

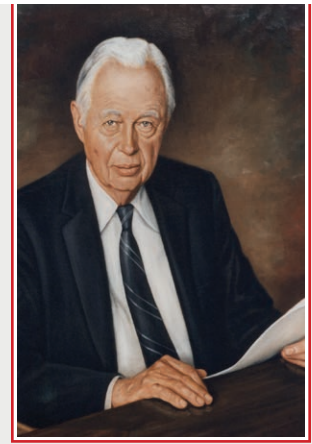
ANNUAL REPORT

2013



Irving S. Silmore
FOUNDATION

History & Mission



The mission of the Irving S. Gilmore Foundation is to support and enrich the cultural, social and economic life of Greater Kalamazoo.

Irving S. Gilmore demonstrated a sincere commitment to Kalamazoo through his caring, kindness and support. In simple, elegant ways, Mr. Gilmore inspired the community to pursue a strong sense of social and cultural awareness for the benefit of all people.

A uniquely multifaceted individual, Irving Gilmore was a merchant, an arts patron, a concert-quality pianist, a business leader and a military veteran. He was also a gentle man with a dry sense of humor who showed heartfelt compassion for others around him. Throughout his life, Mr. Gilmore helped by sharing his good fortune with others less fortunate.

Irving Gilmore shunned the spotlight, preferring instead to contribute in a quiet, dignified manner. He showed his concern through frequent and often anonymous gifts that addressed a wide range of needs. In addition to sharing numerous financial gifts with the community, he worked to help others gain the skills needed to help themselves.

Mr. Gilmore found his greatest joy in the arts, for which he showed unwavering support. He not only helped gifted individuals express their unique talents, but encouraged others to support the creative expressions of the human spirit as both artists and audience. He knew that cultural and performing arts needed support to grow. He also knew that the arts offered powerful instrumental benefits. Indeed, Mr. Gilmore understood that the arts catalyze imaginative practices in and across community sectors.

Looking ahead, Mr. Gilmore wanted to provide for his community in perpetuity, ensuring that his special personal philanthropy would live on. In 1972, Mr. Gilmore established the Irving S. Gilmore Foundation and arranged for it to receive the bulk of his estate upon his death. Mr. Gilmore passed away in 1986 at the age of 85, leaving Kalamazoo a wonderful legacy.

Just as he encouraged others to unlock their own potential, today the Foundation funds key organizations that help unlock the community's potential. Through the Foundation that bears his name, Mr. Gilmore's commitment to the people of the Kalamazoo community lives on.

Kalamazoo: A Culture of Connectivity and Engagement

by Richard M. Hughey, Jr., Executive Vice President / CEO

In Kalamazoo it is not uncommon for someone to say “there is nowhere else I’d rather be.” They will tell you with heartfelt sincerity that they love living here. And why would they not? After all, Kalamazoo has more than its share of interesting things to do and attractions to experience. Likewise its cultural offerings rival, if not exceed, those of considerably larger municipalities. But in the end, Kalamazoo’s true essence is found in the people who live in this community, a community whose very culture fosters connectivity and engagement.



It is a locality where people want to be involved, typically working with and through many exceptional non-profit organizations. These organizations, in turn, work collectively to build and sustain an enriched quality of place for Kalamazoo’s residents.

Still, much of this placemaking work is carried out rather quietly. Often this is because those engaging in such activities view themselves as “merely doing their part to help out.” Their modesty, while commendable, is also somewhat unfortunate because so much of what they do goes unnoticed. For this reason the Irving S. Gilmore Foundation’s 2013 Annual Report includes a small but representative sample of these placemakers’ activities, the descriptions of which come from the organizations themselves. We hope that you find these examples as inspiring as we do.

Richard M. Hughey, Jr.

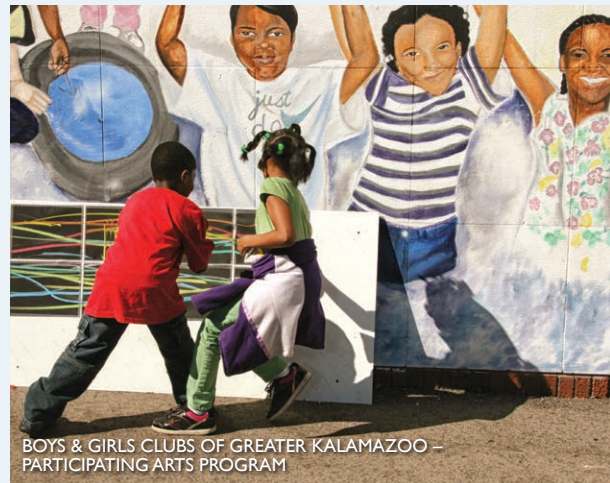
Arts Council of Greater Kalamazoo – Concerts in the Park

Concerts in the Park is a summertime musical entertainment series that enhances the vitality of our arts and cultural community and makes Kalamazoo a great place to live and work. Its mission is to provide a variety of musical experiences through free concerts for the greater Kalamazoo community. This program allows the Arts Council to provide opportunities that support our area's local musicians and showcase Kalamazoo as a vibrant destination.

Since 2011, Concerts in the Park has made a concerted effort to bring a diverse mix of music to the series each summer. Concerts in the Park has featured big band, bluegrass, jazz, soul, gospel, Klezmer, American roots, Irish, country and vocal music. For some attendees, Concerts in the Park is the first exposure to a new genre of music. For others it is an opportunity to hear music that they otherwise might not have the financial resources to enjoy. For all it is a beautiful opportunity to connect with community on a Sunday afternoon.

