REGULAR BOARD MEETING

March 9, 2023 – 8:00 A.M. Acorn Room
2100 Thousand Oaks Blvd, Thousand Oaks, CA 91362

You may participate in the meeting by submitting your comments via electronic comment card. Please submit your written comment by 7:00 a.m. on the day of the meeting and it will be provided to Board members before the meeting and made part of the item’s record of the Board meeting. All comments received after 7:00 a.m. will be given to Board members after the meeting and made part of the item’s record of the Board meeting.

If you would like to speak under Public Comments during this meeting, please click on the Zoom link below. If you have questions about speaking, please call Jonathan Serret at (805) 449-2767 or email JSerret@toaks.org. Persons addressing TOArts are requested to state their name and community of residence for the record.

To join the Zoom Meeting, click on the following link:
https://us06web.zoom.us/j/8490770722?pwd=SjVldXQ2UzNkQUdPY2Q5QkhtdHJldz09
or Call: (408) 638-0968
Meeting ID 849 077 0722 Passcode: toarts

MISSION STATEMENT
TOArts enriches lives and strengthens the fabric of the community through arts education and the presentation and support of visual and performing arts at the Bank of America Performing Arts Center and beyond.

VISION
Where the Arts Thrive for All

Any public documents provided to a majority of TOArts Board Directors regarding any item on this agenda will be made available for public inspection at the Cultural Affairs Department Administration Office located at 2100 Thousand Oaks Blvd., Thousand Oaks, California 91362 during normal business hours. In addition, such writing and documents will be posted on the TOArts website at www.toarts.org. Americans with Disabilities Act (ADA): In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or other services in conjunction with this meeting, please contact the Cultural Affairs Department at 805-449-2700. Upon request, the agenda and documents in this agenda packet, can be made available in appropriate alternative formats to persons with a disability. Notification at least 48 hours prior to the meeting or time when services are needed will assist City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.
AGENDA

1) CALL TO ORDER

2) ROLL CALL: Chair David Mead, Vice-Chair Eloise Cohen, Treasurer Al Lowe, Secretary Janet Scherr, Board Directors John Bradley, Kathy Jeffers-Volk, Leanne Neilson, Kyle Rohrbach, Elibet Valencia Muñoz, and Sean Rendineo

3) PUBLIC COMMENTS

4) MINUTES
   a) Approve minutes of regular TOArts Board meeting on January 12, 2023
   b) Approve minutes of Special TOArts Board Meeting on February 11, 2023

5) BOARD BUSINESS
   a) FINANCE
      i) Accept and File Audited Financial Statement as presented by auditor
      ii) Monthly financial update
      iii) Budget forecast update
      iv) Divestiture Task Force update
   b) COMMITTEES
      i) Arts Education Committee – update
      ii) DEI Committee – update
   c) ADMINISTRATION
      i) Adopt TOArts travel policy
      ii) Extend fiscal sponsorship of Young Artist Ensemble for another year
      iii) Half year accomplishments update
   d) DEVELOPMENT
      i) Development Activities – Update
      ii) Campaign update
   e) PROGRAMMING
      i) TOArts Presents ticket sales - Update
      ii) TOArts Presents programming – Update

6) BOARD CALENDAR
   a) Additions or revisions to the calendar

7) OTHER BUSINESS

8) BOARD MEMBER COMMENTS

9) STAFF COMMENTS

10) REVIEW AGENDA FOR NEXT MEETING – Regular board meeting April 13, 2023

11) ADJOURNMENT
REGULAR BOARD MEETING MINUTES

Thursday, January 12, 2023– 8:00 A.M.
Zoom

Pursuant to Assembly Bill 361, the January 12, 2023, regular meeting of the TOArts Board was conducted via video conference / teleconference. Board members participated electronically and were not present in person.

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VISION

Where the Arts Thrive for All

ACTION MINUTES

1) CALL TO ORDER: 8:04 AM

2) ROLL CALL: Chair David Mead, Secretary Janet Scherr, Treasurer Al Lowe, Board Directors Kyle Rohrbach. Board Directors John Bradley, Kathy Jeffers-Volk, Elibet Valencia Muñoz, and Sean Rendineo. Absent: Vice Chair Eloise Cohen

   Staff present: Jaime Boscarino, Tracy Friedl, Blanca Gomez, Niki Richardson, and Jonathan Serret.

3) PUBLIC COMMENTS - None

4) MINUTES
   a) Board reviewed the minutes from the December 14, 2022 regular Board meeting

      MOTION: Jeffers-Volk made a motion to approve the minutes, seconded by Neilson; approved 8-0. (Chair Mead absent)

5) BOARD BUSINESS
   a) FINANCE
      i) Monthly Finance Update – Treasurer Lowe provided an overview of the January finance report and investment positions.
ii) Divestiture Task Force Update – Associate Director provided an update on the Divestiture Task Force

b) COMMITTEES
   i) Arts Education Committee – Associate Director provided a brief update on AccessArts.
   ii) DEI Committee – Directors Neilson and Rohrbach gave an update about the next steps for the DEI committee.
   iii) Committee overview – confirm board membership on various committees as provided in the Board packet.
       **MOTION:** Neilson made a motion to confirm the board membership on the various committees, seconded by Bradley; approved 8-0. (Chair Mead absent)

c) ADMINISTRATION
   i) Approve temporary modifications to the Brown Act, from January 1, 2023, and extending through February 28, 2023, in accordance with Assembly Bill 361 and Government Code section 54953(e), authorizing remote teleconference meetings of TOArts.
       **MOTION:** Jeffers-Volk made a motion to approve the temporary modifications to the Brown Act, seconded by Neilson; approved 8-0. (Chair Mead absent)

ii) Adopt updated mission statement
       **MOTION:** Rendineo made a motion to adopt the updated mission, seconded by Neilson; approved 8-0. (Chair Mead absent)

iii) Adopt TOArts travel policy – special task force of directors Lowe, Bradley and Rohrbach was created to review travel policy and bring it back to the board for a vote at the March meeting.

