



HARBOR COMMUNITY
BENEFIT FOUNDATION

Quarterly Statements as of December 31, 2020 - Year End Reconciled

Internal Management Report
For the period ended December 31, 2020

Prepared by
RMG, LLC

Prepared on
February 20, 2021

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Balance Sheet

As of December 31, 2020

| | Total |
|---|-----------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 0000 Operations Accts | |
| 1100 Operations - 8161 | 20,142.37 |
| 1200 Payroll - 8160 | 31,576.67 |
| 1300 Business Savings - 8163 | 18,749.06 |
| Total 0000 Operations Accts | 70,468.10 |
| 1350 Unrestricted chkg - 5638 | 5,180.43 |
| 1399 Projects and Programs | |
| 1400 Land Use - 5609 | 10,734.65 |
| 1500 Noise - 5612 | 100.00 |
| 1600 Health Care Grants - 3834 | 100.00 |
| 1700 Other Grants 9197 | 55,100.00 |
| 1800 AQMF Checking Account - 2329 | 284,555.21 |
| Total 1399 Projects and Programs | 350,589.86 |
| 1900.00 Trust Accounts | |
| 1902 PMTF | |
| 1902.01 JPM 2001 | 1,489,002.77 |
| 1902.02 JPM BUS SAVINGS | 1,488.40 |
| Total 1902 PMTF | 1,490,491.17 |
| 1920 AQMF - CCF Account V391 | 4,374,374.71 |
| Total 1900.00 Trust Accounts | 5,864,865.88 |
| Total Bank Accounts | 6,291,104.27 |
| Other Current Assets | |
| 1999 Deposits and Prepays | |
| 1950 Prepaid Expenses | 2,100.24 |
| 1960 Security Deposit (Rent) | 1,200.00 |
| Total 1999 Deposits and Prepays | 3,300.24 |
| Total Other Current Assets | 3,300.24 |
| Total Current Assets | 6,294,404.51 |
| TOTAL ASSETS | \$6,294,404.51 |

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

| | |
|--|------------|
| 2050 Accounts Payable | 55,000.00 |
| 2050.1 Grants Approved - Installments Due AQMF | 191,050.00 |

Total Accounts Payable **246,050.00**

Other Current Liabilities

| | Total |
|---|-----------------------|
| 2075 Accrued Expenses | 650.00 |
| 2100 Payroll Liabilities | |
| 2101 Accrued Payroll | 6,618.46 |
| 2103 CA SUI / ETT | 152.65 |
| 2105 Federal Taxes (941/944) | 503.12 |
| 2110 Accrued Vacation | 8,712.80 |
| 2111 401k Safe Harbor | 584.14 |
| 2134 CO Income Tax | 1,146.00 |
| Total 2100 Payroll Liabilities | 17,717.17 |
| Total Other Current Liabilities | 18,367.17 |
| Total Current Liabilities | 264,417.17 |
| Long-Term Liabilities | |
| 2900 PMTF - Uncommitted Funds | 1,303,215.26 |
| 2999 AQMF - Uncommitted Funds | 4,153,894.00 |
| Total Long-Term Liabilities | 5,457,109.26 |
| Total Liabilities | 5,721,526.43 |
| Equity | |
| 3000 Unrestricted Net Assets | 621,316.67 |
| 3001 Transfers To/From Unrestricted Net Assets | -389,799.86 |
| 3700 Temporarily Restricted Net Assets | |
| 3701 TRNA - Land Use Study | 10,734.65 |
| 3702 TRNA - Noise Mitigation | 100.00 |
| 3704 TRNA - Community Benefit Grants | 55,000.00 |
| 3720 TRNA - AQMF Grants | 191,050.00 |
| 3726 TRNA - HCBF AQMF Administration | 93,505.21 |
| Total 3700 Temporarily Restricted Net Assets | 350,389.86 |
| Net Income | -9,028.59 |
| Total Equity | 572,878.08 |
| TOTAL LIABILITIES AND EQUITY | \$6,294,404.51 |

