



TREASURER'S Report
TACF Board Zoom Meeting (advance copy for TACF Finance Committee – 07/28/2021)
August 13, 2021

Use of Established Lines of Credit

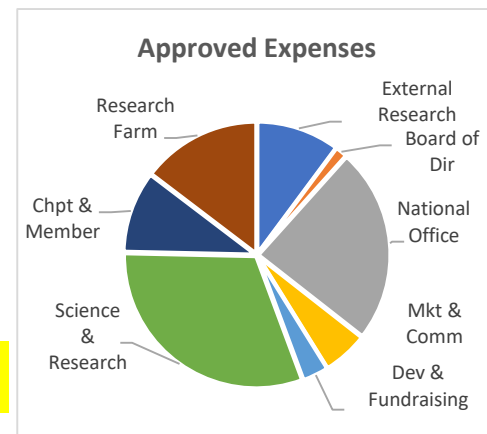
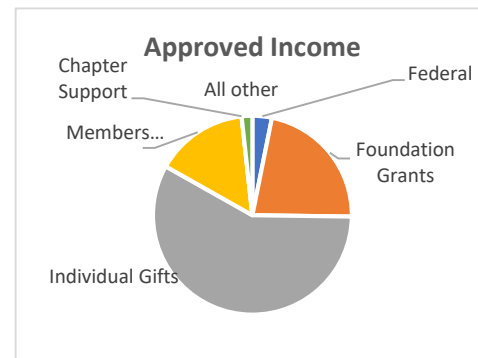
TACF has a line of credit of \$300,000 from BB&T secured by the Meadowview property. This line of credit has an interest rate of Prime and a maturity date of January 10, 2022. There is currently no outstanding balance associated with this line of credit.

We have now begun Fiscal Year 2022 (07/01/2021 to 06/30/2022)

TACF's fiscal year runs from July 1 through June 30. Income and expenses are reported on an accrual basis.

YEAREND Wrap-Up of FY 2021 TACF Budget, approved at the June 2020 TACF Board Meeting.

TACF FY 2021 Budget	APPROVED		Actual (6/30/21)	% of appv
INCOME	\$	%		
Federal Funding	75,000	3.2	75,000	100.0
Foundation Grants	523,394	22.1	1,044,401	199.6
Individual Gifts	1,375,000	57.9	1,758,291	127.9
Forgiveness of Debt (PPP loan)	0	0.0%	208,100	
Membership	358,200	15.1	473,153	132.1
**Investment Income	0	0	973,494	
All Other	41,160	1.7	52,029	126.4
Total Income	2,372,754		4,584,468	193.2
<i>** Not included in approved budget, but received to date.</i>				
EXPENSES				
External Research	249,500	10.2	351,109	140.7
Board of Directors	36,200	1.5	3,726	10.2
National Office	586,858	23.9	580,913	98.9
Marketing & Communications	136,972	5.6	104,746	76.5
Development & Fundraising	78,161	3.2	80,192	102.6
Science & Research	760,773	31.0	593,573	78.0
Chapter & Membership Services	245,205	10.0	253,181	103.3
Research Farm	359,549	14.7	333,597	92.8
Total Expenses	2,453,218		2,301,037	93.8
Net Income (Loss)	-80,464		2,283,431	



Cash Accounts

The following table summarizes TACF's cash accounts at BB&T as of **July 23, 2021** with prior year snapshot, initial-pandemic.

	Jan. 31, 2020	Apr. 30, 2020	July 23, 2021
Operations Checking	652,740	885,044	\$1,258,440
Payroll Checking	38,465	14,389	\$15,055
Interest Savings	722,135	722,170	\$722,258
Total	1,413,340	1,621,603	\$1,995,753
All Chapters Accounts*	238,365	238,365	\$253,613
Modified Total	\$1,651,704	\$1,859,968	\$2,249,366

* Merged Chapters include IN, NC/SC, OH, TN & WV

NOTE: April 30, 2020 was three days following receipt of the Payroll Protection Program funding of \$208,100.

Investments

The following table summarizes TACF's investment balances with prior period comparison as of January 21, 2020.

	Oct. 01, 2020	Jan. 12, 2021	July 26, 2021
Vanguard**	\$49,738	\$3,660,922	\$4,324,999
Merrill Lynch	<u>\$3,262,887</u>	\$0	\$0
Duke Energy (350 shares)***			\$36,558
Total	<u>\$3,312,625</u>		\$4,361,557

** 07/26/2021 **VTSAX = \$3,592,252; VBIRX = \$732,453**

*** Donated Restricted Stock

Investment Note: Paul Wingenfeld has posted all of the monthly investment activity from Merrill Lynch and Vanguard for the period July 2020 – June 2021.

- Dividend income reinvested \$125,044
- Realized loss from sale of donated stock \$2,763
- Unrealized gain in investments \$851,213
- Investment fees paid \$11,905
- Cost basis of Donated stock \$206,523

Financial Notables

Investments: As of January 12, 2021, all of TACF's investments (except for the 350 shares of Duke Energy stock) are now invested in **Vanguard accounts** – Vanguard Total Stock Market Index Fund Admiral Shares (**VTSAX**) and Vanguard Short-Term Bond Index Fund Admiral Shares (**VBIRX**). TACF received a generous stock donation of nine separate securities in late May 2021 of approximately \$200,000. These securities were transferred to our Vanguard account and subsequently sold. On July 21, as the Dow declined, Lisa Thomson prudently bought shares of VTSAX while the cost per share was down, thus maximizing our purchase power. These funds are now currently in VTSAX, leading to a total of 83 percent of TACF investments. The remaining 17 percent is in short-term bonds (VBIRX). Overall, the investment rate of return of our Vanguard accounts is **23.7 percent**, with an investment return of \$475,802.

While the **Merrill Lynch accounts** continue to exist, there are no funds in these accounts, nor are statements available. These will be completely closed in the near future.

TACF Statement of Investment Policy: The proposed Statement of Investment Policy was recommended to the TACF Board in the Spring, 2021, but short of the 30-day notice necessary for the Board to take action at the April 2021 Board meeting. With one minor correction in the example (last page), this recommended Statement of Investment Policy was provided to the full Board in early July, and posted on the TACF Board webpage for Board action at the August 13, 2021 meeting.

Update on Payroll Protection Program: TACF qualified for, and received on April 27, 2020 a federal loan through the Paycheck Protection Program (PPP) in the amount of \$208,100. BB&T is the loan originator. TACF received a notice that the PPP loan was 100% forgiven by the SBA on March 1, 2021.

Operations during Pandemic and Next Phase of Normal: TACF re-opened its Asheville office on June 1, 2021. All TACF employees are vaccinated and we have lifted our travel restrictions and have entered our "new normal" operations. However, we continue to monitor the current rise in COVID cases as well as follow all CDC and state COVID guidelines. We will continue to make any changes to our COVID protocols as deemed either necessary or required by the changing circumstances.

National TACF has recently hired four new employees. This hiring fills three vacancies that have been frozen throughout the pandemic – a donor relations manager, a communications assistant and the southern regional science coordinator (RSC); as well as created a new position at the Meadowview Research farm titled director of research. The majority of these positions had a start date of June 1, 2021.

Fiscal Year 2020 Tax Filing and External Audit

TACF's 2019-2020 Form 990 was filed on January 13, 2021. The external audit was completed and submitted to TACF on October 19, 2020, indicating TACF financial statements were in accordance with generally accepted accounting principles. Financial information for both, and the TACF annual report can be found at: <https://www.acf.org/about-us/financials/>

The audit for the fiscal year ended June 30, 2021 is scheduled to start on August 30, 2021.