

Terwilliger Plaza

Foundation

2007

ANNUAL

REPORT



Terwilliger Plaza Foundation, Inc. and TPF Holdings, LLC

To: Terwilliger Plaza Members, families and other interested stakeholders

This is Terwilliger Plaza Foundation's first official annual report. In the past, we have offered a year-end Statement of Activities and Balance Sheets for both the Foundation and the Lesta Hoel Memorial Trust Fund. At the end of 2006, the Foundation Board of Directors voted to engage an independent accounting firm to audit the Foundation's financials. This was performed again at the end of 2007, and we can now provide an overview of the audited financials.

In addition, we offer the unaudited financials for the Lesta Hoel Memorial Trust Fund in this report. If you have any questions, or would like to see the full financial audit, please contact the Foundation office.

History

Terwilliger Plaza Foundation, Inc. is a 501(c)3 not-for-profit organization that supports Terwilliger Plaza, Inc. It is governed by its own board of directors and bylaws, which were established in 1991. The first Foundation Executive Director was hired in 1995, with a board goal to raise \$1,000,000 for the Lesta Hoel Memorial Trust Fund by 2000. This was accomplished in late 1999. The first Sentimental Journey fundraising event was held in 1996, and in 1997 the first Endowment was established at Oregon Community Foundation. The Plaza began issuing Charitable Gift Annuities in 1994 with the Foundation as beneficiary. The Foundation achieved another goal in 2006, when it reached total assets of \$1,000,000.

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.

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 consist of both those who live here and outside interested individuals. The board is led by a President, Vice President, Treasurer and a Secretary, along with the other Directors. They review and approve grant requests from the Plaza Board and management team. They develop and assist with fundraising efforts. They review the financials and determine policies specific to the Foundation's purpose.

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

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 decision.

Cornerstone Club Members:

Anonymous	Chuck Lutton
Bob Burdick	Pat Mahone
Jean Cory	Bob McGill
Guin Hall	Brad Mersereau
Sally Hart	Phyllis Pratt
Ruth Hayward	Bill & Polly Spofford
Flo Heim	Douglas Strain
Joyce Hulse	Robert Swanson
Jane Kilkenny	Mary Vance
Betty Lindsay	

Honoring the Memory of our Cornerstone Club Members:

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

Metcalf Health Center Makeover Project

Terwilliger Plaza budgeted for a \$600,000 renovation of the residential care and health center. Of that, the Foundation Board approved a grant for \$225,000, plus an additional \$5,000 for artwork.

Special thanks to those members and friends who supported this project with their individual and memorial gifts, bequests and attendance at the past three years' fundraising events.



Before



After

Terwilliger Plaza Foundation, Inc. and TPF Holdings, LLC

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

Terwilliger Plaza Foundation conducted its first financial audit by an independent accounting firm as of year-end 2006. A second audit was made at year-end 2007. This audited statement of financial position is for Terwilliger Plaza Foundation and Terwilliger Plaza Foundation Holdings only.

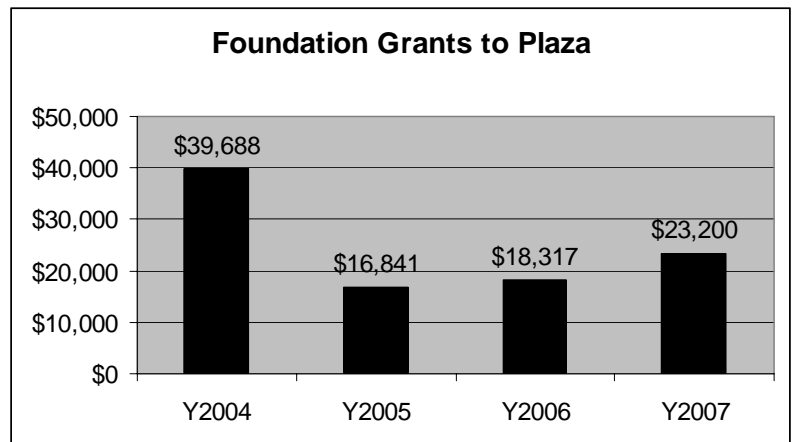
Terwilliger Plaza Foundation engaged Hansen, Hunter & Company, P.C., a Portland Certified Public Accounting firm to perform the two year audit. They issued an unqualified or "clean" opinion for both 2006 and 2007. A full copy of the audit is available upon request.

Audited Consolidated Statements of Financial Position Year Ended December 31, 2007 and 2006

	2007	2006
ASSETS		
Cash and cash equivalents	\$124,415	\$100,199
Interest Receivable	3,169	2,451
Gift annuities receivable	146,747	163,329
Assets held by the Oregon Community Foundation	604,176	548,457
Assets whose use is limited - program donations	327,771	312,070
Asset whose use is limited - land donation	5,048,284	5,006,725
TOTAL ASSETS:	\$6,254,562	\$6,133,231
LIABILITIES		
Accounts Payable	\$36,115	\$8,568
Member life care liability	150,476	200,379
Total Liabilities:	186,591	208,947
NET ASSETS		
Unrestricted	374,181	318,812
Temporarily Restricted	5,388,496	5,302,118
Permanently Restricted	305,294	303,354
Total Net Assets:	6,067,971	5,924,284
TOTAL LIABILITIES AND NET ASSETS:	\$6,254,562	\$6,133,231

Terwilliger Plaza Foundation's Board of Directors reviews and approves grant requests received from Terwilliger Plaza, Inc. These requests must meet criteria that reflects the mission of the Foundation's purpose, as well as the parameters of the various restricted funds.