iv) Review existing memorandum of understanding with the City of Thousand Oaks and consider and discuss changes.
    It was decided that the MOU changes would be circulated to the Board to review independently and provide feedback. All these changes would be incorporated into a redlined version of the current MOU and presented at a future board meeting for adoption.

d) DEVELOPMENT
   i) Development Activities – Associate Director provided an update on fiscal year to date development activities.

e) PROGRAMMING
   i) TOArts Presents ticket sales – Executive Director provided an update on TOArts Presents ticket sales and upcoming programming.

6) BOARD CALENDAR
   a) Additions or revisions to the calendar.
   b) Discussion about 2023 calendar and dates to meet in person – given the Brown Act modifications are being revoked at the end of February, there was no reason
to discuss this, since all future board meetings have to be in person effective March 2023.

7) OTHER BUSINESS

8) BOARD MEMBER COMMENTS – Discussion regarding upcoming controversial theatre events. No action taken.

9) EXECUTIVE DIRECTOR COMMENTS

10) REVIEW AGENDA FOR NEXT MEETING - Next special board meeting is scheduled for 9:00am; February 11, 2022, in person at the Miramar Hotel, Montecito.

11) ADJOURNMENT - The meeting was adjourned at 9:41am.
SPECIAL BOARD MEETING MINUTES

Saturday, February 11, 9:00 A.M.
Rosewood Miramar

MISSION STATEMENT

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VISION

Where the Arts Thrive for All

ACTION MINUTES

1) CALL TO ORDER: 9:15 AM

2) ROLL CALL: Chair David Mead, Secretary Janet Scherr, Treasurer Al Lowe, Board Directors John Bradley, Kathy Jeffers-Volk, Elibet Valencia Muñoz, and Sean Rendineo. Absent: Vice Chair Eloise Cohen, board member Kyle Rohrbach Guest: Marcy Heim

Staff present: Jonathan Serret, Ethan Craig and Niki Richardson

3) PUBLIC COMMENTS - None

4) BOARD BUSINESS

a) FINANCE

i) Monthly Finance Update – Treasurer Lowe provided an overview of the November finance report and investment positions.

5) BOARD RETREAT/DISCUSSION

The Artful Asker, Marcy Heim lead the board through a training on major gifts, components of a campaign and the cycle of fundraising and the role board members play.

6. ADJOURN: 4:15 PM
January 5, 2023

To the Board of Directors

Thousand Oaks Alliance for the Arts

Thousand Oaks, California

We have audited the financial statements of Thousand Oaks Alliance for the Arts (the Organization) as of and for the year ended June 30, 2022, and have issued our report thereon dated January 5, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 9, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Organization solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.
Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the possibility of the following significant risks during our audit:

Management’s override of internal controls over financial reporting – Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition – Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the Organization’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Organization is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the current year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.
The most sensitive estimates affecting the financial statements are:

Management’s estimate of depreciation expense is based on the useful lives of acquired assets. We evaluated the key factors and assumptions used to develop depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the financial statements are:

The disclosure of capital assets, net, in the notes to the basic financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. We have identified no such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Organization’s financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached management representation letter dated January 5, 2023.
Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Organization, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the Organization, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Organization’s auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial included in the Organization’s audited financial statements does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Directors, and management of the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Rogers, Anderson, Maloney & Scott, LLP

San Bernardino, California
January 5, 2023
January 5, 2023

Rogers, Anderson, Malody & Scott, LLP
735 E. Carnegie Drive, Suite 100
San Bernardino, California 92408

This representation letter is provided in connection with your audit of the financial statements of Thousand Oaks Alliance for the Arts (the Organization), which comprise the statement of financial position as of June 30, 2022, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of January 5, 2023.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 9, 2022, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- We have complied with all contractual agreements, grants, and donor restrictions.
- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
- We have accurately presented the entity’s position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.
We have included in the financial statements all assets and liabilities under the entity’s control.
We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
Reclassifications between net asset classes are proper.
The governing board’s interpretations concerning whether laws place restrictions on net appreciation of donor-restricted endowments are reasonable and have been disclosed to you.
Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.
We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed.
With respect to the preparation of financial statements you provided, we have performed the following:
- Made all management decisions and performed all management functions;
- Assigned a competent individual to oversee the services;
- Evaluated the adequacy of the services performed;
- Evaluated and accepted responsibility for the result of the service performed; and
- Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity’s ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management’s plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others when the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.
• We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
• There have been no changes or updates to legal information disclosed to you by our attorney(s) since the date of such legal response and now.
• We have disclosed to you the identity of the entity’s related parties and all the related party relationships and transactions of which we are aware.

