



Sonnenberg & Company, CPAs

A Professional Corporation

5190 Governor Drive, Suite 201, San Diego, California 92122

Phone: (858) 457-5252 • (800) 464-4HOA • Fax: (858) 457-2211 • (800) 303-4FAX



Leonard C. Sonnenberg, CPA

November 14, 2019

James Bonner
The Committee of One Hundred
3450 2nd Avenue, #32
San Diego, CA 92103

Transmittal Letter

Dear James:

Enclosed is a copy of the reviewed financial statements, 990EZ and CA199. Please give us a call if you have any questions. We look forward to providing continued services in future years.

Very truly yours,

Sonnenberg & Company, CPAs



Sonnenberg & Company, CPAs

A Professional Corporation

5190 Governor Drive, Suite 201, San Diego, California 92122

Phone: (858) 457-5252 • (800) 464-4HOA • Fax: (858) 457-2211 • (800) 303-4FAX



Leonard C. Sonnenberg, CPA

THE COMMITTEE OF ONE HUNDRED Reviewed Financial Statements December 31, 2018

TABLE OF CONTENTS

	Page No.
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to the Financial Statements	6-12



Sonnenberg & Company, CPAs

A Professional Corporation

5190 Governor Drive, Suite 201, San Diego, California 92122

Phone: (858) 457-5252 • (800) 464-4HOA • Fax: (858) 457-2211 • (800) 303-4FAX



Leonard C. Sonnenberg, CPA

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
The Committee of One Hundred

We have reviewed the accompanying financial statements of The Committee of One Hundred (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expense and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

November 13, 2019


Sonnenberg & Company, CPAs

The Committee of One Hundred

Statement of Financial Position

December 31, 2018

ASSETS:

Cash and cash equivalents	\$ 253,953
Certificate of Deposits	53,966
Endowment fund - The San Diego Foundation	12,154
Prepaid expenses and deposits	<u>675</u>
TOTAL ASSETS	<u>\$ 320,748</u>

LIABILITIES:

Accrued liabilities	\$ 200
Deferred revenue	<u>3,001</u>
TOTAL LIABILITIES	<u>3,201</u>

NET ASSETS:

Without Donor Restrictions	241,396
With Donor Restrictions	<u>76,151</u>
TOTAL NET ASSETS	<u>317,547</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 320,748</u>

See accompanying notes and independent accountant's review report

The Committee of One Hundred
Statement of Activities
For the Year Ended December 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE:			
Contributions	\$ 34,178	\$ 113,516	\$ 147,694
Membership	16,035		16,035
Events	11,720		11,720
Realized/Unrealized loss	(2,115)		(2,115)
Interest income	695		695
Miscellaneous income	-		-
Released from restriction	71,439	(71,439)	-
TOTAL REVENUE	<u>131,952</u>	<u>42,077</u>	<u>174,029</u>
EXPENSES:			
PROGRAM SERVICES:			
Projects	65,856	-	65,856
TOTAL PROGRAM SERVICES	<u>65,856</u>	<u>-</u>	<u>65,856</u>
SUPPORT SERVICES:			
Management and general	16,535		16,535
Fundraising	991	-	991
TOTAL SUPPORT SERVICES	<u>17,526</u>	<u>-</u>	<u>17,526</u>
TOTAL EXPENSES	<u>83,382</u>	<u>-</u>	<u>83,382</u>
CHANGE IN NET ASSETS	48,570		90,647
NET ASSETS			
AT BEGINNING OF YEAR	<u>192,826</u>	<u>34,074</u>	<u>226,900</u>
AT END OF YEAR	<u>\$ 241,396</u>	<u>\$ 76,151</u>	<u>\$ 317,547</u>

See accompanying notes and independent accountant's review report

The Committee of One Hundred

Statement of Functional Expense For the Year Ended December 31, 2018

	<u>Program</u> <u>Services</u>	<u>Management</u> <u>& General</u>	<u>Fundraising</u>	<u>Total</u> <u>Expenses</u>
Accounting services	\$	\$ 900	\$	\$ 900
Advertising and promotion	100	100	100	300
Auto Museum Mural	47,365			47,365
Digital archive	739			739
Event- annual meeting	7,058			7,058
Event- holiday luncheon	1,760			1,760
Insurance	3,393	3,393		6,786
Management Services		1,100		1,100
Miscellaneous		406		406
Office		4,625		4,625
Palisades	3,392			3,392
Printing and postage - Newsletter	98			98
Printing and postage - Other	892	891	891	2,674
Rent and utilities		5,120		5,120
Supplies	<u>1,059</u>			<u>1,059</u>
Total Expenses	<u>\$ 65,856</u>	<u>\$ 16,535</u>	<u>\$ 991</u>	<u>\$ 83,382</u>