New for 2014 will be the addition of *Third Thursdays Jazz*, a collaboration with Fontana Chamber Arts and Kalamazoo's Parks and Recreation Department. Held in Bronson Park beginning June 19, this series will invigorate Concerts in the Park, further the City of Kalamazoo's mission to program the Rotary Stage at Bronson Park and create a new and energetic series that benefits all partners.

www.kalamazooarts.org



Boys & Girls Clubs of Greater Kalamazoo – Participating Arts Program

Programs that are free of judgment and encourage self-exploration allow children to participate unreservedly and to learn from their experiences. It is this type of environment for which our programs strive. Through full implementation of the Boys and Girls Clubs' Youth Development Strategy, an environment is created which helps girls and boys enhance their self-esteem and achieve their full potential. The Youth Development Strategy strives to instill a sense of competence, usefulness, belonging, and influence through programs and activities offered at the Club.

The Participating Arts Program allows Boys & Girls Clubs of Greater Kalamazoo to provide a safe environment for youth to explore and engage in the arts. From choir performances to art exhibits to variety shows to photography to dance recitals, members have been exposed to a myriad of cultural experiences that may not have been possible without the presence of this program. The Clubs' target population benefits greatly from this opportunity to expand their horizons and build their sense of creativity. Ultimately, a well-rounded education is one that includes the Arts which in turn supports a child's entire development, including improving their propensity to learn math and science.

The Participating Arts Program offers students the opportunity to learn new art forms and the skills

involved. It also teaches the importance of participation and practice. Not only does the program offer training for developing new skill sets, it offers an outlet for expression. Many of our youth have very little voice in their homes, their schools, and their communities. Some have been written off by society because of their race or economic status. Their unheard voices have left them with feelings of frustration and anger, and without a positive outlet, they will often act upon those feelings in unhealthy, destructive behaviors. The Boys and Girls Clubs of Greater Kalamazoo ensure that our members have an outlet to express themselves.

www.bgckalamazoo.com

Disability Network Southwest Michigan – Independent Living Program

For over 30 years, Disability Network Southwest Michigan has been the first stop for people with disabilities and their families – providing independent living, information and referral, peer support, and advocacy and community education services to people across all disabilities.

Disability is a normal part of life. It will impact each and every person in the U.S., directly or indirectly through a family member or friend. Disability does not discriminate. More than 80% of Americans will experience disability in their lifetime, either first-hand or by knowing someone with a disability. Too often, living with a disability limits choices for involvement and presents barriers to full and equal participation in community life. Disability is a civil rights and diversity issue.

Since disability is about all of us, it requires us to build inclusive communities and to change attitudes about living with a disability. To ensure that the skills and talents of workers and community members with disabilities are not wasted, the independent living programs



maximize the leadership, empowerment, independence and productivity of individuals with disabilities and create inclusive communities in which to thrive.

Disability Network Southwest Michigan is filling a gap in programming in our community. Its Independent Living Program reduces or eliminates barriers to employment, education and self-sufficiency for people with disabilities and helps people with disabilities achieve social/emotional self-sufficiency by teaching effective problem solving and self-advocacy skills.

www.dnswm.org

Edison Neighborhood Association – Go Green Deconstruction Project

Like other low-income neighborhoods in the nation, the Edison Neighborhood has literally been devastated with tax and mortgage foreclosures in the past 10 years. For Edison, the main foreclosure problem stemmed from landlords refinancing their rental property and then not making the payments, and other landlords realizing the expense of maintenance was greater than the rent they were able to obtain. Coupled with declining property values, these landlords just walked away from these

houses. Today, nearly all of these houses are still vacant. They are in such dilapidated condition due to vandals, animal habitats, lack of maintenance, and drug use that nobody will purchase them, even in the County Scavenger Auction for the mere \$50 starting bid. Many of these houses, although they are beyond livability, have incredible trim, flooring, foundation beams and other unique materials that can be re-purposed and/or reused in other ways.

Taking a deconstruction approach with the goal to reuse all of the materials in home renovations, art projects, landscaping mulch, benches, planters, and a multitude of other uses is far better for our environment than filling up our landfills with usable materials. Our goal is to have only one 40-yard dumpster per house of unusable landfill materials versus the average 120-160 yards of trash put into the landfill with an average demolition.

By hiring Kalamazoo Probation Enhancement Program (KPEP) participants to assist in the removal of savable materials, Edison Go Green Deconstruction teaches some of these folks helpful new job skills while they earn a paycheck and a positive job reference for their resume.

www.edisonneighborhood.com



Family Health Center – Back to School Bash

The Back to School Bash exists to not only celebrate wellness for at-risk children and families in Kalamazoo's most vulnerable neighborhoods, but also to incentivize at-risk parents to prepare their children for school with Well-Child exams, immunizations and dental screenings. Last year, over 1,500 children attended the event.

Not only do these children receive their annual exams and immunizations, they will also receive much-needed backpacks and school supplies in order to gear up for the school year. Organizers also hope the event serves as a means to educate and support parents who are struggling with poverty, single parenthood, and a variety of stressors that put their families at risk.