Signature: [Signature]

Title: Finance Director
THOUSAND OAKS ALLIANCE FOR THE ARTS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2022
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Financial Statements

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Independent Auditors' Report

The Board of Directors of
Thousand Oaks Alliance for the Arts
Thousand Oaks, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Thousand Oaks Alliance for the Arts (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Thousand Oaks Alliance for the Arts as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization’s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization’s ability to continue as a going concern for a reasonable period-of-time.
Report on Summarized Comparative Information

We have previously audited the Organization’s 2021 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated March 28, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

San Bernardino, California
January 5, 2023
FINANCIAL STATEMENTS
Thousand Oaks Alliance For The Arts

Statements of Financial Position
June 30, 2022
(With Summarized Financial Information for June 30, 2021)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$546,510</td>
<td>$621,439</td>
</tr>
<tr>
<td>Contributions receivable (Note 3)</td>
<td>125,390</td>
<td>79,073</td>
</tr>
<tr>
<td>Deposits</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Cash value of life insurance (Note 6)</td>
<td>76,287</td>
<td>75,447</td>
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<td>Charitable remainder trust (Note 5)</td>
<td>371,292</td>
<td>365,897</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>1,144,479</strong></td>
<td><strong>1,166,856</strong></td>
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<tr>
<td><strong>Noncurrent assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions receivable, net of current portion (Note 3)</td>
<td>259,809</td>
<td>299,345</td>
</tr>
<tr>
<td>Beneficial interest in assets held by California Community Foundation and Ventura County Community Foundation (Note 1)</td>
<td>4,263,115</td>
<td>5,193,200</td>
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<tr>
<td>Investments (Note 2)</td>
<td>3,731,575</td>
<td>5,420,515</td>
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<tr>
<td>Investments restricted as endowment fund principal (Note 2)</td>
<td>2,800,000</td>
<td>2,800,000</td>
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<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td><strong>11,054,499</strong></td>
<td><strong>13,713,060</strong></td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$12,198,978</strong></td>
<td><strong>$14,879,916</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
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</tr>
<tr>
<td>Accounts payable</td>
<td>$231,287</td>
<td>$350,129</td>
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<tr>
<td>Founders credits payable</td>
<td>5,000</td>
<td>5,000</td>
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<tr>
<td>Deposits</td>
<td>75</td>
<td>75</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>236,362</strong></td>
<td><strong>355,204</strong></td>
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<tr>
<td><strong>Noncurrent liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared revenue agreements (Note 11)</td>
<td>125,853</td>
<td>125,853</td>
</tr>
<tr>
<td>Founders credits payable, net of current potion</td>
<td>1,814</td>
<td>6,263</td>
</tr>
<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
<td><strong>127,667</strong></td>
<td><strong>132,116</strong></td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>364,029</strong></td>
<td><strong>487,320</strong></td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions (Note 7)</td>
<td>4,315,916</td>
<td>6,878,598</td>
</tr>
<tr>
<td>With donor restrictions (Note 7)</td>
<td>7,519,033</td>
<td>7,513,998</td>
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<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>11,834,949</strong></td>
<td><strong>14,392,596</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$12,198,978</strong></td>
<td><strong>$14,879,916</strong></td>
</tr>
</tbody>
</table>

See Notes to Financial Statements and Independent Auditor’s Report
### Thousand Oaks Alliance For The Arts

#### Statements of Activities
And Changes in Net Assets
For the Year Ended June 30, 2022
(With Summarized Financial Information for June 30, 2021)

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>Without Donor Restrictions</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues, Gain and Other Income:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues and gains:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations</td>
<td>$189,075</td>
<td>$189,075</td>
<td>$63,203</td>
</tr>
<tr>
<td>Performance revenue</td>
<td>254,488</td>
<td>254,488</td>
<td>7,846</td>
</tr>
<tr>
<td>Grants</td>
<td>11,000</td>
<td>500,000</td>
<td>511,000</td>
</tr>
<tr>
<td>In-kind contribution of rent and services</td>
<td>149,835</td>
<td>149,835</td>
<td>198,241</td>
</tr>
<tr>
<td>Memberships</td>
<td>9,563</td>
<td>9,563</td>
<td>4,060</td>
</tr>
<tr>
<td>Net investment return</td>
<td>(2,122,796)</td>
<td>(2,122,796)</td>
<td>2,923,500</td>
</tr>
<tr>
<td>Gross special events revenue</td>
<td>46,033</td>
<td>46,033</td>
<td>29,696</td>
</tr>
<tr>
<td>Less cost of direct benefits to donors</td>
<td>-</td>
<td>-</td>
<td>(4,667)</td>
</tr>
<tr>
<td>Other revenues</td>
<td>-</td>
<td>-</td>
<td>726</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>501,200</td>
<td>(501,200)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues and gains</strong></td>
<td>(961,602)</td>
<td>(1,200)</td>
<td>(962,802)</td>
</tr>
<tr>
<td>Other income:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in value of charitable trust</td>
<td>-</td>
<td>5,395</td>
<td>5,395</td>
</tr>
<tr>
<td>Change in cash surrender value of life insurance</td>
<td>-</td>
<td>840</td>
<td>840</td>
</tr>
<tr>
<td>Founders credit income</td>
<td>4,449</td>
<td>-</td>
<td>4,449</td>
</tr>
<tr>
<td><strong>Total other income</strong></td>
<td>4,449</td>
<td>6,235</td>
<td>10,684</td>
</tr>
<tr>
<td><strong>Total Revenue, Gains and Other Income</strong></td>
<td>(957,153)</td>
<td>5,035</td>
<td>(952,118)</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>963,029</td>
<td>963,029</td>
<td>294,769</td>
</tr>
<tr>
<td>Administration</td>
<td>491,870</td>
<td>491,870</td>
<td>525,482</td>
</tr>
<tr>
<td>Fundraising</td>
<td>150,630</td>
<td>150,630</td>
<td>61,935</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,605,529</td>
<td>-</td>
<td>1,605,529</td>
</tr>
<tr>
<td>Changes in Net Assets</td>
<td>(2,562,682)</td>
<td>5,035</td>
<td>(2,557,647)</td>
</tr>
<tr>
<td>Net Assets, Beginning of Year</td>
<td>6,878,598</td>
<td>7,513,998</td>
<td>14,392,596</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td>$4,315,916</td>
<td>$7,519,033</td>
<td>$11,834,949</td>
</tr>
</tbody>
</table>

