Library Endowment Fund Options: Pros & Cons

	COMMUNITY FOUNDATION				
	HCF	JCF	Non-Endowed Fund	FHL Endowment	Status Quo
PROS	- Local - FHL and City of Homer are already invested - Moderate returns - Low initial minimum investment - Low administration fees - Accredited by National Standards for Community Foundations - Endorsed by ACF, JCF	- Strong track record - Moderate returns - Insured	- Principal remains under the control of the Board - Preserves freedom of action, should the Board later decide to convert to an endowment	- System already exists	- System already exists
CONS	- Past track record - Uninsured	- Distant foundation - High minimum initial investment - High administration fees - Not accredited by National Standards for Community Foundations - Recommends HCF	- Fees are higher - Converting to an endowment requires going through the ordinance process again - Donors do not have the same confidence their donations will be secure indefinitely	- FHL has already indicated they would prefer not to take on core library functions - Monies deposited in the account are not controlled by the City	- Low returns - No mechanism for donor recognition