact the Foundation office for more details.

Grants are approved by Terwilliger Plaza Foundation's Board of Directors. These grant requests must meet criteria reflecting the mission of the Foundation, as well as the parameters of the various restricted funds.

In 2008, there were five grants approved totalling \$237,075. They included additional rooftop garden furniture, artwork for the renovated Metcalf, speakers and musician fees for guest performers and by far, the biggest grant was written to support the Metcalf Makeover, which alone was \$225,000.



# Terwilliger Plaza Foundation

## Cornerstone Club

### Cornerstone Club membership is open to all who...

- Make a significant gift or cumulative gift over time equal to or greater than \$10,000.
- Establish a Charitable Gift Annuity with Terwilliger Plaza Foundation as the beneficiary.
- Name Terwilliger Plaza Foundation or the Lesta Hoel Memorial Trust Fund in your Testament of Will or other planned giving method, and inform the Foundation of your intentions.

### Cornerstone Club Members as of June 30, 2009:

Anonymous	Ruth Hayward	Bob McGill
Betty Allen	Joyce Hulse	Brad & Janet Mersereau
Bob Burdick	Jane Kilkenny	Phyllis Pratt
Jean Cory	Betty Lindsay	George & Claire Rives
Mitzi Ellis	Chuck Lutton	William Spofford
Guin Hall	Pat Mahone	Jeanne Steed
Sally Hart	Marian Martinez	Robert Swanson
		Mary Vance

### Honoring the Memory of our Cornerstone Club Members:

Doris Anderson	Hal Hart	Dorothy Miller
John Anderson	Elizabeth Heater	B. Marie Miller
Frank & Eleanor Chown	Louise & James Heilig	Louise Peterson
Catherine Clarke	Flo Heim	Margaret Robinson
Stanley Cohn	Sam Jagger	Mildred Smith
Margaret Edwards	George Knox	Polly Spofford
Margaret Emory	Jean Leaf	Douglas Strain
Naomi Garnjobst	Ethel Lutton	Gretchen Trommald
Greg & Dorothea Gingell	Lucy Marlitt	Martha Turner
Lou & Del Greenfield	Margaret McGill	Franklin White
John Harrison	George & Katherine Metcalf	Grace & Bruce White
		Paul Yeager

### Board of Directors

Terwilliger Plaza Foundation's Board of Directors is made up of five to nine members, who serve a three-year term, and may serve an additional two terms. These members include those who live here and outside interested individuals.

The Foundation's Board reviews and approves grant requests from the Plaza Board, member committees and staff. They review financial reports and determine policies specific to the Foundation's purpose.

Bill Wilson, President  
Fran Ousley, Vice President  
Cliff Droke, Treasurer  
Pat Mahone, Secretary  
Kitty Bassett  
William Berg  
Sally Landauer  
Brad Mersereau

# Terwilliger Plaza Foundation, Inc. and TPF Holdings, LLC

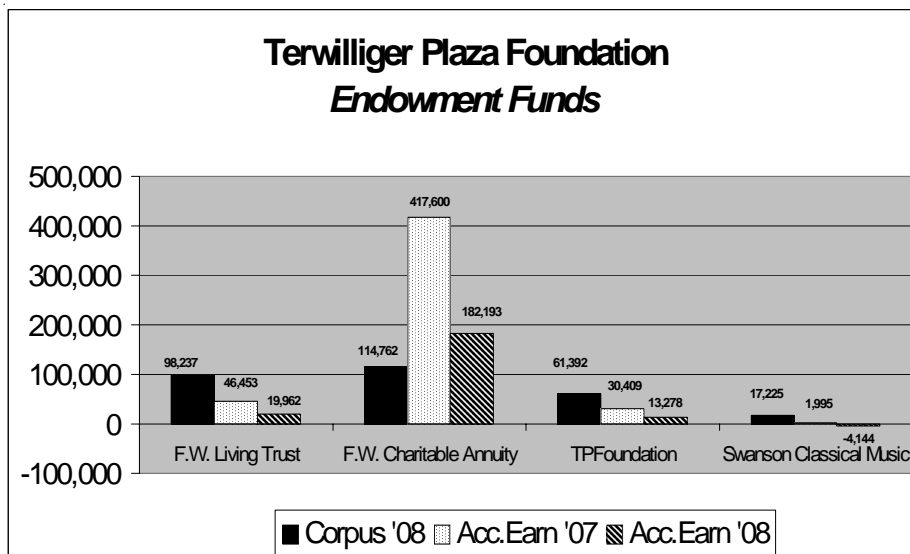
**To: Terwilliger Plaza Members, Stakeholders and all other interested parties**