See Notes to Financial Statements and Independent Auditor’s Report

-5-
### Thousand Oaks Alliance For The Arts

**Statements of Cash Flows**  
*For the Year Ended June 30, 2022*  
*(With Summarized Financial Information for June 30, 2021)*

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities:</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$(2,557,647)</td>
<td>$2,393,208</td>
</tr>
<tr>
<td>Adjustments to reconcile changes in net assets to net cash provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of charitable trust and founders credits</td>
<td>$(9,844)</td>
<td>$(14,793)</td>
</tr>
<tr>
<td>Change in cash surrender value of life insurance</td>
<td>$(840)</td>
<td>$(2,996)</td>
</tr>
<tr>
<td>Reinvested dividends, realized and unrealized gains in investment accounts</td>
<td>2,619,025</td>
<td>2,287,147</td>
</tr>
<tr>
<td>Changes in assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in contributions receivable</td>
<td>$(6,781)</td>
<td>38,052</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable</td>
<td>$(118,842)</td>
<td>267,548</td>
</tr>
<tr>
<td><strong>Total Adjustments</strong></td>
<td>2,482,718</td>
<td>(1,999,336)</td>
</tr>
<tr>
<td><strong>Net Cash Provided by (Used for) Operating Activities</strong></td>
<td>$(74,929)</td>
<td>393,872</td>
</tr>
</tbody>
</table>

**Net Increase (Decrease) in Cash and Investments**  
$(74,929)  
393,872

**Cash and Cash Equivalents at Beginning of Year**  
621,439  
227,567

**Cash and Cash Equivalents at End of Year**  
$546,510  
$621,439

See Notes to Financial Statements and Independent Auditor’s Report  
-6-
### Thousand Oaks Alliance For The Arts

**Statements of Functional Expenses**

*For the Year Ended June 30, 2022*

*(With Summarized Financial Information for June 30, 2021)*

<table>
<thead>
<tr>
<th>Expenses:</th>
<th>Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Totals 2022</th>
<th>Totals 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting and auditing</td>
<td>$</td>
<td>$ 10,684</td>
<td>$ -</td>
<td>$ 10,684</td>
<td>$ 15,100</td>
</tr>
<tr>
<td>Advertising and public relations</td>
<td>3,000</td>
<td>17,963</td>
<td>1,780</td>
<td>22,743</td>
<td>20,578</td>
</tr>
<tr>
<td>Dues, memberships and subscriptions</td>
<td>144</td>
<td>2,916</td>
<td>-</td>
<td>3,060</td>
<td>3,870</td>
</tr>
<tr>
<td>Contractual agreements</td>
<td>-</td>
<td>293,357</td>
<td>-</td>
<td>293,357</td>
<td>287,868</td>
</tr>
<tr>
<td>Contractual services</td>
<td>-</td>
<td>33,344</td>
<td>4,540</td>
<td>37,884</td>
<td>25,240</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>5,933</td>
<td>-</td>
<td>5,933</td>
<td>5,494</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>8,778</td>
<td>2,851</td>
<td>11,629</td>
<td>57,284</td>
</tr>
<tr>
<td>Printing</td>
<td>-</td>
<td>6,562</td>
<td>-</td>
<td>6,562</td>
<td>13,139</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>53,356</td>
<td>45,734</td>
<td>53,356</td>
<td>152,446</td>
<td>123,870</td>
</tr>
<tr>
<td>Taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>83</td>
</tr>
<tr>
<td>Travel and training</td>
<td>-</td>
<td>3,409</td>
<td>-</td>
<td>3,409</td>
<td>777</td>
</tr>
<tr>
<td>Supplies</td>
<td>2,021</td>
<td>10,104</td>
<td>7,126</td>
<td>19,251</td>
<td>13,434</td>
</tr>
<tr>
<td>Performances</td>
<td>199,633</td>
<td>-</td>
<td>-</td>
<td>199,633</td>
<td>45,498</td>
</tr>
<tr>
<td>Special programs</td>
<td>-</td>
<td>-</td>
<td>15,103</td>
<td>15,103</td>
<td>2,166</td>
</tr>
<tr>
<td>Grants</td>
<td>674,000</td>
<td>-</td>
<td>-</td>
<td>674,000</td>
<td>69,544</td>
</tr>
<tr>
<td>In-kind services and rents</td>
<td>30,875</td>
<td>53,086</td>
<td>65,874</td>
<td>149,835</td>
<td>198,241</td>
</tr>
</tbody>
</table>

**Total Expenses**

$963,029 $491,870 $150,630 $1,605,529 $882,186
Note 1: Organization and Summary of Significant Accounting Policies

Description of the Reporting Entity

TOArts is a nonprofit public benefit corporation. Its purpose is to advance, support, and present visual and performing arts, cultural events, and arts education at the Thousand Oaks Civic Arts Plaza’s Bank of America Performing Arts Center and to contribute to the economic vitality and quality of life of Thousand Oaks and the greater Conejo Valley, California. TOArts is governed by a Board of Directors (the “Board”), which is responsible for all activities of TOArts. Trustees serve a three-year term and receive no compensation for their services.

