



Continuing a
LEGACY
of Community Giving



Annual Report

2014

A LETTER FROM THE PRESIDENT

Dear Friends,

How quickly life goes by! In 2014, Permian Basin Area Foundation celebrated a quarter-century as this region's community foundation. Since its inception in 1989, the Foundation's assets have grown to more than \$120 million in 278 endowment funds. Grants from these funds in 2014 exceeded \$10 million for nonprofit organizations and worthy causes including scholarships, bringing the Foundation's 25-year cumulative distributions to \$60.1 million.

As a community foundation, Permian Basin Area Foundation strives to serve a multitude of donors from all walks of life at various economic levels and with widely-diverse charitable interests. Together, the Foundation and its donors join with countless nonprofit organizations to accomplish the important work that contributes to the quality of life of our West Texas neighbors.

Permian Basin Area Foundation offers simple and flexible solutions in creating and supporting charitable funds including family or corporate funds that are donor-advised, as well as field-of-interest, agency, scholarship, and designated or undesignated funds. Our staff works closely with professional advisors including lawyers, accountants, and financial advisors to achieve donors' philanthropic goals.

As Permian Basin Area Foundation celebrates a quarter-century of service to West Texas communities, we set our sights on the future, mindful of the rich heritage created by the generosity and kindness of a multitude of donors. Please consider joining us in **continuing this legacy of community giving** —

Sincerely,



Guy McCrary
President and CEO



Guy McCrary, President & CEO

Permian Basin Area Foundation welcomes contributions and planned gifts:

Cash or receivable income • Securities, such as stocks and bonds
Retirement accounts • Real estate • Oil and gas interests
Life insurance • Charitable trusts

**Certain non-traditional assets may be conveyed to the Foundation's
supporting organization West Texas Heritage Holdings, Inc.**



*Judy Canon, Marie Hall
and Mike Canon*



*Laurie Johnson, Steve
and Susan Barron*



*John and D'Ann
Norwood*



*Trey and
Barbra Grafa*



*Carolyn and Toby Tripp,
Tracy Elms and Jack Swallow*



*Rodney Robinson and
Cathy Eastham*



*Scott and Gretchen Davis
and Fred Westmoreland*



Jim Alsup and Alan Hale

Founding Donors to the Anniversary Endowment:

Nancy Anguish

Earlene and Bob Barnes

Chevron

Jane and Tracy Clark

Sigrid and Richard Coats

Linda Cowden

Annette and Tim Culp

Ellie and Bob Davenport

Frank Deaderick

Lupe and Randy Decker

Julie and Larry Edgerton

Tracy K. Elms

Sondra and Toby Eoff

Marion and Tim Goudeau

Debbie and Steve Gray

F. Marie Hall

Patty and Tevis Herd

Amy and Cal Hendrick

Deanna and Ryan Hoerauf

Mary B. Kennedy

The William D. Kleine Family

Donna and Bob Landreth

Amy and Tim Leach

Pam and Bob Leibrock

Jane and Guy McCrary

Jan and Dick McMillan

Mark Nicholas

Odessa Regional Medical
Center

Lisa and Barry Petty

Kenda and Dean Prather

Reliance Energy, Inc.

Vicki and Bob Rice

Cathy Eastham and Rodney
Robinson

Salehi Family Foundation

Scharbauer Foundation

Jimmy Stallings

Carolyn Stone

Cyndi and Alex Vara

Warren Equipment Company

The Yarborough Foundation

Event Sponsors:

Blonkvist Investment Group/
RBC Wealth Management

Community National Bank

Concho Resources

Cotton Bledsoe Tighe &
Dawson

CVA Advertising &
Marketing, LTD

Grafa Family Foundation

Odessa Pumps

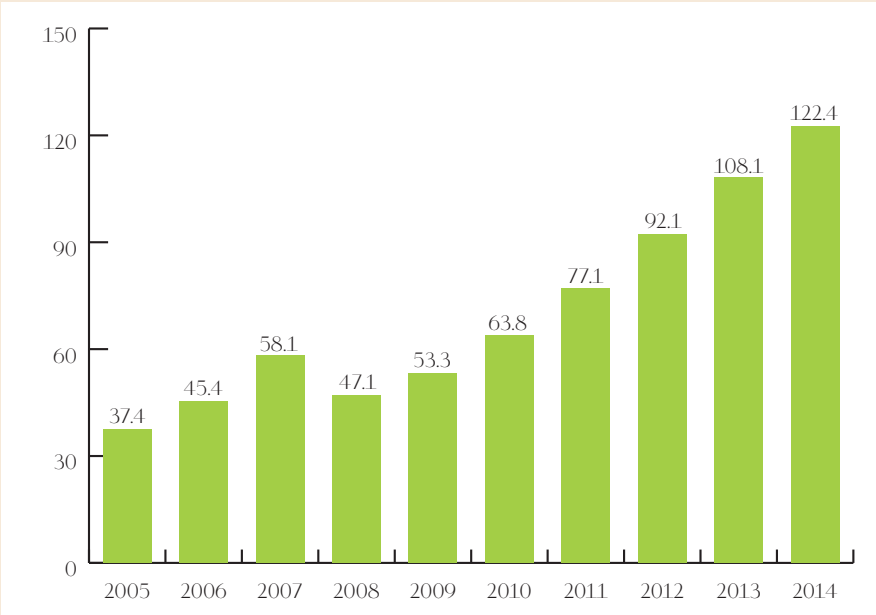
Odessa Regional Medical
Center

UBS Financial Services

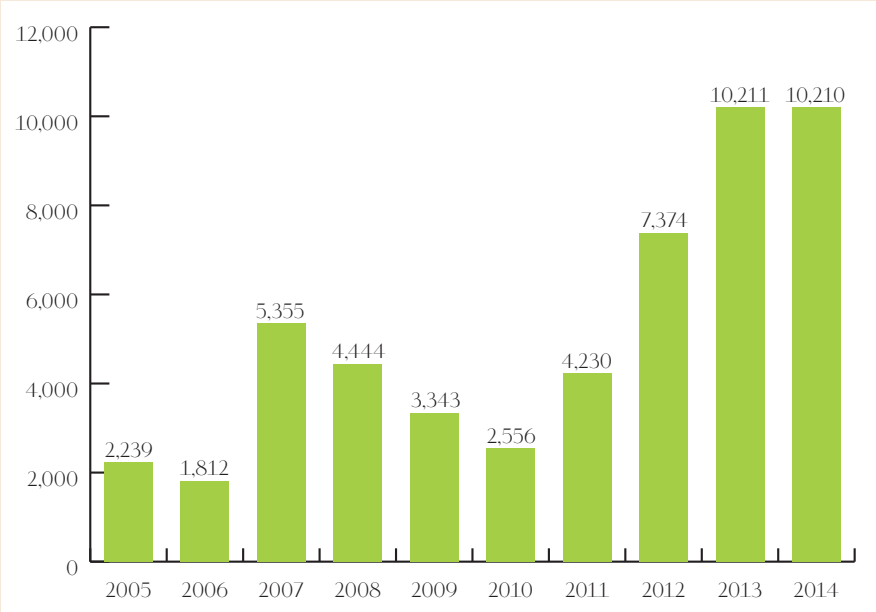
Wells Fargo

LEGACY

Assets (millions)



Grants, Scholarships and Distributions (thousands)



2014 – CELEBRATING 25 YEARS OF COMMUNITY GIVING



Toast to 25 years of community giving

Permian Basin Area Foundation celebrated 25 years of community giving in 2014. More than 200 donors, civic leaders, and friends of the Foundation attended its 25th Anniversary Reception on November 6th at Petroleum Club of Midland to mark this significant milestone.

With assets exceeding \$122 million at year-end 2014, the Foundation has awarded more than \$60 million in grants and scholarships since 1989. On behalf of the Board of Governors and staff, Guy McCrary gratefully acknowledged the generosity of donors and the good work of area nonprofits. As part of the evening’s festivities, the Foundation announced the establishment of the Anniversary Endowment, which will provide perpetual grantmaking to communities in its West Texas service area.