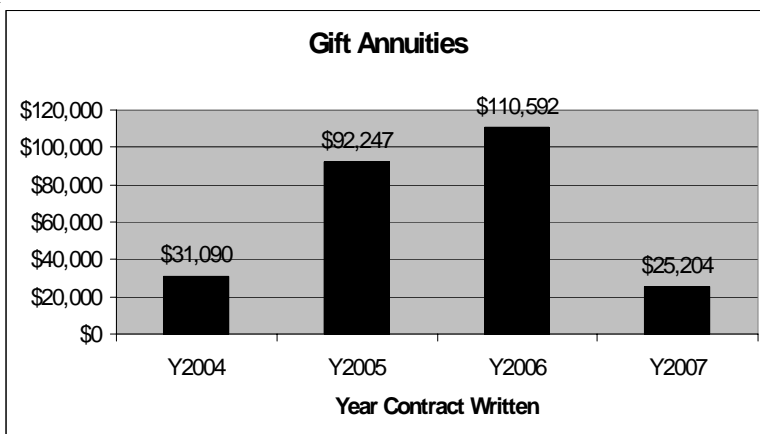
In 2007, there were four grants approved totalling \$23,200. They included an ice maker for the Deli/Grocery store; three Wii Interactive Gaming Systems; mobility walker skis, and 80 pieces of artwork for the four floors of The Terrace.



Terwilliger Plaza Foundation, Inc. and TPF Holdings, LLC

Audited Statement of Activities and Changes in Net Assets Year Ended December 31, 2007 and 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	December 31, 2007	December 31, 2006
Revenues and Gains:					
Contributions	\$70,646	\$14,538	\$625	\$85,809	\$148,420
Land Gift	-	-	-	-	4,799,621
Investment Income, (Includes Unrealized Gains)	10,376	32,143	-	42,519	38,596
Investment Income, Endowment Fund	-	47,192	-	47,192	40,943
Thrift Shop Income	18,561	-	-	18,561	18,050
Special Event Income	-	31,300	-	31,300	27,876
Change in valuation of gift annuities	2,369	(1,469)	1,315	2,215	-3,773
TOTAL REVENUES & GAINS	101,952	123,704	1,940	227,596	5,069,733
Net Assets Released from Restrictions:					
Total net assets released from restrictions	27,981	(27,981)	-	-	-
Total revenues, gains and support	129,933	95,723	1,940	227,596	5,069,733
Expenses:					
Grant Awards	67,283	-	-	67,283	21,483
Office expenses	7,281	-	-	7,281	264
Special event expenses	-	9,345	-	9,345	10,615
Total Expenses	74,564	9,345	-	83,909	32,362
Increase in Net Assets	55,369	86,378	1,940	143,687	5,037,371
Net Assets, Beginning of Year	318,812	5,302,118	303,354	5,924,284	886,913
Net Assets, End of Year	\$374,181	\$5,388,496	\$305,294	\$6,067,971	\$5,924,284



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

In 2007, two annuities were established totalling \$25,204.

Six annuities matured in 2007, providing income of \$5,705 to the Lesta Hoel Fund; \$9,250 to the TPF Endowment Fund, and \$24,467 to the Foundation's unrestricted fund.

Lesta Hoel Memorial Trust Fund

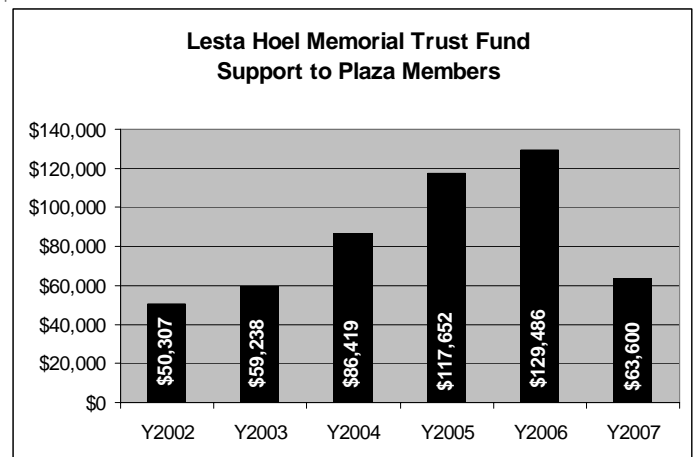
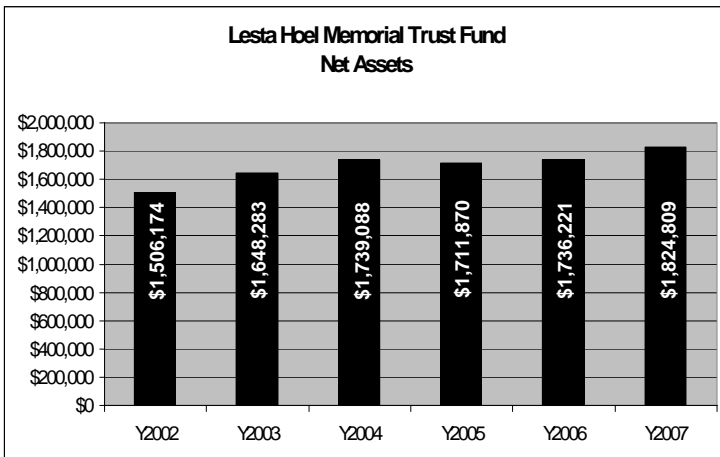
To: Terwilliger Plaza Members, Stakeholders and all other interested parties