The Thousand Oaks Civic Arts Plaza’s two-theatre complex consists of the 1,800 seat Fred Kavli Theatre and the 400 seat Janet and Ray Scherr Forum Theatre. TOArts provides marketing and fundraising assistance to the theatres to help defray operational costs. Also, each year TOArts provides theatre credits to local nonprofit performing arts groups. In addition, grants are provided yearly to the Resident Companies performing at the Thousand Oaks Civic Arts Plaza.

TOArts supports school children with the opportunity to attend select children’s performances at no charge through its Kids and the Arts school outreach program. Yearly, approximately 4,000 deserving children receive free admission and bus transportation to performances.

Basis of Presentation

The financial statements of TOArts have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958.

Cash and Equivalents

TOArts considers cash investments to include highly liquid investments purchased with an original maturity of three months or less. They are carried at cost, which is equal to fair value, on the statement of financial position.

As of June 30, 2022, TOArts’ deposits with financial institutions were below federal depository insurance limits.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at fair value. Interest and dividend income and gains and losses on investments are reported in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by donor stipulations or by law.
Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

TOArts includes contributions and promises to give within net assets with donor restrictions if such items are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the amount is reclassified from net assets with donor restrictions to net assets without donor restrictions, and is reported in the statement of activities as net assets released from restrictions.

Contributions Receivable

Unconditional contributions, including pledges recorded at estimated fair value, are recognized as revenues in the period received. TOArts reports unconditional contributions as net assets with donor restrictions if they are received with donor stipulations that limit the use of donated assets. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Discounts for promises to give (pledges due in over one year) are recorded as reductions to contribution revenue and contribution receivable. Discounts increase contribution revenue when the pledge is received.

Unconditional promises to give are discounted to present value using an interest rate of five percent.

Beneficial Interest in Charitable Remainder Trust

TOArts has been designated as the beneficiary of assets held in an irrevocable charitable remainder trust dated October 13, 1995. This trust stipulates that TOArts will receive $500,000 upon the death of the donors. TOArts recognizes contribution revenue with donor restrictions and, as an asset, the present value of the estimated future benefits to be received when the trust assets are distributed. Adjustments to the asset to reflect the changes in present value are recognized in the statement of activities as a change in value of beneficial interest in charitable remainder trust.
Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Beneficial Interest in Assets Held by California Community Foundation and Ventura County Community Foundation

In December 2017, TOArts received a $4,000,000 contribution from the City of Thousand Oaks (City) which was invested with California Community Foundation (CCF) as an increase to TOArts’ endowment. The fund is held and invested by CCF for TOArts’ benefit and is reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities. The fair value of the assets including investment earnings is $4,084,173 at June 30, 2022.

Assets held with the Ventura County Community Foundation (VCCF) include a programming and education fund. The fund is held and invested by VCCF for TOArts’ benefit and is reported at fair value in the statement of financial position, with distributions and changes in fair value recognized in the statement of activities. The fair value of the assets including investment earnings is $178,942 at June 30, 2022.

Total beneficial interest in assets held with CCF and VCCF amounts to $4,263,115.

Long-Lived Assets

TOArts reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the asset, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No impairment losses were recognized on long-lived assets during the year ended June 30, 2022.

Net Assets Classifications

To ensure observance of certain constraints and restrictions placed on the use of resources, the accounts of TOArts are maintained in accordance with the principles of net assets accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Net Assets without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.
Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Net Assets Classifications (Continued)

Net Assets with Donor Restrictions – Net assets subject to donor-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. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Concentration of Credit Risk

TOArts maintains its cash and cash equivalents in bank deposit accounts and other investment accounts, which, at times, may exceed federally insured limits. TOArts has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Contributed Services and Facilities

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended June 30, 2022, TOArts recognized revenue for in-kind donations as follows:

<table>
<thead>
<tr>
<th>In-kind</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>rent</td>
<td>$26,622</td>
</tr>
<tr>
<td>services</td>
<td>$35,000</td>
</tr>
<tr>
<td>employees</td>
<td>$88,213</td>
</tr>
</tbody>
</table>

$149,835

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Income Taxes

TOArts is organized pursuant to the Nonprofit Public Benefit Corporation Law for public and charitable purposes. TOArts is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. TOArts is also exempt from California franchise taxes and certain general county real and personal property taxes.

TOArts has been classified as an organization that is not a private foundation under IRC Section 509(a) and, as such, contributions to TOArts qualify for deduction as charitable contributions.

TOArts Forms 990, Return of Organization Exempt from Income Tax are subject to examination by the Internal Revenue Service, generally for three years after they were filed. Similarly, TOArts Forms 199, California Exempt Organization Annual Information Return were subject to examination by the Franchise Tax Board, generally for four years after they were filed.

Employees

TOArts does not have employees. Per a Memorandum of Understanding, the City of Thousand Oaks provides personnel services to TOArts.