Julie and Pat Canty



*Carolyn Stone, Jimmy Stallings
and Sandy Louder*



*Tevis and Patty Herd, Julie and
Larry Edgerton*



*Mayor Jerry Morales, LaDoyce and
Gloria Lambert*



Carla and Roy Smith



Stacey Gerig and Lorraine Perryman

FINANCIAL HIGHLIGHTS

Consolidated Statements of Financial Position

ASSETS	2014	2013
Cash and Cash Equivalents	\$3,447,404	\$2,953,907
Bequests Receivable	2,273,420	2,274,089
Beneficial Interest in Remainder Trust	1,629,754	1,579,004
Beneficial Interest in Lead Trust	1,084,738	1,084,738
Investments	101,519,226	93,109,646
Oil and Gas Royalties	12,076,840	6,849,712
Mineral Classified Properties	60,240	60,240
Limited Partnership Interest	34,950	34,950
Total Other Assets	314,162	192,177
TOTAL ASSETS	\$122,440,734	\$108,138,463
Grants and Scholarships Payable	\$385,022	\$92,525
Funds Held for Agencies	16,271,288	14,699,726
TOTAL LIABILITIES	16,656,310	14,792,251
Unrestricted Net Assets	92,793,496	80,300,338
Temporarily Restricted Net Assets	10,944,423	10,999,364
Permanently Restricted Net Assets	2,046,505	2,046,510
TOTAL NET ASSETS	105,784,424	93,346,212
TOTAL LIABILITIES AND NET ASSETS	\$122,440,734	\$108,138,463

Summarized Consolidated Statements of Activities

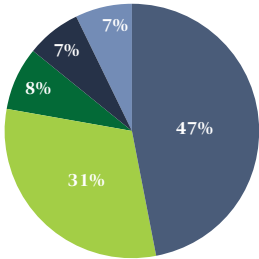
	2014	2013
Contributions	\$10,521,919	\$8,800,847
Less amounts received for agencies	(1,869,841)	(649,740)
Investment Income, net of agency transactions	1,880,665	1,427,101
Net Investment Gains (Losses), net of agency transactions	1,647,547	10,352,620
Royalty Income	6,215,176	2,640,193
Change in Values of Royalties, Trusts and Bequests	5,139,128	2,507,756
Other Income	105,345	228,675
TOTAL REVENUES, GAINS AND SUPPORT	23,639,939	25,307,452
Grants and Scholarships	10,210,187	10,210,876
Less amounts granted to agencies	(568,272)	(468,866)
Program Services	196,725	573,678
Fundraising	215,858	141,151
General and Administrative Expenses, net	1,117,338	810,677
Other Expenses	29,891	34,927
INCREASE IN NET ASSETS	\$12,438,212	\$14,005,009

Financial information on this page has been summarized from the audited financial statements of Permian Basin Area Foundation.

Auditors Report: Permian Basin Area Foundation financial statements for the years ended December 31, 2014 and 2013 were audited by Johnson & Sheldon, PC of Amarillo, Texas, an independent public accounting firm. Copies of the audited financial statements are available upon request at the Foundation offices.

2014 GRANTS AND SCHOLARSHIPS

Permian Basin Area Foundation supports a broad range of programs and educational opportunities to improve the quality of life for West Texans. In 2014, the Foundation and its donors invested over \$10 million in local communities through grants to nonprofits and scholarships to students. These grants were made possible through recommendations of donors (donor-advised funds) and allocations from designated and undesignated funds including the Foundation's semi-annual competitive grants process.



Competitive Grants and Scholarship Allocations

- Human Services
- Education & Youth Programs
- Health
- Housing & Community Development
- Culture & the Arts

Today, more than 80 Foundation scholarship funds help ensure that deserving young men and women have the resources necessary to pursue their academic goals. At its 18th Annual Scholarship Dinner in July 2014, the Foundation announced scholarship awards totaling \$429,232 for the upcoming 2014-2015 academic year.

To learn more about competitive grants and scholarships, visit www.pbaf.org or call Kenda Prather, grants and administration, or Vicki Rice, scholarships and donor relations, at 432.617.3213.

Board of Governors 2014

Michael Canon
Chairman

Trey Grafa
Vice Chairman

Mark Nicholas
Secretary

Stacey Gerig
Treasurer

Larry Edgerton
Immediate Past Chairman

Kathy Clark

Cathy Eastham

Cal Hendrick

Patty Herd

Scott Kidwell

Jerry Morales

Carolyn Stone

2015 Member Elect

Sandy Louder

Foundation Staff

Guy McCrary
President & CEO

Cyndi Vara, CPA
Controller

Vicki Rice
Scholarships & Donor Relations

Kenda Prather
Grants & Administration

Cari Whitaker
Finance & Accounting Associate

Angeles Foster
Scholarships Administrator

Meagan Harris
Office Administrator



Permian Basin Area Foundation facilitates the creation of permanent charitable funds in partnership with many donors and provides grants to address community needs and enrich the quality of life in the Permian Basin.