Back to School Bash's primary goal is to prepare and ultimately keep children in school. Every year in our community, literally hundreds of children are discharged from school due to inadequate immunization status. These children are not allowed to return to school until they receive proper documentation. Due to office backlogs and last-minute requests for service, children who are already at risk are delayed several weeks thus placing them further behind in their learning. Our goal is to proactively get children immunized, prepared for school, and help keep them well in school.

www.fhckzoo.com



Kalamazoo Civic Theatre

As true today as it was 85 years ago, theatre and the performing arts remain important elements of not only the human experience, but also the vitality of a community. This is especially true in a world that is becoming more virtual and less face-to-face. Even though e-mail and social media have made it easier for us to communicate with one another, they have also had an effect on our ability as humans to communicate with one another, resolve conflict effectively, and form vital social connections. The theatrical arts provide an opportunity for creative expression, social and emotional development, and communication skill development. Cultural opportunities and outlets are also important in building a diverse, educated and engaged community. Theatre productions offer an especially effective opportunity for this, as plays and musicals often highlight new or unfamiliar cultures, allowing a viewer to see inside the mind of a character different from them and examine events from multiple vantage points. Because the Civic attracts individuals from all over Kalamazoo County, participation introduces people to others that they may not have ever met otherwise resulting in greater awareness and tolerance of others.

www.kazoocivic.com

Kalamazoo County Land Bank – Riverview Launch

The Land Bank serves Kalamazoo County by eliminating blight, selling side lots, and returning tax-foreclosed and abandoned properties to active use. The project, Riverview Launch, is a redevelopment plan for a six acre tax-foreclosed site located on Riverview Drive in the City of Kalamazoo. The Land Bank facilitated a community conversation in 2013 resulting in a multi-year concept plan to repurpose just under 9,000 square feet including a commercial structure, historic barn, greenhouse and ancillary structures on the site. The project seeks to create a hub of local activity and increase access to community assets. The redevelopment will include site improvements, native plant restoration around the redevelopment, rehabilitation, and some new construction. The site will be used as a community facility for local programming and office space, and importantly, a center of interest and activity for Kalamazoo residents promoting both the Kalamazoo River Valley Trail and the Kalamazoo River. The multi-year nature of the concept plan allows for continued community engagement and community building as an intentional component of the phasing of the project.

Importantly, the site will facilitate the growth of valuable community programming. The growing Open Roads Bike Program and MSU Extension are working on programmatic offerings linked to the unique nature of the site. These include a pilot junior master gardener



course and linkages with new urban 4-H efforts. In early 2014, a newly crafted native bee house will be installed at the site by 4-H and Trybal Revival Gardens as a part of this effort. Open Roads plans to begin programming and locating at the site in 2014. Plans for youth programming connected to this site will provide opportunities for Kalamazoo youth to experience new opportunities associated with biking, active and healthy lifestyles, growing and gardening, and opportunities to learn business and entrepreneurial skills. Riverview Launch also supports the two primary goals of the Kalamazoo Riverfront Redevelopment Plan: 1) Using the river to bind the East and West sides of the city together, and 2) creating a lively and vibrant Riverfront District.

www.kalamazoolandbank.org



Kalamazoo in Bloom – KalamaZOO Hop

Kalamazoo in Bloom celebrates 30 years in 2014. To honor this occasion, Kalamazoo in Bloom is coordinating a late summer KalamaZOO Hop in collaboration with six Kalamazoo neighborhoods, Kalamazoo County Parks & Recreation Department, Portage, Comstock and several other organizations to create a series of activities and attractions open to the public.

As part of Kalamazoo in Bloom's annual plantings, topiaries in the shape of animals are being purchased together with flowers for beds throughout Kalamazoo, Comstock and Portage, as well as in each of the six

collaborating City of Kalamazoo neighborhoods. The collaboration with the neighborhoods also involves a special art project in which a group of neighborhood youth, under the instruction of a neighborhood artist, will create meaningful pieces of public art that will be on display in Bronson Park for one week, then permanently installed in the respective neighborhoods.

One of Kalamazoo in Bloom's purposes is to engage the community in the creative process of placemaking, as well as the enjoyment of those places created, by inviting participation from all sectors of the diverse communities served. Kalamazoo in Bloom is honored to be collaborating with many partners on the KalamaZOO Hop project that, like Kalamazoo in Bloom, have a passion for creating vibrant communities and enhancing quality of life for residents.

www.kalamazooinbloom.org

Kalamazoo Literacy Council

"We believe that literacy for one means change for all." The Kalamazoo Literacy Council is a nonprofit volunteer tutor organization dedicated to enhancing the lives of illiterate adults through free one-on-one programs designed to develop reading, writing and spelling skills. Through the Council's efforts we hope to also educate the public about the crisis of illiteracy and bring together a community with a common goal of making Kalamazoo County 100 percent literate.

For 40 years the KLC has recruited, trained and equipped volunteers to tutor adults in need of literacy services. Currently, the KLC has 186 active tutors assisting 265 adults in need of literacy education. It has established 10 Community Literacy Centers that provide quality adult literacy services at the neighborhood level. It has built a functional community-wide collaborative whose collective work has positive impacts on a local, regional and state level. The agencies of the Adult Literacy Collaborative of Kalamazoo County led by the KLC are serving more than 1,700 adult learners



KALAMAZOO LITERACY COUNCIL

who are reading below the 6th grade level. The KLC is now the preeminent messenger and advocate for adult literacy in Kalamazoo County.

In Kalamazoo County, over 25,000 people or 13% of adults cannot read a simple story to a child, an intersection on a map, a prescription label, or total purchases from an order form. They struggle daily to take part in the world around them and fail to reach their full potential as parents, community members, and employees because they lack basic reading skills. To make some demonstrable progress in this area, the KLC and its collaborating organizations have set a goal of collectively reaching no less than 20% annually (approximately 5,000) within three years, with increasing numbers served each year beyond. To achieve this, the KLC launched the ENT-R (Everyone Needs to Read) Adult Literacy Initiative in January 2011 to mobilize new and existing community assets to build a comprehensive system that provides literacy education to adults in the county and strengthens and sustains the administrative and programmatic infrastructure that provides these services.

www.kalamazooliteracy.org

Kalamazoo Regional Educational Service Agency – WoodsEdge Music Therapy

One of the behavioral treatments used successfully with persons diagnosed with special needs is Music Therapy. Music Therapy is the skillful use of music as a therapeutic tool to restore, maintain and improve mental, physical and emotional health. Music Therapy is much more than a pleasant music interlude or entertainment. The non-verbal, creative and affective nature of music facilitates contact, self-expression, communication and growth. Music Therapy can be used to facilitate physical wellness, encourage positive social interactions, improve interpersonal relationships, nurture appropriate emotional expression, and increase self-awareness. Music Therapy is not overly concerned with the “correctness” of music or how the music is played, but instead is focused on the growth potential achieved through music.