Terwilliger Plaza Foundation conducted an annual audit by the independent accounting firm of Hansen, Hunter & Company, P.C. as of year-end 2008. This audited statement of financial position is for the Foundation and Terwilliger Plaza Foundation Holdings only. The Auditors issued an unqualified or “clean” opinion for 2008.

A full copy of the audit is available upon request.

## Audited Consolidated Statements of Financial Position Year Ended December 31, 2008 and 2007

	2008	2007
<b>ASSETS</b>		
Cash and cash equivalents	\$116,494	\$124,415
Accounts Receivable	276	-
Interest Receivable	476	3,169
Gift annuities receivable	47,833	146,747
Assets held by the Oregon Community Foundation	375,859	604,176
Assets whose use is limited - program donations	277,639	327,771
Asset whose use is limited - land donation	5,070,017	5,048,284
<b>TOTAL ASSETS:</b>	<b>\$5,888,594</b>	<b>\$6,254,562</b>
<b>LIABILITIES</b>		
Accounts Payable	\$104,941	\$36,115
Member life care liability	98,149	150,476
<b>Total Liabilities:</b>	<b>203,090</b>	<b>186,591</b>
<b>NET ASSETS</b>		
Unrestricted	320,824	374,181
Temporarily Restricted	5,073,064	5,388,496
Permanently Restricted	291,616	305,294
<b>Total Net Assets:</b>	<b>5,685,504</b>	<b>6,067,971</b>
<b>TOTAL LIABILITIES AND NET ASSETS:</b>	<b>\$5,888,594</b>	<b>\$6,254,562</b>



Endowment Funds ensure the ongoing support to specific needs at Terwilliger Plaza. See page 8 of this report for details on how these funds work to the benefit of our community.

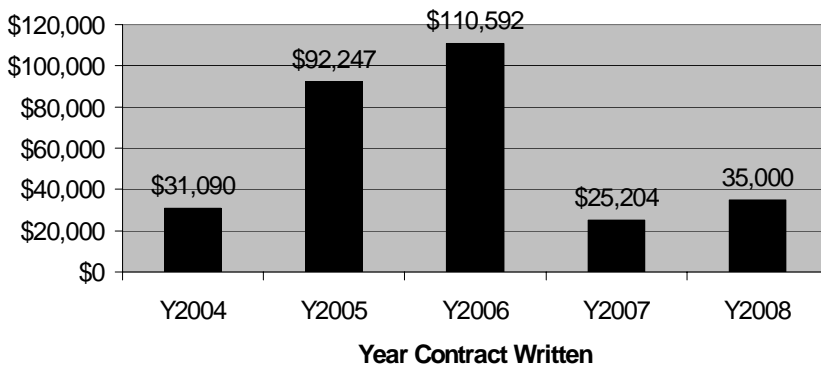
You can support these projects by making a gift or bequest to a specific fund. Our endowments are prudently invested through Oregon Community Foundation.

