



®

2010 Annual Report



EXECUTIVE SUMMARY

Evansville Goodwill Industries, Inc. celebrated our 75th Anniversary in 2010. In 1935, approximately 19 individuals worked for Goodwill compared to the over 300 employees that currently work for our company. Wonder what our founders would think of us now?



March 4, 2010 - Walter G. Koch II, President/CEO of Evansville Goodwill Industries, Inc. cuts the ribbon at the Grand Opening of our new Princeton, IN store.

Goodwill originated in a single building on First Street in downtown Evansville. Today, we have three divisions (Evansville, Vincennes and Owensboro) serving 28 counties within the tri-state area, operating 15 stores and seven employment services offices. In March, our Princeton, IN and Mt. Carmel, IL stores merged and relocated to a new 12,000 square foot building in Princeton. Overall, we realized store and recycling sales of \$7,788,830 in 2010, a far cry from our humble beginnings when store and recycling sales were \$7,782.

When Goodwill opened in 1935, our mission was to collect donations from the community and employ people who were disabled and/or disadvantaged to refurbish, sort, price and sell the donated goods at our own facility. Seventy-five years later, our mission has grown to include helping people find jobs in their communities as well as our facilities and providing safe shelter and supportive services to homeless families.

In 2010, nearly 300 tri-state individuals sought to improve their lives by participating in our Employment Services program. Despite these uncertain economic times, 137 people found employment paying an average of \$8.65 per hour for a 32 hour work week. Over the past year, 17 families worked hard to improve their family's quality of life at the Goodwill Family Center. We are especially proud that three of the seven families who moved into permanent housing after residing at the Goodwill Family Center in 2010 left as homeowners!

Although 75 years have passed and our operations and programs have greatly expanded, our mission remains the same: helping people who are disabled or disadvantaged develop skills that will help them become contributing members of society. As always, our passion and our inspiration is our mission. Now onto the future!



Betty Hermann, Evansville Goodwill Industries, Inc. Board of Directors Chairman, at the Princeton Store Grand Opening.

Handwritten signature of Walter G. Koch II in black ink.

Walter G. Koch
President/CEO

Handwritten signature of Betty Hermann in black ink.

Betty Hermann
Chairman, Board of Directors



COMMUNITY IMPACT - EMPLOYMENT SERVICES

Darrell's Story

In 2009, Darrell Hughes became a participant in Evansville Goodwill's Access to Recovery (ATR) program. At the time, he was participating in the Vanderburgh County Drug Court, a program of intense supervision for people with substance abuse disorders recently released from prison. The WORK Solutions staff suggested resources and made referrals to many local social services agencies for Darrell, and provided him with bus tokens, job readiness and job search activities, and monthly case management meetings.



Darrell graduated from Drug Court on August 24, 2010 and completed the ATR program in December of 2010. He obtained employment at a local auto parts business and is beginning to think about getting his GED diploma and even possibly furthering his education. Darrell is committed to his recovery from addiction and remains in touch with Goodwill.

“My life was never a cakewalk. I went through some things to get where I’m at today and based on where I’m at today, I can handle just about anything.”

Employment Services Accomplishments

| | <u>2010</u> | <u>2009</u> |
|--|-------------|-------------|
| - Number of people served in all programs | 814 | 895 |
| - Number of people receiving Case Management services | 284 | 419 |
| - Number of people receiving Assessment and/or Employment services | 530 | 476 |
| - Number of people placed in competitive employment | 137 | 134 |
| - Average hourly wage for Goodwill clients who were placed in employment | \$8.65 | \$7.95 |
| - Average number of hours Goodwill clients who were placed into employment worked per week | 32 | 30 |



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2010 and 2009

| | <u>2010</u> | <u>2009</u> |
|---|-----------------------------|-----------------------------|
| Assets | | |
| Cash and Cash Equivalents | \$ 634,402 | \$ 584,991 |
| Accounts Receivable | 59,438 | 169,488 |
| Inventory | 884,305 | 782,131 |
| Grant Reimbursements Receivable | 18,275 | 158,589 |
| Beneficial Interest in Trusts | 213,908 | 198,570 |
| Bequest receivable | 943 | 200 |
| Investments | 4,598,427 | 4,324,169 |
| Assets Held for Sale | 16,194 | - |
| Property and Equipment, Net of Accumulated Depreciation and Amortization | 9,683,503 | 9,914,177 |
| Other | <u>96,554</u> | <u>89,360</u> |
| Total Assets | <u>\$ 16,205,949</u> | <u>\$ 16,221,675</u> |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accounts Payable | \$ 98,475 | \$ 657,233 |
| Accrued Payroll and Payroll Taxes | 414,911 | 373,780 |
| Interest Rate Swap Agreements | 146,416 | 128,721 |
| Deferred Compensation | 391,568 | 503,571 |
| Long-Term Debt | <u>1,849,942</u> | <u>1,948,485</u> |
| Total Liabilities | <u>2,901,312</u> | <u>3,611,790</u> |
| Net Assets | | |
| Unrestricted | 13,090,729 | 12,411,315 |
| Permanently Restricted | <u>213,908</u> | <u>198,570</u> |
| Total Net Assets | <u>13,304,637</u> | <u>12,609,885</u> |
| Total Liabilities and Net Assets | <u>\$ 16,205,949</u> | <u>\$ 16,221,675</u> |