According to Dr. Clive Robbins, “Almost all children respond to music. Music is an open-sesame, and if you can use it carefully and appropriately, you can reach into that child’s potential for development.” The Nordoff-Robbins Music Therapy Clinic uses music therapy to help 100 handicapped children learn and to relate and communicate with others.

www.kresa.org



KALAMAZOO REGIONAL EDUCATIONAL SERVICE AGENCY – WOODSEdge MUSIC THERAPY

Grant Policies

In accordance with the example and directives of its founder, the Irving S. Gilmore Foundation encourages grant applications from Kalamazoo area nonprofit, tax-exempt organizations whose work benefits or will benefit the community. The Foundation does not make grants to individuals. The Foundation Trustees will make all decisions regarding the funding of proposals without discrimination on the basis of race, color, creed, gender, marital status, religion, age, orientation, handicap or disability, height, weight, or national origin of the organization's staff or volunteers. It is expected that all beneficiaries of funding from the Irving S. Gilmore Foundation will adhere to existing state and federally mandated affirmative action policies.

How to Apply

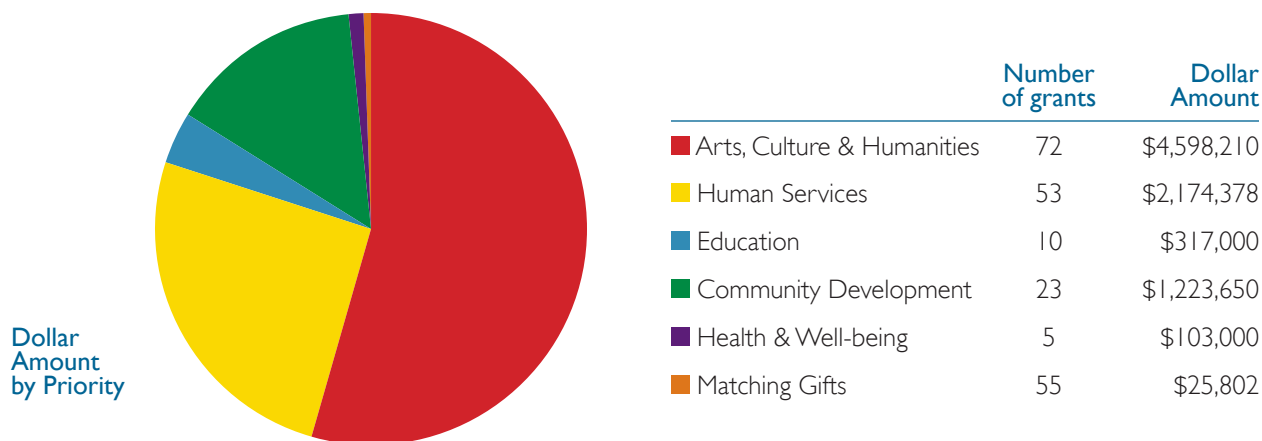
Please visit our website at www.isgilmore.org for detailed funding guidelines and proposal submission deadlines.

The Priorities of the Foundation are:

- Arts, Culture and Humanities
- Education
- Health and Well-Being
- Human Services
- Community Development

2013 Grants Summary

In 2013, 168 grant proposals from 119 distinct organizations were reviewed by the Foundation. Of the \$9,787,851 requested, the Trustees approved \$8,416,238. The Foundation also matched charitable contributions made by the Trustees and employees for an additional \$25,802 in 55 grants. The following chart illustrates the totals by each program area the Foundation supports:

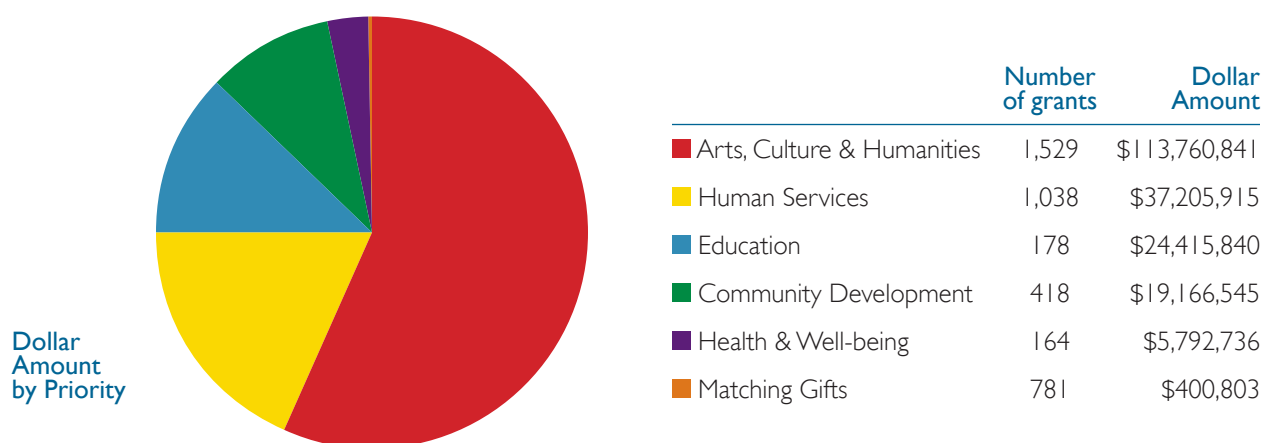


Financial History

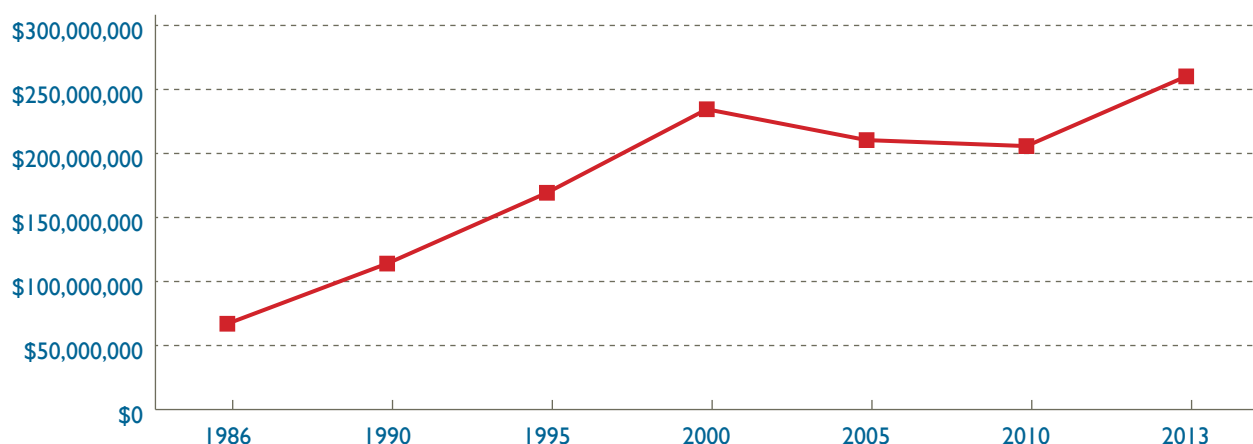
In 1972, Irving S. Gilmore created the Foundation that bears his name and funded it with \$5,000 to continue his commitment to the arts and critical needs of the community. Upon Mr. Gilmore's death on January 17, 1986, his Will provided for the distribution of the residue of his estate, which represented the majority of his assets, to the Foundation. The date-of-death value of his estate's residue — the net bequest to the Foundation — was \$67,010,041. Since then, the Foundation has approved more than \$200 million in total grants. On December 31, 2013, Foundation investments were valued at \$260,210,551.

Grants Since Inception

Since 1986, the Foundation has awarded 4,108 grants to over 450 organizations totaling \$200,742,680. The following chart illustrates the totals by each program area the Foundation supports:



Invested Assets



2013 Grants By Priority Area

Arts, Culture & Humanities

The Foundation promotes the enjoyment, understanding, appreciation and instrumental use of visual arts, performing arts, media arts, communications, humanities and history.

Arts Council of Greater Kalamazoo

"All Ears Theatre" Programming
Art Hop and Cultural Tourism Support
Bronson Park Concerts
Kalamazoo Artistic Development Initiative
"United Teens Talent" Programming
Operational Support

ArtServe Michigan

Michigan Cultural Data Project
Operational Support

Bach Festival Society of Kalamazoo

Operational Support

Ballet Arts Ensemble

Nutcracker Production

Black Arts & Cultural Center

Operational Support

Boy Scouts of America

Cultural Events Tickets
Summer Arts Program

Boys & Girls Clubs of Greater Kalamazoo

Participating Arts Program

Carnegie Center Council for the Arts

Concert Series, "4th Grade Day of Artistic Awareness," Transportation

City of Parchment

Kindleberger Summer Arts Programming

City of Portage

Children's Program and Youth Initiative
"Recycled Art in the Park" Program

Crescendo Academy of Music

Operational Support

Fire Historical and Cultural Arts Collaborative

Operational Support

Fontana Chamber Arts

Operational Support

Grand Valley University Foundation

Underwriting of WGUV's "Great Performances" Series
WGUV's "Kalamazoo Lively Arts" Production

Great Lakes Acoustic Music Association

Operational Support

Irving S. Gilmore International Keyboard Festival

Operational Support

Julius and Esther Stulberg Competition

Operational Support

Kalamazoo Aviation History Museum

Science Inspiration Fund

Kalamazoo Book Arts Center

Operational Support

Kalamazoo Children's Chorus

Operational Support

Kalamazoo Civic Theatre

Theatre Kalamazoo New Play Festival and Marketing
Capital Improvements
Operational Support

Kalamazoo College

Community Studio

Kalamazoo Community Chorale

Operational Support

Kalamazoo Concert Band Association

Administrative Support
Holiday Concert

Kalamazoo Cultural Center

Epic Center Third Floor Expansion
Operational Support

Kalamazoo Institute of Arts

Operational Support

Kalamazoo Junior Symphony Society

75th Anniversary Scholarship Fund Drive
Operational Support

Kalamazoo Male Chorus

Operational Support

Kalamazoo Regional Educational Service Agency

EFA Student Artistic Equipment Program

EFA Student Arts Scholarships

EFA Operational Support

Kalamazoo Russian Cultural Association

18th Annual Russian Festival

Kalamazoo Symphony Orchestra

"Kalamazoo Kids in Tune" Program

Technical Assistance

Operational Support

Kalamazoo Valley Community College Foundation

"Artists' Forum"

Legends Performing Arts Association

Operational Support

Lifecare Inc. (Friendship Village)

Equipment

Michigan Bach Collegium (Early Music Michigan)

Operational Support

Michigan Youth Arts Festival

Festival Support

Milwood United Methodist Church

Fine Arts Series

New Vic Theatricals

Operational Support

New Year's Fest of Kalamazoo

Festival Operations

Oakwood Neighborhood Association

SummerYouth Art Drop-in Program

Portage District Library

Kalamazoo Poetry Festival

Renaissance Enterprises Company

Kalamazoo County Programming

Society for Preservation & Encouragement of Barbershop Quartet Singing America

Mall City Harmonizers Uniform Acquisition

Speak It Forward

Kalamazoo Area Programming

Ujima Enterprises

Juneteenth Celebration

Ujima Sasa!