# Terwilliger Plaza Foundation, Inc. and TPF Holdings, LLC

## Audited Statement of Activities and Changes in Net Assets Year Ended December 31, 2008 and 2007

	Unrestricted	Temporarily Restricted	Permanently Restricted	December 31, 2008	December 31, 2007
<b>Revenues and Gains:</b>					
Contributions	\$29,201	\$4,983	\$1,125	\$35,309	\$85,809
Investment Income, net	6,242	22,347	-	28,589	42,519
Investment Income (loss), Endowment Fund	-	(772)	-	(772)	47,192
Unrealized investment losses	(51)	(186,375)	-	(186,426)	-
Thrift Shop Income	17,426	-	-	17,426	18,561
Special Event Income	-	28,215	-	28,215	31,300
Other fundraising activities	425	-	-	425	-
Change in valuation of gift annuities	(39,488)	(334)	(14,803)	(54,625)	2,215
<b>TOTAL REVENUES &amp; GAINS</b>	<b>13,755</b>	<b>(131,936)</b>	<b>(13,678)</b>	<b>(131,859)</b>	<b>227,596</b>
<b>Net Assets Released from Restrictions:</b>					
Total net assets released from restrictions	175,748	(175,748)	-	-	-
Total revenues, gains and support	189,503	(307,684)	(13,678)	(131,859)	227,596
<b>Expenses:</b>					
Grant Awards	235,920	-	-	235,920	67,283
Office expenses	6,940	-	-	6,940	7,281
Special event expenses	-	7,748	-	7,748	9,345
<b>Total Expenses</b>	<b>242,860</b>	<b>7,748</b>	<b>-</b>	<b>250,608</b>	<b>83,909</b>
Increase in Net Assets	-	-	-	-	143,687
Decrease in Net Assets	(53,357)	(315,432)	(13,678)	(382,467)	-
Net Assets, Beginning of Year	374,181	5,388,496	305,294	6,067,971	5,924,284
<b>Net Assets, End of Year</b>	<b>\$320,824</b>	<b>\$5,073,064</b>	<b>\$291,616</b>	<b>\$5,685,504</b>	<b>\$6,067,971</b>

### Gift Annuities



Charitable Gift Annuity contracts are written between an individual member or couple and Terwilliger Plaza, Inc. An annuity is paid quarterly to the member with a fixed interest based upon their age at the time the contract is written. The member can designate any program or fund with Terwilliger Plaza Foundation or the Lesta Hoel Memorial Trust Fund as the eventual beneficiary.

In 2008, two annuities were written totalling \$35,000. Eight annuities matured in 2008, providing income of \$6,095 to the Lesta Hoel Endowment Fund; \$55,644 to the Foundation's unrestricted fund, plus two smaller amounts for the benefit of a resident activity and an employee support program.

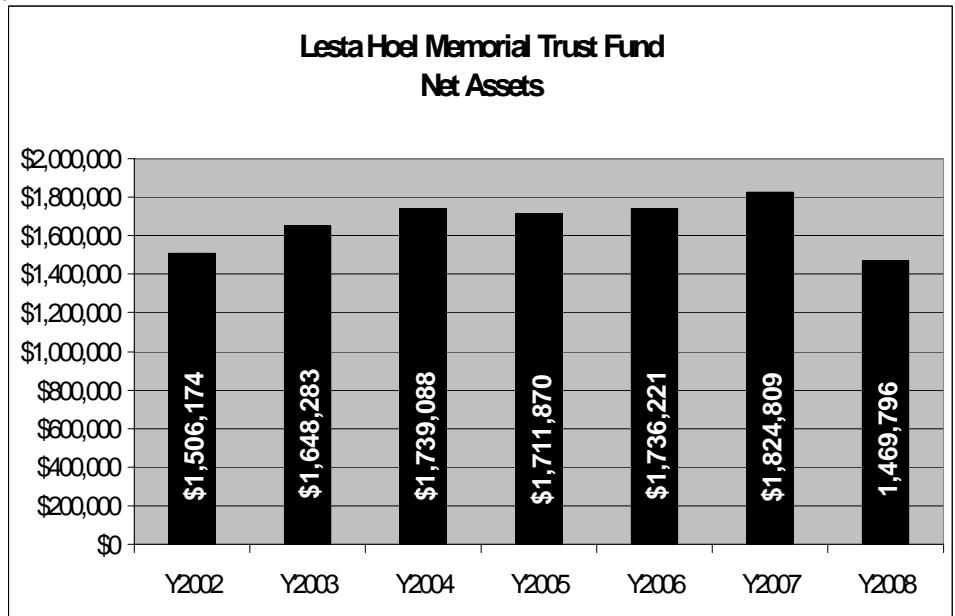
# Lesta Hoel Memorial Trust Fund

To: Terwilliger Plaza Members, Stakeholders and all other interested parties

Lesta Hoel Memorial Trust Fund (LHMTF) is a separate 501(c)(3) not-for-profit supporting Terwilliger Plaza, Inc. The LHMTF is managed by a Board of Trustees designated as Terwilliger Plaza Board of Directors.