Vanderburgh County Sheriff's Office Coat Distribution at the Goodwill Family Center



CONSOLIDATED STATEMENTS OF ACTIVITIES

Years Ended December 31, 2010 and 2009

| | 2010 | | | 2009 | | |
|---|----------------------|------------------------|----------------------|----------------------|------------------------|----------------------|
| | Unrestricted | Permanently Restricted | Total | Unrestricted | Permanently Restricted | Total |
| Revenues, Gains and Other Support | | | | | | |
| Public Support - Direct Contributions and Bequests | \$ 42,691 | \$ - | \$ 42,691 | \$ 76,607 | \$ 177,864 | \$ 254,471 |
| Indirect Contributions - United Way | 35,990 | - | 35,990 | 40,065 | - | 40,065 |
| Rehabilitation - Fees and Grants | 755,319 | - | 755,319 | 874,993 | - | 874,993 |
| Grant Revenue | 251,217 | - | 251,217 | 899,382 | - | 899,382 |
| Change in Beneficial Interest in Perpetual Trusts | - | 15,338 | 15,338 | - | 20,706 | 20,706 |
| Store Sales | 6,845,027 | - | 6,845,027 | 6,672,203 | - | 6,672,203 |
| Recycling Sales | 943,803 | - | 943,803 | 630,124 | - | 630,124 |
| Community Contracts | 52,350 | - | 52,350 | 103,148 | - | 103,148 |
| Fundraising | 141,215 | - | 141,215 | 138,731 | - | 138,731 |
| Investment Return | 165,162 | - | 165,162 | 330,954 | - | 330,954 |
| Other Revenue | 281,245 | - | 281,245 | 265,542 | - | 265,542 |
| Change in Fair Value of Interest Rate Swap Agreements | (17,695) | - | (17,695) | 87,649 | - | 87,649 |
| Total Revenue, Gains and Other Support | 9,496,324 | 15,338 | 9,511,662 | 10,119,398 | 198,570 | 10,317,968 |
| Expenses and Losses | | | | | | |
| Program Services | | | | | | |
| Donated Goods | 5,928,752 | - | 5,928,752 | 5,441,849 | - | 5,441,849 |
| Facility-Based Contracts | 73,456 | - | 73,456 | 125,126 | - | 125,126 |
| Rehabilitation Services | 704,870 | - | 704,870 | 764,940 | - | 764,940 |
| Housing and Occupancy | 518,170 | - | 518,170 | 541,184 | - | 541,184 |
| Transitional Housing | 452,083 | - | 452,083 | 427,842 | - | 427,842 |
| Total Program Services | 7,677,331 | - | 7,677,331 | 7,300,941 | - | 7,300,941 |
| Management and General | 989,442 | - | 989,442 | 961,678 | - | 961,678 |
| Payments to National Organizations | 85,938 | - | 85,938 | 84,802 | - | 84,802 |
| Fundraising | 64,199 | - | 64,199 | 59,744 | - | 59,744 |
| Total Expenses and Losses | 8,816,910 | - | 8,816,910 | 8,407,165 | - | 8,407,165 |
| Change in Net Assets | 679,414 | 15,338 | 694,752 | 1,712,233 | 198,570 | 1,910,803 |
| Net Assets, Beginning of Year | 12,411,315 | 198,570 | 12,609,885 | 0,699,082 | - | 10,699,082 |
| Net Assets, End of Year | \$ 13,090,729 | \$ 213,908 | \$ 13,304,637 | \$ 12,411,315 | \$ 198,570 | \$ 12,609,885 |



ALCOA Workers Sprucing up the Goodwill Family Center



COMMUNITY IMPACT - THE GOODWILL FAMILY CENTER

Linda's Story



Building a life is a journey. We start by learning to take care of our personal needs and go on to become educated and employed, start families, and slowly but surely build our lives. But what happens when all our careful preparations seem to fall apart and we no longer have a place to call home? Not too long ago, Linda needed to find a place to rebuild her life. She found it at the Goodwill Family Center. She had fled an abusive home with her son, Zackary, and needed to move out of state for her own safety. She found the Goodwill Family Center. "I felt safe there. I didn't have to be always looking over my shoulder." In addition to safe shelter and basic necessities, trained staff provided Linda the encouragement, assistance, advice and motivation she needed in her journey towards independence.