Functional Allocation of Expenses

The costs of providing TOArts’ programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. TOArts allocates indirect costs based on time estimates.

Management’s Review

Management has evaluated subsequent events through January 5, 2023, which is the date these financial statements were available to be issued.

Reclassifications

Certain amounts in the summarized comparative information for 2021 have been reclassified to provide a better comparison with the 2022 amounts.
Note 2: Investments

Investments at June 30, 2022 consist of the following:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$1,430,655</td>
</tr>
<tr>
<td>ETFs and CEFs</td>
<td>$746,624</td>
</tr>
<tr>
<td>Corporate Fixed Income</td>
<td>$119,744</td>
</tr>
<tr>
<td>Government Securities</td>
<td>$217,992</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>$4,016,560</td>
</tr>
<tr>
<td></td>
<td><strong>$6,531,575</strong></td>
</tr>
</tbody>
</table>

The above includes $2,800,000 which is shown as investments restricted as endowment fund principal on the statement of financial position.

Fair Value Measurements

TOArts has implemented the accounting standard which defines fair value for those assets (and liabilities) that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. The statement applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets (or liabilities). Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates, and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset (or liability) and include situations where there is little, if any, market activity for the asset (or liability).
Note 2: Investments (Continued)

Fair Value Measurements (Continued)

The following table presents information about TOArts’ assets that are measured at fair value on a recurring basis at June 30, 2022 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

<table>
<thead>
<tr>
<th></th>
<th>Quoted Prices in Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Other Non-observable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$1,430,655</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ETFs and CEFs</td>
<td>746,624</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Corporate Fixed Income</td>
<td>119,744</td>
<td>119,744</td>
<td>-</td>
</tr>
<tr>
<td>Government Securities</td>
<td>217,992</td>
<td>217,992</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>4,016,560</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Investments</td>
<td>$6,531,575</td>
<td>$6,193,839</td>
<td>$337,736</td>
</tr>
<tr>
<td>Beneficial interest in</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>charitable remainder trust</td>
<td>371,292</td>
<td>-</td>
<td>371,292</td>
</tr>
<tr>
<td>Cash surrender value of life insurance</td>
<td>76,287</td>
<td>-</td>
<td>76,287</td>
</tr>
<tr>
<td>Total</td>
<td>$6,979,154</td>
<td>$6,193,839</td>
<td>$337,736</td>
</tr>
</tbody>
</table>

The fair value of the mutual funds within Level 1 were obtained based on quoted market prices at the closing of the last business day of the fiscal year. The fair value of the beneficial interest in charitable remainder trust within Level 3 was determined as described in Note 1, while the cash surrender value of the life insurance policy within Level 3 was determined by the insurance company based on payments to be made in the event of voluntary termination of the policies prior to maturity date.
Note 2: Investments (Continued)

Fair Value Measurements (Continued)

TOArts recognizes transfers at the beginning of each reporting period. Transfers between Level 1 and 2 investments generally relate to whether a market becomes active or inactive. Transfers between Level 2 and 3 investments related to whether significant relevant observable inputs are available for the fair value measurement in their entirety and when redemption rules become more or less restrictive. There were no transfers between levels during the year ended June 30, 2022.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future net values. Furthermore, while TOArts believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 3: Contributions Receivable

At June 30, 2022, contributions receivable are due to be received as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>$125,390</td>
</tr>
<tr>
<td>One to five years ($445,805 net of 5% present value discount of $60,606)</td>
<td>259,809</td>
</tr>
</tbody>
</table>

Contributions Receivable (Net) $385,199

Note 4: Concentrations

At June 30, 2022, two donors’ promises comprise 25% and 47%, respectively, of contributions receivable.

Note 5: Charitable Remainder Trust

TOArts’ interest in the charitable remainder trust has been valued at June 30, 2022, as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future value of charitable remainder trust</td>
<td>$500,000</td>
</tr>
<tr>
<td>Less: Present value discount (5%)</td>
<td>(128,708)</td>
</tr>
<tr>
<td>Beneficial Interest in Charitable Remainder Trust</td>
<td>$371,292</td>
</tr>
</tbody>
</table>
Note 6: Cash Surrender Value of Life Insurance

TOArts owns four $25,000 face value life insurance policies contributed by donors in prior years. TOArts values these life insurance policies at the cash surrender value. At June 30, 2022, the cash surrender value was $76,287.

Note 7: Net Assets

Net assets without donor restrictions are comprised of the following at June 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$148,495</td>
</tr>
<tr>
<td>Designated:</td>
<td></td>
</tr>
<tr>
<td>Board designated reserve (Note 8)</td>
<td>$4,167,421</td>
</tr>
<tr>
<td><strong>Total Net Assets without Donor Restrictions</strong></td>
<td><strong>$4,315,916</strong></td>
</tr>
</tbody>
</table>

Net assets with donor restrictions are restricted for the following purposes at June 30, 2022:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject to expenditure for specified purpose:</td>
<td></td>
</tr>
<tr>
<td>FOTCAP*</td>
<td>$9,454</td>
</tr>
<tr>
<td>SmARTS Program**</td>
<td>2,000</td>
</tr>
<tr>
<td>Carpenter Fund***</td>
<td>260,000</td>
</tr>
<tr>
<td><strong>Total Subject to Expenditure</strong></td>
<td>271,454</td>
</tr>
<tr>
<td>Subject to the passage of time:</td>
<td></td>
</tr>
<tr>
<td>Charitable remainder trust</td>
<td>371,292</td>
</tr>
<tr>
<td>Cash surrender value of life insurance</td>
<td>76,287</td>
</tr>
<tr>
<td><strong>Total Subject to Passage of Time</strong></td>
<td>447,579</td>
</tr>
<tr>
<td>Endowment:</td>
<td></td>
</tr>
<tr>
<td>Permanently restricted to general endowment</td>
<td>6,800,000</td>
</tr>
<tr>
<td><strong>Total Net Assets with Donor Restrictions</strong></td>
<td><strong>$7,519,033</strong></td>
</tr>
</tbody>
</table>

*The Friends of the Civic Plaza (FOTCAP) is intended to support usher recognition.