Quarterly Profit and Loss Summary YTD

January - December 2020

| | Jan - Mar, 2020 | Apr - Jun, 2020 | Jul - Sep, 2020 | Oct - Dec, 2020 | Total |
|---|-------------------|------------------|-------------------|--------------------|--------------------|
| INCOME | | | | | |
| 4300 Net Assets Released from Restriction | 257,555.00 | 1,740.00 | 11,797.92 | 680,795.00 | 951,887.92 |
| 4400 Encumbered Funds | | | | | 0.00 |
| 4401 PMTF Restricted Grants & Programs | | | | 209,169.00 | 209,169.00 |
| 4401.5 PMTF Released for HCBF Ops. | 222,966.00 | | | | 222,966.00 |
| 4401.6 AQMF Released for HCBF Admin | 31,089.00 | | | | 31,089.00 |
| 4401.8 AQMF Released for HCBF Expenses | 3,500.00 | 1,740.00 | 1,624.00 | 1,457.00 | 8,321.00 |
| 4402 Satisfaction of Use Restriction | -257,555.00 | -1,740.00 | -11,797.92 | -680,795.00 | -951,887.92 |
| Total 4400 Encumbered Funds | 0.00 | 0.00 | -10,173.92 | -470,169.00 | -480,342.92 |
| Total Income | 257,555.00 | 1,740.00 | 1,624.00 | 210,626.00 | 471,545.00 |
| GROSS PROFIT | 257,555.00 | 1,740.00 | 1,624.00 | 210,626.00 | 471,545.00 |
| EXPENSES | | | | | |
| 5999 Unrestricted Grants Disbursed | | | | | 0.00 |
| 5999.1 COVID-19 Grants | | 20,500.00 | 0.00 | | 20,500.00 |
| Total 5999 Unrestricted Grants Disbursed | | 20,500.00 | 0.00 | | 20,500.00 |
| 6000 Functional Expenses | | | | | 0.00 |
| 6100 Office Expenses | | | | | 0.00 |
| 6102 TeleCommunications and Internet | 816.63 | 641.38 | 751.17 | 700.81 | 2,909.99 |
| 6103 Software & Fees | 431.95 | 375.00 | 734.88 | 489.90 | 2,031.73 |
| 6104 Supplies | 37.57 | 93.24 | 32.70 | 17.17 | 180.68 |
| Total 6100 Office Expenses | 1,286.15 | 1,109.62 | 1,518.75 | 1,207.88 | 5,122.40 |
| 6105 Rent | 3,040.49 | 2,987.25 | 3,127.03 | 3,116.25 | 12,271.02 |
| 6200 Dues & Subscriptions | | | 324.50 | | 324.50 |
| 6300 Insurance | 1,025.01 | 1,025.01 | 1,148.71 | 857.66 | 4,056.39 |
| 6500 Marketing / Outreach | 276.73 | 328.87 | 349.74 | 1,264.97 | 2,220.31 |
| 6600 Meetings and Meals | 132.81 | | | | 132.81 |
| 6800 Payroll Expenses | | | | | 0.00 |
| 6801 Taxes | 3,829.39 | 3,354.23 | 3,913.26 | 4,010.01 | 15,106.89 |

| | Jan - Mar, 2020 | Apr - Jun, 2020 | Jul - Sep, 2020 | Oct - Dec, 2020 | Total |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| 6802 Wages | 46,038.48 | 43,846.14 | 51,153.83 | 55,638.60 | 196,677.05 |
| 6803 Work Comp & Employee Benefits | 898.43 | 737.01 | 737.01 | 737.01 | 3,109.46 |
| Company Contributions | | | | | 0.00 |
| 6807 Retirement - Company Match | 2,020.32 | 1,753.86 | 2,046.17 | 2,016.94 | 7,837.29 |
| Total Company Contributions | 2,020.32 | 1,753.86 | 2,046.17 | 2,016.94 | 7,837.29 |
| Total 6800 Payroll Expenses | 52,786.62 | 49,691.24 | 57,850.27 | 62,402.56 | 222,730.69 |
| 6900 Professional Fees | | | | | 0.00 |
| 6901 Accounting & Audit | 18,010.00 | 6,225.00 | 1,500.00 | 2,150.00 | 27,885.00 |
| 6902 Consultants | 487.50 | 300.00 | 650.00 | 1,312.50 | 2,750.00 |
| 6903 Legal Fees | 1,675.00 | 900.00 | 1,600.00 | 1,675.00 | 5,850.00 |
| Total 6900 Professional Fees | 20,172.50 | 7,425.00 | 3,750.00 | 5,137.50 | 36,485.00 |
| 6950 Taxes & Licenses | | 80.00 | | | 80.00 |
| 6960 Travel & Conferences | 1,661.80 | | | | 1,661.80 |
| Total 6000 Functional Expenses | 80,382.11 | 62,646.99 | 68,069.00 | 73,986.82 | 285,084.92 |
| 7000 Noise Assessment | | | | | 0.00 |
| 7001 Consultant | | 5,602.00 | | | 5,602.00 |
| Total 7000 Noise Assessment | | 5,602.00 | | | 5,602.00 |
| 7600 Community Grant Program | | | | | 0.00 |
| 7607 Grantees - Round 7 | | | | 209,169.00 | 209,169.00 |
| Total 7600 Community Grant Program | | | | 209,169.00 | 209,169.00 |
| 8000 Air Quality Program | | | | | 0.00 |
| 8005 AQ Consultants | 1,508.00 | 1,740.00 | 1,624.00 | 1,412.00 | 6,284.00 |
| Total 8000 Air Quality Program | 1,508.00 | 1,740.00 | 1,624.00 | 1,412.00 | 6,284.00 |
| Total Expenses | 81,890.11 | 90,488.99 | 69,693.00 | 284,567.82 | 526,639.92 |
| NET OPERATING INCOME | 175,664.89 | -88,748.99 | -68,069.00 | -73,941.82 | -55,094.92 |
| OTHER INCOME | | | | | |
| 4950 Interest and Dividends | 6.10 | 15.28 | 3.50 | 1.90 | 26.78 |
| 4950.1 PMTF - Income | | | | 21,950.06 | 21,950.06 |
| 4950.2 AQMF - Income | | | | 58,076.41 | 58,076.41 |
| Total 4950 Interest and Dividends | 6.10 | 15.28 | 3.50 | 80,028.37 | 80,053.25 |