Wellspring/Cori Terry & Dancers

Operational Support

West Michigan Glass Art Center

Operational Support

Western Michigan University Foundation

WMUK Underwriting Program

WMUK "Expanded Arts Kalamazoo" Project

Jazz Studies Program

Frederick W. Freund Career Development Fund

Human Services

The Foundation supports youth development, life skills, food and nutrition, public safety, parks and recreation and other social/human services that benefit individuals, families and neighborhoods. However, the Foundation does not generally support athletics and only nominally supports housing and shelter.

Big Brothers Big Sisters A Community of Caring

Kalamazoo County Capacity Building Initiative

Boys & Girls Clubs of Greater Kalamazoo

Douglass Unit Operational Support

Future 4 Teens

Community Advocates-Persons with Developmental Disabilities

Operational Support

Community Homeworks

Homeowner Education & Emergency Repair Program

Covenant Senior Day Program

Art Programming

LGBT Care Transition Services and

Medical Transportation

Disability Network Southwest Michigan

Kalamazoo County Independent Living Program

Ecumenical Senior Center

Equipment

Operational Support

Edison Neighborhood Association

"Go GREEN Deconstruction Project"

ERAC/Ce

Operational Support

Fair Food Matters

Operational Support

Fair Housing Center of Southwest Michigan

Operational Support

First Congregational Church

2014 Community Outreach Programs

First Day Shoe Fund

Operational Support

Foodbank of South Central Michigan
“Hunger in America” Research

Friendship House
Emergency Relief Fund

Girl Scouts Heart of Michigan
Adventure Unit House Project

Goodwill Industries of Southwestern Michigan
GAP Program
Adult Basic Education Program

Hispanic American Council
Operational Support

Housing Resources
Operational Support

Interfaith Homes of Kalamazoo
“Summer Achievements” Summer Program

Junior Achievement of Southwest Michigan
“Our Nation” Program Support for Kalamazoo County

Kairos Dwelling
Operational Support

Kalamazoo Center for Youth & Community
Programming Support

Kalamazoo Communities in Schools
Programming Support

Kalamazoo County Government
Youth Offender Transition Program

Kalamazoo County Land Bank
Open Roads Bike Program

Kalamazoo County Parks and Recreation Development Foundation
WMU/Kalamazoo College Segment of the KRV Trail

Kalamazoo Gay/Lesbian Resource Center
Operational Support

Kalamazoo Junior Girls Organization
Capital Improvements/Operational Support

Kalamazoo Loaves and Fishes
Grocery Pantry Program

Kalamazoo Neighborhood Housing Services
Homeownership Center

Kalamazoo Valley Habitat for Humanity
Kalamazoo County Homeownership Program

Kingdom Minded Ministries
ServSafe Certification Program

LIFT Foundation
“Take Flight” Summer Program

Michigan Blind Athletic Association
Kalamazoo County Operational Support

Michigan Deaf Association
Michigan Deaf Association Conference

Michigan Foundation for the Blind and Visually Impaired
Operational Support

Ministry With Community
Operational Support
Capital Campaign

Oakwood Neighborhood Association
Facility Repair and Equipment

Open Doors Kalamazoo
Operational Support

Parent to Parent of SW MI
Kalamazoo County Programming

Portage Community Outreach Center
Middle School Summer Recreation Program

Prevention Works of Southwest Michigan
Operational Support

Skyridge Church of the Brethren
“Peace Pizzazz”

St. Luke’s Episcopal Church
Partners in Transition Outreach Program

United Way of the Battle Creek and Kalamazoo Region
Eviction Diversion Project
Family Stabilization for Educational Success Program

Urban Alliance
“Momentum” Job Placement & Training Program

Young Women’s Christian Assoc. of Kalamazoo
Homeless Children Care Center

Education

The Foundation supports educational programs and activities that enhance the capacity for lifelong learning. However, the Foundation does not generally support core operations and programming of K-12 educational institutions.

Comstock Community Center
Bilingual Preschool Program

Comstock Public Schools
Community Auditorium Renovation

Kalamazoo Community Foundation
Education Reconnection – Diploma Project

Kalamazoo County Ready 4s
Operational Support

Kalamazoo Literacy Council

40th Anniversary Project

Kalamazoo Public Schools

"Kalamazoo Arts Integration Initiative"

Specialized Language Development Learning Center

Kalamazoo County Programming

Vine Neighborhood Association

Read and Write Kalamazoo

Youth Advancement Academy

Young Chef's Summer Program

Community Development

The Foundation promotes quality of life through appropriate investments that strengthen, unify and build community spirit, and enhance capacity for innovation and growth.

Building Blocks of Kalamazoo

Operational Support

Citizens Research Council of Michigan

Kalamazoo County Programming

Council of Michigan Foundations

Office of Urban and Metropolitan Initiatives-

Kalamazoo Office Support

Membership Renewal/Arts Affinity Group

DKA Charities

Community Policing Officer

Holiday Programming

WMU "Freshman Connections"

Grantmakers in the Arts

Membership Renewal

Kalamazoo Community Foundation

Depot Building Renovation

Kalamazoo County Land Bank

"Riverview Launch" Development Project

Kalamazoo County Poverty Reduction Initiative

Operational Support

Kalamazoo in Bloom

Operational Support

Kalamazoo Public Library

"Reading Together" Series

Local Initiatives Support Corporation

Douglass Community Association Operations

Northside Association for Community Development

Northside Campus "HEAL" Project

Southwest Michigan Black Heritage Society

Racial Healing Initiative

Southwest Michigan First Corporation

Catalyst University Program

Operational Support

United Way of the Battle Creek and Kalamazoo Region

Annual Campaign/Kalamazoo County Programming

Leadership Campaign Challenge

Volunteer Services of Greater Kalamazoo

Operational Support

Health & Well-being

The Foundation promotes health and wellness programs and activities that enhance the physical, mental and emotional needs of individuals.

