

Henry George Foundation of America

580 N. Sixth Street, Indiana, Pa. 15701 • 412-465-7119

September 1981

Dear Trustees and Special Friends of the Foundation:

Twice a year I write a letter to you people, informing you about our organization's latest activities and plans. Your input is invited.

Enclosed you will find our annual financial statement and list of assets; also the financial statement of our sister organization, the Center for the Study of Economics. You will note that our stock investments, particularly the mutual funds, kept ahead of inflation when both capital gains and dividends are considered. Next year, however, our fixed expenses can be expected to climb significantly - in fact, already they're running well ahead of last year.

A word about CSE: it has received the coveted I.R.S. status of 501(c)3, which has enabled us to obtain an educational bulk rate mailing permit for Incentive Taxation and Equal Rights, both of which are now published by CSE. Also, Georgists can now leave bequests in their wills to CSE without having their bequests subjected to estate taxes. Now we are planning a brochure to apprise our members of this feature. The mailing will go out in Spring 1982 (our annual HGFA contribution mailing goes out in November). We have to increase our endowment in order to counter the effects of inflation upon us. In particular, we Trustees and Special Friends should think of the Center, when making or amending our own wills.

In this connection, we should mention the very handsome gift of about \$25,000 made to the Center by the Henry George School of New Jersey. It marks the beginning of our CSE Endowment Fund - a big beginning. Jack Tetley, the director of HGS/NJ, was instrumental in having this done and to him must go our heartfelt thanks.

Len Huckabone will be manning our Exhibit Booth at the forthcoming National League of Cities Convention in Detroit. We will be preparing tape cassettes on various topics for use at the booth (i.e., "How Will Farmers Be Affected?," "Why Single Out Landowners for Taxation?," etc.). We will also have a slide show to present; and both cassettes and slides could be made available to HGFA members as audio-visual aids for speeches.

Your organization has just published Dan Sullivan's "Pittsburgh's Land Value Tax," a 16-page illustrated sales brochure which has been well received by Georgists and non-Georgist prospects alike. We enclose a copy - enjoy reading it and use it to illustrate the points you make to non-Georgist politicians or other prospects. Additional copies are available to you people at the cost of 50¢ a copy.

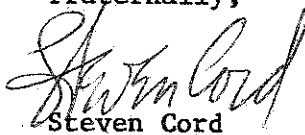
It is too early to say whether this year we'll be getting new cities to adopt a higher tax rate on land. They make their tax rate decisions in December. Suffice it to say that we have a number of hot prospects on line.

We are planning a major advertising campaign for this coming year, finances willing. We'll know better where we stand after November, but right now we're preparing spot radio ads to be used in cities actively considering our proposal. We also plan to run a series of display ads in Challenge, "The Magazine of Economic Affairs." This campaign received a big boost with a \$5,000 grant from the Schalkenbach Foundation to CSE. HGFA Trustee Jack Kelly of Scranton helped greatly in obtaining this grant.

Thus ends my semi-annual report. This is usually a quiet time of the year at the Foundation, but you see we have managed to keep quite busy anyway.

As usual, I wish my best to each of you and welcome your advice on Foundation matters.

Fraternally,

A handwritten signature in cursive script, appearing to read "Steven Cord".

Steven Cord

HGFA CHECKBOOK
STATEMENT OF REVENUE & EXPENDITURES
7/1/80 - 6/30/81

Checkbook Balance (7/1/80)	\$ 2,896.23	
Petty Cash Carryover (7/1/80)	<u>100.82</u>	
	\$ 2,997.05	----- \$ 2,997.05

REVENUES

Contributions	\$ 6,550.96	
Dividends Received	6,638.59	
Book Income	<u>1,071.81</u>	
	\$14,261.36	----- 14,261.36
		\$ 17,258.41