| | Jan - Mar, 2020 | Apr - Jun, 2020 | Jul - Sep, 2020 | Oct - Dec, 2020 | Total |
|---|---------------------|----------------------|----------------------|----------------------|---------------------|
| 4955 Unrealized (Gains)/Losses | | | | | 0.00 |
| 4955.1 PMTF - Unrealized | | | | 905.28 | 905.28 |
| 4955.2 AQMF - Unrealized | | | | -14,316.19 | -14,316.19 |
| Total 4955 Unrealized (Gains)/Losses | | | | -13,410.91 | -13,410.91 |
| Total Other Income | 6.10 | 15.28 | 3.50 | 66,617.46 | 66,642.34 |
| OTHER EXPENSES | | | | | |
| Investment Mangement Fees | | | | 20,576.01 | 20,576.01 |
| Total Other Expenses | 0.00 | 0.00 | 0.00 | 20,576.01 | 20,576.01 |
| NET OTHER INCOME | 6.10 | 15.28 | 3.50 | 46,041.45 | 46,066.33 |
| NET INCOME | \$175,670.99 | \$ -88,733.71 | \$ -68,065.50 | \$ -27,900.37 | \$ -9,028.59 |

Mgmt Reports: Budget vs Actuals 2020 Approved HCBF Budget

January - December 2020

| | Actual | Budget | Total Remaining |
|---|-----------------|----------------|--------------------|
| INCOME | | | |
| 4300 Net Assets Released from Restriction | 951,888 | | -951,888 |
| 4400 Encumbered Funds | | | |
| 4401 PMTF Restricted Grants & Programs | 209,169 | | -209,169 |
| 4401.5 PMTF Released for HCBF Ops. | 222,966 | 222,966 | 0 |
| 4401.6 AQMF Released for HCBF Admin | 31,089 | 31,089 | 0 |
| 4401.8 AQMF Released for HCBF Expenses | 8,321 | 89,700 | 81,379 |
| 4402 Satisfaction of Use Restriction | -951,888 | | 951,888 |
| Total 4400 Encumbered Funds | -480,343 | 343,755 | 824,098 |
| Total Income | 471,545 | 343,755 | -127,790 |
| GROSS PROFIT | 471,545 | 343,755 | -127,790 |
| EXPENSES | | | |
| 5999 Unrestricted Grants Disbursed | | | |
| 5999.1 COVID-19 Grants | 20,500 | | -20,500 |
| Total 5999 Unrestricted Grants Disbursed | 20,500 | | -20,500 |
| 6000 Functional Expenses | | | |
| 6100 Office Expenses | | | |
| 6102 TeleCommunications and Internet | 2,910 | 3,330 | 420 |
| 6103 Software & Fees | 2,032 | 2,700 | 668 |
| 6104 Supplies | 181 | 1,050 | 869 |
| 6107 Postage and Delivery | | 100 | 100 |
| 6108 Printing | | 500 | 500 |
| Total 6100 Office Expenses | 5,122 | 7,680 | 2,558 |
| 6105 Rent | 12,271 | 12,400 | 129 |
| 6200 Dues & Subscriptions | 325 | 2,630 | 2,306 |
| 6300 Insurance | 4,056 | 4,390 | 334 |
| 6500 Marketing / Outreach | 2,220 | 4,000 | 1,780 |
| 6600 Meetings and Meals | 133 | 500 | 367 |
| 6800 Payroll Expenses | | | |
| 6801 Taxes | 15,107 | 15,840 | 733 |
| 6802 Wages | 196,677 | 198,000 | 1,323 |
| 6803 Work Comp & Employee Benefits | 3,109 | 2,475 | -634 |
| Company Contributions | | | |
| 6807 Retirement - Company Match | 7,837 | 7,800 | -37 |
| Total Company Contributions | 7,837 | 7,800 | -37 |
| Total 6800 Payroll Expenses | 222,731 | 224,115 | 1,384 |
| 6804 Staff Development | | 1,580 | 1,580 |
| 6900 Professional Fees | | | |
| 6901 Accounting & Audit | 27,885 | 29,000 | 1,115 |