Borgess Health Alliance

"Diane's Way" Expressive Arts Program

Community AIDS Resource & Education Services of Southwest Michigan

Operational Support

Family Health Center

"Back to School Bash"

Kalamazoo County Government

Health Equity Summit

Kalamazoo County Juvenile Home Foundation

Music Therapy Program

Financial Statements

YEARS ENDED DECEMBER 31, 2013 AND 2012

Report of Independent Auditors

Board of Trustees

Irving S. Gilmore Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Irving S. Gilmore Foundation, which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements 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 Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Irving S. Gilmore Foundation as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



March 28, 2014

Statements of Financial Position

	December 31	
	2013	2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,559,671	\$ 4,022,343
Investment income receivable	586,092	342,232
Other receivables	1,603	19,722
Prepaid expenses	27,946	41,313
Total current assets	6,175,312	4,425,610
Investments:		
Cash and cash equivalents	4,291,541	3,814,674
U.S. Government and agency securities	8,810,145	13,151,125
Equity securities	127,137,566	98,541,460
Corporate debt securities	18,052,260	18,399,968
Securitized debt instruments	15,499,763	12,954,663
Mutual funds	80,859,605	66,359,885
Total investments	254,650,880	213,221,775
Property and equipment:		
Leasehold improvements	736,391	736,391
Furnishings and fixtures	230,859	230,178
Equipment	105,244	104,591
Total property and equipment	1,072,494	1,071,160
Less accumulated depreciation	1,060,091	1,050,957
Net property and equipment	12,403	20,203
Total assets	\$ 260,838,595	\$ 217,667,588
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 152,346	\$ 122,199
Pension contribution payable	41,914	34,275
Excise tax payable	42,000	78,000
Grants payable	342,265	217,414
Total current liabilities	578,525	451,888
Grants payable, long-term	—	476,680
Unrestricted net assets	260,260,070	216,739,020
Total liabilities and net assets	\$ 260,838,595	\$ 217,667,588

See accompanying notes to financial statements.

Statements of Activities

	Year ended December 31	
	2013	2012
Revenues and gains		
Interest	\$ 1,366,198	\$ 1,458,659
Dividends	3,247,239	3,303,937
Net realized and unrealized gains on investments	49,855,762	27,505,215
Other income	38,215	47,932
Total revenues and gains	54,507,414	32,315,743
Expenses		
Grants	8,531,198	8,828,054
Investment management fees	981,645	941,526
Other professional services	356,915	319,063
Administrative and general expenses	848,556	852,269
Depreciation	9,134	11,512
Excise tax	258,916	574,771
Total expenses	10,986,364	11,527,195
Change in net assets	43,521,050	20,788,548
Net assets, beginning of year	216,739,020	195,950,472
Net assets, end of year	\$ 260,260,070	\$ 216,739,020

See accompanying notes to financial statements.

Statements of Cash Flows

	Year ended December 31	
	2013	2012
Operating activities		
Change in net assets	\$ 43,521,050	\$ 20,788,548
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	9,134	11,512
Net realized and unrealized gains on investments	(49,855,762)	(27,505,215)
Present value discount on grants payable	—	(33,678)
Changes in operating assets and liabilities:		
Investment income receivable	(243,860)	109,496
Other receivables	18,119	(17,812)
Prepaid expenses	13,367	22,329
Accounts payable	30,147	(26,314)
Other current liabilities	(28,361)	51,717
Grants payable	(351,829)	373,395
Total adjustments	(50,409,045)	(27,014,570)
Net cash used in operating activities	(6,887,995)	(6,226,022)
Investing activities		
Purchases of investments	(111,909,857)	(149,327,869)
Proceeds from sales of investments	120,336,514	156,505,433
Equipment expenditures	(1,334)	(3,354)
Net cash provided by investing activities	8,425,323	7,174,210
Net increase in cash and cash equivalents	1,537,328	948,188
Cash and cash equivalents, beginning of year	4,022,343	3,074,155
Cash and cash equivalents, end of year	\$ 5,559,671	\$ 4,022,343

See accompanying notes to financial statements.

Notes to Financial Statements

DECEMBER 31, 2013

Note A — Summary of Significant Accounting Policies

Purpose of Foundation

The Irving S. Gilmore Foundation (the Foundation) was established to administer the assets received from the estate of Irving S. Gilmore. The Foundation's mission is to support and enrich the cultural, social and economic life of Greater Kalamazoo.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, which includes recognition of dividends and interest as earned and expenses as incurred.

Use of Estimates

Management uses estimates and assumptions in preparing the Foundation's financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments of the Foundation are maintained with outside investment management companies. Investments are stated at their fair values. Fair values are determined by reference to quoted prices in active markets for identical assets, which is Level 1 of the fair value hierarchy established under the accounting standard for fair value measurements. Realized gains and losses are computed using the specific identification method. Unrealized gains and losses are included in the change in net assets.

In accordance with Internal Revenue Service regulations, the Foundation is generally required to distribute at least 5% of its investable assets each year. After considering the long-term expected return on its investment assets and the possible effect of inflation, the Foundation's Board of Trustees has established a policy of spending 5% of investable assets annually.