Fast forward to 2010. Linda's journey has reached a new destination and the future is looking good. She and Zackary are the proud owners of a brand new three bedroom home which they helped build by partnering with Habitat for Humanity of Evansville. Their home life has stabilized, Linda has a full-time job, and now her most pressing need is to get Zackary to sleep in his own bed!

The Goodwill Family Center Accomplishments in 2010

| | 2010 | 2009 |
|--|------|------|
| - Number of families residing at the Goodwill Family Center | 17 | 19 |
| - Number of children residing at the Goodwill Family Center | 30 | 41 |
| - Percent of residents exiting the Goodwill Family Center who moved into permanent housing | 78% | 82% |
| - Percent of adults exiting the Goodwill Family Center who were employed | 88% | 69% |
| - Percent of residents exiting the Goodwill Family Center who increased their monthly income by at least \$101 per month | 75% | 69% |



Helping out the Easter Bunny at the Goodwill Family Center



STORES AND DONATION CENTERS

Retail & Operations Accomplishments in 2010

| | 2010 | 2009 |
|-----------------|-------------|-------------|
| Store Sales | \$6,845,027 | \$6,672,203 |
| Recycling Sales | \$943,803 | \$630,124 |

STORE/DONATION CENTER LOCATIONS

INDIANA

Evansville
500 S. Green River Road
1820 First Avenue
2201 S. Weinbach Avenue
4660 W. Lloyd Expressway

Boonville
320 W. Main Street

Vincennes
1540 Willow Street

Princeton
3215 W. Broadway

Jasper
201 U. S. Highway 231 South

Washington
900 W. National Highway

Tell City
15 East Highway 66

KENTUCKY

Owensboro
2916 W. Parrish Avenue

Henderson
1300 S. Green Street

Madisonville
101 Madison Square Drive

ILLINOIS

Mt. Vernon
920 S. 42nd Street

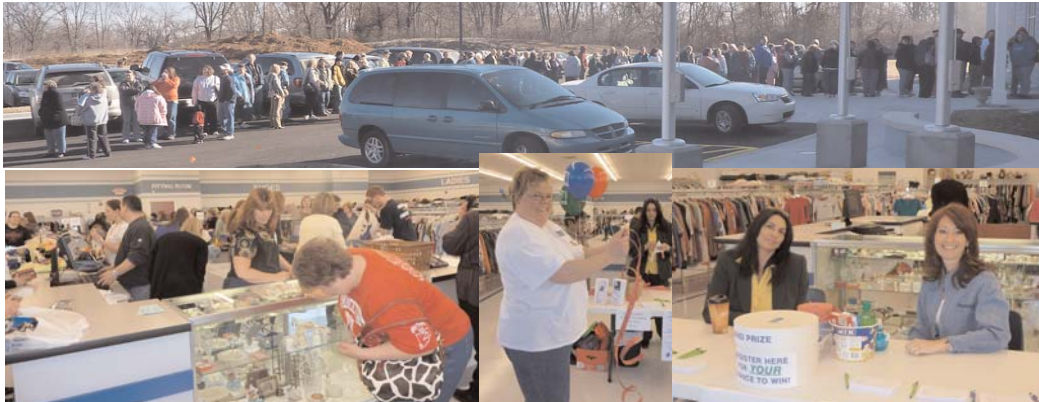
ON-LINE STORE

www.shopgoodwill.com

MOBILE COLLECTION CENTERS

Evansville
Northbrook Shopping Center

Newburgh
Bell Oaks Plaza



Princeton Store Grand Opening

Evansville Goodwill Industries, Inc. is accredited by CARF for Community Employment Services.

Evansville Goodwill Industries, Inc. is an equal opportunity employer and service provider and does not discriminate on the basis of race, color, national origin, disability, age, gender, religion, veteran status, or genetic information.

All donations are tax-deductible.

Federal ID #: 35-08686075



LEADERSHIP

MISSION STATEMENT

The mission of Evansville Goodwill Industries, Inc., a not-for-profit 501(c)(3) organization, is to provide quality vocational and developmental opportunities to people who are disabled and/or disadvantaged in order to enhance their full participation in society.

Evansville Goodwill Industries, Inc. Board of Directors

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Evansville Goodwill Industries Executive Staff

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Greg Hall, *Vice President of the Northern Division*

Mel Knapp, *Vice President of Sales*

Connie Ralph, *Vice President of Human Services*

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Kim Bassett, *Administrative Assistant*