| | | | Total |
|---|------------------|-------------------|-------------------|
| | Actual | Budget | Remaining |
| 6902 Consultants | 2,750 | 4,400 | 1,650 |
| 6903 Legal Fees | 5,850 | 14,600 | 8,750 |
| Total 6900 Professional Fees | 36,485 | 48,000 | 11,515 |
| 6950 Taxes & Licenses | 80 | 500 | 420 |
| 6960 Travel & Conferences | 1,662 | 8,000 | 6,338 |
| Total 6000 Functional Expenses | 285,085 | 313,795 | 28,710 |
| 7000 Noise Assessment | | | |
| 7001 Consultant | 5,602 | | -5,602 |
| Total 7000 Noise Assessment | 5,602 | | -5,602 |
| 7600 Community Grant Program | | | |
| 7607 Grantees - Round 7 | 209,169 | | -209,169 |
| Total 7600 Community Grant Program | 209,169 | | -209,169 |
| 8000 Air Quality Program | | | |
| 8002 AQ Reimbursable | | 39,700 | 39,700 |
| 8005 AQ Consultants | 6,284 | 50,000 | 43,716 |
| Total 8000 Air Quality Program | 6,284 | 89,700 | 83,416 |
| Total Expenses | 526,640 | 403,495 | -123,145 |
| NET OPERATING INCOME | -55,095 | -59,740 | -4,645 |
| OTHER INCOME | | | |
| 4950 Interest and Dividends | 27 | | -27 |
| 4950.1 PMTF - Income | 21,950 | | -21,950 |
| 4950.2 AQMF - Income | 58,076 | | -58,076 |
| Total 4950 Interest and Dividends | 80,053 | | -80,053 |
| 4955 Unrealized (Gains)/Losses | | | |
| 4955.1 PMTF - Unrealized | 905 | | -905 |
| 4955.2 AQMF - Unrealized | -14,316 | | 14,316 |
| Total 4955 Unrealized (Gains)/Losses | -13,411 | | 13,411 |
| Total Other Income | 66,642 | 0 | -66,642 |
| OTHER EXPENSES | | | |
| Investment Mangement Fees | 20,576 | | -20,576 |
| Total Other Expenses | 20,576 | 0 | -20,576 |
| NET OTHER INCOME | 46,066 | 0 | -46,066 |
| NET INCOME | \$ -9,029 | \$ -59,740 | \$ -50,711 |