**Student Arts (SmARTS) program is intended to support youth arts education.

***The Mary and Richard Carpenter Performing Arts Grant Fund (“Carpenter Fund”) is intended to further musical efforts of individuals and groups.
Note 8: Endowment

TOArts’ endowment fund was established by donor-restricted gifts and bequests to provide a perpetual endowment, which is to provide a permanent source of income to TOArts. Beneficial interests in charitable remainder trusts are not considered part of the endowment of TOArts.

The management of TOArts understands California State law as (1) requiring the preservation of the fair value of the original gifts as of the gift date of the donor restricted endowment funds, absent donor stipulations to the contrary and (2) allowing the spending of income and gains on permanent endowments, absent explicit donor stipulations that all or a portion of such gains be maintained in perpetuity. In accordance with an enacted version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”), TOArts preserves the fair value of (a) original gifts donated as of the date of the donor restricted endowment fund, and (b) the original value of subsequent gifts to the permanent endowment. The accumulated earnings of the donor-restricted endowment fund are classified as net assets with donor restrictions and are available to be appropriated for expenditure by TOArts in a manner consistent with the Thousand Oaks Alliance for the Arts Endowment Distribution Policy.

The primary long-term financial objective for TOArts’ endowment is to preserve the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation, and costs of portfolio management. The endowment is also managed to optimize the long-term total rate of return on invested assets, assuming a prudent level of risk. The goal for this rate of return is one that funds the existing spending policy of TOArts and allows sufficient reinvestment to grow the endowment principal at a rate that exceeds inflation (as measured by the Consumer Price Index). It is anticipated that the elements of the endowment portfolio generally should match or exceed each of the returns for the broader capital markets in which assets are invested.

The Board of Directors of TOArts has established a spending policy that distributes a specific payout rate of the endowment base to support the programs of TOArts utilizing a total rate of return methodology for spending from the endowments as provided under UPMIFA. The Board of Directors established a spending rate (for programming purposes) of 4% on a rolling twelve quarter average of the fair value of these investments. Funds not withdrawn in any one year will continue to be available in subsequent years. Such a policy allows for greater predictability of spendable income for budgeting purposes and for gradual steady growth for the support of operations by the endowments. In addition, this policy minimizes the probability of invading the principal over the long term. The Board of Directors established a reserve of $500,000 that is restricted for use when theatre performances in total for the year show a loss.
Note 8:  Endowment (Continued)

The composition of endowment net assets as of June 30, 2022 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment</td>
<td>$ 4,167,421</td>
<td>$ 6,800,000</td>
<td>$ 10,967,421</td>
</tr>
<tr>
<td>Total Funds</td>
<td>$ 4,167,421</td>
<td>$ 6,800,000</td>
<td>$ 10,967,421</td>
</tr>
</tbody>
</table>

The changes in endowment net assets for the year ended June 30, 2022 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, beginning of year</td>
<td>$ 6,256,800</td>
<td>$ 6,800,000</td>
<td>$ 13,056,800</td>
</tr>
<tr>
<td>Contributions</td>
<td>74,799</td>
<td>-</td>
<td>74,799</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>(2,164,178)</td>
<td>-</td>
<td>(2,164,178)</td>
</tr>
<tr>
<td>Distribution from board-designated endowment pursuant to distribution policy</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Endowment net assets, end of year</td>
<td>$ 4,167,421</td>
<td>$ 6,800,000</td>
<td>$ 10,967,421</td>
</tr>
</tbody>
</table>

As noted in Note 7, total net assets without donor restriction included $4,167,421 board-designated endowment plus $148,495 other net assets without donor restriction for a total net assets without donor restriction of $4,315,916.
Note 9: Ventura County Community Foundation Endowment Fund

The Ventura County Community Foundation (VCCF) is a non-profit California public benefit corporation exempt from taxation pursuant to Internal Revenue Code Section 170(b)(1)(A)(vi). The Alliance for the Arts, TOArts' predecessor agency, contributed $3,000,000 to Thousand Oaks Civic Auditorium/Forum Theatre Endowment Fund (Fund) maintained by VCCF to provide financial support to the City of Thousand Oaks exclusively for the Civic Auditorium/Forum Theatre. At June 30, 2022, the fair value of the assets in this fund on deposit at VCCF was $4,327,557.

The City receives an annual distribution of the fund’s earnings. Neither TOArts nor the City has the ability to take distributions other than the annual distribution previously mentioned and has no other form of control over the fund, therefore it is not included as an asset in the financial statements of the City nor of TOArts.

The Finance Director of the City is empowered to withdraw the distributable income on an annual basis. Invasion of principal can be undertaken only in very limited circumstances and VCCF has variance powers over these funds.