EXPENSES

Administrative Overhead	\$ 2,178.90	
Wages	3,239.73	
Taxes	394.87	
Contracted Services	586.34	
Contributions to C.G.O.	100.00	
Grants	1,461.39	
Western Pa. Expenses	728.12	
Book	31.63	
CSE	2,734.17	
Convention Booths	1,056.45	
Equal Rights	578.90	
Educational Activities	<u>435.42</u>	
	\$13,525.92	----- -13,525.92
		\$ 3,732.49

ENDOWMENT CHANGES

Sale of Stock	\$ 4,124.08	
Purchase of Stock	<u>-6,000.00</u>	
	\$-1,875.92	----- -1,875.92
Checkbook Balance (6/30/81)	\$ 1,691.25	
Petty Cash Carryover (6/30/81)	<u>165.32</u>	
	\$ 1,856.57	----- \$ 1,856.57

NOTE: We also had \$1,563.46 in dividends which were reinvested in our Mutual Money Market Funds in an effort to offset the effect of inflation. These funds were therefore not available to cover expenditures.

HCFA

Statement of Assets as of 6/30/81

Oppenheimer AIM	\$ 0.00
Oppenheimer Money Market (6/19/81	25,297.81
Pennsylvania Mutual Fund (5/7/81)	5.56
Scudder Investment Trust (6/24/81)	16,330.48
Vanguard-Windsor (4/27/81)	5.40
Vanguard-Explorer (5/7/81	755.00
Vanguard Money Mgmt. Trust (5/7/81)	25,507.18
Alcoa (\$3.75 pfd. 40sh. x \$29.75)	1,190.00
Texas Utilities (926 sh. x 20.375)	18,867.25
Black & Decker (1404 sh. x 19)	26,676.00
Duquesne (9.5% - 2005)	3,270.00
Wilcox #1 Trust (as of 12/31/80)	8,159.00
Wilcox, L Trust (as of 12/31/80)	7,983.00
Catalyst! Inventory (@\$4/copy)	2,640.00
P&P Author's Edition	400.00
Checking Account Balance	1,691.25
Petty Cash	<u>165.32</u>
	\$138,943.25

CONSOLIDATED BALANCE SHEET
INCENTIVE TAXATION - CENTER FOR THE STUDY OF ECONOMICS
7/1/80 - 6/30/81

IT Checkbook Balance, 7/1/80	\$ 153.88	
IT Petty Cash, 7/1/80	4.30	
CSE Checkbook Balance, 7/1/80	0.00	
CSE Petty Cash, 7/1/80	0.00	
	<u>\$ 158.18</u>	-----\$ 158.18

INCOME

IT Subscriptions & Contributions	\$5,805.67	
Fairhope Subscriptions	1,770.88	
CSE Contributions	425.00	
BEE Grants	2,500.00	
HGFA Grants	2,500.00	
	<u>\$13,001.55</u>	----- 13,001.55
<u>ENDOWMENT CONTRIBUTION</u>	24,409.00	----- 24,409.00
<u>BOOKKEEPING ADJUSTMENT*</u>	385.17	----- 385.17
		<u>\$37,953.90</u>

EXPENSES

Administration	\$ 657.58	
Wages	1,453.90	
Wage Taxes	46.84	
Contracted Services	1,021.50	
Phone	33.76	
Postage & Mailing	3,742.15	
Printing - IT	4,942.39	
Printing - ER	542.90	
	<u>\$12,441.02</u>	----- -12,441.02

IT Checkbook Balance, 6/30/81	685.24	
IT Petty Cash, 6/30/81	45.65	
CSE Checkbook Balance, 6/30/81	98.39	
CSE Petty Cash, 6/30/81	123.44	
CSE Post Office Balance	151.16	
CSE Assets on Hand	24,409.00	
	<u>\$25,512.88</u>	----- <u>\$25,512.88</u>

* Constitutes non-attributable deductions from income (\$460) minus net petty cash transfers (\$75.82) minus bank error not in our favor (\$1.01).