See accompanying notes and independent accountant's review report

The Committee of One Hundred
Statement of Cash Flows
For the Year Ended December 31, 2018

CHANGE IN NET ASSETS		\$ 90,647
CASH FLOWS FROM OPERATING ACTIVITIES:		
Adjustments to reconcile Change in Net Assets to net cash provided (used) by operations:		
Unrealized (gain) loss on investments		2,115
Decrease (increase) in:		
Prepaid expense and deposits		1,129
Increase (decrease) in:		
Accounts payable		200
Deferred revenue		<u>(10,000)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		<u>84,091</u>
NET CHANGE IN CASH		84,091
CASH AT BEGINNING OF YEAR		<u>169,862</u>
CASH AT END OF YEAR		<u><u>\$ 253,953</u></u>

See accompanying notes and independent accountant's review report

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 1 - Nature of Activities:

Nature of Activities

The Committee of One Hundred (“The Committee”) is a not-for-profit organization incorporated on July 12, 1967 in California. The legal name in the articles of incorporation is: The Committee of One Hundred for the Preservation of Spanish Colonial Architecture in Balboa Park.

The Committee of One Hundred is governed by a volunteer Board of Directors and its purpose is to assist in the restoration and the promotion of public awareness for the preservation of Spanish Colonial Architecture in public buildings in Balboa Park, San Diego, California.

Income Taxes

The Committee of One Hundred is a private not-for-profit corporation organized under the laws of the State of California. As a Section 501(c)(3) organization, it is exempt from income taxes on the basis that it qualifies for exemption under section 501(a) of the Internal Revenue Code, and Section 23701(d) of the State Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Note 2 - Summary of Significant Accounting Policies:

Basis of Accounting

The financial statements are presented on the accrual basis, in accordance with U.S. generally accepted accounting principles. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, resulting in related receivables and payables.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued):

Financial Statement Presentation (continued)

The Committee reports contributions restricted by donors as increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Committee had net assets with donor restrictions of \$76,151 at December 31, 2018.

Inventories

Inventories consisting of ornaments are stated at the lower of cost or market determined by the first in, first out method.

Equipment

Equipment is carried at cost or, if donated, at the approximate fair market value at date of donation. The Committee capitalizes expenditures for equipment in excess of \$5,000. Depreciation is calculated on the straight-line method over the useful lives of the assets.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contracts and Deferred Revenue

The policy of The Committee is to recognize revenue from all contracts and events to the extent of eligible costs incurred up to an amount not to exceed the total contract authorized. Contract or event advances result from revenue received from contracts or events that are applicable to the subsequent period.

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued):

Fair Value Measurements

The Committee defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is established that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices in similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the assets or liability.

Level 3: Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining that fair value assigned to such assets or liabilities.

The fair values of beneficial interests in perpetual trusts are determined by the Committee using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets and are based on the fair values of trust investments as reported by the trustees. The fair value of the Committee's beneficial interest in assets held by the San Diego Foundation is based on the fair value of fund investments as reported by the San Diego Foundation. This is considered to be a Level 3 measurement.

Adoption of New Accounting Pronouncement

The USRF adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 - Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 3 - Volunteer Services:

During the year ended December 31, 2018, The Committee of One Hundred received approximately 2000 volunteer hours, which is the equivalent of a full-time employee. However, because these services do not meet all criteria established by GAAP for recording in the financial statements, the value of such contributed services has not been recorded.

Note 4 - Cash and Cash Equivalents:

Cash equivalents consist primarily of certificates of deposits and other securities with original maturities of 90 days or less. The Committee has the following cash and cash equivalents at December 31, 2018:

Checking - California Bank and Trust	\$ 185,897
Checking - US Bank	40,206
Money Market - California Bank and Trust	26,039
Money Market -LPL Financial	1,312
Paypal	499
Total Bank Balances	\$ 253,953

Note 5 – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial assets at year end:	
Cash and cash equivalents	\$ 253,953
Certificates of deposit	53,966
Total financial assets	307,919
Less amounts not available to be used for general expenses:	
Restricted by donors for Auto Mural Project	(66,151)
Financial assets available to meet general expenditures within one year	\$ 241,768

The Committee receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. The Committee must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year.