Note 10: Contribution to the City of Thousand Oaks

TOArts is contractually committed to contributing annually an amount in cash which, when added to the annual amount received by the City from the VCCF’s Fund amounts to $510,000 in fiscal year 2021-22.

For the year ended June 30, 2022, earnings from the Fund distributed to the City totaled $219,176. Therefore, TOArts contributed $290,824 in cash to the City exclusively for the Theater Enterprise Fund, making up the $510,000 contribution commitment referred to above.

Note 11: Shared Revenue Agreements

The City and TOArts are parties to agreements governing “naming opportunities” at the Civic Arts Plaza. The agreements call for the City to receive a percentage of the proceeds from donors, after expenses. Current naming opportunities are executed as pledges which are payable over one to ten years.

At June 30, 2022, TOArts had successfully executed naming opportunity agreements that will result in future payments due to the City of approximately $125,853. Payments to the City are due as donor pledge payments are received by TOArts.

The estimated future payments due to the City are recorded as a reduction of Contribution Revenue and an increase in Shared Revenue Agreements Payable.
Note 12: Fundraising Costs

Total fundraising costs for the year ended June 30, 2022 were $150,630.

Note 13: Liquidity and Availability

TOArts has $4,403,475 of financial assets available within one year of the statement of financial position date for general expense consisting of the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 546,510</td>
</tr>
<tr>
<td>Contribution receivable</td>
<td>125,390</td>
</tr>
<tr>
<td>Investments</td>
<td>3,731,575</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 4,403,475</strong></td>
</tr>
</tbody>
</table>

TO: TOArts Board
FROM: Niki Richardson, Associate Director
DATE: March 3, 2023
SUBJECT: Adopt a TOArts Travel Policy

BACKGROUND:
When TOArts was formed in 2017, it was the expectation that over time, TOArts would start to reduce its dependence on City of Thousand Oaks (CTO) staff for operational support, while always retaining the close connection to the Cultural Affairs Department. This requires a slow and systemic approach to reducing this operational dependence on CTO staff.

CTO currently approves any TOArts related travel for which includes a multi-stepped process before and after travel involving multiple CTO staff. This is only because TOArts does not have its own travel policy.

Therefore, to reduce some of the burden on CTO staff and to streamline the process for TOArts-related travel, a Board approved travel policy is needed. This clarifies the process, since City staff are not required to approve of TOArts’ expenditures which are included in the adopted Operating Budget. The proposed Travel Policy authorizes travel with approvals from the Executive Director and Treasurer or any officer of the Board.

RECOMMENDATION: To adopt the TOArts Travel Policy to reduce the burden on CTO staff for future TOArts travel authorizations.

BUDGET: No impact. All travel is pre-authorized in the TOArts budget at the start of the fiscal year.

ATTACHMENT #1: Proposed TOArts Travel Policy
TOArts Travel Policy

**PURPOSE:** To establish basic guidelines for travel on TOArts business including authorization and reimbursement for travel and related expenses.

**APPLICABILITY:** This policy defines the travel process to be used by employees, and others who travel and generate costs charged or billed to TOArts. It is recognized that the traveler may elect to bill TOArts for costs outside the policy and if so, additional approvals will be required.

**BOARD APPROVAL:** All travel expenditures must be approved by the Board in the operating budget. Any travel not previously approved in the budget must be brought to the Board for prior approval.

**APPROVAL:** All travel will be approved in advance by the traveler’s manager. The Executive Director will travel on behalf of TOArts without prior approval. Travel expense reports will be approved by the traveler’s manager or in case of the Executive Director by an Officer. Board member expense reports will be approved by an officer. All expense reports will be submitted no later than three weeks after the travel is completed.

**TRANSPORTATION COSTS:** Transportation will be by the most cost-efficient method. Travel within the United States will generally be Economy, or equivalent. The traveler, however, must consider the lowest total cost to TOArts and in some cases (such as excess baggage or uncertain travel plans) the lowest overall cost is not the cheapest as published.

**FOOD AND LODGING:** Actual costs of food and lodging will be reimbursed. The traveler should always be aware of the purpose of the trip and costs expended should create the best value for TOArts. This means that consideration must be given to items such as meeting location (is it best to stay in hotel hosting events due to contacts needed with attendees or higher food/beverage costs if required due to norm of person being hosted)

**RENTAL CARS:** The least costly type of car that meets the needs of the traveler considering number of passengers and amount of baggage, will be used.

**RIDE SHARE, TAXI OR SHUTTLE SERVICE:** Shuttle, bus, taxi, or other public transportation should be used between airport, hotel, and conference or training site whenever available.

**PARKING EXPENSES:** TOArts will provide reimbursement for parking associated with travel, including parking at the airport, hotel, and conference or training site.
**LOCAL TRAVEL:** Mileage for local business travel will be reimbursed at the IRS approved rate. All receiving mileage reimbursement must have a valid driver’s license and have a minimum of $300,000 insurance on their vehicle. Board of Director members are also subject to the same travel policy and will be reimbursed, if they request, for special events outside of the Conejo Valley at the same IRS approved rate.

**CREDIT CARDS:** The use of a personal credit card is recommended, however if the traveler has been authorized to use a company credit card such use is permitted.

**CITY OF THOUSAND OAKS:** City of Thousand Oaks employees representing TOArts must also obtain travel authorization from their department head and City Manager through the normal process.