The Foundation's investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Funds are invested in a well diversified asset mix, which includes primarily equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds if possible. Investment risk is measured in terms of the total investment portfolio; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. It is the Foundation's policy that no more than 8% of the total stock portfolio may be invested in the common stock of any one corporation. Not more than 10% of the outstanding shares of any one company may be held. With the

Notes to Financial Statements (continued)

DECEMBER 31, 2013

exception of securities issued by the U.S. Government and its agencies, no single fixed income issue should represent more than 5% of the total fixed income portfolio. Not more than 5% of any individual issue may be held.

Fair Value

The carrying amounts reflected in the statements of financial position for cash, receivables and payables approximate the respective fair values due to the short-term nature of those instruments.

Property, Equipment and Depreciation

Property and equipment are stated at cost. Purchases in excess of \$1,000 are capitalized. Depreciation is recognized over the estimated useful lives of the assets on a straight-line basis.

Tax Status

The Internal Revenue Service has determined that the Foundation is a private non-operating foundation which is exempt from income tax under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code.

Subsequent Events

Subsequent events were evaluated through March 28, 2014, which is the date the financial statements were available to be issued.

Notes to Financial Statements (continued)

DECEMBER 31, 2013

Note B — Investment Securities

The following is a summary of investment securities at December 31:

	2013			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash and cash equivalents	\$ 4,291,541	\$ —	\$ —	\$ 4,291,541
U.S. Government and agency securities	9,111,332	46,594	347,781	8,810,145
Equity securities	78,673,721	49,883,022	1,419,177	127,137,566
Corporate debt securities	17,635,699	777,444	360,883	18,052,260
Securitized debt instruments	15,778,321	102,302	380,860	15,499,763
Mutual funds	67,891,325	13,088,803	120,523	80,859,605
Total	\$ 193,381,939	\$ 63,898,165	\$ 2,629,224	\$ 254,650,880

	2012			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash and cash equivalents	\$ 3,814,674	\$ —	\$ —	\$ 3,814,674
U.S. Government and agency securities	12,665,574	534,141	48,590	13,151,125
Equity securities	76,436,090	27,149,116	5,043,746	98,541,460
Corporate debt securities	16,680,477	1,737,207	17,716	18,399,968
Securitized debt instruments	12,606,281	378,346	29,964	12,954,663
Mutual funds	70,084,218	473,502	4,197,835	66,359,885
Total	\$ 192,287,314	\$ 30,272,312	\$ 9,337,851	\$ 213,221,775

Notes to Financial Statements (continued)

DECEMBER 31, 2013

Note C — Grants

Grants payable are summarized as follows:

	2013	2012
Payable in less than one year	\$ 342,265	\$ 217,414
Payable in one year to five years	—	519,981
Total grants payable	342,265	737,395
Less discount to net present value	—	43,301
Net grants payable	\$ 342,265	\$ 694,094

Grants payable in more than one year were discounted at 3% per annum for 2012.

Cash paid for grants totaled \$8,926,328 in 2013 and \$8,488,337 in 2012.

The Foundation periodically makes conditional grants to donees (i.e., matching and challenge grants). These grants are not recorded as a liability until all grant conditions have been met by the donee. Several conditional grants to various donees totaling \$45,000 were outstanding at December 31, 2013.

Note D — Leases

The Foundation leases its office facilities under a non-cancelable operating lease that expires in September 2016. The first office facilities lease renewal option was exercised in 2011. The lease contains two additional renewal options for five year terms each. Rent expense for the lease totaled \$56,200 in 2013 and \$55,600 in 2012.

Future minimum lease payments under the operating lease as of December 31, 2013 are as follows:

2014	\$ 56,400
2015	56,400
2016	42,300
Total	\$ 155,100

Notes to Financial Statements (continued)

DECEMBER 31, 2013

Note E — Retirement Plan

The Foundation has a non-contributory qualified defined contribution retirement plan covering substantially all employees. The Foundation makes a contribution to the plan each year of at least 5% of participants' compensation, as defined. Total contributions to the plan were \$41,914 in 2013 and \$34,275 in 2012.

Note F — Excise Taxes

The Foundation is exempt from federal income taxes and is classified as a private foundation under Section 501 of the Internal Revenue Code (IRC). It is subject to a 2% (1% if certain criteria are met) federal excise tax on net investment income, including realized gains, as defined by the IRC.

The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation's Forms 990-PF, Federal Return of Private Foundation, for 2010, 2011 and 2012 are subject to examination by the IRS, generally for three years after they were filed.

2013 Trustees and Staff

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President



Judith H. Moore
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Russell L. Gabier
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Robert M. Beam
Secretary
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Faye A. Drenth-Thurman
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Assistant

History of Trustee Service

Harold Jacobson

September 1972 – October 1976

Arthur Homer

September 1972 – October 1982

Richard M. Hughey, Sr.

September 1972 – July 2012

Harold H. Holland

October 1976 – July 1999

Floyd L. Parks

October 1982 – Present

W. Jack Keiser

January 1986 – October 1990

Russell L. Gabier

November 1989 –
December 2013 (Emeritus)

Frederick W. Freund

September 1999 – June 2007

Charles D. Wattles

January 2006 – Present

Howard D. Kalleward

October 2007 – October 2012
(Emeritus)

Robert T. McDonough

October 2007 – July 2009

Judith H. Moore

April 2010 – Present

Ronald N. Kilgore

October 2012 – Present

Robert M. Beam

September 2013 – Present

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Russell Gabier served the Foundation in varying capacities from 1986 to 2013. The Trustees and staff of the Irving S. Gilmore Foundation are thankful for his many years of dedicated service, both to the Foundation and to the community, and are grateful for his contributions of wisdom, insight and humor.

Irving S. Gilmore Foundation

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