Lesta Hoel Memorial Trust Fund (LHMTF) is its own 501(c)3 corporation supporting Terwilliger Plaza, Inc. The LHMTF is managed by a Board of Trustees designated as the 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 the Foundation's responsibility to fundraise 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 is a summary of the 2007 and 2006 unaudited financial statements.

Unaudited Balance Sheet

	Total as of December 31, 2007	Total as of December 31, 2006
Assets		
Cash and Cash Equivalents	\$49,221	\$28,443
Accounts Receivable	75	160
Due from Terwilliger Plaza / Gift Annuities	15,124	19,630
Investments		
Endowment Account (Not at OCF)	1,027,839	1,016,848
Endowment Account (Oregon Community Foundation)	732,550	671,140
TOTAL ASSETS:	\$1,824,809	\$1,736,221
Liabilities		
Accounts Payable	\$ 0	\$ 0
Total Liabilities	0	0
NET ASSETS		
Unrestricted	\$ 0	0
Temporarily Restricted	314,957	229,287
Permanently Restricted	1,509,852	1,506,934
Total Net Assets	1,824,809	1,736,221
TOTAL LIABILITIES AND NET ASSETS:	\$1,824,809	\$1,736,221



Lesta Hoel Memorial Trust Fund

The Lesta Hoel Memorial Trust Fund has \$1,824,809 in net assets as of December 31, 2007. \$314,957 is accumulated earnings (including unrealized gains and losses) and \$1,509,852 is donor restricted corpus. The LHMTF currently has adequate accumulated earnings to meet the current and future projected need for member assistance based on the current member assistance policy.

At the end of December 2007, a charitable gift annuity matured. It was established in June 2001 and was donor designated to benefit the LHMTF. The Fund received \$5,705 from this planned gift.

In 2007, contributions to the Fund totaled \$1,647, and the interest and dividend income was \$74,562. Realized gains were \$25,111 and unrealized gains on investments totaled \$55,392.

A total of \$63,600 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, 2007, there were two Plaza members supported by the LHMTF, and throughout the entire year, a total of four members benefited from this Fund.

Unaudited Statement of Activities and Changes in Net Assets

	Temporarily Restricted	Permanently Restricted	Year Ended December 31, 2007	Year Ended December 31, 2006
Revenues, Gains and Other Support				
Contributions & Bequests	-	\$1,647	\$1,647	\$715
Gift Annuities-current year present value adjustments	-	1,271	1,271	-
Interest & Dividend Income on long-term investments	\$74,562	-	74,562	73,154
Less: OCF Investment Fees	(5,625)	-	(5,625)	(4,892)
Realized gains(losses) on investments	25,111	-	25,111	36,547
Unrealized gains(losses) on investments	55,392	-	55,392	28,839
Total Revenues, Gains and Other Support:	149,440	2,918	152,358	134,363
Expenses and Losses				
Subsidy paid to Terwilliger Plaza for benefit of Plaza Members	63,600	-	\$63,600	129,486
Administrative Expenses	170	-	170	156
Total Expenses and Losses:	63,770	-	63,770	129,642
Change in Net Assets	85,670	2,918	\$88,588	4,721
Net Assets Beginning of Year	229,287	1,506,934	1,736,221	1,731,500
Net Assets End of Year	\$314,957	\$ 1,509,852	\$1,824,809	\$1,736,221

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 you to build the corpus so that the Foundation Board can distribute from the accumulated earnings based on the purpose of that endowment. We never use the corpus of any endowment, of which most are held at Oregon Community Foundation for investment purposes.

Terwilliger Plaza Endowment Fund was originally created in memory of a former member, Inez Martin. This fund is invested in perpetuity, and the earnings are used to respond to grant requests from the Plaza that enhance the quality of life of 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 Terwilliger Plaza Foundation.

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

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

The **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 residents.

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 is managed through the Board of Trustees, which are the members of the Plaza Board of Directors.

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.

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