Mgmt Reports:Statement of Cash Flows

January - December 2020

| | Total |
|--|--------------------|
| OPERATING ACTIVITIES | |
| Net Income | -9,029 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| 1950 Deposits and Prepaids:Prepaid Expenses | 1,493 |
| 1980 Other Accounts Receivable | 507,050 |
| 2050 Accounts Payable | 55,000 |
| 2050.1 Grants Approved - Installments Due AQMF | -316,000 |
| 2075 Accrued Expenses | -4,072 |
| 2101 Payroll Liabilities:Accrued Payroll | 2,149 |
| 2103 Payroll Liabilities:CA SUI / ETT | 34 |
| 2105 Payroll Liabilities:Federal Taxes (941/944) | 146 |
| 2110 Payroll Liabilities:Accrued Vacation | 5,174 |
| 2111 Payroll Liabilities:401k Safe Harbor | 774 |
| 2134 Payroll Liabilities:CO Income Tax | 96 |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | 251,844 |
| Net cash provided by operating activities | 242,816 |
| FINANCING ACTIVITIES | |
| 2900 PMTF - Uncommitted Funds | -432,135 |
| 3001 Transfers To/From Unrestricted Net Assets | 271,174 |
| 3702 Temporarily Restricted Net Assets:TRNA - Noise Mitigation | -10,174 |
| 3704 Temporarily Restricted Net Assets:TRNA - Community Benefit Grants | 55,000 |
| 3720 Temporarily Restricted Net Assets:TRNA - AQMF Grants | -316,000 |
| 3726 Temporarily Restricted Net Assets:TRNA - HCBF AQMF Administration | -39,410 |
| Net cash provided by financing activities | -471,545 |
| NET CASH INCREASE FOR PERIOD | -228,729 |
| Cash at beginning of period | 6,519,834 |
| CASH AT END OF PERIOD | \$6,291,104 |

Notes to the Financial Statements

BALANCE SHEET:

2050 Accounts Payable: Community Benefit Round 7 awarded \$209,169, Installment 1: \$154,169 disbursed ; Installment 2: \$55,000 to be disbursed in 2021 - subject to performance.

2050.1 Grants Approved - Installments Due AQMF: Awarded Grant \$823,050 to Effenco, approved 2019, Installment 1: \$316,000 disbursed Dec 2019; Installment 2: \$316,000 disbursed Dec 2020; remaining disbursements \$191,500 subject to performance.

2101 Accrued Payroll: Payroll processed every two weeks, timing adjustments for salary and vacation accruals to be adjusted during year-end audit.

ANNUAL BUDGET:

HCBF 2020 Operations Budget = \$313,795

FUNDING SOURCES:

PMTF = \$222,966, transferred from Restricted Account to HCBF Operations

AQMF Admin Fee = \$31,089 Internal transfer from AQMF Admin account to HCBF Operations.

Carry Forward (cash on hand) = \$59,740 **not** reported as cash income.

COVID-19 Grants = \$20,500

Funded in June, 2020 by the Board of Directors from the Unrestricted Account (NOT related to Port Activities). 7 recipients received grant awards ranging from \$2,500 to \$3,000; funding to be used in response to the pandemic.

AQMF 2020 Budget = \$89,700

4402 Satisfaction of Use Restriction \$89,700, includes AQMF Consultant and Administrative Costs forecast

BUDGET TO ACTUAL NOTES:

6800 Payroll Expenses - Delay in hiring additional staff, due to COVID-19, attributed to reduction in actual Payroll Expenses

6900 Professional Fees

Accounting - Audit and Tax prep \$21,735 to comply with Port of LA mandated requirements, Recurring Accounting Fees = \$500/mo.

Legal Fees - Brown Act compliance requires legal oversight for public meetings. Virtual meetings (shorter in duration) and canceled meetings contributed to reduction in legal fees

6960 Travel and Conferences - COVID-19 - travel cancelled

RECONCILED STATEMENTS

AQMF: Statement of Activity from California Community Foundation (CCF) received roughly 30 days after month end. **DRAFT Statements** may be issued with prior period data.

2020 Performance January through December:

| | |
|--------------------------------------|-----------------|
| Beginning Balance December 31, 2019: | \$4,351,191 |
| 2999.1 Investment Mgmt Fees | (20,576) |
| 2999.2 Dividends & Interest | 58,076 |
| 2999.3 Market Value Change | <u>(14,316)</u> |
| <i>Net Investment Gain</i> | <i>\$23,184</i> |
| Ending Balance December 31, 2020: | \$4,374,375 |

PCMTF: JPMorganChase provides real-time data, online; 2 investment accounts. Financial Statements reconciled as of period ending date.

2020 Performance January through December:

| | |
|--------------------------------------|-------------|
| Beginning Balance December 31, 2019: | \$1,899,771 |
| Disbursements for Grants | (\$209,169) |

Disbursement for Operations (\$222,966)

| | |
|-----------------------------------|-----------------|
| 2999.2 Dividends & Interest | 21,950 |
| 2999.3 Market Value Change | <u>905</u> |
| <i>Net Investment Gain</i> | <i>\$22,855</i> |
| Ending Balance December 31, 2020: | \$1,490,491 |

Operations: Bank of America real-time data; 9 separate accounts. Financial Statements reconciled as of period ending date.