As part of the Committee’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Committee invests cash in excess of daily requirements in certificates of deposit.

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 6 – Net Assets With Donor Restrictions:

As of December 31, 2018, net assets with donor restrictions are restricted for the following purposes or periods:

Subject to expenditure for specific purpose:

Auto Mural Project	\$	66,151
--------------------	----	--------

Endowments

Subject to SDF endowment spending policy and appropriation:

Preservation of Spanish Colonial Architecture in Balboa Park		10,000
	\$	<u>76,151</u>

Net assets totaling \$71,439 were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors for the year ended December 31, 2018.

Note 7 – Beneficial Interest in Endowment Fund:

The Committee has a beneficial interest in an endowment fund held at The San Diego Foundation (the Foundation). The Committee's Endowment Fund (the Fund) was created in 1998 with a \$5,000 donation from the Gayle and Enrico Gross Fund at the San Diego Foundation. In 1999, the Organization irrevocably transferred an additional \$5,000 to the Fund.

The Foundation may receive additional irrevocable gifts of property acceptable to the Foundation from time to time from the Committee and other source to be added to the Funds. In conformance with the agreement with the Foundation, there is no requirement that earnings be distributed each year; earnings may be accumulated. The earnings allocated by the Foundation to the Fund are distributed exclusively to cover costs associated with preservation of Spanish Colonial architecture in Balboa Park and similar programs. On December 31, 2018, the balance at San Diego Foundation was \$12,154 of which \$280 is distributable.

The activity in the beneficial interest in endowment funds consisted of the following for the year ended December 31:

	<u>Fund</u>	<u>IC Fund</u>	<u>Total</u>
The San Diego Foundation - January 1, 2018	\$ 5,992	\$ 7,227	\$ 13,219
Contributions	-	-	-
Earnings (Net)	(328)	(395)	(723)
Grant/Distribution	(282)	(340)	(622)
Distributable	127	153	280
The San Diego Foundation - December 31, 2018	<u>\$ 5,509</u>	<u>\$ 6,645</u>	<u>\$ 12,154</u>

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 7 – Beneficial Interest in Endowment Fund (continued):

The beneficial interest in endowment fund is held by the San Diego Foundation (the Foundation) and managed in accordance with UPMIFA. The investment objectives are to support the preservation of Spanish Colonial architecture in Balboa Park. However, from time to time, the fair value of the assets in the endowment fund may fall below the level that the original value of gifts donated to the fund. The Committee defines net assets with donor restrictions held by the Foundation as:

1. The original value of gifts donated to the fund
2. The original value of the Organization funds transferred to the fund
3. The original value of subsequent gifts donated to the fund
4. Investment income and realized and unrealized gains and losses on investments
5. Distributions from the fund in accordance with the spending policy

The Foundation has adopted investment and spending policies for endowment funds that:

1. Protect the invested assets
2. Preserve spending capacity of the fund income
3. maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a moderate level
4. Comply with applicable laws

The Foundation endowment funds are invested in the Balanced Pool. The Foundation’s spending policy is to disburse interest and/or dividend on a semi-annual basis, based on upon endowment principal market value. If the market value of the Endowment Principal of any fund, at the end of each month, is less than the initial value of all contributions made to the Endowment Principal, then distributions will be limited to interest and dividends received.

Changes in Endowment Net Assets for the year ended December 31, 2018:

Balance, Beginning of Year	\$ 13,219
Contributions	-
Investment gain/(loss)	(723)
Grant/Distribution	(622)
Distributable Allocations	280
Total Endowment Net Assets, End of Year	<u>\$ 12,154</u>
Original Donor Restricted Gift	<u>\$ 10,000</u>

Earnings on the Endowment are considered net assets without donor restrictions and are to be used in line with the Committee’s mission and purpose. Therefore, the total of \$10,000 in irrevocable gifts is listed as net assets with donor restrictions and any additional value or earnings are considered net assets without donor restrictions.

The Committee of One Hundred
Notes to Financial Statements
December 31, 2018

Note 8 – Related Party Transactions:

The Treasurer provides volunteer bookkeeping services to the Committee. The Treasurer also provides paid bookkeeping services to a company owned by another Board member.

Note 9 – Management’s Review:

Management has evaluated subsequent events through November 13, 2019, the date the financial statements were available to be issued. Management is not aware of any such subsequent events that would require adjustment to, or disclosure in, the financial statements.