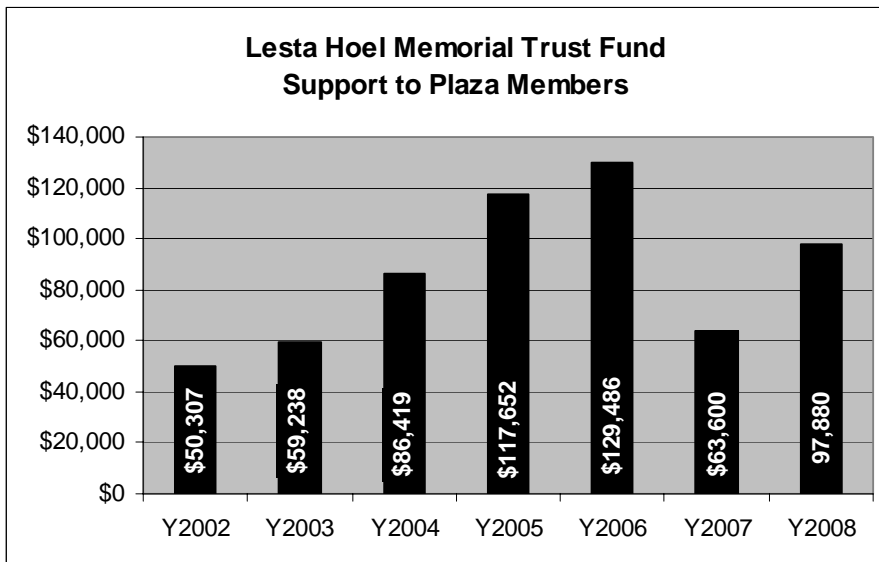
**The Trust was established in 1967 to provide financial support to those members who outlive their financial resources so they never have to leave Terwilliger Plaza for monetary reasons.**

It is the Foundation's responsibility to raise funds and support this important Fund, so that we may continue the tradition of never having a member leave Terwilliger Plaza for financial reasons.



A portion of this fund is invested through Oregon Community Foundation and the other is managed in private investments. The financial information provided here is a summary of the 2008 and 2007 *unaudited financial statements*.

Based on Year Ending 2008, the LHMTF has \$1,469,796 of net assets, and a negative balance of \$39,927 in accumulated earnings, which includes unrealized gains and losses. \$1,509,723 is donor restricted corpus.



The decline in both the fixed income and the equity markets resulted in net investment losses of \$256,850, which has put the accumulated earnings into a negative position.

In 2008 there were three annuities totalling \$6,095 that matured benefiting the LHMTF.

In 2008, contributions to the Fund totaled \$1,491, and the interest and dividend income was \$73,823 for the twelve months ending December 31, 2008.

Realized gains were \$18,448 and unrealized losses on investments totaled \$(337,407), with investment fees totaling \$11,714.

**A total of \$97,880 was donated by the LHMTF to Terwilliger Plaza, Inc. to make up the difference in fees that members were unable to pay due to inadequate resources. As of December 31, 2008, there were four Plaza members supported by the Lesta Hoel Trust Fund.**

# Lesta Hbel Memorial Trust Fund

## Unaudited Balance Sheet

	Total as of December 31, 2008	Total as of December 31, 2007
<b>Assets</b>		
Cash and Cash Equivalents	\$80,227	\$49,221
Accounts Receivable	916	75
Due from Terwilliger Plaza / Gift Annuities	1,432	15,124
<b>Investments</b>		
Endowment Account (Not at OCF)	901,057	1,027,839
Endowment Account (Oregon Community Foundation)	498,166	732,550
<b>TOTAL ASSETS:</b>	<b>\$1,481,798</b>	<b>\$1,824,809</b>
<b>Liabilities</b>		
Accounts Payable	\$ 12,002	\$ 0
Total Liabilities	12,002	0
<b>NET ASSETS</b>		
Unrestricted	\$ 0	0
Temporarily Restricted	(39,927)	314,957
Permanently Restricted	1,509,723	1,509,852
Total Net Assets	1,469,796	1,824,809
<b>TOTAL LIABILITIES AND NET ASSETS:</b>	<b>\$1,481,798</b>	<b>\$1,824,809</b>

## Unaudited Statement of Activities and Changes in Net Assets

	Temporarily Restricted	Permanently Restricted	Year Ended December 31, 2008	Year Ended December 31, 2007
<b>Revenues, Gains and Other Support</b>				
Contributions & Bequests	-	\$1,491	\$1,491	\$1,647
Gift Annuities-current year present value adjustments	-	(1,620)	(1,620)	1,271
Interest & Dividend Income on long-term investments	\$73,823	-	73,823	74,562
Less: OCF Investment Fees	(11,714)	-	(11,714)	(5,625)
Realized gains(losses) on investments	18,448	-	18,448	25,111
Unrealized gains(losses) on investments	(337,407)	-	(337,407)	55,392
<b>Total Revenues, Gains and Other Support:</b>	<b>(256,850)</b>	<b>(129)</b>	<b>(256,979)</b>	<b>152,358</b>
<b>Expenses and Losses</b>				
Subsidy paid to Terwilliger Plaza for benefit of Plaza Members	\$97,880	-	\$97,880	\$63,600
Administrative Expenses	154	-	154	170
<b>Total Expenses and Losses:</b>	<b>98,034</b>	<b>-</b>	<b>98,034</b>	<b>63,770</b>
Change in Net Assets	(354,884)	(129)	\$(355,013)	\$88,588
Net Assets Beginning of Year	314,957	1,509,852	1,824,809	1,736,221
Net Assets End of Year	\$(39,927)	\$ 1,509,723	\$1,469,796	\$1,824,809

# Terwilliger Plaza Foundation

## How Your Gifts Help

Your gift to Terwilliger Plaza Foundation can work for you in different ways. You may give it to the Foundation as an unrestricted gift, in which case the Foundation Board will determine its best use for the overall good of the Plaza, and the members.

We have several endowment funds that allow us to build the corpus so the Foundation Board can distribute from the accumulated earnings based on the purpose of that endowment. We never use the corpus of any endowment. Most of our endowment funds are held at Oregon Community Foundation for investment purposes.

**Terwilliger Plaza Endowment Fund** was originally created in memory of a former member, Inez Martin. Invested in perpetuity, the earnings are used to respond to grant requests from the Plaza that enhance the quality of life for all members at Terwilliger Plaza.

The Foundation is the beneficiary of two endowment funds established by a member, who wanted to ensure a continual source of income for special projects and Plaza enhancements.

The **Franklin W. White Endowment Funds** were created in 1999 as a lasting legacy for the Foundation.

Earnings from the *White Living Trust* are for the development and operations of assisted living quarters and to the benefit of those members living in The Terrace and The Metcalf.

Earnings from the *White Charitable Annuity Trust* is for community improvements necessary to enhance the quality of retirement living at Terwilliger Plaza, specifically for capital purposes.

Our **Robert Swanson Classical Music Endowment** was established in 2007 for the purpose of enhancing musical programs. Earnings from this fund support the Entertainment Activities specifically to bring live classical performances of string and wind instruments to Terwilliger Plaza.

Any gift may also be designated to a specific **Temporarily Restricted Fund**, like the Art Committee, the Library, Capital Equipment, or Supported Living Fund for the Metcalf and Terrace members.

The **Lesta Hoel Memorial Trust Fund** was established in 1967 to provide financial support to those members who outlive their financial resources so they never have to leave Terwilliger Plaza for monetary reasons. This fund has both an *Endowment Fund*, as well as a *Current Needs* fund to allow us to weather these economic fluctuations and access funds immediately if the Trustees determine the need.

Next time you make a tax-deductible gift, you decide how that money should be used to enhance life for all members at Terwilliger Plaza. If you have any questions, please contact Vivian Cheadle, Executive Director of Terwilliger Plaza Foundation.

Terwilliger Plaza Foundation, Inc.  
2545 SW Terwilliger Blvd.  
Portland, OR 97201  
503-299-4221  
[foundation@terwilligerplaza.com](mailto:foundation@terwilligerplaza.com)